



**Western Cape
Government**

Human Settlements



Annual Report 2014/2015
Department of Human Settlements

Department of Human Settlements

Western Cape

VOTE NO. 8

**ANNUAL REPORT
2014/15 FINANCIAL YEAR**

CONTENTS

| | |
|--|------------|
| Part A: General Information | 7 |
| 1. Department's General Information | 9 |
| 2. List of abbreviations/acronyms | 11 |
| 3. Foreword by the Provincial Minister of the Department | 12 |
| 4. Report of the Accounting Officer | 14 |
| 5. Statement of responsibility and confirmation of accuracy for the Annual Report for the financial year ending 31 March 2014. | 18 |
| 6. Strategic overview | 19 |
| 7. Legislative and other mandates | 20 |
| 8. Organisational structure | 21 |
| 9. Entities reporting to the Provincial Minister | 23 |
| Part B: Performance Information | 25 |
| 1. Auditor General's report: predetermined objectives | 27 |
| 2. Overview of departmental performance | 27 |
| 2.1 Service delivery environment | 27 |
| 2.2 Service delivery improvement plan | 29 |
| 2.3 Organisational environment | 34 |
| 2.4 Key policy developments and legislative changes | 34 |
| 3. Strategic outcome oriented goals | 35 |
| 4. Performance information by Programme | 37 |
| 4.1 Programme 1: Administration | 37 |
| 4.2 Programme 2: Housing Needs, Research and Planning | 40 |
| 4.3 Programme 3: Housing Development | 45 |
| 4.4 Programme 4: Land and Asset Management | 55 |
| 5. Transfer payments | 58 |
| 5.1 Transfer payments to public entities | 58 |
| 5.2 Transfer payments to all organisations other than public entities | 58 |
| 6. Conditional grants | 59 |
| 6.1 Conditional grants and earmarked funds paid | 59 |
| 6.2 Conditional grants and earmarked funds received | 59 |
| 7. Donor funds | 61 |
| 7.1 Donor funds received | 61 |
| 8. Capital investment | 61 |
| 8.1 Capital investment, maintenance and asset management plan | 61 |
| Part C: Governance | 63 |
| 1. Introduction | 65 |
| 2. Risk management | 65 |
| 3. Fraud and corruption | 67 |
| 4. Minimising conflict of interest | 67 |
| 5. Code of conduct | 68 |
| 6. Health, safety and environmental issues | 68 |
| 7. Portfolio committees | 69 |
| 8. SCOPA resolutions | 70 |
| 9. Prior modifications to audit reports | 71 |
| 10. Internal control unit | 71 |
| 11. Internal audit and audit committees | 72 |
| 12. Audit committee report | 75 |
| Part D: Human Resource Management | 77 |
| Part E: Financial Information | 121 |



*Apartments refurbished under the
Community Residential Upgrade
(CRU) programme in Kewtown,
Athlone.*



1. DEPARTMENT'S GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

| | | | |
|--------|--|---------|--|
| ABT | Alternative Building Technologies | OHS | Occupational Health & Safety |
| AGSA | Auditor General of South Africa | OHASA | Occupational Health & Safety Act |
| AO | Accounting Officer | PAJA | Promotion of Administrative Justice Act |
| CD | Chief Director | PFMA | Public Finance Management Act |
| CFO | Chief Financial Officer | PFS | Provincial Forensic Services |
| CSC | Corporate Services Centre | PHP | People's Housing Process |
| CRU | Community Residential Units | PILIR | Policy on Incapacity Leave and Ill-Health Retirement |
| DORA | Division of Revenue Act | PRT | Professional Resource Team |
| DoTP | Department of the Premier | PSO6 | Provincial Strategic Objective6 |
| DPSA | Department of Public Service and Administration | PSCBC | Public Service Coordinating Bargaining Council |
| EHW | Employee Health and Wellness | PSRMF | Public Sector Risk Management Framework |
| EHWP | Employee Health and Wellness Programme | PWD | People with Disabilities |
| EEDBS | Enhanced Extended Discount Benefit Scheme | RDP | Reconstruction and Development Programme |
| EPWP | Expanded Public Works Programme | SANCO | South African National Civic Organisation |
| ERM | Enterprise Risk Management | SCM | Supply Chain Management |
| ERMCO | Enterprise Risk Management Committee | SCOPA | Standing Committee on Public Accounts |
| FLISP | Finance Linked Individual Subsidy Programme | SHERQ | Safety, Health, Environment, Risk, and Quality |
| GAP | Governance Action Plan | SHRA | Social Housing Regulatory Authority |
| GPSSBC | General Public Service Sector Bargaining Council | SMS | Senior Management Service |
| HDDIP | Housing Demand Data Improvement Programme | TOR | Terms of Reference |
| HDI | Historically Disadvantaged Individuals | UISP | Upgrading of Informal Settlements Programme |
| HoD | Head of Department | VPUU | Violence Prevention through Urban Upgrading Programme |
| HSS | Housing Subsidy System | WCG | Western Cape Government |
| IDA | Incremental Development Areas | WCHDB | Western Cape Housing Development Board |
| IDP | Integrated Development Plans | WCHDDB | Western Cape Housing Demand Database |
| IRDP | Integrated Residential Development Programme | WCHDF | Western Cape Housing Development Fund |
| LOGIS | Logistical Information System | WCHDDIP | Western Cape Housing Demand Data Improvement Programme |
| LRA | Labour Relations Act | WCSD | Western Cape Suppliers' Database |
| MEC | Member of Executive Council | WIP | Work in Progress |
| MPAT | Management Performance Assessment Tool | | |
| NDP | National Development Plan | | |
| NASHO | National Association of Social Housing Organisations | | |
| OAG | Office of the Auditor General | | |

3. FOREWORD BY THE PROVINCIAL MINISTER OF THE DEPARTMENT



My Department has a full SMS complement, a structure fully established with highly competent responsive, efficient **employees** (454 employees), with a vacancy rate of less than 6 % and an employment equity rate of 50.6 % women representivity. Special efforts have already been actioned to assist the Department to meet its target with regards to representivity of people with disabilities and women representation in senior management. Currently, my Department has been working on the revised organisational structure to enable it to be adequately resourced to deliver on its increased mandate and responsibilities.

Having received a total Infrastructure **budget** of R2.151 billion in the past year, my Department has adequately and efficiently managed the funds to achieve its mandate with

100 % of the HSDG (R1.935 billion) budget been spent directly on delivering housing opportunities, which amongst others, included houses, serviced sites and provision of infrastructure. Moreover, the Department received a clean audit opinion in this regard and a 3.8 Management Performance Assessment Tool (MPAT) rating on the management of finances and supply chain.

In the past year my Department's **performance** exceeded expectations by far, as more than 18 000 housing opportunities were delivered and security of tenure have been increased through title deeds transfer and debt write-off to those who could not pay their bonds. In addition, this has resulted in the Department receiving various accolades from its peers on the delivery of institutional housing, upgrading of informal settlements and social housing. My Department in the past year also actioned the release of Provincial Government land for the delivery of gap and affordable market housing opportunities.

In its attempt to broaden **economic participation** and realising the open opportunity agenda, my Department has ensured that enterprises with HDI status and women owned are enabled to enter the housing delivery sector and actively participate in the economic activities. This resulted in about 10% of the HSDG budget being allocated to these enterprises for housing delivery. Furthermore, my Department has established a database of built sector professionals and contractors in order to enable them to actively participate in the Department's activities.

In the past year, my Department has been actively involved in various Non-Governmental Organisations, Community Based Organisations and Private Sector to forge partnerships for assisting the Department in its delivery program, and by doing so, actioning the whole of society agenda.

Having learned from our own experiences and as we are halfway through our first financial year (2015/16) of this term, it is time to reflect on our strategic goals we announced at the beginning of the term and see whether we are making progress to achieve them. As a reminder to many of our staff members, our partners and the public, these are our 3 strategic goals for the next 4 years and beyond.

- 1 We are going to shift more resources towards upgrading of informal settlements in order to provide basic services to all our citizens.
2. Strengthen our partnership with private sector in order to increase affordable houses for people earning above the free subsidy threshold.
3. Pay more attention in the allocation of free subsidized state houses in order to prioritize the most deserving individuals, over 40s, disable and child headed households.

This has been broadly communicated internally with our staff members in order to be on the same page and have a consistent message. Since the beginning of the year we had numerous engagements with the City of Cape Town, our only metro and our biggest stakeholder. We then had a very fruitful engagement with the NGO sector at the recent workshop convened by Isandla Institute. We then visited a number of informal settlements with officials from the City of Cape Town's Department of Human Settlements, Utility Services and Provincial Department of Human Settlements to look at the appalling conditions some of our people still live under.

Follow up meetings will be held with non-metro municipalities, further engagements with NGOs to thrash out specific details on how to implement our strategy and lastly with private sector.

We are now moving to the next phase of revising our business plans in order to be in line with our strategic goals. The sluggish economic growth, increasing levels of unemployment, job losses and electricity crisis are hampering investment and putting more pressure on us to expedite our strategic goals. We have to improve living conditions of our people by placing at the centre the upgrading of informal settlements and servicing of the sites for back yard dwellers. Our aim is to achieve a 1:1 ratio on sanitation provision, access to roads, and water and electricity in our informal settlements.

Lastly, on the 4th of September 2015, we launched a historic project in a small town outside Oudtshoorn called Spieskamp, in partnership with Agri-Wes Kaap, a farmer who's a land owner, the municipality and my Department. A number of other partnership initiatives with private sector are at advanced stages because we are working better, together.

