

BUDGET STATEMENT NUMBER 2

DEPARTMENTAL ESTIMATES

VOTE NUMBER 8

DEPARTMENT OF HOUSING

To be appropriated by Vote in 2004/05
Responsible MEC
Administering Department
Accounting Officer

R 551 885 000
Provincial Minister of Housing
Department of Housing
Head of Department, Housing

1. OVERVIEW

Core functions and responsibilities

The rendering of administrative support services to the line functions and the Provincial Minister.
The facilitation of affordable and acceptable housing.

Vision

Stable and empowered communities in integrated and sustainable residential environments.

Mission

To promote and facilitate the provision of adequate housing development and implement and maintain sound administration by:

- Enabling and empowering municipalities and communities.
- Communicating effectively and efficiently.

Main services

Ensure a filled establishment, equipped with the necessary resources, skills and knowledge, to successfully fulfill its tasks.

Provide approximately 20 000 housing opportunities.

Promote and facilitate the upgrading of informal settlements.

Facilitate sound relations between lessors and lessees.

Promote and facilitate quality settlements (rural and urban development).

Promote integrated housing development in association with sister departments.

Implement effective asset management policies.

Demands and changes in services

In light of the departmentalisation and significant changes in housing policy directives the department reviewed the organisational structure in order to effectively deal with the new environment as well as issues raised in recent Auditor-General reports and to improve service delivery. The implementation will remain a top priority of the department.

Conduct communication campaigns and information sessions to empower communities and municipalities as well as other stakeholders. There have been many significant policy changes that impacted directly on all role-players. The department will extensively communicate with beneficiaries to ensure a clear understanding of their rights and responsibilities in respect of housing.

Subsidies to disabled beneficiaries are not indicated separately, but additional amounts are made available to the disabled.

The shift towards People's Housing Process has gained tremendous momentum in the recent past which will have to be maintained.

Promote the integration of planning and development between the department, sister departments and municipalities to ensure functional human settlements.

The department will facilitate the acquisition of suitable, appropriately located land for housing by municipalities.

The disestablishment of the Wesern Cape housing development fund will put pressure on the equitable share of the department because the income (departmental receipts) derived from the Board's assets is not sufficient to maintain the assets.

Acts, rules and regulations

Basic Conditions of Employment Act, 1997 (Act 75 of 1997)
Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)
Constitution of the Western Cape, 1998 (Act 1 of 1998)
Division of Revenue Act (Annual)
Grootboom Constitutional Court judgment (2000)
Employment Equity Act, 1998 (Act 55 of 1998)
Labour Relations Act, 1995 (Act 66 of 1995)
Less Formal Township Establishment Act, 1991 (Act 113 of 1991)
National Housing Act, 1997 (Act 107 of 1997)
Occupational Health and Safety Act, 1993 (Act 85 of 1993)
Promotion of Access to Information Act, 2000 (Act 2 of 2000)
Public Finance Management Act, 1999 (Act 1 of 1999) (as amended by Act 29 of 1999) and the National Treasury Regulations
Public Service Act, 1994 (Act 103 of 1994) and Public Service Regulations of 2000
Rental Housing Act, 1999 (Act 50 of 1999)
Restitution Act, 1994 (Act 22 of 1994)
Rural Areas Act, 1987 (Act 9 of 1987)
Skills Development Act, 1998 (Act 97 of 1998)
Skills Levy Act, 1999 (Act 90 of 1999)
Transformation of Certain Rural Areas Act, 1998 (Act 94 of 1998)
Western Cape Housing Development Act, 1999 (Act 6 of 1999)
Ndlovu Appeal Court judgement (2003)

Budget decisions

The Western Cape department of Housing is committed to deliver services to all the people of the province. Every citizen of this province deserves a quality life and an equal place within the boundaries of the municipalities. Our commitment is in line with the policy objectives as determined and accepted by the Provincial Government.

The budget is influenced by the following important strategic goals emanating from this commitment:

- Implement the revised organisational structure in line with the changing environment.

- The departmentalisation that occurred during August 2002 has had quite an impact on the department of Housing. A new programme structure, which is in line with the new national housing programme structure has been implemented.

- Establish a well trained and developed personnel corps.

- Provide the maximum housing opportunities within the allocated funding.

- Build capacity of communities and housing officials at provincial and local government spheres.

- Facilitate and promote the upgrading of informal settlements.

- Empower communities to deliver their own housing through the People's Housing Process.

- Create quality human settlements by providing appropriate community services through the Human Resettlement Programme.

This budget is comprehensive and focuses on external service delivery and products. It incorporates realistic and measurable outputs and key indicators and is linked to the Medium Term Expenditure Framework to ensure sustainability. The strategic objectives, outputs and activities are therefore coupled to the budget of the department.

2. REVIEW 2003/04

The 2003/04 financial year has been a challenging period for the delivery of housing, not only in the Western Cape, but also in other provinces, which meant that the department did not reach its housing delivery targets as set out in the Budget 2003. This was mainly due to the new national housing policies and programmes that were introduced during 2001 to 2003. These policies are:

1. The National Home Builders Registration Council (NHBRC), which has been established in terms of the Housing Consumers Protection Measures Act, 1995 (No. 95 of 1995).

This Act was introduced in the government subsidised / low income housing market during 2002. Its main objective was to promote the delivery of quality housing through the registration of homebuilders, enrolment of projects and the provision of the warranty cover against latent defects.

2. The R2 479,00 contribution by beneficiaries

It is now a requirement for all beneficiaries to contribute the above-mentioned amount before their housing subsidies are approved, except for beneficiaries who choose to follow the People's Housing Process route (that means building their houses themselves). This is a total paradigm shift when viewed against the perspective that government has since 1994 provided the so-called Reconstruction and Development Programme (RDP) houses without any financial contribution from beneficiaries. The main objective of this policy is to instill a sense of pride and ownership from the beneficiaries in respect of their subsidy houses. It is also aimed at ensuring quality housing that meets the National Housing Norms and Standards.

3. The new procurement regime in respect of greenfields projects

This policy requires municipalities to be the only developers in low cost housing projects. With the lack of institutional and project management capacity from the majority of municipalities and the on-going debate of the "unfunded mandate" i.e. housing not a municipal function, the implementation of this policy has been the greatest challenge.

The above policies, although well intended, have slowed down the delivery of housing. To address the impact of slowed delivery, the Department has increased its interaction with municipalities, to assist them to initiate new and big projects while at the same time also ensuring that the current projects are implemented timeously.

Achievements

1. Subsidies approved and houses built

From 1 April 2003 to present the Department has approved about 10 323 housing subsidies against the projected target of 18 500 housing subsidies. During this period a total of 7 140 houses were built. It is important to note that about 3 788 of the houses built were female headed households.

2. People's Housing Process (PHP)

The Western Cape was the first province to introduce projects undertaken by way of the People's Housing Process. In the year under review a total of 38 projects were approved. During the year under review the department has piloted two assisted People's Housing Process projects, in Saldanha and Oudtshoorn. It is envisaged that the lessons learnt from these pilots will help the department to improve the delivery of housing through the People's Housing Process projects.

3. Upgrading of informal settlements

The upgrading of informal settlements remain one of the major challenges of this department. A pilot project at New Rest in the Cape Town municipal area was implemented in 2003 and will serve as a pilot project for the upgrading of informal settlements.

4. Land reform and devolution of assets

The department is in the process of devolving to municipalities a total of 2 397 properties for housing development purposes. One of the greatest achievements is the sale of the Western Cape Housing Development Board's land of about 40 hectares to the Hawston Seafarm Foundation and Diakonon 13 for social and economic upliftment of previously disadvantaged communities, for abalone farming. The department also made land available at nominal costs in the Weltevreden Valley North, for the establishment of a community centre and an old age home.

5. Housing Rental Tribunal

The Tribunal has been in existence since 2002. Its main function is to resolve disputes between lessors and lessees in the housing sector and to inform and to educate them of their rights and responsibilities. Although the Tribunal has been in existence for a short while, it has to date resolved over 9 000 complaints.

The Tribunal in the Western Cape is presently the only one in the country to be linked to a Website and queries are also received from lessors and lessees of other provinces. To provide easy and sustained access to the Tribunal's activities, the department is presently discussing with municipalities the establishment of Housing Information Centres within their various areas of jurisdiction. The intention is to utilise the existing infrastructure of municipal housing offices as information outlets. This intervention would require extensive skills transfer to and education of municipal housing officials.

3. OUTLOOK FOR 2004/05

The department allocates funds out of the national conditional grant: Housing Subsidy for housing to the various municipalities in accordance with the principles spelt out in the Provincial Housing Plan. These are based on certain criteria including the housing need in each geographical area. As a result of policy changes during the past years, it is envisaged that the focus for the delivery of houses will shift towards the People's Housing Process (PHP) during the financial year. This will require additional departmental as well as municipal capacity in order to be able to provide houses at the required rate. The department will therefore have to assist as well as capacitate municipalities in both the technical and administrative fields of the housing delivery process.

In terms of delivery, the following goals are set by the department:

- To allocate funds to 30 municipalities on an equitable basis.

- To promote housing policy, advise and assist municipalities and developers in submitting applications.

- To develop and communicate policy, legislation and guidelines.

