

Programme 3: Housing Development

Purpose: To provide individual subsidies and housing opportunities to beneficiaries in accordance with the housing policy.

This programme 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 Rental Housing opportunities, supporting Urban Restructuring and Integration; and
- Rural Intervention: To facilitate access to housing opportunities in rural areas.

Programme 3: Housing Development				
Strategic Objective	Measure/ Indicator	Actual Performance against target		Reason for Variance
		Target	Actual	
Upscale the provision and implementation of serviced sites	Number of serviced sites delivered from the Integrated Housing and Human Settlement Development Grant (IHSD grant)	18 000	11 141	Target was not achieved due to the slow delivery on UISP projects within the City of Cape Town including the N2 Gateway (N2G). While new projects were initiated the N2G showed slow performance. Many of these projects delivered houses and sites close to completion (+80%), but which cannot be signed-off as a complete unit. Delays in project approvals due to capacity of Zandvliet sewerage works were also experienced.
Financial Interventions				
Individual Housing Subsidies (R0-3 500) Credit Linked	Number of beneficiaries approved	50	11	Poor uptake in credit linked subsidies due to Credit Act/ bank lending criteria
	Number of new housing units completed and transferred	50	5	Poor uptake in credit linked subsidies due to Credit Act/ bank lending criteria. In total 11 units were completed but only 5 transferred (6 units not transferred)
Individual Housing Subsidies (R0-R3 500) Non-credit linked	Number of beneficiaries approved	450	752	Significant increase in Individual Subsidy Quantum has made these subsidies more attractive.
	Number of properties transferred	450	322	In addition 73 beneficiaries received payments for properties that were transferred prior to the 2010/11 financial year.

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	Number of housing units completed	450	636	Significant increase in Individual Subsidy Quantum has made these subsidies more attractive.
Rectification of RDP stock 1994-2002	Number of projects approved	-	0	
	Number of housing units rectified	-	16	16 units rectified.
Social and Economic Facilities	Number of projects	6	2	Non alignment of Developer's project application to policy prescripts led to fewer approvals
NHBRC Enrollment Fees	Number of projects enrolled	40	20	Adjusted focus on serviced sites & operational integration of IRDP in lieu of PLS led to fewer enrolments.
	Number of houses enrolled	9 250	8 387	Adjusted focus on serviced sites & operational integration of IRDP in lieu of PLS led to fewer enrolments.
Land parcels procured (IHAHSD grant)	Number of land parcels procured	-	3	City: Wolwerivier, Atlantis; Du Noon, Milnerton Bitou: New Horizons The department reprioritised its spending when it realised it was not going to reach its sites and units targets for the financial year. Although the purchase of land parcels was not originally a priority for the current financial year, it is a priority in terms of the strategic objective 6 and the 5 years strategic plan
Land parcels procured (Other funding)	Number of land parcels procured	-	-	-
Incremental Housing Programmes				
Project Linked Subsidies (current commitments approved up to 31/03/07)	Number of beneficiaries approved	3 400	5 863	Departure from R2 479.00 contribution led to a greater number of approvals.
	Number of sites serviced	3 400	1 172	The under-performance can be partially ascribed to the new projects approved as IRDP in view of PLS being discontinued.
	Number of housing units completed	8 900	6 509	The under-performance can be partially ascribed to the new projects approved as IRDP in view of PLS being discontinued.
	Number of properties transferred	3 000	0	The department did not have systems in place to calculate the exact number of properties transferred under PLS