I thank you.



Bonginkosi Madikizela
Provincial Minister of the Department of Human Settlements
Western Cape Government
May 2015

4. REPORT OF THE ACCOUNTING OFFICER

The 2014/15 financial year marks the on-going process of government's efforts to provide shelter as a socio-economic right. The Western Cape Department of Human Settlements embraced principles of integrated planning, project implementation, and synergy in deploying funding. Through collaboration and coordination, municipalities, as delivery agents, were brought into an outcomes-based approach as they discharge their responsibilities to change the Human Settlements space.

The Department's vision, mission and values have over the past year formed the basis for a common purpose, direction and urgency. It was during the year under review that the Department increased its efforts in setting up systems for delivery and doubled its monitoring efforts to ensure that housing programmes were performing. During this period the Department has made reasonable strides and progress in setting the delivery framework and implementation systems for the achievement of Provincial Strategic Objective (PSO) 6 and Outcome 8 (Sustainable Human Settlements and Improved Quality of Household Life) aspirations.

This Annual Report accounts for the success as implemented through each programme in the Department. You are invited to note our efforts within the available resources to address the



human settlement challenges in the context of rising land cost and impact to human settlements programmes on one hand and the costs of building material and labour on the other.

The table below highlights the Department's achievement of the strategic outcome oriented goals outlined in the Annual Performance Plan 2014/15 and in the Strategic Plan 2010/11- 2014/15;

| No. | Strategic Outcome Oriented Goals | Strategic Objective | Key focus areas and deliverables |
|-----|---|---|---|
| 1 | Accelerate the provision of housing opportunities including the prioritisation of serviced sites. | Upgrading of informal settlements and the up scaling of the provision and implementation of serviced sites. | For the year under review a total of 18 806 housing opportunities were delivered, against a target of 17 583. |
| 2 | Inculcate a sense of ownership, rights and personal responsibility amongst housing beneficiaries, tenants and owners. | Increase beneficiary involvement in the development of housing opportunities. To promote security of tenure through effecting transfer of outstanding title deeds to qualifying beneficiaries. | For the year under review the Department transferred a total of 141 rental properties, against a target of 100. Further to this, the Department delivered a total of 2 972 PHP units, against a target of 3 138. The Department also reduced the number of debtors by 1147 against a target of 700. |
| 3 | Provide a fairer allocation of housing. | To introduce a standardised system and process through which beneficiaries are selected. | The Department rolled out Version 2 of the Western Cape Housing Demand Database. The application supports beneficiary selection and makes provision for special groups such as farm workers and disabled persons. |
| 4 | Optimal use of resources and partnerships | Enhancing the supply of new rental housing opportunities and encouraging improved property management of rental stock. | For the year under review the Department delivered a total of 1 936 social and rental opportunities, against a target of 1 366. |
| 5. | Introduce a coordinated approach to human settlement planning through effective integrated development planning. | Integrate the work of different departments involved in human settlement development, using the Integrated Development Plans (IDPs) as the basis. | For the financial year under review the Department approved a total of 25 human settlement projects, based on IDP's, Provincial and National Priorities. |
| 6. | Fully functional Department capacitated to deliver services. | Create organisational programme management capability. | For the financial year under review the Department decreased its vacancy rate from 20.5% to 6%. Further to this, the Department implemented the necessary systems and processes to ensure compliance with the relevant legislative prescripts and standards in terms of supply chain management and expenditure management. |

The Department has acknowledged the importance of the role of strategic partners in achieving the goals and objective set out in the Strategic Plan. With this in mind, the Department has embarked on drafting a framework for a Partnership Strategy, which focuses on how the partnership relationship with the private sector and communities can be mutually beneficial. Further to this, the Department has committed to engage private sector partners through the release of its land assets. The table below provides a list of strategic partnerships forged during the period under review and the outcome thereof;

| Name of partner | Purpose of the partnership | Results of the partnership |
|--|--|---|
| African Centre for Cities (University of Cape Town) | Provision of support on technical and strategic matters | <ul style="list-style-type: none"> • Assistance with the development of the Terms of Reference for Western Cape's Human Settlement Framework • Assistance with developing the scope for the Informal Settlement Support Plan |
| Community Leaders of various settlements / neighbourhoods | Communicate plans and strategies between parties | Collective decision making |
| Commercial Banks | Provision of funding for housing | <ul style="list-style-type: none"> • Reduction in backlog • Relationships between public and government to address the backlog |
| Metro Police and Law Enforcement Disaster Management | <ul style="list-style-type: none"> • Neighbourhood safety • Community Engagement • Law Enforcement | Crime and risk prevention |
| Non-Governmental Organisations such as; <ul style="list-style-type: none"> • Un Habitat • SANCO • Slum dwellers International • VPUU • Development Action Group | Assistance with Social Facilitation in Informal Settlements. | <ul style="list-style-type: none"> • Well organised communities • Platform for community decision-making • Shared responsibility for social upliftment |
| National Association of Social Housing Organisations (NASHO) | The Department relies on NASHO, a body representing the interests of Social Housing Institutions, to provide it with comment on matters related to social housing policy and implementation. | <ul style="list-style-type: none"> • NASHO serves on, and provides inputs for the provincial Social Housing Steering Committee. • NASHO has provided the Department with position papers on the operation Social Housing Restructuring Capital Grant and existing income bands. |
| Social Housing Regulatory Authority (SHRA) | <p>The Department has entered into a formal partnership arrangement with the Social Housing Regulatory Authority (SHRA) in December 2012.</p> <p>It focusses on facilitating Social Housing planning and delivery on a provincial level while providing the necessary support to Local Government.</p> | <p>The SHRA recognised the Western Cape as the 'Leading Social Housing Province' for the two consecutive years; 2013 and 2014.</p> <p>An additional Transfer Agreement was entered into with the SHRA in March 2015, which will see the SHRA support the Province in overseeing the development of Rental Housing Strategies for 10 Provincial 'leader town' municipalities, as well as developing formal applications for the establishment of Social Housing Restructuring Zones to be established within their boundaries.</p> |

These successes reflect the tireless efforts by all stakeholders in the human settlement sector to respond to the challenge of working differently but better. In a short period, a firm foundation has been laid for the provision of human settlements through a coordinated government effort.

An account of the financial results of the Department during the period under review is addressed in the Accounting Officers letter included in the Annual Financial Statements (AFS).

Going forward, the private sector is to be encouraged to provide products that would assist in meeting the macro policy provisions, and collaboration with innovators in the human settlements and construction sectors will continue to get priority.

A handwritten signature in black ink, consisting of a long horizontal stroke followed by a series of vertical and diagonal strokes.

Mr T Mguli

Accounting Officer

Department of Human Settlements

May 2015

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDING 31 MARCH 2015.

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

All information and amounts disclosed throughout the Annual Report are consistent.

The Annual Report is complete, accurate and is free from any omissions.

The Annual Report has been prepared in accordance with the guidelines on the Annual Report as issued by National Treasury.

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

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

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

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

In my opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the financial year ended 31 March 2015.

Yours faithfully



Accounting Officer

Mr T Mguli

6. STRATEGIC OVERVIEW

6.1. Vision

Developing integrated and sustainable human settlements with access to social and economic opportunities for all the Province's citizens.

6.2. Mission

The mission for the Department of Human Settlements is:

- To be effective agents of change in capacitating and supporting municipalities to optimally deliver housing opportunities;
- To promote, facilitate and develop integrated and sustainable human settlements; and
- To facilitate delivery through sound administration and the engagement of all spheres of government and social partners.

The Department is committed to accelerating delivery, while promoting social cohesion through the development of integrated and sustainable human settlements in an open society.

6.3. Values

The Department of Human Settlements' values are the same as that of the Batho Pele principles as well as values of the Western Cape Government, which is committed to living according to the following values:

- Competence;
- Accountability;
- Integrity;
- Responsiveness;
- Caring; and
- Innovation.

6.4. Strategic outcome orientated goals

The Department of Human Settlements have set the following strategic outcome orientated goals:

Strategic Goal 1: Accelerate the provision of housing opportunities including the prioritisation of serviced sites;

Strategic Goal 2: Inculcate a sense of ownership, rights and responsibility amongst housing beneficiaries, tenants and owners;

Strategic Goal 3: Provide a fairer allocation of housing;

Strategic Goal 4: Optimal use of resources and partnerships;

Strategic Goal 5: Introduce a co-ordinated approach to human settlements planning through effective Integrated Development Planning; and

Strategic Goal 6: To facilitate delivery through sound administration.

7. LEGISLATIVE AND OTHER MANDATES

7.1 Constitutional Mandates

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

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

The Constitution¹ further provides that housing is a competency that is held concurrently by national and provincial governments.