- To facilitate capacity building of communities, provincial and municipal officials.

- To provide a range of tenure options to beneficiaries – this will include the provision of housing subsidies to qualifying beneficiaries under the following subsidy programmes:

 - Project-linked subsidies: 5 000

 - Individual credit-linked subsidies: 1 500

 - People's Housing Process subsidies: 10 000

 - Consolidation subsidies: 1 500

 - Institutional subsidies: 1 000

 - Relocation subsidies: 500

 - Rural subsidies: 100

 - Savings linked subsidies: 100

 - Discount Benefit Scheme: 200

 - Circular 4/1987 subsidies

Assistance will also be given to beneficiary communities by way of the following programmes that do not culminate in the awarding of subsidies:

 - Upgrading of 3 hostels

 - Emergency housing assistance

- To facilitate and promote the upgrading of informal settlements.

- To co-ordinate planning and development between the department, sister departments and municipalities.

- To ensure sound management of housing assets (approximately 2 000 properties).

The department will embark on an extensive debt collection campaign in order to be able to maintain and upgrade provincial housing assets.

- Communication and capacity building.

- Organisational development: Promoting a learning organisation.

Through these actions the department would have contributed significantly to poverty alleviation, housing and infrastructure provision in all of the municipalities of the Province, thereby contributing towards the concept of *iKapa elihlumayo* and cooperative governance.

4. RECEIPTS AND FINANCING

4.1 Summary of receipts

Table 4.1 hereunder gives the sources of funding for the vote.

Table 4.1										
Summary of receipts										
Department of Housing										
Receipts	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Equitable share	38 220	43 055	40 007	55 707	76 789	(90 982)	66 463	(173.05)	70 921	73 469
Conditional grants	350 976	336 991	392 110	436 782	436 782	436 782	460 345	5.39	459 041	486 584
Departmental receipts	665	400	1 399	25 162	25 162	24 825	25 077	1.02	25 077	25 077
Financing										
Total receipts	389 861	380 446	433 516	517 651	538 733	370 625	551 885	48.91	555 039	585 130

4.2 Departmental receipts collection

Table 4.2 below is a summary of the receipts the department is responsible for collecting.

Table 4.2										
Departmental receipts										
Department of Housing										
Departmental receipts	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Tax receipts										
Non-tax receipts	14	69	74	25 066	25 066	23 330	25 040 ^a	7.33	25 040	25 040
Sale of goods and services other than capital assets	14	69	74	66	66	77	40	(48.05)	40	40
Fines, penalties and forfeits										
Interest, dividends and rent on land				25 000	25 000	23 253	25 000	7.51	25 000	25 000
Transfers received										
Sale of capital assets										
Financial transactions	651	331	1 325	96	96	1 495	37	(97.53)	37	37
Total departmental receipts	665	400	1 399	25 162	25 162	24 825	25 077	1.02	25 077	25 077

^a Includes mainly income derived from the Western Cape Housing Development Board properties (sales and rentals) and administration fees.

5. PAYMENT SUMMARY

5.1 Programme summary

Table 5.1 below shows the budget or estimated expenditure per programme and Table 5.2 per economic classification (in summary). Details of the Government Financial Statistics (GFS) economic classifications are attached as an annexure to this vote.

Programme	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
1. Administration	11 088	17 374	16 631	18 292	18 556	16 929	22 913 ^a	35.35	25 176	27 478
2. Housing planning and research	10 441	10 782	10 385	8 497	12 006	11 983	16 938	41.35	17 832	18 685
3. Housing performance/ subsidy programmes	349 048	334 162	387 549	438 845	436 691	289 554	440 022 ^b	51.97	444 062	471 213
4. Urban renewal and human settlement redevelopment	9 998	7 182	7 777	15 000	34 113	15 180	18 085 ^c	19.14	15 379	14 680
5. Housing asset management	9 286	10 946	11 174	37 017	37 367	36 979	53 927 ^b	45.83	52 590	53 074
Total payments and estimates	389 861	380 446	433 516	517 651	538 733	370 625	551 885	48.91	555 039	585 130

^a MEC remuneration payable. Salary: R463 356. Car allowance: R115 839.
^b National conditional grant: Housing subsidy (Transfers and subsidies to: R446 035 000).
^c National conditional grant: Human settlement and redevelopment (Transfers and subsidies to: R14 310 000).

5.2 Summary by economic classification

Table 5.2 Summary of provincial payments and estimates by economic classification: Department of Housing										
Economic classification	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Current payments	36 786	45 237	46 301	77 663	79 555	77 862	88 641	13.84	92 914	96 636
Compensation of employees	24 419	29 829	34 376	40 466	38 146	37 734	50 526	33.90	53 954	56 933
Goods and services	12 362	15 379	11 925	37 197	41 409	40 128	38 115	(5.02)	38 960	39 703
Interest and rent on land										
Financial transactions in assets and liabilities	5	29								
Unauthorised expenditure										
Transfers and subsidies to	351 897	333 809	386 947	438 588	457 701	291 880	461 845	58.23	460 541	486 584
Provinces and municipalities	9 998	7 182	7 777	15 000	34 113	15 180	15 810	4.15	13 049	12 243
Departmental agencies and accounts										
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations		2	7							
Non-profit institutions	10	600								
Households	341 889	326 025	379 163	423 588	423 588	276 700	446 035	61.20	447 492	474 341
Payments for capital assets	1 178	1 400	268	1 400	1 477	883	1 399	58.44	1 584	1 910
Buildings and other fixed structures										
Machinery and equipment	1 178	1 400	268	1 400	1 477	883	1 399	58.44	1 584	1 910
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	389 861	380 446	433 516	517 651	538 733	370 625	551 885	48.91	555 039	585 130

5.3 Transfers to public entities

Public entities	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
None										
Total departmental transfers to public entities										

* Funds previously transferred to the Western Cape Housing Development Board are included under Programme 3.

5.4 Transfers to local government

Departmental transfers	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Category A	9 998	6 506	4 071	5 451	27 492	8 559	7 969	(6.89)		
Category B		676	1 476	3 572	6 321	6 321	1 407	(77.74)		
Category C			2 230	5 977	300	300	6 434	2044.67	13 049	12 243
Total departmental transfers to local government	9 998	7 182	7 777	15 000	34 113	15 180	15 810	4.15	13 049	12 243

Note: Excludes regional services council levy.

6. PROGRAMME DESCRIPTION

6.1 PROGRAMME 1: ADMINISTRATION

PURPOSE:

To provide overall management in the department in accordance with all applicable acts and policies.

ANALYSIS PER SUB-PROGRAMME:

Sub-programme 1.1: Office of the MEC

to provide for the functioning of the office of the MEC

Sub-programme 1.2: Corporate services

to provide corporate support that is non-core for the department

POLICY DEVELOPMENTS:

To improve communication with communities.

To improve record and information management.

To establish a well trained and developed personnel corps.

CHANGES: POLICY, STRUCTURE, SERVICE ESTABLISHMENT, ETC. GEOGRAPHIC DISTRIBUTION OF SERVICES:

A new restructured establishment will be implemented.

EXPENDITURE TRENDS ANALYSIS:

The increase of 70.3% from the revised estimate for 2003/04 to 2004/05 is due to the vacancy rate in the support services components and the implementation of the restructured establishment. Although provision was made for inflationary pressures under goods and services, the decrease of 8.5% is due to ad hoc projects of in 2003/04.

SERVICE DELIVERY MEASURES:

PROGRAMME 1: ADMINISTRATION						
Sub-programme 1.2: Corporate services						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
A fully staffed organisational structure.	Number of posts filled (%).	76.4%	73.5%	85%	95%	100%
A department representative of the provincial demography.	Filled posts as a percentage of various population groups and gender.	Coloured 61% White 26% Black 12% Indian 1%.	Coloured 60% White 26% Black 13% Indian 1%.	Coloured 58% White 24% Black 17% Indian 1%.	Coloured 56% White 23% Black 20% Indian 1%.	Coloured 54% White 23% Black 22% Indian 1%.
Skills profile per individual.	Number of profiles completed (%).	97%	98%	98%	98%	98%
Keep the public and the staff informed on the policies, services and performances of the department.	Number of information sessions and visits to web page.	1 Road-show for the public. 1 Strategic Plan information session for the staff.	1 Road-show for the public. 1 Strategic Plan information session for the staff.	1 Road-show for the public. 1 Strategic Plan information session for the staff.	1 Road-show for the public. 1 Strategic Plan information session for the staff.	1 Road-show for the public. 1 Strategic Plan information session for the staff.
Develop and implement a Human Rights Plan.	Yearly reports on gender, youth and disability to the Directorate Human Rights Programmes.	Gender: 2 Youth: 1 Disability: 2				

PROGRAMME 1: ADMINISTRATION <i>(continued)</i>						
Sub-programme 1.2: Corporate services <i>(continued)</i>						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Spend budget within 2% variance.	The attainment of strategic goals and objectives as a % of budget.	95%	69%	98%	99%	99%
	Attainment of all prescribed due dates (budget management).	100%	100%	100%	100%	100%
	Auditor-General report Audit Committee Report.	Unqualified.	Unqualified.	Unqualified.	Unqualified.	Unqualified.
	Number of fraud cases, losses. % norms and standards met.	NIL 95%	100%	100%	100%	100%
	Submission of financial statements and other reports on prescribed dates.	100%	100%	100%	100%	100%