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Integrated Residential Development Programme: Phase 1 Planning and Services	Number of projects approved	10	10	Target was achieved
	Number of planned sites (Residential) approved	920	2 877	Ascribed to the new projects approved as IRDP in lieu of PLS
	Number of planned sites (Other) approved	100	8	Under performance can be ascribed to the interlink between PLS and IRDP
Integrated Residential Development Programme: Phase 2: Top Structure Construction	Number of projects approved	10	6	Operational integration of IRDP and a phased approach, in lieu of PLS led to fewer approvals.
	Number of beneficiaries approved	350	381	Target was overachieved.
	Number of housing units completed	350	550	The over-performance can be ascribed to the new projects approved as IRDP in view of Project-linked.
Informal settlement Upgrading	Number of housing units completed	-	-	-
	Number of planned sites (residential) approved	8 500	9 954	9 954 sites were approved (of this 3 028 sites delivered) An adjusted focus to provide serviced sites.
	Number of projects approved	12	10	Due to quantity of sites approved per project, site target was met despite fewer projects approved
Emergency Housing Assistance (current commitments)	Number of projects approved for assistance to households needing temporary assistance	10	5	This planned target was set on the baseline of the previous year's emergencies. Applications are managed on an adhoc emergency basis
	Number of sites serviced for assistance to households needing temporary assistance	3 410	2 574	The City's flood relief projects did not proceed as planned
	Number of housing units completed for assistance to households needing temporary assistance	3 410	844	TRA structures only built on Delft and Mfuleni sites. City's flood relief projects did not proceed as planned. N2 TRA proceeded slower than expected

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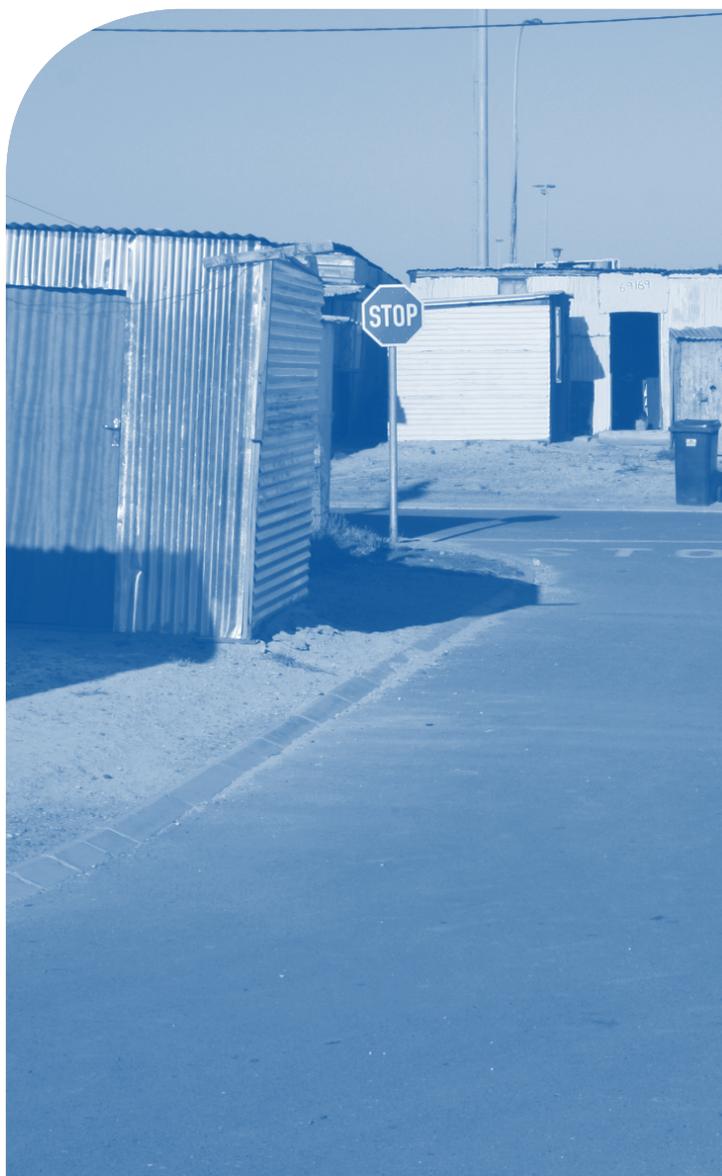
Strategic Objective	Measure/ Indicator	Actual Performance against target		Reason for Variance
		Target	Actual	
Emergency Housing Assistance (planned projects- possible disaster area)	Number of housing units (fire kits) provided for emergency temporary assistance to households	6 500	4 885	This planned target was set on the baseline of the previous year's emergencies.
Social and Rental Housing				
Institutional subsidies	Number of beneficiaries approved	250	309	Over achievement can be ascribed to the successful completion of Institutional Housing Projects
	Number of projects approved	2	2	Target was achieved
	Number of housing units completed	250	271	The target was achieved. Over-performance can be ascribed to the successful completion of Phase 1 Amakhaya Ngoku and the Morgen's Village institutional projects
Social Housing: operation support	Number of Social Housing Institutions approved for Provisional Accreditation Grant	3	-	Target not met. This is a national objective which can only be implemented after accreditation of municipalities. The CoCT accreditation was only granted at end of third quarter.
Social Housing: Capital Grants for rental housing (funded by NDoH)	Number of projects approved	2	-	A Social Housing project is dependent on both the approval of the Restructuring Capital Grant (RCG) by National and the Provincial Institutional Subsidy. Social Housing projects are approved for Institutional Subsidies on condition that RCG has been approved. The funding for RCG is limited and projects nationally are considered. Both the Bothasig and Steenberg phase 2 projects were not approved for the RCG.
	Number of housing units completed	420	578	The Department exceeded its target as the Steenberg (420 units) and Drommedaris (219) projects finished in this financial year.
Community Residential Unit Programme (CRU)	Number of units constructed	-	-	-
	Number of units upgraded	1 100	957	Vandalism occurred prior to vacating the units. Regularisation took longer than projected. Delays were experienced with electrical issues. Specifications were reduced to align with current approvals and included for contract price escalation.