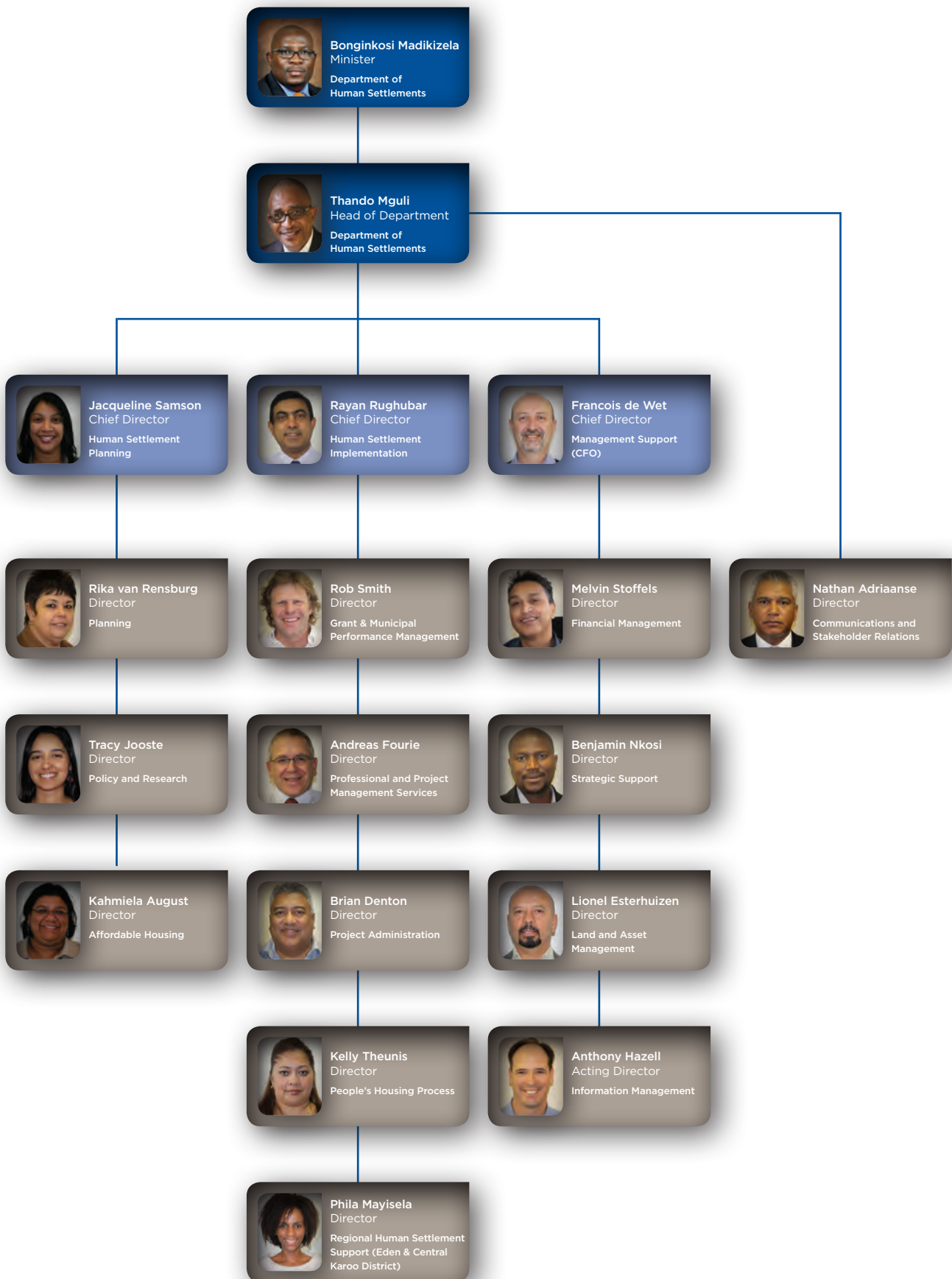
7.2 Statutory Mandates

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

- (i) Housing Act (Act 107 of 1997)
- (ii) Prevention of Illegal Eviction From and Unlawful Occupation of Land Act (Act 19 of 1998)
- (iii) Housing Consumers Protection Measures Act (Act 95 of 1998)
- (iv) Rental Housing Act (Act 50 of 1999)
- (v) Home Loan and Mortgage Disclosure Act (Act 63 of 2000)
- (vi) Housing Development Agency Act (Act No. 23 of 2008)
- (vii) Sectional Titles Management Act (Act No. 8 of 2011)
- (viii) Community Scheme Ombud Service Act (Act No. 9 of 2011)
- (ix) Western Cape Housing Development Act (Act 6 of 1999)
- (x) Social Housing Act (Act 16 of 2008)

¹ Schedule 4

8. ORGANISATIONAL STRUCTURE



A PHP (Infill) Project in Mossel Bay.



9. ENTITIES REPORTING TO THE PROVINCIAL MINISTER

| Name of Entity | Legislative Mandate | Financial Relationship | Nature of Operations |
|---|---|---|--|
| Western Cape Housing Development Fund (WCHDF) | Western Cape Housing Development Act 1999 (Act 6 of 1999) | The Department is responsible for the administration and related cost to manage the assets and liabilities of the WCHDF | The Department manages the WCHDFs primary property portfolio which is provided as a social service (not for commercial use) and which also generates cash inflows. The entity holds large housing stock used to provide housing to low income families at below market value rental. |



5

7

*Institutional Housing
Subsidy Project in Harmony
Village, Mitchell's Plain*



1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General of South Africa (AGSA) performs certain audit procedures on Departmental performance information in order to provide reasonable assurance in the form of an audit conclusion.

Refer to page 133 of the Report of the Auditor General, published as Part E: Financial Information. The audit conclusion on the performance against predetermined objectives is included in this report, with material findings being reported under the heading 'Predetermined Objectives' within the section other legal and regulatory requirements.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The Department expressed its commitment to the Provincial Strategic Objectives and the National Outcomes by implementing a number of initiatives which support their intention.

Planning and implementation of projects at municipalities continues to be strengthened through the support of regional teams yielding more realistic business plans each year. The Department is now better positioned to prioritise projects that are aligned to the provincial strategies.

The method used for calculating the total number of serviced sites was revised during the financial year. Serviced sites are no longer calculated as a percentage of the total work to be undertaken but rather on the completion of individual sites. This method provides a more accurate indication of the total number of sites serviced on each project.

Furthermore, the housing subsidy was increased substantially to cover the costs associated with the enhanced top structures, designed to comply with the new South African National Standards (SANS) 10400XA. The new top structure offers a higher level of finishes intended to improve the habitability of the houses and resulting in reduced energy costs.

Financed-linked Project in Pelican Park



2.2 Service Delivery Improvement Plan

The tables below highlight the service delivery plan and the achievements to date.

Main services and standards

| Main services | Beneficiaries | Current/actual standard of service | Desired standard of service | Actual achievement |
|--|---|--|--|--|
| Implementation of the Western Cape Housing Demand Data Improvement Programme (WCHDDIP) | Non-metro municipalities in the Western Cape as well as the City of Cape Town | The housing demand data of 23 local municipalities out of a total of 24 have been loaded onto the Western Cape Housing Demand Database (WCHDB). This will conclude the process for uploading the housing demand data for all municipalities as well as training of staff in the use of the database. | Efficacy of WCHDDDB to be reviewed and any further enhancements identified will be made to the database by CE-I. | All local municipalities have loaded their housing demand data onto the Western Cape Housing Demand Database (WCHDB). Version 2 of the database platform has been uploaded and training and on-going support has been provided to municipalities to use the updated platform. |
| Provision of title deeds | Qualifying beneficiaries as part of Housing Subsidy System (HSS). | 65% of housing units built in the year. | 70% of housing units built in the year. | A total of 2 457 title deeds were issued against a target of 4 136 during the financial year under review. 59% of housing units built in the year were provided with title deeds. The title deeds backlog was reduced from 86 350 to 55 000. |

Batho Pele arrangement with beneficiaries (Consultation arrangements)

| Current/actual arrangement | Desired arrangements | Actual achievements |
|---|--|---|
| Implementation of the Western Cape Housing Demand Database Improvement Programme (WCHDDIP) | | |
| Consultation | | |
| Workshops | Workshops | District level workshops, attended by all municipalities were held to discuss the data cleaning assistance programme. A total of five workshops were held during the financial year under review. |
| Training sessions | Training sessions | Training sessions offered to staff with regards to the use of Version 2 of the WCHDDB. Further to this, the Department also provides on-going user support in this regard. |
| Email and telephonic communication | Email and telephonic communication | The Department provides user support to municipalities via telephone and email. |
| Access | | |
| City of Cape Town as well as all non-metro municipalities in the Western Cape will have access. | All municipalities will have access. | All municipalities have access to the database. |
| Courtesy | | |
| Walk In Centre at 27 Wale Street, designated officers at municipalities | Walk In Centre at 27 Wale Street, designated officers at municipalities | Beneficiaries can obtain contact information regarding the database at the walk in centre at 27 Wale Street. Further to this; designated officials have been appointed at municipalities to assist beneficiaries with all queries regarding the database. |
| Openness and transparency | | |
| Members of the community can visit municipalities to check on and update their housing information | Members of the community can visit municipalities to check on and update their housing information | All municipalities are accessible to the public where they can update or check their housing information. Designated officials have been appointed at municipalities to assist beneficiaries with all queries and concerns regarding the database. |
| Value for money | | |
| The database is managed by an external service provider, which includes establishing the system, uploading it to municipalities, providing training sessions to municipalities and hosting the database | The database will be hosted by the Centre for E Innovation (Ce-I) | The database is hosted by the Ce-I at no cost to the Department. |
| | Ce-I will offer technical support to municipalities which may include a cost, but this cannot be determined at this point in time. | The Ce-I provided enhancements to Version 2 of the database at no cost to the Department. |
| | User support to the municipalities will be offered by staff of the Directorate Policy and Research | On-going user support is offered by the Director: Policy & Research. |