Table 6.1 Summary of payments and estimates - Programme 1: Administration Department of Housing										
Sub-programme	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
1. Office of the MEC	866	1 731	1 923	2 100	2 800	2 736	2 250	(17.76)	2 300	2 660
2. Corporate services	10 222	15 643	14 708	16 192	15 756	14 193	20 663	45.59	22 876	24 818
Total payments and estimates	11 088	17 374	16 631	18 292	18 556	16 929	22 913	35.35	25 176	27 478

**Table 6.1.1 Summary of provincial payments and estimates by economic classification -
Programme 1: Administration
Department of Housing**

Economic classification	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Current payments	9 548	15 851	16 140	16 766	17 030	16 046	21 664	35.01	23 742	25 733
Compensation of employees	5 270	8 090	9 838	10 860	8 860	8 860	15 089	70.30	16 609	18 226
Goods and services	4 273	7 732	6 302	5 906	8 170	7 186	6 575	(8.50)	7 133	7 507
Interest and rent on land										
Financial transactions in assets and liabilities	5	29								
Unauthorised expenditure										
Transfers and subsidies to	433	166	310	306	306	140		(100.00)		
Provinces and municipalities										
Departmental agencies and accounts										
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations		2	7							
Non-profit institutions	10									
Households	423	164	303	306	306	140		(100.00)		
Payments for capital assets	1 107	1 357	181	1 220	1 220	743	1 249	68.10	1 434	1 745
Buildings and other fixed structures										
Machinery and equipment	1 107	1 357	181	1 220	1 220	743	1 249	68.10	1 434	1 745
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	11 088	17 374	16 631	18 292	18 556	16 929	22 913	35.35	25 176	27 478

6.2 PROGRAMME 2: HOUSING PLANNING AND RESEARCH

PURPOSE:

To facilitate housing delivery.

ANALYSIS PER SUB-PROGRAMME:

Sub-programme 2.1: Administration

to provide administrative and/or transversal project management services

Sub-programme 2.2: Policy

to provide a regulatory framework for housing delivery

Sub-programme 2.3: Planning

to develop provincial multi-year housing delivery plans

Sub-programme 2.4: Research

to conduct housing research

Sub-programme 2.5: Municipal support

to capacitate/support municipalities with regard to housing delivery

POLICY DEVELOPMENTS:

To restore the dignity of people who live in undignified conditions.

To promote integrated planning and development of human settlements.

To build capacity of municipal and provincial officials and other role-players.

To improve communication with communities.

To accelerate housing delivery.

To provide social and medium density housing.

CHANGES: POLICY, STRUCTURE, SERVICE ESTABLISHMENT, ETC. GEOGRAPHIC DISTRIBUTION OF SERVICES:

This programme was previously part of the old programme 2: Planning and subsidy administration. More emphasis will be placed on planning and research, a greater focus on coordinated and integrated planning by the various spheres of government and the accessing of additional funds. A new restructured establishment will be implemented.

EXPENDITURE TRENDS ANALYSIS:

The budget for goods and services remains constant with the actual expenditure trends as from 2001/02 and provision was only made for inflationary pressures. The increase of 49.55% in the compensation of employees is due to the implementation of the restructured establishment.

SERVICE DELIVERY MEASURES:

PROGRAMME 2: HOUSING PLANNING AND RESEARCH						
Sub-programme 2.1: Administration						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To provide administration and transversal project management services.	Number of housing projects delivering in terms of projection.	22 projects	25 projects	45 projects	50 projects	55 projects
Effective utilisation of personnel.	Individual Performance development Plans and Job descriptions.	Not applicable.	60%	100%	100%	100%
	Number of fraud cases, losses.	1	2			
Effective control of Budget.	% norms and standards met.	95%	98%	100%	100%	100%
	% adherence to Financial regulations and the Public Finance Management Act.	95%	98%	100%	100%	100%

Sub-programme 2.2: Policy						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To develop policy guidelines, Proclamation of Acts and Amendments.	Number of Acts passed and policy guidelines developed.	4	5	Demand basis.	Demand basis.	Demand basis.

Sub-programme 2.3: Planning						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (actual)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To develop provincial multi-year housing plans in accordance with Provincial Housing Policy by October each year.	Housing Development Plan in place.	Submitted to National Housing by 1 October 2002.	Review and update National Housing Plan by 1 October each year.	Review and update National Housing Plan by 1 October each year.	Review and update National Housing Plan by 1 October each year.	Review and update National Housing Plan by 1 October each year.

Sub-programme 2.4: Research						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To conduct research on housing matters.	Number of research projects conducted and nature of projects.	Not reflected.	40 project linked subsidy projects.	44 project linked subsidy projects.	48 project linked subsidy projects.	52 project linked subsidy projects.

Sub-programme 2.5: Municipal support						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To enhance capacity and provide support to municipalities in the provision of housing delivery.	Number of training workshops provided to municipalities.	5 work-shops held.	4 work-shops held.	6 work-shops held.	8 work-shops held.	8 work-shops held.
	No. of officials trained.	269	100	150	200	200
	No. of visits planned to municipalities.	Not reflected	30	35	40	45

Sub-programme	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
1. Administration	9 051	9 652	9 348	7 335	10 089	10 066	12 404	23.23	13 064	13 672
2. Policy							857		908	952
3. Planning							803		845	889
4. Research							803		845	889
5. Municipal support	1 390	1 130	1 037	1 162	1 917	1 917	2 071	8.03	2 170	2 283
Total payments and estimates	10 441	10 782	10 385	8 497	12 006	11 983	16 938	41.35	17 832	18 685

Economic classification	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Current payments	10 396	10 782	10 362	8 467	11 926	11 903	16 888	41.88	17 782	18 630
Compensation of employees	8 094	8 554	8 848	6 932	9 862	9 888	14 788	49.56	15 582	16 311
Goods and services	2 302	2 228	1 514	1 535	2 064	2 015	2 100	4.22	2 200	2 319
Interest and rent on land										
Financial transactions in assets and liabilities										
Unauthorised expenditure										
Transfers and subsidies to										
Provinces and municipalities										
Departmental agencies and accounts										
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions										
Households										
Payments for capital assets	45		23	30	80	80	50	(37.50)	50	55
Buildings and other fixed structures										
Machinery and equipment	45		23	30	80	80	50	(37.50)	50	55
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	10 441	10 782	10 385	8 497	12 006	11 983	16 938	41.35	17 832	18 685

6.3 PROGRAMME 3: HOUSING PERFORMANCE/SUBSIDY PROGRAMMES

PURPOSE:

Promoting the effective and efficient delivery of national and provincial housing programmes.

ANALYSIS PER SUB-PROGRAMME:

Sub-programme 3.1: Subsidy administration

to provide administrative services to the Housing Subsidy Programme

Sub-programme 3.2: Individual

to provide Individual subsidies to qualifying beneficiaries in accordance with the Housing Policy

Sub-programme 3.3: Project linked

to provide Project linked subsidies qualifying beneficiaries in accordance with the Housing Policy

Sub-programme 3.4: People's Housing Process (PHP)

to provide PHP subsidies to qualifying beneficiaries in accordance with the Housing Policy

Sub-programme 3.5: Consolidation

to provide Consolidation subsidies to qualifying beneficiaries in accordance with the Housing Policy

Sub-programme 3.6: Institutional

to provide Institutional subsidies to qualifying beneficiaries in accordance with the Housing Policy

Sub-programme 3.7: Hostels

to provide Hostel subsidies to qualifying beneficiaries in accordance with the Housing Policy

Sub-programme 3.8: Relocation

to provide Relocation subsidies to qualifying beneficiaries in accordance with the Housing Policy

Sub-programme 3.9: Disaster management/Emergency programme

to provide for support for Disaster relief

Sub-programme 3.10: Rural housing stock

to provide Rural housing subsidies to qualifying beneficiaries in accordance with the Housing Policy

Sub-programme 3.11: Savings linked

this subsidy is made available to individuals who are prepared and to save for their housing needs

POLICY DEVELOPMENTS:

To restore the dignity of people who live in undignified conditions.

To promote integrated planning and development of human settlements.

To build capacity of municipal and provincial officials and other role-players.

To improve communication with communities.

To accelerate housing delivery.

To provide social and medium density housing.

To improve record and information management.

CHANGES: POLICY, STRUCTURE, SERVICE ESTABLISHMENT, ETC. GEOGRAPHIC DISTRIBUTION OF SERVICES:

The administration of this programme was previously part of the old programme 2: Planning and subsidy administration. The subsidy programmes are administered in accordance with national housing policies and the housing code. A new restructured establishment will be implemented.

EXPENDITURE TRENDS ANALYSIS:

The programme consists mostly out of the Housing Subsidy Grant (conditional grant). The decrease of 23% in the compensation of employees is due to the implementation of the restructured establishment. The decrease of 23% in goods and services is due to ad hoc projects appropriated for in the Adjustments Estimate for 2003/04. Provision was made for normal inflationary adjustments over the MTEF period.