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Rural Housing				
Housing Programme for Farm Residents	Number of projects approved	-	-	-
	Number of beneficiaries approved	-	-	-
Rural Housing: Communal land rights	Number of beneficiaries approved	-	-	-
	Number of projects approved	-	-	-
Reduce bulk infrastructure as a constraint to human settlement development	Percentage of envisaged projects with secured infrastructure funding	75%	-	<p>Bulk infrastructure is a function of local government and the Department has currently no funding to address bulk infrastructure issues. During the 2010/11 financial year, potential number of 7 525 planned serviced sites could not be delivered due to bulk services constraints.</p> <p>The misalignment between human settlements and MIG funding will be addressed with the introduction of the Urban Settlements Development Grant for CoCT.</p> <p>The department provided funding from its equitable share to the value of R20 million for bulk services in Swartland and George municipalities. The department will allocate again about R20 million in the 2011/12 financial year for bulk services hampering human settlement developments in other municipalities</p>
People's Housing Empowerment Process				
Increase beneficiary involvement in development of housing opportunities	Percentage of houses built under self-help "People's Housing Process" programme	25%	25%	Target achieved
People's Housing process	Number of projects approved	12	12	Target achieved
	Number of beneficiaries approved	4 000	4 203	Over achievement can be ascribed to the successful completion of PHP Projects where extensions are allowed for new projects

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	Number of approved units completed	4 000	2 029	Insufficient alignment with the project pipeline resulted in the under- performance. Establishment of the Grant Allocation Advisory Committee during 2010 will assist in the prioritization of the projects within the various Municipalities in terms of aligning it with project pipelines of the various Municipalities.
	Number of housing units completed	4 000	3 311	Approximately 1200 houses are under construction and near completion but not 100% complete and could therefore not be reported.
	Number of facilitation grants awarded	12	12	Target achieved
	Number of establishment grants awarded	12	12	Target achieved
Educate beneficiaries on their rights and responsibilities of home ownership and rental	Housing beneficiary capacity building programme	1	1	Target achieved
	Number of awareness programmes/ workshops to encourage self-help initiatives by beneficiaries	10	30	Target was over achieved due to inclusion of housing consumer education sessions held across the province. Policy priority changed with a special emphasis placed on Strategic Objective 6 which was approved by Cabinet
Optimal use of resources				
Increase the density of new housing development on well-located land	Average density of human settlement developments (in units per hectare)	30	0	The target was not met due to insufficient performance evidence being submitted. However, in certain instances, there is evidence where the density targets have been overachieved such as Pelican Park erf 934 where the design has produced 219 housing opportunities on 70m ² plots at a gross of 73du/ha to an estimated capital expenditure of R31.3m (excl. VAT).
Enhancing the supply of new rental housing opportunities and encouraging improved Property Management of rental stock	Number of Restructuring Zones identified and extended	2	6	Application for six Restructuring Zones were identified and endorsed by MEC.
	Percentage of Collection rate of departmental property	15%	59.4%	The increased collection rate can be attributed to the allocation of EEDBS (home ownership) to DRs earning less than R3 500 who could afford to pay rent before.