| Provision of Title Deeds | | |
|--|--|--|
| Consultation | | |
| Stakeholder workshops | Stakeholder workshops | Regional quarterly technical coordination between municipalities and the Department were conducted. The Department also participated in the National Title Deeds Task Team. |
| Consumer education | Consumer education | On-going consumer education sessions were conducted by municipalities. |
| Access | | |
| 27 Wale Street, ISM Building, Cape Town | 27 Wale Street, ISM Building, Cape Town | The Walk-in Centre at 27 Wale Street, Cape Town is accessible to the public. Officials have been trained to address queries raised by the beneficiaries regarding title deeds. |
| Municipal offices | Municipal offices | Municipal offices are accessible to the public. Designated officials have been appointed at municipalities to address all queries raised by beneficiaries regarding title deeds. |
| Courtesy | | |
| 27 Wale Street, ISM Building, Cape Town | 27 Wale Street, ISM Building, Cape Town | Officials are trained to address queries raised by beneficiaries regarding the title deeds. |
| Suggestion boxes at Walk In Centre at 27 Wale Street | Suggestion boxes at Walk In Centre at 27 Wale Street | Suggestion boxes are placed at the Walk-in Centre for public consumption. The suggestions are reviewed and addressed. |
| Access to Project Managers | Access to Project Managers | The project managers are in constant communication with the developer, which is the municipality in most cases. |
| Openness and Transparency | | |
| 27 Wale Street, ISM Building, Cape Town | 27 Wale Street, ISM Building, Cape Town | Officials are trained to address queries raised by beneficiaries regarding the title deeds. |
| Stakeholder workshops | Stakeholder workshops | Regional quarterly technical coordination between municipalities and the Department were conducted. The Department also participated in the National Title Deeds Task Team. |
| Consumer education | Consumer education | On-going consumer education sessions regarding title deeds were conducted by municipalities. |
| Suggestion boxes at Walk In Centre at 27 Wale Street | Suggestion boxes at Walk In Centre at 27 Wale Street | Suggestion boxes are placed at the Walk-in Centre for public consumption. The suggestions are reviewed and addressed. |
| Value for money | | |
| Gazetted Title Deeds Conveyancing Price | Gazetted Title Deeds Conveyancing Price | A portion of the subsidy received is retained, R 1000, in order to cover the cost of title deeds. The money is paid to the developer once the title deeds are issued. |

Service delivery information tool

| Current/Actual information tools | Desired information tools | Actual achievement |
|---|--------------------------------------|--|
| Implementation of the Western Cape Housing Demand Database Improvement Programme (WCHDDIP) | | |
| Access | | |
| Workshops | Workshops | District level workshops attended by all municipalities were held to discuss the data cleaning assistance programme. A total of five workshops were held during the financial year under review. |
| Training sessions | Training sessions | Training sessions offered to staff with regards to the use of Version 2 of the WCHDDDB. Further to this, the Department also provided on-going user support in this regard. |
| Email | Email | The Department provided user support via email |
| Circulars | Circulars | The Department developed a user guide educating users to perform the various functions available to municipalities related to the WCHDDDB. |
| Telephone | Telephone | The Department provided user support telephonically |
| Provision of title deeds | | |
| Stakeholder workshops | Stakeholder workshops | Regional quarterly technical coordination meetings between municipalities and the Department were conducted. The Department also participated in the National Title Deeds Task Team. |
| Consumer education | Consumer education | On-going consumer education sessions regarding title deeds were conducted by municipalities. |
| Television screens at Walk-in Centre | Television screens at Walk-in Centre | Television screens were placed in the Walk- in Centre displaying pertinent information relating to title deeds. |
| Annual reports | Annual reports | Progress is reported in the Departmental Annual report. |

Complaints mechanism

| Current/actual | Desired complaints | Actual achievements |
|---|--|---|
| Implementation of the Western Cape Housing Demand Database Improvement Programme (WCHDDIP) | | |
| Redress | | |
| Walk in Centre at 27 Wale Street, ISM building | Walk in Centre at 27 Wale Street, ISM building | The public may register complaints at Walk in Centre, in 27 Wale Street. Since the municipalities are the owners of the housing demand data, the public are also advised to go to the relevant municipality to express their concern. |
| Designated officers at municipalities | Designated officers at municipalities | The officials at municipalities have been trained to deal with concerns and enquiries relating to the respective municipal housing demand database. |
| Provision of title deeds | | |
| Redress | | |
| Walk-in Centre at 27 Wale Street, ISM building | Walk-in Centre at 27 Wale Street, ISM building | Walk-in Centre at 27 Wale Street, ISM building is accessible to the public. Beneficiaries are able express their concerns at the Walk in Centre. A total of 417 enquiries were received and addressed for the period under review. |
| Access to designated official | Access to designated official | The officials at municipalities have been trained to deal with concerns and enquiries relating to title deeds. |

2.3 Organisational environment

The Department expressed its commitment to the provincial strategic goals by implementing a number of programmes that will support these strategies and its strategic goals. A regional approach has been adopted to enhance the support offered to municipalities and focus the span of control. In light of this, regional directors have been appointed in this regard.

The following strengths have been identified that enables the Department to deliver on its mandate:

- Low vacancy rate;
- The existence of a Portfolio Management Office, which provides an advantage for the purpose of programme performance management;
- Implementing mechanisms to ensure the development of credible pipelines; and
- An enhanced project approval process.

The achievement of departmental targets is dependent on municipal performance and the capacity of municipalities to manage the human settlement function. The dependence on municipalities has proven to be a challenge hindering delivery, as a result of a number of planning and delivery constraints experienced by municipalities. However, the planning and implementation of projects at municipalities continue to be strengthened as a result of the support by the regional teams which has yielded more realistic business plans. This allows the Department to prioritise projects which are aligned to provincial strategies.

The following generic constraints have been identified:

- Limited funding for human settlement development to adequately address the backlog;
- Protracted processes as prescribed by several pieces of legislation relating to planning and development;
- Migration from neighbouring provinces;
- Land invasions;
- Increase in informal settlements; and
- The scarcity of well-located and suitable land for housing

The ever increasing subsidy quantum negatively impacts on the number of housing opportunities created by the Department with the resultant effect being the decrease in the number of opportunities created.

2.4 Key policy developments and legislative changes

During the financial year under review the Department drafted and approved the following policies, with implementation initiated in the 2015/16 financial year;

- Selection Guidelines for the Individual Housing Subsidy Programme; and
- Addendum to the “Policy to Improve Title Transfer in New Greenfields Subsidy Housing projects” focusing on the Upgrading of Informal Settlements (UISP) projects.

3. STRATEGIC OUTCOME ORIENTED GOALS

The table below illustrates the Department's achievements in relation to the strategic outcome orientated goals;

| No. | Strategic Outcome Oriented Goals | Strategic Objective | Progress Made |
|-----|---|---|---|
| 1 | Accelerate the provision of housing opportunities including the prioritisation of serviced sites. | Upgrading of informal settlements and the up scaling of the provision and implementation of serviced sites. | <p>The Department delivered a total of 18 806 housing opportunities against a target of 17 583 for the period under review. A breakdown of the cumulative amount is illustrated as follows;</p> <ul style="list-style-type: none"> •10 746 housing units, against a target of 10 357, • 7 014 serviced sites against a target of 6 211 and • 1 046 other housing opportunities against a target of 1 015 <p>For the period extending from 1 April 2010 to 31 March 2015 the Department created a total of 108 348 housing opportunities against a target of 129 407.</p> |
| 2 | Inculcate a sense of ownership, rights, and personal responsibility amongst housing beneficiaries, tenants, and owners. | <p>Increase beneficiary involvement in the development of housing opportunities</p> <p>To promote security of tenure through effecting transfer of outstanding title deeds to qualifying beneficiaries.</p> | <p>A total of 2 972 PHP units were delivered, against a target of 3 138 for the financial year under review. For the period extending from 1 April 2010 to 31 March 2015, a total of 16 501 PHP housing units were delivered against a target of 15 496.</p> |
| 3 | Provider a fairer allocation of housing. | To introduce a standardised system and process through which beneficiaries are selected. | <p>During the financial year under review the Department uploaded Version 2 of the housing demand database platform in conjunction with the City of Cape Town and the Centre for E- Innovation. The enhancements enable the application to be used for the selection of beneficiaries. The new platform also caters for special groups such as farm workers and people with disabilities as well as the rental/gap housing sector. Training was provided to all municipalities regarding the use thereof. In addition, the Department developed a Selection Guideline for the Individual Housing Subsidy Programme.</p> |

| No. | Strategic Outcome Oriented Goals | Strategic Objective | Progress Made |
|-----|--|---|---|
| 4 | Optimal use of resources and partnerships. | Enhancing the supply of new rental housing opportunities and encouraging improved property management of rental stock. | During the financial year under review the Department delivered a total of 2 112 social and rental housing opportunities against a target of 1 366. For the period extending from 1 April 2010 to 31 March 2015 the Department delivered a total of 7 475 social and rental housing opportunities against a target of 7 068. The Department managed the development of a social housing pipeline within the Cape Town Metro and has initiated planning for rental housing outside the Metro. The objective of the initiative is aimed at the development of new social rental housing opportunities through partnerships with accredited Social Housing Institutions and the private sector. Furthermore, the Department embarked on an awareness drive with municipalities for the Finance Linked Individual Subsidy Programme (FLISP) focusing on planning and budgeting. The Department is focussed on ensuring that projects are incorporated into municipal pipelines to plan for the developments creating opportunities through partnerships for beneficiaries of FLISP. |
| 5 | Introduce a coordinated approach to human settlement planning through effective integrated development planning. | Integrate the work of different departments involved in human settlement development, using the Integrated Development Plans (IDPs) as the basis. | During the period under review the Department supported all municipalities through Professional Resource Teams (PRTs) to develop credible human settlement plans. To that effect, the Department approved a total of 25 projects based on IDP's, Provincial and National priorities. Furthermore, a total of 17 municipalities were prioritised for capacity building. |
| 6 | To facilitate delivery through sound administration | Create organisational programme management capability. | For the financial year under review the Department decreased its vacancy rate from 20.5% to 6%. Further to this the Department implemented the necessary systems and processes to ensure compliance with the relevant legislative prescripts and standards in terms of supply chain management, and expenditure management. |

National Outcome 8 was developed to provide human settlement institutions with the necessary strategic direction. The Department contributes to the following outputs of Outcomes 8;

- Accelerated delivery of shelter (housing) opportunities;
- Access to Basic Services;
- More efficient land utilisation; and
- Improved (Residential) Property Market.