SERVICE DELIVERY MEASURES:

PROGRAMME 3: HOUSING PERFORMANCE/SUBSIDY PROGRAMMES						
Sub-programme 3.1: Subsidy administration						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To administer housing provision by approving project linked and individual applications and the processing of subsidy applications.	Number of housing projects approved.	33	40	42	40	50
	Number of subsidies processed	26 176	19 000	19 700	18 400	20 500
Effective utilisation of personnel.	Individual Performance development Plans and Job descriptions.	Not applicable.	50%	100%	100%	100%
Effective control of Budget.	Norms and standards met.	95%	98%	100%	100%	100%

Sub-programme 3.2: Individual						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To provide 7.4% Individual subsidies to qualifying beneficiaries in accordance with the housing policy.	Number of properties delivered:	455 properties delivered.	1 500 properties delivered.	1 500 properties delivered.	1 500 properties delivered.	1 500 properties delivered.
	Number of serviced sites subsidised.	455 serviced sites.	1 500 serviced sites subsidised.	1 500 serviced sites subsidised.	1 400 serviced sites subsidised.	1 500 serviced sites subsidised.
	Number of top structures subsidised.	455 top structures subsidised.	1 500 top structures subsidised.	1 500 top structures subsidised.	1 400 top structures subsidised.	1 500 top structures subsidised.
	Number of subsidies approved ¹ .	14 258 subsidies approved and houses under construction.	10 000 subsidies approved and houses under construction.	5 000 subsidies approved and houses under construction.	4 500 subsidies approved and houses under construction.	5 500 subsidies approved and houses under construction.

¹ The total amount of approved subsidies are not in addition to the number of houses delivered and stands approved

Sub-programme 3.3: Project linked						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To provide 24.9% Project linked subsidies to qualifying beneficiaries in accordance with the housing policy.	Number of houses completed or under construction.	14 258	10 000	5 000	5 000	5 000

Sub-programme 3.4: People's housing process (PHP)						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To provide 48.4% PHP subsidies to qualifying beneficiaries in accordance with the housing policy.	Number of subsidies approved.	4 577 sub-subsidies approved.	3 000 subsidies approved.	10 000 subsidies approved.	9 500 subsidies approved.	10 000 subsidies approved.
	Number of housing units completed/under construction.	4 577 of housing units completed/under construction.	3 000 housing units completed/under construction.	9 500 housing units completed/under construction.	9 000 housing units completed/under construction.	9 500 housing units completed/under construction.
	Number of housing support centres funded.	26 housing support centres funded.	25 housing support centres funded.	25 housing support centres funded.	25 housing support centres funded.	25 housing support centres funded.

Sub-programme 3.5: Consolidation						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To provide 4% Consolidation subsidies to qualifying beneficiaries in accordance with the housing policy.	Number of subsidies approved.	4 321 subsidies to people that only received serviced sites.	2 000 subsidies to people that only received serviced sites.	1 500 subsidies to people that only received serviced sites.	1 300 subsidies to people that only received serviced sites.	1 500 subsidies to people that only received serviced sites.

Sub-programme 3.6: Institutional						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To provide 5% Institutional subsidies to qualifying beneficiaries in accordance with the housing policy	Number of Housing institutions registered.	0 housing institutions registered.	0 housing institutions registered.	2 housing institutions registered.	2 housing institutions registered.	2 housing institutions registered.
	Number of approved subsidies.	1 942 approved subsidies.	1 000 approved subsidies.	1 000 approved subsidies.	1 000 approved subsidies.	1 000 approved subsidies.
	Number of rental agreements signed.	1 942 rental agreements signed.	1 000 rental agreements signed.	1 000 rental agreements signed.	1 000 rental agreements signed.	1 000 rental agreements signed.

Sub-programme 3.7: Hostels						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To provide 1% Hostel redevelopment to hostels in accordance with the housing policy.	Number of hostels upgraded.	2 hostels upgraded.	3 hostels upgraded.	3 hostels upgraded.	3 hostels upgraded.	3 hostels upgraded.
	Number of units upgraded.	222 units upgraded.	350 units upgraded.	350 units upgraded.	350 units upgraded.	350 units upgraded.

Sub-programme 3.8: Relocation						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To provide 2% Relocation subsidies to qualifying beneficiaries in accordance with the housing policy.	Number of relocated subsidies approved.	623 relocation subsidies approved.	400 relocation subsidies approved.	500 relocation subsidies approved.	450 relocation subsidies approved.	500 relocation subsidies approved.

Sub-programme 3.9: Disaster management/Emergency programme						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To provide 5% for support for disaster relief in accordance with the housing policy.	Number of families assisted.	Not applicable	Not applicable	2 000	2 000	2 000

Sub-programme 3.10: Rural housing stock						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To provide 0.5% Rural housing subsidies to qualifying beneficiaries in accordance with the housing policy.	Number of rural housing subsidies approved.	0 rural housing subsidies approved.	100 rural housing subsidies approved.	100 rural housing subsidies approved.	100 rural housing subsidies approved.	100 rural housing subsidies approved.
	Number of houses delivered.	0 houses delivered.	100 houses delivered.	100 houses delivered.	100 houses delivered.	100 houses delivered.

Sub-programme 3.11: Savings linked						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To provide 0.5 % Savings linked subsidies to qualifying beneficiaries in accordance with the housing policy.	Number of subsidies approved.	0 subsidies approved.	0 subsidies approved.	100 subsidies approved.	150 subsidies approved.	400 subsidies approved.

**Table 6.3 Summary of payments and estimates - Programme 3: Housing performance/
Subsidy programmes
Department of Housing**

Sub-programme	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
1. Subsidy administration	349 048 *	331 718 *	384 708 *	15 563	13 409	12 994	9 987	(23.14)	10 570	10 872
2. Individual				30 000	10 000	2 386	38 035	1494.09	37 992	23 341
3. Project linked				237 807	244 107	179 700	111 000	(38.23)	111 000	140 000
4. People's Housing Process				30 000	100 000	87 251	200 000	129.22	202 000	206 000
5. Consolidation				60 000	10 000	927	17 000	1733.87	17 000	15 000
6. Institutional				26 000	10 000		22 000		22 000	25 000
7. Hostels				5 000	30 000	4 161	5 000	20.16	5 000	5 000
8. Relocation				8 500	8 500	2 135	10 000	368.38	10 000	10 000
9. Disaster management/ Emergency programme		2 444	2 841	3 175	3 175		23 000		23 500	24 000
10. Rural housing stock				2 500	2 500		2 000		2 000	2 000
11. Savings linked				20 300	5 000		2 000		3 000	10 000
Total payments and estimates	349 048	334 162	387 549	438 845	436 691	289 554	440 022 ^a	51.97	444 062	471 213

^a National conditional grant: Housing Subsidy (Transfers and subsidies to: R430 035 000).

* Until 31 March 2003 the funds were transferred in bulk to the Western Cape Housing Development Fund (WCHDF). As from 1 April 2003, the WCHDF is dormant, all expenditure is now reflected in more detail under this programme, however, it is not possible to reflect past expenditure transfers to the same extent.

Table 6.3.1 Summary of provincial payments and estimates by economic classification - Programme 3: Housing performance/Subsidy programmes Department of Housing										
Economic classification	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Current payments	7 556	7 658	8 665	15 413	13 232	12 934	9 937	(23.17)	10 520	10 817
Compensation of employees	4 333	5 565	6 308	12 084	8 834	8 834	6 789	(23.15)	7 295	7 418
Goods and services	3 223	2 093	2 357	3 329	4 398	4 100	3 148	(23.22)	3 225	3 399
Interest and rent on land										
Financial transactions in assets and liabilities										
Unauthorised expenditure										
Transfers and subsidies to	341 466	326 461	378 860	423 282	423 282	276 560	430 035	55.49	433 492	460 341
Provinces and municipalities										
Departmental agencies and accounts										
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions		600								
Households	341 466	325 861	378 860	423 282	423 282	276 560	430 035	55.49	433 492	460 341
Payments for capital assets	26	43	24	150	177	60	50	(16.67)	50	55
Buildings and other fixed structures										
Machinery and equipment	26	43	24	150	177	60	50	(16.67)	50	55
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	349 048	334 162	387 549	438 845	436 691	289 554	440 022	51.97	444 062	471 213

6.4 PROGRAMME 4: URBAN RENEWAL AND HUMAN SETTLEMENT REDEVELOPMENT

PURPOSE:

To rehabilitate dysfunctional areas with the notion of economic and social development.

ANALYSIS PER SUB-PROGRAMME

Sub-programme 4.1: Administration

to provide administrative services to the Urban Renewal and Human Settlement Redevelopment

Sub-programme 4.2: Urban renewal

to rehabilitate dysfunctional urban areas with the notion of economic and social development

Sub-programme 4.3: Human settlements

to create integrated and functional settlements

POLICY DEVELOPMENTS:

To restore the dignity of people who live in undignified conditions.

To promote integrated planning and development of human settlements.

To facilitate the provision of social and medium density housing.

To promote the upgrading of informal settlements.

To ensure that housing promotes social, economic and spatial integration.

To identify and release well-located and suitable land for housing.