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To increase sustainable resource use, which includes exploring alternative technologies, design, layout, topography, etc.	Percentage of units built using energy efficiency and alternative energy sources	10%	0%	The department was unable to provide evidence of units built using energy efficient and alternative energy sources.
Increase private sector investment into the delivery of housing	Number of Actual Private Sector and Development Institution Participating in Housing Delivery	4	5	Three Social Housing Institutions (Section 21) participated in the Social Housing programme. 1 private developer submitted projects during this period. The NHFC made funds available to approved Social Housing projects



Programme 4: Housing Asset / Property Management

Purpose: To plan, facilitate and develop integrated and sustainable human settlements. The sub-programmes for this programme are:

Administration: To provide administration support funded from equitable share

Housing Properties Maintenance: To provide for the maintenance of housing properties

Programme 4: Asset Management and Property				
Strategic Objective	Measure/ Indicator	Actual Performance against target		Reason for Variance
		Target	Actual	
To promote security of tenure through effecting transfer to qualifying beneficiaries	Completion of investigation in title deeds	1	1	Target achieved
	Percentage in reduction of title deeds backlog	5%	8%	The backlog in the transfer of ownership was estimated at 30 000 units. Approximately 2 400 (8%) properties were transferred to beneficiaries during the financial year.
	Number of title deeds issued within three months after completion of serviced sites	13 000	0	The actual performance target itself was over ambitious and most municipalities had not yet bought into the strategy of transferring serviced sites to beneficiaries. A political and administrative process has been put into place in the current financial year to address this issue in order to meet the strategic objective 6 target of a greater focus on providing serviced sites to beneficiaries as opposed to serviced sites with a housing unit.
	Number of rental units built (social + institutional)	670	849	Target overachieved. Duplicate indicator (already reported under Programme 3) Social and Rental Housing
	Number of hectares of land released to Municipalities and Developers	300	-	A departmental policy shift resulted in a decision not to release the land. Instead the Department is conducting planning processes to obtain development rights in respect of the relevant properties
	Number of rental units devolved to municipalities in terms of section 15 of the Housing Act, 1997	461	-	A strategic and policy shift resulted in a decision not to devolve the rental units to the municipality after the adoption of Strategic Objective 6
	Number of debtors reduced per financial year	1 800	1 811	

Programme 4: Asset Management and Property

Strategic Objective	Measure/ Indicator	Actual Performance against target		Reason for Variance
		Target	Actual	
Enhanced Extended Discount Scheme	Number of properties transferred	1 000	711	Delays caused by factors outside of the Department's control, i.e. issuing of rates clearance certificates and certificates by SARS, affected the registration of transfers
	Amount discounted R'000	34, 000 Million	36, 576 million (subject to auditing)	The Department allocated 1046 subsidies against a planned output of 1000.
State Asset Maintenance Programme	Number of rental stock units maintained	1 280	734	The initial target of 1 280 represented the total rental stock at the time of compiling the APP in January 2010. Due to the EEDBS rental stocks are being transferred to qualifying beneficiaries. As at 1 April 2010, the total number of rental units was 1 143. As at 31 March 2011, the number of rental stock was 972. The department amended its maintenance plan in the 2011/12 to provide for the declining number of rental units to be maintained. Four upgrading contracts for approximately 280 units were awarded in April 2011. It was not necessary for the department to perform maintenance work on all rental units during the year under review.