The Department has formulated the Provincial Strategic Objective 6 which entails strategic outcomes that are aligned to the key outputs of National Outcome 8. These strategic outcomes are as follows:

- Outcome 1: Accelerated delivery of housing opportunities;
- Outcome 2: A sense of ownership, rights and responsibilities amongst beneficiaries, owners and tenants;
- Outcome 3: Optimal and sustainable use of resources.

The approach used by the Department is aligned to the National Development Plan (NDP). The impact of climate change is acknowledged in PSO 6 through the outcome 3 and the Department is proactively encouraging the use of Alternative Building Technologies (ABTs).

4. PERFORMANCE INFORMATION BY PROGRAMME

4.1 Programme 1: Administration

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

Sub-Programmes

Office of the MEC: To provide for the functioning of the Office of the MEC.

Corporate Services: To provide corporate support to the Department and to make limited provision for maintenance and accommodation needs.

Strategic Objectives: Create organisational programme management capacity.

Performance overview

During the period under review the Department implemented the necessary systems and processes to ensure compliance with the relevant legislative prescripts and standards in terms of supply chain and expenditure management.

The Department attained a vacancy rate of 6% for funded permanent posts. This is attributed to a concerted effort to fill funded vacancies in the Department with permanent staff.

The achievement of our targets has positively contributed to the achievement of the Departmental strategic objectives. The audit outcomes confirm the positive impact of the various interventions implemented by the Department to improve service delivery.

Strategic objectives, performance indicators planned targets and actual achievements

Strategic objectives

| Programme 1: Administration | | | | | | |
|---|--|----------------------------|------------------------|----------------------------|---|------------------------|
| Strategic Objectives | Strategic Objective Indicators | Actual Achievement 2013/14 | Planned Target 2014/15 | Actual Performance 2014/15 | Deviation from planned target to actual achievement for 2014/15 | Comments on deviations |
| Create organisational programme management capability | Percentage of vacant posts filled as part of the approved establishment by 31 March 2015 | 20.5% ² | Less than 10% | 6% | - | - |

Performance indicators

| Programme 1: Administration | | | | | | |
|-----------------------------|--|----------------------------|------------------------|----------------------------|---|------------------------|
| No. | Performance Indicator | Actual achievement 2013/14 | Planned target 2014/15 | Actual achievement 2014/15 | Deviation from planned target to actual achievement for 2014/15 | Comments on deviations |
| 1.1 | Percentage of vacant posts filled as part of the approved establishment by 31 March 2015 | 20.5% | Less than 10% | 6% | - | - |
| 1.2. | To achieve a level 3+ for Supply Chain Management in terms of the demand and logistics management by 31 March 2015 | 3.5 | 3+ | 4 | - | - |
| 1.3 | To achieve a level 3+ for Supply Chain Management in terms of acquisition management by 31 March 2015 | 4 | 3+ | 4 | - | - |
| 1.4 | To achieve a level 3+ for Supply Chain Management in terms of disposal management by 31 March 2015 | 4 | 3+ | 4 | - | - |
| 1.5 | To achieve a level 3+ for expenditure management in terms of the payment of suppliers by 31 March 2015 | 4 | 3+ | 4 | - | - |

² The actual achievement for the 2013/14 vacancy rate has been restated to exclude contract workers appointed additional to the establishment.

MPAT Standards for Supply Chain Management

| Level | Standards |
|-------------------------------|--|
| Demand Management | |
| 3+ | <ul style="list-style-type: none"> • An approved procurement plan in place. • Acknowledgment of receipt for the submission of the Procurement Plan by 30 April. • Demand management plan in place. • Progress reports on the procurement plan. • A sourcing strategy in place that reflects the various procurement options for the different spend categories. |
| Logistics Management | |
| 3+ | <ul style="list-style-type: none"> • Logistics management process plan in place. • Departmental policy on stock holding and distribution in place. • Reports on receiving or issuing of goods (e.g. LOGIS or equivalent). • Stock take reports are available. • Review of inventory management techniques to minimise stock holding cost while ensuring uninterrupted service. • Internal consumer satisfaction survey conducted and finding resolved. |
| Acquisition Management | |
| 3+ | <ul style="list-style-type: none"> • Supplier data base per commodity. • Advertisement to register suppliers available. • Appointment letter for Bid Committee members for all three committees (specification, evaluation and adjudication) are available. • Attendance registers of committee sittings are available. • Signed Codes of Conduct by Bid Committee members and Supply Chain Management (SCM) practitioners. |
| Disposal Management | |
| 3+ | <ul style="list-style-type: none"> • Disposal policy is in place. • Disposal report available. • Appointment letters have been issued to members of the Disposal Committee. • Attendance registers of Disposal Committee meetings are available. • Disposal Committee meetings are minuted. • The Department has a database of redundant, unserviceable, and obsolete assets. • Reports on disposals are kept on record. • The Department must have a revised disposal strategy/policy in place or minutes, highlighting the decision taken not to revise the strategy/policy accordingly. |
| Payment of suppliers | |
| 3+ | <ul style="list-style-type: none"> • Cash flow projections available. • Proof of submission to Provincial Treasury. • Departmental expenditure reports are available. • Reports on reviews of expenditure versus the budget available. • Departmental cash flow projection in place. |

* A level 4 MPAT score indicates that the Department is fully compliant with legal/regulatory requirements and is doing things smartly.

Strategy to overcome areas of under performance

The programme achieved all its targets for the financial year under review.

Changes to planned targets

No targets have been adjusted during the financial year under review.

Linking performance with budgets

| Sub-Programme Name | 2014/2015 | | | 2013/2014 | | |
|--------------------|---------------------|--------------------|---------------------------|---------------------|--------------------|---------------------------|
| | Final Appropriation | Actual Expenditure | (Over)/ Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/ Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Office of the MEC | 5 291 | 5 291 | - | 5 109 | 5 109 | 16 |
| Corporate services | 79 155 | 79 155 | - | 69 435 | 69 435 | 302 |
| Total | 84 446 | 84 446 | - | 80 016 | 79 698 | 318 |

4.2 Programme 2: Housing Needs, Research and Planning

Purpose To facilitate and undertake housing delivery and planning.

Sub-programmes This programme consists of four sub-programmes, namely:

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

Strategic Objectives: Integrate the work of different departments involved in human settlement development, using Integrated Development Plans (IDP's) as the basis.

Performance overview

In the financial year under review, the Department produced Selection Guidelines for the Individual Housing Subsidy Programme, which sought to address the need for the fairer allocation of these subsidies. Further to this, an Addendum to the “Policy to Improve Title Transfer in New Greenfields Subsidy Housing projects” was developed, focusing on Upgrading of Informal Settlements Programme (UISP) projects. Both these policy initiatives were underpinned by extensive research to ensure evidence-based policy making processes were followed.

The Department also undertook a Human Settlement Demand Study which included the collection and analysis of baseline data on various facets of human settlements including housing, networked infrastructure and social facilities. This analysis is aimed at improving planning and developing a more nuanced understanding of demand both provincially and at municipal level. This research will feed into the development of a long term Human Settlements Framework.

The Western Cape Housing Demand Data Improvement Programme continues to ensure that the housing demand data recorded by municipalities is maintained. This support programme has ensured an improvement in the quality of data and it has contributed positively to building municipal capacity to manage their housing demand databases. The Western Cape Housing Demand Database (WCHDDB) platform has been enhanced, with the second version including additional functionalities. The Department undertook this enhancement process in partnership with the City of Cape Town and the Centre for E-Innovation and this initiative is an example of successful intergovernmental relations.

In addition to the above, the Department submitted an application to the Department of Public Service and Administration (DPSA)’s Tirello Bosha Initiative in 2014/15 to obtain grant funding to add GIS functionality to the WCHDDB platform and to undertake a socio-economic research study in a sample of informal settlements in George municipality. This application was successful and the project commenced in April 2015.

The municipal planning unit had been actively supporting the municipalities to develop and review municipal pipelines, which fed into the business plan process. Through this vigorous process, municipalities came to appreciate the pro-active forward planning approach which has fed into municipal annual Integrated Development Plans.

Further to this, the Department created the Vula online platform, aimed at delegates who attend the five day training course offered by the Department. Additional course material is added to the platform that can be referred to by the delegates during and after the course. The current site statistics shows that 70% of the delegates accessed the site both during and after the course with the greatest traffic during the duration of the course.