CHANGES: POLICY, STRUCTURE, SERVICE ESTABLISHMENT, ETC. GEOGRAPHIC DISTRIBUTION OF SERVICES:

This programme is mostly funded from the conditional grant: Human resettlement grant and funds are spent in accordance to the conditions as stipulated in the annual Division of Revenue Act and business plans approved by the national Department of Housing. More emphasis is placed on projects in the identified urban renewal nodes. A new restructured establishment will be implemented.

EXPENDITURE TRENDS ANALYSIS:

The restructured establishment makes provision for a new directorate to deal with this important function. Previously personnel in other components performed this function additional to their own duties. The funds are spent according to business plans approved by the national Department of Housing. As these business plans are usually approved at a very late stage in the financial year, there has been a tendency of underspending over the previous financial years. The settlement assistance to municipalities will be terminated in 2006/07.

SERVICE DELIVERY MEASURES:

PROGRAMME 4: URBAN RENEWAL AND HUMAN SETTLEMENT REDEVELOPMENT						
Sub-programme 4.1: Administration						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To manage rehabilitation of dysfunctional areas through the promotion integrated development and the upgrading of informal settlements.	Number of settlements upgraded.	5 projects	17 projects	23 projects	35 projects	40 projects
Effective utilisation of personnel.	Individual performance development plans (IPDP's) and job descriptions.	Not applicable.	Not applicable	100%	100%	100%
	Number of fraud cases, losses.	Not applicable.	Not applicable	0	0	0
Effective control of Budget.	% of norms and standards met.	95%	98%	100%	100%	100%
	% adherence to financial regulations and the Public Finance Management Act.	95%	98%	100%	100%	100%

Sub-programme 4.2: Urban renewal						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Support the macro planning of identified urban nodes.	Compliance to identified urban renewal nodes.	Not applicable	Yes	Yes	Yes	Yes
	Upgrade of informal settlements.	Not applicable	Yes	Yes	Yes	Yes
Type of settlement supported.	Number of formal townships.	Not applicable	2	2	2	2
	Dedensifying (Number of families).	Not applicable	300	600	600	900
Number and type of projects targeted at urban renewal.	Number and type of projects commenced:					
	infrastructure projects	9	12	13	15	15
	community projects	6	5	6	6	6

Sub-programme 4.3: Human settlements						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To build sustainable and functional communities.	Projects identified.	26	18	8	4	2
	Projects implemented.	24	18	8	4	2

Note: Projects subject to approval by the national Department of Housing.

Table 6.4 Summary of payments and estimates - Programme 4: Urban renewal and human settlement redevelopment Department of Housing										
Sub-programme	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
1. Administration							2 275		2 330	2 437
2. Urban renewal				1	13 033	1 792	1 *	(99.94)	1	1
3. Human settlements	9 998	7 182	7 777	14 999	21 080	13 388	15 809 ^a		13 048	12 242
Total payments and estimates	9 998	7 182	7 777	15 000	34 113	15 180	18 085	19.14	15 379	14 680

^a National conditional grant: Human settlement and redevelopment (Transfers and subsidies to: R14 310 000).
* Only a nominal R1 000 is provided for as business plans are subject to approval by the national Department of Housing. Funds will be shifted to this subprogramme as business plans are approved.

Table 6.4.1 Summary of provincial payments and estimates by economic classification - Programme 4: Urban renewal and human settlement redevelopment Department of Housing										
Economic classification	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Current payments							2 275		2 330	2 437
Compensation of employees							1 807		1 850	1 937
Goods and services							468		480	500
Interest and rent on land										
Financial transactions in assets and liabilities										
Unauthorised expenditure										
Transfers and subsidies to	9 998	7 182	7 777	15 000	34 113	15 180	15 810	4.15	13 049	12 243
Provinces and municipalities	9 998	7 182	7 777	15 000	34 113	15 180	15 810	4.15	13 049	12 243
Departmental agencies and accounts										
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions										
Households										
Payments for capital assets										
Buildings and other fixed structures										
Machinery and equipment										
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	9 998	7 182	7 777	15 000	34 113	15 180	18 085	19.14	15 379	14 680

6.5 PROGRAMME 5: HOUSING ASSET MANAGEMENT

PURPOSE:

To provide for the effective and efficient management of housing assets.

ANALYSIS PER SUB-PROGRAMME:

Sub-programme 5.1: Administration

to provide administrative services to the housing asset management programme

Sub-programme 5.2: Maintenance

to ensure that housing assets are effectively maintained

Sub-programme 5.3: Transfer of housing assets

to ensure the effective transfer of housing assets

Sub-programme 5.4: Sale of housing assets

to manage the effective sale of housing assets

Sub-programme 5.5: Management of housing assets

to ensure the effective and efficient debt management process

Sub-programme 5.6: Devolution of housing assets

to ensure the effective devolution of housing assets to municipalities

Sub-programme 5.7: Rental tribunal

to promote, facilitate and regulate rental housing within the province

Sub-programme 5.8: Management of assets

to effectively manage housing assets

Sub-programme 5.9: Land administration

to ensure orderly land utilisation

Sub-programme 5.10: Discount benefit

to promote ownership of state financed rental housing

Sub-programme 5.11: Subsidy (4 of 1987)

this is with regard to subsidy for ex own Affairs. This will be phased out in a period of 5 years

POLICY DEVELOPMENTS:

To ensure the sound management of provincial housing assets.

To promote an orderly rental housing market.

To identify and release well-located and suitable land for housing.

CHANGES: POLICY, STRUCTURE, SERVICE ESTABLISHMENT, ETC. GEOGRAPHIC DISTRIBUTION OF SERVICES:

The programme structure was changed to be in line with the nationally agreed upon programme structure. A new restructured establishment will be implemented.

EXPENDITURE TRENDS ANALYSIS:

The increase in the compensation of personnel is due to the implementation of the restructured establishment. Expenditure on housing assets is funded out of the income derived there from and is being kept constant in nominal terms. Other expenditure on goods and services stays constant and provision was only made for normal inflationary pressures.

SERVICE DELIVERY MEASURES:

PROGRAMME 5: HOUSING ASSET MANAGEMENT						
Sub-programme 5.1: Administration						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Effective utilisation of personnel.	Individual performance development plans and job descriptions.	95%	60%	100%	100%	100%
Effective control of Budget.	% of norms and standards met.		95%	100%	100%	100%
	% adherence to financial regulations and the Public Finance Management Act.		95%	100%	100%	100%

Sub-programme 5.2: Maintenance						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To ensure that housing assets are maintained in line with the maintenance plan.	Number of houses maintained.	2 438	2 314	2 455	2 353	2 160

Sub-programme 5.3: Transfer of housing assets						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To provide transfer of rental stock.	Number of properties transferred.	125	75	350	350	700

Sub-programme 5.4: Sale of housing assets						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To provide for the sale of rental stock.	Number of properties sold.	125	75	300	500	750

Sub-programme 5.5: Management of housing assets						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To ensure effective and efficient rental collection.	Potential income received (%).	20	25	40	45	50
	Debt collection rate (%)	20	25	30	35	35
	Reduction of debtor days (days outstanding).	120+	120+	90+	90+	60+
	Reduction of bad debts (% not recoverable).	85	77	70	70	60

Sub-programme 5.6: Devolution of housing assets						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Devolution of housing assets.	Number of houses and properties devolved to municipalities.	671	12	100	167	75

Sub-programme 5.7: Rental tribunal						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To promote, facilitate and regulate rental housing within the Province.	Number of registered cases resolved (%).	98	99	100	100	100

Sub-programme 5.8: Management of assets						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To effectively manage housing assets.	Average occupancy of houses (%).	30%	65%	80%	80%	80%
	Physical state of housing assets.					
	Good.	10%	25%	55%	65%	75%
	Average.	30%	45%	45%	35%	25%
	Poor.	60%	10%	0%		

Sub-programme 5.9: Land administration						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To effectively manage land matters.	Physical state of vacant land (%).					
	Good.	10%	25%	55%	65%	75%
	Average.	30%	45%	45%	35%	25%
	Poor.	60%	10%	0%		

Sub-programme 5.10: Discount benefit						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
To promote ownership of state financed rental housing.	Number of residential properties transferred to households.	125	75	300	500	750
	Number of discounts provided.	120	120	200	300	500

Sub-programme 5.11: Subsidy (4 of 1987)						
Measurable objective	Performance measure	Year-1 2002/03 (actual)	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Subsidy (4 of 1987)	Value of subsidy (R'000)		8 000	8 000	6 000	4 000
To provide subsidies to qualifying tenants in respect of repayment of loans of previous dispensation housing.						

Sub-programme	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
1. Administration	3 186	4 446	3 674	3 462	3 885	3 497	4 126	17.99	4 292	4 271
2. Maintenance				3 000	12 882	12 882	10 000	(22.37)	10 000	10 000
3. Transfer of housing assets				3 000	1 500	1 500	3 000	100.00	3 000	3 000
4. Sale of housing assets				2 000	1 000	1 000	2 000	100.00	2 000	2 000
5. Management of housing assets	6 100	6 500	6 900	20 755	14 800	14 800	13 655	(7.74)	14 040	14 440
6. Devolution of housing assets				3 000	1 500	1 500	3 000	100.00	3 000	3 000
7. Rental tribunal			600	900	900	900	1 146	27.33	1 208	1 263
8. Management of assets										
9. Land administration				900	900	900	1 000	11.11	1 050	1 100
10. Discount benefit							8 000 ^a		8 000	10 000
11. Subsidy (4 of 1987)							8 000 ^a		6 000	4 000
Total payments and estimates	9 286	10 946	11 174	37 017	37 367	36 979	53 927	45.83	52 590	53 074

^a National conditional grant: Housing subsidy (Transfers and subsidies to: R16 000 000).

Table 6.5.1 Summary of provincial payments and estimates by economic classification - Programme 5: Housing asset management Provincial Administration: Western Cape										
Economic classification	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Current payments	9 286	10 946	11 134	37 017	37 367	36 979	37 877	2.43	38 540	39 019
Compensation of employees	6 722	7 620	9 382	10 590	10 590	10 152	12 053	18.73	12 618	13 041
Goods and services	2 564	3 326	1 752	26 427	26 777	26 827	25 824	(3.74)	25 922	25 978
Interest and rent on land										
Financial transactions in assets and liabilities										
Unauthorised expenditure										
Transfers and subsidies to							16 000		14 000	14 000
Provinces and municipalities										
Departmental agencies and accounts										
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions										
Households							16 000		14 000	14 000
Payments for capital assets			40				50		50	55
Buildings and other fixed structures										
Machinery and equipment			40				50		50	55
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	9 286	10 946	11 174	37 017	37 367	36 979	53 927	45.83	52 590	53 074

7. OTHER PROGRAMME INFORMATION

7.1 Personnel numbers and costs

Programme	As at 31 March 2000	As at 31 March 2001	As at 31 March 2002	As at 31 March 2003	As at 31 March 2004	As at 31 March 2005
1. Administration	56	66	74	75	68	88
2. Housing planning and research	75	75	72	77	83	96
3. Housing performance/subsidy administration	60	55	50	49	53	69
4. Urban renewal and human settlement redevelopment						17
5. Housing asset management	100	80	72	70	89	92
Total personnel numbers	291	276	268	271	293	362
Total personnel cost (R'000)		24 419	29 829	34 376	37 734	50 526
Unit cost (R'000)		88	111	127	129	140

7.2 Training

Programme	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
1. Administration	866	68	78	100	100	100	214	114.00	214	234
2. Housing planning and research		50	51	90	90	90	120	33.33	130	140
3. Housing performance/ subsidy administration		30	40	68	68	68	80	17.65	80	100
4. Urban renewal and human settlement redevelopment							20		22	25
5. Housing asset management		43	32	79	79	79	120	51.90	130	140
Total expenditure on training	866	191	201	337	337	337	554	64.39	576	639

7.3 Reconciliation of structural changes

Programme for 2003/04			Programme for 2004/05		
Programme	2004/05 Equivalent		Programme	Pro- gramme R'000	Sub-pro- gramme R'000
	Pro- gramme R'000	Sub-pro- gramme R'000			
1. Administration	22 849		1. Administration	22 849	
Provincial Administration: Western Cape	64		1. Administration	64	
2. Planning and subsidy administration		16 938	2. Housing planning and research		16 938
2. Planning and subsidy administration		9 987	3. Housing performance/subsidy programmes		9 987
2. Planning and subsidy administration	1 999		Vote 12: Local Government		1 999
3. Housing subsidy programmes	430 035		3. Housing performance/subsidy programmes	430 035	
3. Housing subsidy programmes	16 000		5. Housing asset management		16 000
4. Urban renewal and human settlement redevelopment	18 085		4. Urban renewal and human settlement redevelopment		18 085
5. Old business (Rental housing)	37 576		5. Housing asset management		37 576
6. Restructuring	351		5. Housing asset management		351
Total	526 959	26 925		553 884	

Table B.1 Specification of receipts: Department of Housing										
Receipts	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Tax receipts										
Casino taxes										
Motor vehicle licences										
Horseracing										
Other taxes										
Total receipts										
Non-tax receipts										
Sale of goods and services other than capital assets	14	69	74	66	66	77	40	(48.05)	40	40
Sales of goods and services produced by department	14	69	74	66	66	77	40	(48.05)	40	40
Sales by market establishments										
Administrative fees										
Other sales	14	69	74	66	66	77	40	(48.05)	40	40
Of which										
Health patient fees										
Other	14	69	74	66	66	77	40	(48.05)	40	40
Sales of scrap, waste, arms and other used current goods (excluding capital assets)										
Fines, penalties and forfeits										
Interests, dividends and rent on land				25 000	25 000	23 253	25 000	7.51	25 000	25 000
Interest										
Dividends										
Rent on land				25 000	25 000	23 253	25 000	7.51	25 000	25 000
Total non-tax receipts	14	69	74	25 066	25 066	23 330	25 040	7.33	25 040	25 040
Transfers received from										
Other governmental units										
Universities and technikons										
Foreign governments										
International organisations										
Public corporations and private enterprises										
Households and non-profit institutions										
Total transfers received										
Sales of capital assets										
Land and subsoil assets										
Other capital assets										
Total sales of capital assets										
Financial transactions in assets and liabilities	651	331	1 325	96	96	1 495	37		37	37
Total specification of receipts	665	400	1 399	25 162	25 162	24 825	25 077	1.02	25 077	25 077

Economic classification	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Current payments										
Compensation of employees	24 419	29 829	34 376	40 466	38 146	37 734	50 526	33.90	53 954	56 933
Salaries and wages	18 784	22 947	26 443	31 128	29 343	29 104	38 865	33.54	41 204	43 796
Social contributions	5 635	6 882	7 933	9 338	8 803	8 630	11 661	35.12	12 750	13 137
Goods and services	12 362	15 379	11 925	37 197	41 409	40 128	38 115	(5.02)	38 960	39 703
<i>Of which</i>										
Consultancy fees	2 302	1 655	1 551	1 430	2 885	2 885	1 500	(48.01)	1 500	1 600
Audit fees	869	1 736	1 802	1 035	1 785	1 785	2 000	12.04	1 598	1 722
Contractors	31	66	46	50	50	50	100	100.00	70	80
IT (Data lines)				150			150		165	180
Maintenance				3 000	12 882	12 882	10 000	(22.37)	10 000	10 000
Interest and rent on land										
Interest										
Rent on land										
Financial transactions in assets and liabilities	5	29								
Unauthorised expenditure										
Total current payments	36 786	45 237	46 301	77 663	79 555	77 862	88 641	13.84	92 914	96 636
Transfers and subsidies to										
Provinces and municipalities	9 998	7 182	7 777	15 000	34 113	15 180	15 810	4.15	13 049	12 243
Provinces										
Provincial Revenue Funds										
Provincial agencies and funds										
Municipalities	9 998	7 182	7 777	15 000	34 113	15 180	15 810	4.15	13 049	12 243
Municipalities	9 998	7 182	7 777	15 000	34 113	15 180	15 810	4.15	13 049	12 243
Municipal agencies and funds										
Departmental agencies and accounts										
Social security funds										
Provide list of entities receiving transfers										
Universities and technikons										
Public corporations and private enterprises										
Public corporations										
Subsidies on production										
Other transfers										
Private enterprises										
Subsidies on production										
Other transfers										
Foreign governments and international organisations		2	7							
Non-profit institutions	10	600								
Households	341 889	326 025	379 163	423 588	423 588	276 700	446 035	61.20	447 492	474 341
Social benefits	423	164	303	306	306	140		(100.00)		
Other transfers to households	341 466	325 861	378 860	423 282	423 282	276 560	446 035	61.28	447 492	474 341
Total transfers and subsidies	351 897	333 809	386 947	438 588	457 701	291 880	461 845	58.23	460 541	486 584
Payments for capital assets										
Buildings and other fixed structures										
Buildings										
Other fixed structures										
Machinery and equipment	1 178	1 400	268	1 400	1 477	883	1 399	58.44	1 584	1 910
Transport equipment										
Other machinery and equipment	1 178	1 400	268	1 400	1 477	883	1 399	58.44	1 584	1 910
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total payments for capital assets	1 178	1 400	268	1 400	1 477	883	1 399	58.44	1 584	1 910
Total economic classification	389 861	380 446	433 516	517 651	538 733	370 625	551 885	48.91	555 039	585 130