Strategic objectives, performance indicators planned targets and actual achievements

Strategic objectives:

| Programme 2: Housing Needs, Research and Planning | | | | | | |
|---|--|----------------------------|------------------------|----------------------------|---|--|
| Strategic Objective | Strategic Objective Indicators | Actual Achievement 2013/14 | Planned Target 2014/15 | Actual Performance 2014/15 | Deviation from planned target to actual achievement for 2014/15 | Comments on deviations |
| Integrate the work of different departments involved in human settlement development, using Integrated Development Plans (IDPs) as the basis. | Total number of planned human settlement (housing) development projects based on IDP's, National and Provincial priorities approved by 31 March 2015 | 20 | 15 | 25 | 10 | An increase in the number of projects approved is attributed to the additional Project Assessment Committee (PAC) meetings scheduled to expedite the project approval process. Further to this, municipalities are informed of the departmental business plan/project planning committee process, which has fed into their annual Integrated Development Plans (IDPs). |
| | Total number of municipalities capacitated with regard to human settlement (housing) development planning by 31 March 2015 | 20 | 24 | 17 | -7 | An invitation was extended to 24 municipalities, however not all responded despite numerous attempts to get all on board, which resulted in an underperformance. |

Performance Indicators

| Programme 2: Housing Needs, Research and Planning | | | | | | |
|---|---|----------------------------|------------------------|----------------------------|---|---|
| No. | Performance Indicator | Actual Achievement 2013/14 | Planned Target 2014/15 | Actual Achievement 2014/15 | Deviation from planned target to actual achievement for 2014/15 | Comments on deviations |
| 2.1. | Number of human settlement policies and policy guidelines developed by the end of the financial year | 2 | 1 | 2 | 1 | Over and above the development of the individual Subsidy Selection Guidelines, it was deemed necessary to develop a Policy Addendum to the Policy on the Timing of Title Deeds. |
| 2.2 | The development of the final Multi-Year Housing Plan, highlighting the activities planned that will enable the Department to achieve the targets set out in the APP for the 2015/16 financial year by February 2015 | 1 | 1 | 1 | - | - |
| 2.3 | Total number of planned human settlement (housing) development projects based on IDP's, National and Provincial priorities approved by 31 March 2015 | 20 | 15 | 25 | 10 | An increase in the number of projects approved is attributed to the additional Project Assessment Committee (PAC) meetings scheduled to expediate the project approval process. Further to this, municipalities are informed of the departmental business plan/project planning committee process, which has fed into their annual Integrated Development Plans (IDPs). |
| 2.4 | Total number of municipalities capacitated with regard to human settlement (housing) development planning by 31 March 2015 | 20 | 24 | 17 | -7 | The seven municipalities have previously benefitted from programmes offered during the period under review. |
| 2.5 | Number of research papers developed with content relating to the development of sustainable human settlements by 31 March 2015 | 2 | 2 | 2 | - | - |

Strategy to overcome areas of under performance

The Department has committed to implement specific interventions to advocate the importance of the training offered and highlight the benefits thereof, with the objective of enhancing delivery.

Changes to planned targets

No targets have been adjusted during the financial year under review.

Linking performance with budgets

| Sub-Programme Name | 2014/2015 | | | 2013/2014 | | |
|--------------------|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
| | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Administration | 10 809 | 10 806 | 3 | 9 367 | 9 154 | 213 |
| Planning | 6 261 | 6 261 | - | 5 451 | 5 451 | - |
| Total | 17 070 | 17 067 | 3 | 14 818 | 14 605 | 213 |

4.3 Programme 3: Housing Development

Purpose: To provide individual subsidies and housing opportunities, including access to basic services to beneficiaries, in accordance with the Housing Code.

Sub-programmes: This programme consists of four sub-programmes, namely:

- **Administration:** To provide administration support funded from equitable share.
- **Financial Interventions:** To facilitate immediate access to Housing Goods and Services, creating enabling environments and providing implementation support.
- **Incremental Intervention:** To facilitate access to housing opportunities, through a phased process.
- **Social and Rental Intervention:** To facilitate access to rental housing opportunities, supporting Urban Restructuring and Integration.
- **Rural Intervention:** To facilitate access to housing in rural areas.

Strategic Objectives:

- Upscale the provision and implementation of serviced sites;
- Increase beneficiary involvement of housing opportunities;
- Enhancing the supply of new rental housing opportunities and encouraging improved Property Management of rental stock

Performance overview

During the financial year the Department delivered a total of 18 806 housing opportunities against a target of 17 583 opportunities. A breakdown of the cumulative amount is illustrated as follows;

- 10 746 housing units, against a target of 10 357
- 7 014 serviced sites, against a target of 6 211, and
- 1 046 other housing opportunities, against a target of 1 015.

The method used for calculating serviced sites was revised during the financial year. Serviced sites are no longer calculated as a percentage of the total work to be undertaken but rather on the completion of individual sites. This method gives a more accurate indication of the total number of sites serviced on each project.

The housing subsidy was increased substantially to cover the costs associated with the enhanced top structure designed to comply with the new SANS 10400XA. The new top structure offers a higher level of finishes intended to improve the habitability of the houses and resulting in reduced energy costs.

Planning and implementation of projects at municipal level continues to be strengthened through the support of the regional teams yielding more realistic business plans each year. The Department is now in a position to prioritise projects that are aligned to the provincial strategies.

Furthermore the Department facilitated the creation of 223 job opportunities through the Expanded Public Works Programme (EPWP) during the financial year under review. In addition the Department committed a total of R176 103 595.60 to Small Medium and Micro Enterprises (SMME's) with Historically Disadvantaged Individual (HDI) representation and women representation. This translates to 9% of the Human Settlement Development Grant (HSDG). The table below provides an overview of the contractors with women and historically disadvantaged individual representation;

SMMEs with women representation;

| Name of company | | Grading | Value of contract | Estimated number of opportunities to be generated | Contract commencement | Contract completion |
|-----------------|--|---------|-------------------|---|-----------------------|---------------------|
| 1 | Masiqhame Trading 28 cc | 4 GB | R 2 592 048.70 | 30 | 18/09/2014 | 30/06/2015 |
| 2 | Premier Attraction 1023cc t/a TM Constructions | 4 GB | R 2 592 048.70 | 29 | 18/09/2014 | 30/06/2015 |
| 3 | People's Helping Project Building Supplies (Pty) Ltd | 6 GB | R 11 682 061.10 | 86 | 17/12/2014 | 30/09/2015 |
| 4 | Mamzizi | 2 GB | R 1 306 586.90 | 13 | 18/09/2014 | 30/06/2015 |
| 5 | Hlumantombazana Civil and Construction t/a Ngamela | 2 GB | R 1 306 586.90 | 12 | 18/09/2014 | 30/06/2015 |
| 6 | Vicmol Construction cc | 5 GB | R 6 419 696.40 | 66 | 17/12/2014 | 30/09/2015 |
| 7 | Imvusa Trading 85 cc t/a MSD Construction | 4 GB | R 2 592 048.70 | 20 | 18/09/2014 | 30/06/2015 |
| 8 | Masiqhame Trading 224 cc | 2 GB | R 1 306 586.90 | 11 | 18/09/2014 | 30/06/2015 |
| 9 | Daku Calana Investment Holdings | 5 GB | R 7 023 046.60 | 78 | 17/12/2014 | 30/09/2015 |
| 10 | Injongo Construction | 5 GB | R 7 111 955.50 | 79 | 17/12/2014 | 30/09/2015 |
| 11 | Safaz Signs & Electrical | 6 GB | R 9 282 728.85 | 86 Service sites 27 Top structure | 18/09/2014 | 31/10/2015 |
| 12 | Inyameko Trading 126 | 4 GB | R 6 285 198.30 | 64 | 17/12/2014 | 30/09/2015 |
| 13 | Masiqhame Trading 626 cc | 3 GB | R 2 330 643.50 | 22 | 17/12/2014 | 30/09/2015 |
| 14 | Gcinikhaya Civil and Construction | 5 GB | R 8 023 082.60 | 89 | 17/12/2014 | 30/09/2015 |
| 15 | Linamandla Business Enterprises | 5 GB | R 7 577 207.57 | 49 Service sites 34 Top structure | 18/09/2014 | 31/10/2015 |
| TOTAL | | | R 77 431 527.22 | | | |

SMMEs with Historically Disadvantage Individual (HDI) representation;

| Name of company | | Grading | Value of contract | Estimated number of opportunities to be generated | Contract commencement | Contract completion |
|-----------------|--|---------|-------------------|---|-----------------------|---------------------|
| 1 | Mbu Mba Projects Managers cc | 4 GB | R 2 592 048.70 | 21 | 18/09/2014 | 30/06/2015 |
| 4 | People's Helping Project Building Supplies (Pty) Ltd | 6 GB | R 11 190 308.00 | 97 | 02/02/2015 | 25/09/2015 |
| 5 | Visikhungo Construction | 6GB | R 11 074 944 | 96 | 02/02/2015 | 25/09/2015 |
| 6 | Vuks Construction | 3 GB | R 2 248 266.90 | 23 | 18/09/2014 | 30/06/2015 |
| 7 | Sbu-Leno Construction | 2 GB | R 1 306 586.90 | 6 | 18/09/2014 | 30/06/2015 |
| 8 | TWB Plumbing services | 5GB | R 6 998 739.00 | 75 | 17/12/2014 | 30/09/2015 |
| 9 | Exar Development & Construction | 4 GB | R 16 521 365.88 | 83 Service sites 83 Top structure | 19/09/2014 | 31/10/2015 |
| 10 | Magesh and Buntus Builders | 6 GB | R 11 113 638.67 | 52 Service sites 52 Top structure | 19/09/2014 | 31/10/2015 |
| 11 | Applewood Trading 83 Pty Ltd | 4 GB | R 5 352 681.60 | 40 | 17/12/2014 | 30/09/2015 |
| 12 | Asenda Civils cc | 2 GB | R 1 110 226.50 | 11 | 17/12/2014 | 30/09/2015 |
| 13 | Abapahantsi | 2 GB | R 3 310 910.90 | 36 | 17/12/2014 | 30/09/2015 |
| 14 | Wardan Construction (Pty) Ltd | 2 GB | R 1 306 586.90 | 11 | 18/09/2014 | 30/06/2015 |
| 15 | Van horsten Property | 6 GB | R 6 931 111.70 | 73 | 17/12/2014 | 30/09/2015 |
| 16 | Valostar 159 | 5 GB | R 10 846 885.80 | 121 | 17/12/2014 | 30/09/2015 |
| 17 | Bankuna Engineering and Construction cc | 7 GB | R 6 767 767.00 | 61 | 27/02/2015 | 31/12/2015 |
| TOTAL | | | R 98 672 068.45 | | | |

Note: HDI representation includes companies listed with Black, Coloured, Indian and women representation. However, women representation has been separated from the table above.

Strategic objectives, performance indicators planned targets and actual achievements

Strategic objectives

| Programme 3: Housing Development | | | | | | |
|---|--|----------------------------|------------------------|----------------------------|---|---|
| Strategic Objective | Strategic Objective Indicators | Actual Achievement 2013/14 | Planned Target 2014/15 | Actual Performance 2014/15 | Deviation from planned target to actual achievement for 2014/15 | Comments on deviations |
| Upgrading of informal settlements and the up scaling of the provision and implementation of serviced sites | ³ Total number of serviced sites delivered across the Province within projects completed or under construction by 31 March 2015 | 2 528 | 6 211 | 7 014 | 804 | Delays experienced in IRDP related projects necessitated that UISP projects be fast tracked, which resulted in the over achievement. |
| Increase beneficiary involvement of housing opportunities | Number of housing units delivered that has reached a stage of practical completion as part of the People's Housing Programme by 31 March 2015 | 3 844 | 3 138 | 2 972 | -166 | A number of projects have been delayed as a result of administrative delays and community dynamics. As a result, a number of houses have not reached the stage of practical completion and could not be reported. |
| Enhancing the supply of new rental housing opportunities and encouraging improved property management of rental stock | ⁴ Total number of housing units delivered that has reached the stage of practical completion as part of the social and rental housing programmes by 31 March 2015 | 2 217 | 1 366 | 1 936 | 570 | A number of projects were accelerated. |

Aggregated indicators

| Programme 3: Housing Development | | | | | | |
|----------------------------------|--|----------------------------|------------------------|----------------------------|---|---|
| No. | Performance Indicator | Actual Achievement 2013/14 | Planned Target 2014/15 | Actual Achievement 2014/15 | Deviation from planned target to actual achievement for 2014/15 | Comments on deviations |
| 3.1 | ⁵ Total number of housing units delivered that has reached the stage of practical completion in the Province across all housing programmes by 31 March 2015 | 12 681 | 10 357 | 10 746 | 389 | The target was achieved as a result of, amongst others, accelerating a number of social housing and institutional housing projects to mitigate the shortfall. |
| 3.2 | ⁶ Total number of serviced sites delivered across the Province within projects completed or under construction by 31 March 2015 | 2 528 | 6 211 | 7 014 | 803 | The Department fast tracked the completion of serviced sites. |

5 The aggregate indicator 3.1 is constituted by indicators 3.3, 3.4, 3.7, 3.9, 3.10, 3.11, and 3.13, including the Financed Linked Subsidy Programme (FLISP) and the Extended Enhanced Discount Beneficiary Scheme (EEDBS).

6 The aggregate indicator 3.2 is constituted by indicators 3.6 and 3.8.

Performance indicators

| Programme 3: Housing Development | | | | | | |
|---|--|----------------------------|------------------------|----------------------------|---|---|
| No. | Performance Indicator | Actual Achievement 2013/14 | Planned Target 2014/15 | Actual Achievement 2014/15 | Deviation from planned target to actual achievement for 2014/15 | Comments on deviations |
| Financial Interventions | | | | | | |
| Individual Housing Subsidies (R0 – R3 500 Credit linked) | | | | | | |
| 3.3 | Number of subsidies disbursed (R0 – R3 500 Credit linked) by 31 March 2015 | 195 | 20 | 22 | 2 | Additional applications were received and processed. |
| Individual Housing Subsidies (R0 – R3 500 Non - Credit linked) | | | | | | |
| 3.4 | Number of subsidies disbursed (R0 – R3 500 Non- Credit linked) by 31 March 2015 | 1176 | 300 | 552 | 252 | The demand for individual credit linked subsidies increased. |
| Rectification of stock | | | | | | |
| 3.5 | Number of housing units rectified, as part of the Rectification Housing Programme which were constructed post 1994 by 31 March 2015 | 896 | 365 | 0 | -365 | A number of projects were delayed due to funding limitations. |
| Incremental Housing | | | | | | |
| 3.6 | Number of new serviced sites connected to basic water and sanitation as part of the Integrated Residential Development Programme (IRDP) within projects completed or under construction by 31 March 2015 | 1 452 | 2 872 | 1 872 | -1000 | A number of projects were delayed as a result of community dynamics. |
| 3.7 | Number of housing units delivered that have reached the stage of practical completion as part of the Integrated Residential Development Programme (IRDP Phase 4) by 31 March 2015 | 6 557 | 6 503 | 5 094 | -1 409 | A number of projects have been delayed as a result of procurement delays and employment disputes. |
| 3.8 | Number of sites delivered which are connected to basic services as part of the Informal Settlements Upgrading Programme (UISP) within projects completed or under construction by 31 March 2015 | 1 076 | 3 339 | 5 142 | 1 803 | The Department fast tracked the completion of serviced sites. |

| Programme 3: Housing Development | | | | | | |
|----------------------------------|---|----------------------------|------------------------|----------------------------|---|--|
| No. | Performance Indicator | Actual Achievement 2013/14 | Planned Target 2014/15 | Actual Achievement 2014/15 | Deviation from planned target to actual achievement for 2014/15 | Comments on deviations |
| Social and Rental Housing | | | | | | |
| 3.9 | Number of housing units delivered that has reached the stage of practical completion as part of the Institutional Subsidy Programme by 31 March 2015 | 151 | 200 | 572 | 372 | A number of projects were accelerated. |
| 3.10 | Number of housing units delivered that has reached the stage of practical completion as part of the Social Housing Programme by 31 March 2015 | 100 | 220 | 310 | 90 | A number of projects were accelerated. |
| 3.11 | Number of new housing units delivered that has reached the stage of practical completion as part of the Community Residential Units Programme (CRU) by 31 March 2015 | 154 | 296 | 8 | -288 | A number of projects were delayed as a result of funding limitations. |
| 3.12 | Number of existing units refurbished and upgraded under the CRU programme by 31 March 2015 | 1 812 | 650 | 1 046 | 396 | The Department accelerated the Community Residential Unit refurbishments in order to mitigate unexpected community dynamics. |
| Peoples Housing Process | | | | | | |
| 3.13 | Number of housing units delivered that has reached the stage of practical completion as part of the Peoples Housing Programme (PHP) by 31 March 2015 | 3 884 | 3 138 | 2 972 | -166 | A number of projects have been delayed due to administrative delays and community dynamics. As a result, a number of houses have not reached the stage of practical completion and cannot be reported. |

Municipal Performance for the financial year under review

| Delivery per housing programme 2014/15 | | | | |
|--|--|----------------|---------------|-------|
| Municipality | Programme | Delivery | | |
| | | Serviced Sites | Housing Units | Other |
| City of Cape Town (includes Provincial Projects) | Integrated Residential Development Programme (IRDP) | - | 2 245 | - |
| | Peoples Housing Process (PHP) | - | 2 168 | - |
| | Social Housing Programme | - | 310 | - |
| | Institutional Housing Programme | - | 572 | - |
| | Integrated Development Areas (IDA) | - | 517 | - |
| | Community Residential Units Programme (CRU new units) | - | 8 | - |
| | Community Residential Units (CRU upgrades) | - | - | 1 046 |
| | Upgrading of Informal Settlements Programme (UISP) | 1 761 | - | - |
| Breede Valley | Upgrading of Informal Settlements Programme (UISP) | 104 | - | - |
| | Integrated Residential Development Programme (IRDP) | 74 | 852 | - |
| Drakenstein | Integrated Residential Development Programme (IRDP) | - | 74 | - |
| | Peoples Housing Process (PHP) | - | 400 | - |
| Langeberg | Integrated Residential Development Programme (IRDP) | - | 110 | - |
| Stellenbosch | Integrated Residential Development Programme (IRDP) | - | 71 | - |
| Witzenberg | Upgrading of Informal Settlement Programme (UISP) | 158 | 41 | - |
| | Integrated Residential Development Programme (IRDP) | 205 | - | - |
| Cape Agulhas | Upgrading of Informal Settlement Programme (UISP) | - | 49 | - |
| | Integrated Residential Development Programme (IRDP) | 68 | 51 | - |
| Overstrand | Integrated Residential Development Programme (IRDP) | 178 | - | - |
| Swellendam | Integrated Residential Development Programme (IRDP) | 195 | 115 | - |
| | Upgrading of Informal Settlement Programme (UISP) | 140 | - | - |
| Theewaterskloof | Integrated Residential Development Programme (IRDP) | 382 | 290 | - |
| | Peoples Housing Process (PHP) | - | 190 | - |
| Laingsburg | Integrated Residential Development Programme (IRDP) | 171 | - | - |
| Prince Albert | Integrated Residential Development Programme (IRDP) | - | 201 | - |
| Bitou | Integrated Residential Development Programme (IRDP) | - | 223 | - |
| | Upgrading of Informal Settlement Programme (UISP) | 431 | - | - |