Table B.2.1 Payments and estimates by economic classification										
Programme 1: Administration										
Department of Housing										
Economic classification	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimate			
	Audited 2000/01	Audited 2001/02	Audited 2002/03				2003/04	2003/04	2003/04	2004/05
	R'000	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
Current payments										
Compensation of employees	5 270	8 090	9 838	10 860	8 860	8 860	15 089	70.30	16 609	18 226
Salaries and wages	4 054	6 223	7 568	8 354	6 815	6 815	11 606	70.29	12 696	14 021
Social contributions	1 216	1 867	2 270	2 506	2 045	2 045	3 483	70.35	3 913	4 205
Goods and services	4 273	7 732	6 302	5 906	8 170	7 186	6 575	(8.50)	7 133	7 507
Interest and rent on land										
Interest										
Rent on land										
Financial transactions in assets and liabilities	5	29								
Unauthorised expenditure										
Total current payments	9 548	15 851	16 140	16 766	17 030	16 046	21 664	35.01	23 742	25 733
Transfers and subsidies to										
Provinces and municipalities										
Provinces										
Provincial Revenue Funds										
Provincial agencies and funds										
Municipalities										
Municipalities										
Municipal agencies and funds										
Departmental agencies and accounts										
Social security funds										
Provide list of entities receiving transfers										
Universities and technikons										
Public corporations and private enterprises										
Public corporations										
Subsidies on production										
Other transfers										
Private enterprises										
Subsidies on production										
Other transfers										
Foreign governments and international organisations		2	7							
Non-profit institutions	10									
Households	423	164	303	306	306	140		(100.00)		
Social benefits	423	164	303	306	306	140		(100.00)		
Other transfers to households										
Total transfers and subsidies	433	166	310	306	306	140		(100.00)		
Payments for capital assets										
Buildings and other fixed structures										
Buildings										
Other fixed structures										
Machinery and equipment	1 107	1 357	181	1 220	1 220	743	1 249	68.10	1 434	1 745
Transport equipment										
Other machinery and equipment	1 107	1 357	181	1 220	1 220	743	1 249	68.10	1 434	1 745
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total payments for capital assets	1 107	1 357	181	1 220	1 220	743	1 249	68.10	1 434	1 745
Total economic classification	11 088	17 374	16 631	18 292	18 556	16 929	22 913	35.35	25 176	27 478

Table B.2.2 Payments and estimates by economic classification										
Programme 2: Housing planning and research										
Department of Housing										
Economic classification	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimate			
	Audited 2000/01	Audited 2001/02	Audited 2002/03				2003/04	2003/04	2003/04	2004/05
	R'000	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
Current payments										
Compensation of employees	8 094	8 554	8 848	6 932	9 862	9 888	14 788	49.56	15 582	16 311
Salaries and wages	6 226	6 581	6 806	5 332	7 586	7 586	11 375	49.94	11 895	12 547
Social contributions	1 868	1 973	2 042	1 600	2 276	2 302	3 413	48.27	3 687	3 764
Goods and services	2 302	2 228	1 514	1 535	2 064	2 015	2 100	4.22	2 200	2 319
Interest and rent on land										
Interest										
Rent on land										
Financial transactions in assets and liabilities										
Unauthorised expenditure										
Total current payments	10 396	10 782	10 362	8 467	11 926	11 903	16 888	41.88	17 782	18 630
Transfers and subsidies to										
Provinces and municipalities										
Provinces										
Provincial Revenue Funds										
Provincial agencies and funds										
Municipalities										
Municipalities										
Municipal agencies and funds										
Departmental agencies and accounts										
Social security funds										
Provide list of entities receiving transfers										
Universities and technikons										
Public corporations and private enterprises										
Public corporations										
Subsidies on production										
Other transfers										
Private enterprises										
Subsidies on production										
Other transfers										
Foreign governments and international organisations										
Non-profit institutions										
Households										
Social benefits										
Other transfers to households										
Total transfers and subsidies										
Payments for capital assets										
Buildings and other fixed structures										
Buildings										
Other fixed structures										
Machinery and equipment	45		23	30	80	80	50	(37.50)	50	55
Transport equipment										
Other machinery and equipment	45		23	30	80	80	50	(37.50)	50	55
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total payments for capital assets	45		23	30	80	80	50	(37.50)	50	55
Total economic classification	10 441	10 782	10 385	8 497	12 006	11 983	16 938	41.35	17 832	18 685

Table B.2.3 Payments and estimates by economic classification										
Programme 3: Housing performance/Subsidy programmes										
Department of Housing										
Economic classification	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimate			
	Audited 2000/01	Audited 2001/02	Audited 2002/03				2003/04	2003/04	2003/04	2004/05
	R'000	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
Current payments										
Compensation of employees	4 333	5 565	6 308	12 084	8 834	8 834	6 789	(23.15)	7 295	7 418
Salaries and wages	3 333	4 281	4 852	9 295	6 795	6 795	5 222	(23.15)	5 569	5 706
Social contributions	1 000	1 284	1 456	2 789	2 039	2 039	1 567	(23.13)	1 726	1 712
Goods and services	3 223	2 093	2 357	3 329	4 398	4 100	3 148	(23.22)	3 225	3 399
Interest and rent on land										
Interest										
Rent on land										
Financial transactions in assets and liabilities										
Unauthorised expenditure										
Total current payments	7 556	7 658	8 665	15 413	13 232	12 934	9 937	(23.17)	10 520	10 817
Transfers and subsidies to										
Provinces and municipalities										
Provinces										
Provincial Revenue Funds										
Provincial agencies and funds										
Municipalities										
Municipalities										
Municipal agencies and funds										
Departmental agencies and accounts										
Social security funds										
Provide list of entities receiving transfers										
Universities and technikons										
Public corporations and private enterprises										
Public corporations										
Subsidies on production										
Other transfers										
Private enterprises										
Subsidies on production										
Other transfers										
Foreign governments and international organisations										
Non-profit institutions		600								
Households	341 466	325 861	378 860	423 282	423 282	276 560	430 035	55.49	433 492	460 341
Social benefits										
Other transfers to households	341 466	325 861	378 860	423 282	423 282	276 560	430 035	55.49	433 492	460 341
Total transfers and subsidies	341 466	326 461	378 860	423 282	423 282	276 560	430 035	55.49	433 492	460 341
Payments for capital assets										
Buildings and other fixed structures										
Buildings										
Other fixed structures										
Machinery and equipment	26	43	24	150	177	60	50	(16.67)	50	55
Transport equipment										
Other machinery and equipment	26	43	24	150	177	60	50	(16.67)	50	55
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total payments for capital assets	26	43	24	150	177	60	50	(16.67)	50	55
Total economic classification	349 048	334 162	387 549	438 845	436 691	289 554	440 022	51.97	444 062	471 213

Table B.2.4 Payments and estimates by economic classification										
Programme 4: Urban renewal and human settlement redevelopment										
Department of Housing										
Economic classification	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimate			
	Audited 2000/01	Audited 2001/02	Audited 2002/03				2003/04	2003/04	2003/04	2004/05
	R'000	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
Current payments										
Compensation of employees							1 807		1 850	1 937
Salaries and wages							1 390		1 412	1 490
Social contributions							417		438	447
Goods and services							468		480	500
Interest and rent on land										
Interest										
Rent on land										
Financial transactions in assets and liabilities										
Unauthorised expenditure										
Total current payments							2 275		2 330	2 437
Transfers and subsidies to										
Provinces and municipalities	9 998	7 182	7 777	15 000	34 113	15 180	15 810	4.15	13 049	12 243
Provinces										
Provincial Revenue Funds										
Provincial agencies and funds										
Municipalities	9 998	7 182	7 777	15 000	34 113	15 180	15 810	4.15	13 049	12 243
Municipalities	9 998	7 182	7 777	15 000	34 113	15 180	15 810	4.15	13 049	12 243
Municipal agencies and funds										
Departmental agencies and accounts										
Social security funds										
Provide list of entities receiving transfers										
Universities and technikons										
Public corporations and private enterprises										
Public corporations										
Subsidies on production										
Other transfers										
Private enterprises										
Subsidies on production										
Other transfers										
Foreign governments and international organisations										
Non-profit institutions										
Households										
Social benefits										
Other transfers to households										
Total transfers and subsidies	9 998	7 182	7 777	15 000	34 113	15 180	15 810	4.15	13 049	12 243
Payments for capital assets										
Buildings and other fixed structures										
Buildings										
Other fixed structures										
Machinery and equipment										
Transport equipment										
Other machinery and equipment										
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total payments for capital assets										
Total economic classification	9 998	7 182	7 777	15 000	34 113	15 180	18 085	19.14	15 379	14 680

Table B.2.5 Payments and estimates by economic classification										
Programme 5: Housing asset management										
Department of Housing										
Economic classification	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Current payments										
Compensation of employees	6 722	7 620	9 382	10 590	10 590	10 152	12 053	18.73	12 618	13 041
Salaries and wages	5 171	5 862	7 217	8 146	8 146	7 907	9 272	17.26	9 632	10 032
Social contributions	1 551	1 758	2 165	2 444	2 444	2 245	2 781	23.88	2 986	3 009
Goods and services	2 564	3 326	1 752	26 427	26 777	26 827	25 824	(3.74)	25 922	25 978
Interest and rent on land										
Interest										
Rent on land										
Financial transactions in assets and liabilities										
Unauthorised expenditure										
Total current payments	9 286	10 946	11 134	37 017	37 367	36 979	37 877	2.43	38 540	39 019
Transfers and subsidies to										
Provinces and municipalities										
Provinces										
Provincial Revenue Funds										
Provincial agencies and funds										
Municipalities										
Municipalities										
Municipal agencies and funds										
Departmental agencies and accounts										
Social security funds										
Provide list of entities receiving transfers										
Universities and technikons										
Public corporations and private enterprises										
Public corporations										
Subsidies on production										
Other transfers										
Private enterprises										
Subsidies on production										
Other transfers										
Foreign governments and international organisations										
Non-profit institutions										
Households							16 000		14 000	14 000
Social benefits										
Other transfers to households							16 000		14 000	14 000
Total transfers and subsidies							16 000		14 000	14 000
Payments for capital assets										
Buildings and other fixed structures										
Buildings										
Other fixed structures										
Machinery and equipment			40				50		50	55
Transport equipment										
Other machinery and equipment			40				50		50	55
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total payments for capital assets			40				50		50	55
Total economic classification	9 286	10 946	11 174	37 017	37 367	36 979	53 927	45.83	52 590	53 074

Table B.3 Details on public entities Name of Public Entity: None										
Payments and receipts	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Receipts										
Tax receipts										
Non-tax receipts										
Sale of goods and services other than capital assets										
<i>Of which</i>										
Specify item										
Specify item										
Specify item										
Other non-tax revenue										
Transfers received										
Sale of capital assets										
Total receipts										
Payments										
Current payments										
Compensation of employees										
Use of goods and services										
Depreciation										
Interest, dividends and rent on land										
Transfers and subsidies										
Total payments										
Surplus (deficit)										
Cash flow summary										
Operating surplus (deficit)										
Adjustments for:										
Depreciation										
Interest										
Net (profit)/loss on disposal of fixed assets										
Other										
Operating surplus (deficit) before changes in working capital										
Decrease/(increase) in accounts payable										
(Decrease)/increase in accounts receivable										
(Decrease)/increase in provisions										
Cash flow from operating activities										
Cash receipts										
<i>Of which</i>										
Transfers from government										
Cash payments										
Cash flow from investing activities										
Cash flow financing activities										
Net increase/(decrease) in cash and cash equivalents										

Table B.4 Transfers to local government by transfers/grant type, category and municipality: Department of Housing										
Municipalities	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Total departmental transfers/grants	9 998	7 182	7 777	15 000	34 113	15 180	15 810	4.15	13 049	12 243
Category A	9 998	6 506	4 071	5 451	27 492	8 559	7 969	(6.89)		
City of Cape Town	9 998	6 506	4 071	5 451	27 492	8 559	7 969	(6.89)		
Category B		676	1 476	3 572	6 321	6 321	1 407	(77.74)		
Beaufort West				300	372	372		(100.00)		
Bergrivier				364	364	364		(100.00)		
Bitou										
Breede River/Winelands					473	473		(100.00)		
Breede Valley										
Cape Agulhas										
Cederberg				250	300	300		(100.00)		
Drakenstein			155		875	875		(100.00)		
George					305	305		(100.00)		
Kannaland										
Knysna				366	466	466		(100.00)		
Laingsburg										
Langeberg					150	150		(100.00)		
Matzikama			159		61	61		(100.00)		
Mossel Bay							490			
Oudtshoorn				400	509	509		(100.00)		
Overstrand		75	479							
Paarl										
Prince Albert		457	270							
Robertson				120						
Saldanha Bay				100	911	911		(100.00)		
Stellenbosch				1 301	390	390		(100.00)		
Swartland				100	592	592		(100.00)		
Swellendam			330	110	160	160		(100.00)		
Theewaterskloof			83	161	261	261	917	251.34		
Witzenberg		144			132	132		(100.00)		
Unallocated										
Category C			2 230	5 977	300	300	6 434	2 044.67	13 049	12 243
Boland			359		300	300		(100.00)		
Central Karoo										
Eden			752							
Overberg			130							
West Coast			989							
Unallocated				5 977			6 434		13 049	12 243
Total transfers to local government	9 998	7 182	7 777	15 000	34 113	15 180	15 810	4.15	13 049	12 243

Table B.4.1 Transfers to local government by transfers/grant type, category and municipality: Department of Housing										
Municipalities	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Urban renewal and human settlement redevelopment	8 203	1 860	5 806	13 500	32 613	13 680	14 310	4.61	11 549	12 243
Category A	8 203	1 860	3 292	4 832	26 694	7 761	7 969	2.68		
City of Cape Town	8 203	1 860	3 292	4 832	26 694	7 761	7 969	2.68		
Category B			284	3 452	5 919	5 919	1 407	(76.23)		
Beaufort West				300	372	372		(100.00)		
Bergrivier				364	364	364		(100.00)		
Bitou										
Breede River/Winelands					353	353		(100.00)		
Breede Valley										
Cape Agulhas										
Cederberg				250	300	300		(100.00)		
Drakenstein			125		875	875		(100.00)		
George					305	305		(100.00)		
Kannaland										
Knysna				366	466	466		(100.00)		
Laingsburg										
Langeberg										
Matzikama			159		61	61		(100.00)		
Mossel Bay							490			
Oudtshoorn				400	509	509		(100.00)		
Overstrand										
Paarl										
Prince Albert										
Robertson										
Saldanha Bay				100	911	911		(100.00)		
Stellenbosch				1 301	390	390		(100.00)		
Swartland				100	592	592		(100.00)		
Swellendam				110	160	160		(100.00)		
Theewaterskloof				161	261	261	917	251.34		
Witzenberg										
Unallocated										
Category C			2 230	5 216			4 934		11 549	12 243
Boland			359							
Central Karoo										
Eden			752							
Overberg			130							
West Coast			989							
Unallocated*				5 216			4 934		11 549	12 243

* Allocation subject to approval of business plans by the national Department of Housing.

Table B.4.2 Transfers to local government by transfers/grant type, category and municipality: Department of Housing										
Municipalities	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Settlement assistance	1 795	5 322	1 971	1 500	1 500	1 500	1 500		1 500	
Category A	1 795	4 646	779	619	798	798		(100.00)		
City of Cape Town	1 795	4 646	779	619	798	798		(100.00)		
Category B		676	1 192	120	402	402		(100.00)		
Beaufort West										
Bergrivier										
Bitou										
Breede River/Winelands					120	120		(100.00)		
Breede Valley										
Cape Agulhas										
Cederberg										
Drakenstein			30							
George										
Kannaland										
Knysna										
Laingsburg										
Langeberg					150	150		(100.00)		
Matzikama										
Mossel Bay										
Oudtshoorn										
Overstrand		75	479							
Paarl										
Prince Albert		457	270							
Robertson				120						
Saldanha Bay										
Stellenbosch										
Swartland										
Swellendam			330							
Theewaterskloof			83							
Witzenberg		144			132	132		(100.00)		
Unallocated										
Category C				761	300	300	1 500	400.00	1 500	
Boland					300	300		(100.00)		
Central Karoo										
Eden										
Overberg										
West Coast										
Unallocated**				761			1 500		1 500	

** Subject to the approval of business plans submitted by municipalities to the Department.

Department of Housing										
Municipalities	Outcome			Main appropriation 2003/04 R'000	Adjusted appropriation 2003/04 R'000	Revised estimate 2003/04 R'000	Medium-term estimate			
	Audited 2000/01 R'000	Audited 2001/02 R'000	Audited 2002/03 R'000				2004/05 R'000	% Change from Revised estimate 2003/04	2005/06 R'000	2006/07 R'000
Cape Town Metro	46 595	51 959	48 850	73 717	106 510	229 033	80 289	(64.94)	90 398	95 546
West Coast Municipalities			1 148	814	2 228	25 277		(100.00)		
Matzikama			159		61	1 061		(100.00)		
Cederberg				250	300	382		(100.00)		
Bergrivier				364	364	2 690		(100.00)		
Saldanha Bay				100	911	17 887				
Swartland				100	592	3 257		(100.00)		
West Coast DMA										
West Coast District Municipality			989							
Boland Municipalities		144	514	1 301	2 290	21 210		(100.00)		
Witzenberg		144			132	132		(100.00)		
Drakenstein			155		875	11 813		(100.00)		
Stellenbosch				1 301	390	4 450		(100.00)		
Breede Valley						3 945		(100.00)		
Breede River/Winelands					593	570		(100.00)		
Breede River DMA			359		300	300		(100.00)		
Boland District Municipality										
Overberg Municipalities		75	1 022	271	421	15 393	917	(94.04)		
Theewaterskloof			83	161	261	2 706	917	(66.11)		
Overstrand		75	479			1 851		(100.00)		
Cape Agulhas						2 000		(100.00)		
Swellendam			330	110	160	8 836		(100.00)		
Overberg DMA										
Overberg District Municipality			130							
Eden Municipalities	1 800	1 950	2 852	2 966	3 630	72 081	2 400	(96.67)	2 600	3 000
Kannaland										
Langeberg					150	150		(100.00)		
Mossel Bay						22 030		(100.00)		
George	1 800	1 950	2 100	2 200	2 505	19 357	2 400	(87.60)	2 600	3 000
Oudtshoorn				400	509	12 605		(100.00)		
Bitou										
Knysna				366	466	17 939		(100.00)		
South Cape DMA										
Eden District Municipality			752							
Central Karoo Municipalities		457	270	300	372	2 372		(100.00)		
Laingsburg						1 000		(100.00)		
Prince Albert		457	270			1 000		(100.00)		
Beaufort West				300	372	372		(100.00)		
Central Karoo DMA										
Central Karoo District Municipality										
Unallocated	341 466	325 861	378 860	438 282	423 282	5 259	468 279	8804.34	462 041	486 584
Total provincial expenditure by district and local municipality	389 861	380 446	433 516	517 651	538 733	370 625	551 885	48.91	555 039	585 130