| Delivery per housing programme 2014/15 | | | | |
|--|---|----------------|---------------|--------------|
| Municipality | Programme | Delivery | | |
| | | Serviced Sites | Housing Units | Other |
| George | Upgrading of Informal Settlement Programme (UISP) | 981 | - | - |
| | Peoples Housing Process (PHP) | - | 60 | - |
| Hessequa | Integrated Residential Development Programme (IRDP) | 42 | - | - |
| | Upgrading of Informal Settlement Programme (UISP) | 170 | - | - |
| Knysna | Upgrading of Informal Settlement Programme (UISP) | 173 | - | - |
| | Peoples Housing Process (PHP) | - | 37 | - |
| Mossel Bay | Upgrading of Informal Settlement Programme (UISP) | 333 | 247 | - |
| | Peoples Housing Process (PHP) | - | 117 | - |
| Oudtshoorn | Upgrading of Informal Settlement Programme (UISP) | 298 | 15 | - |
| Berg River | Integrated Residential Development Programme (IRDP) | 116 | - | - |
| | Upgrading of Informal Settlement Programme (UISP) | 89 | - | - |
| Cederberg | Upgrading of Informal Settlement Programme (UISP) | 382 | | |
| Saldanha Bay | Integrated Residential Development Programme (IRDP) | 563 | | |
| Swartland | Integrated Residential Development Programme (IRDP) | | 182 | |
| Other housing programmes (Individual Housing Subsidy Programme, and Enhanced Extended Discount Benefit Scheme (EEDBS)) | | - | 1 604 | - |
| Total | | 7 014 | 10 746 | 1 046 |

Strategies to overcome areas of underperformance

The Department is committed to finding new and innovative ways to improve performance and enhance service delivery. The following mitigation strategies have been implemented to improve areas of underperformance:

- Monitoring of delivery was undertaken on a bi-weekly basis throughout the first half of the year to ensure that contractor's maintained performance and problem areas were timeously addressed. During the last half of the year frequency of monitoring was increased.
- Regular technical meetings with the staff of the City and other municipalities ensured alignment of performance reporting as well as to mitigate problems detected. Active projects were accelerated to make up for delays on slow moving projects. Potential mitigation projects were identified at the beginning of the year to enable this.

Changes to planned targets

No targets were changed during the financial year under review.

Linking performance with the budget

| Sub-Programme Name | 2014/2015 | | | 2013/2014 | | |
|---------------------------------|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
| | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Administration | 73 250 | 73 250 | - | 50 877 | 50 877 | - |
| Financial interventions | 232 563 | 232 563 | - | 71 639 | 71 639 | - |
| Incremental interventions | 1 304 967 | 1 304 967 | - | 1 360 701 | 1 360 701 | - |
| Social and rental interventions | 397 406 | 397 406 | - | 393 211 | 393 211 | - |
| Total | 2 008 186 | 2 008 186 | - | 2 065 303 | 2 065 303 | - |

4.4 Programme 4: Land and Asset Management

Purpose To plan, facilitate and develop integrated and sustainable human settlements.

Sub-programmes The programme consists of the following two sub-programmes:

- **Administration:** To provide administration support funded from equitable share.
- **Housing Properties Maintenance:** To provide for the maintenance of housing properties.

Strategic Objectives To promote security of tenure through effecting transfer to qualifying beneficiaries.

Performance overview

During the financial year under review the Department transferred a total of 141 rental units to beneficiaries against a target of 100. This can be attributed to the intensification of the Departments efforts to transfer the rental units to qualifying beneficiaries and the implementation of more effective business processes.

The Department implemented the revised debt reduction policy during the period under review, which resulted in the Department exceeding the target for the number of debtors reduced. The amendment was endorsed by Cabinet, which enabled more debtors to qualify to have their debts reduced or written off. With the preceding in mind, the Department reduced the number of debtors by 1 147 to the value of R51 906 045.31 and cancelled 504 bonds. Bond cancellations contributed to the strategic objective to promote security of tenure.

Further to this, the Department enhanced its land release programme. A number of land parcels were made available to developers for development during the period under review. It is envisaged that the land parcels released will generate an additional 2157 units, over and above the current 6603 units identified in previous years. The table below provides an overview of the land parcels released in the previous year, for the financial year under review, as well as what releases are planned for the following year.

| Area | Number of hectares (ha) | Estimated number of units | Type of project | Estimated project commencement date | Estimated project completion date | Status |
|---------------------------------|-------------------------|---------------------------|--------------------|-------------------------------------|-----------------------------------|----------------------|
| Belhar CBD Precinct Development | 20 ha | 3500 | 40% GAP housing | Currently underway | January 2021 | Project in progress. |
| Stellendale, Kuilsriver | 5.8139 ha | 140 | Affordable housing | Currently underway | March 2019 | Project in progress. |
| Highbury, Kuilsriver | 114.85 ha | 372 | BNG housing | January 2016 | March 2018 | Project in progress. |
| Nuwe Begin, Blue Downs | 9.80 ha | 591 | Affordable housing | Currently underway | March 2019 | Project in progress. |
| Dal Josefats, Paarl | 37 ha | 2000 | Affordable housing | January 2016 | March 2020 | Project in progress. |

| Area | Number of hectares (ha) | Estimated number of units | Type of project | Estimated project commencement date | Estimated project completion date | Status |
|-------------------------------|-------------------------|---------------------------|--------------------|-------------------------------------|-----------------------------------|---|
| Blue Downs | 7.56 ha | 200 | Affordable housing | October 2016 | October 2020 | Land Availability Agreements signed. Developers preparing applications for planning approvals to obtain development rights. |
| Blue Downs | 4.3 ha | 236 | Affordable housing | October 2016 | October 2020 | |
| Brentwood Park | 2.35 ha | 126 | Affordable housing | October 2016 | October 2020 | |
| Delft Erf 3494 | 5.49 ha | 629 | Affordable housing | October 2016 | October 2020 | |
| Eerste River | 1.82 ha | 86 | Affordable housing | October 2016 | October 2020 | |
| Khayelitsha (2.83 Ha) | 2.83 ha | 160 | Affordable housing | October 2016 | October 2020 | Proposal call still to be advertised. |
| Mitchells Plain Erf (3.35 Ha) | 3.35 ha | 240 | Affordable housing | October 2016 | October 2020 | |
| Charlesville (2.5 Ha) | 2.5 ha | 160 | Affordable housing | October 2016 | October 2020 | |
| George Erven (4.1 Ha) | 4.1 ha | 320 | Affordable housing | October 2016 | October 2020 | |
| TOTAL | | 8 760 | | | | |

Strategic objectives, performance indicators planned targets and actual achievements

Strategic Objectives

| Programme 4: Land and Asset Management | | | | | | |
|--|--|----------------------------|------------------------|----------------------------|---|--|
| Strategic Objective | Strategic Objective Indicators | Actual Achievement 2013/14 | Planned Target 2014/15 | Actual Performance 2014/15 | Deviation from planned target to actual achievement for 2014/15 | Comments on deviations |
| To promote security of tenure through effecting transfer to qualifying beneficiaries | Number of departmental units transferred to buyers as per the sales agreement by 31 March 2015 | 241 | 100 | 141 | 41 | The increased transfers are as a result of a better working relationship with the State Attorney. Monthly engagements with the State Attorney has resulted in challenges experienced in the past being addressed amicably. |

Performance Indicators

| Programme 4: Land and Asset Management | | | | | | |
|--|--|----------------------------|------------------------|----------------------------|---|--|
| No. | Performance Indicator | Actual Achievement 2013/14 | Planned Target 2014/15 | Actual Achievement 2014/15 | Deviation from planned target to actual achievement for 2014/15 | Comments on deviations |
| 4.1 | Number of departmental units transferred to buyers as per the sales agreement by 31 March 2015 | 241 | 100 | 141 | 41 | The increased transfers are the result of more effective business processes and alignment with the State Attorney. In addition, the revision of the Debt Reduction policy that was endorsed by the Provincial Cabinet has contributed to the transfer of Departmental units. |
| 4.2 | Number of loan, sales and rental housing debtors whose outstanding balances have been reduced to nil, in terms of the Enhanced Extended Discount Benefit Scheme (EEDBS) and/or the PFMA Act specifically sections 76(1)(e) and 76 (4) and Chapter 11.4 of the National Treasury Regulations by 31 March 2015 | 1005 | 700 | 1 147 | 447 | The Provincial Minister of Human Settlements approved the reviewed Debt Reduction policy that was endorsed by Provincial Cabinet. Due to the relaxation of the income threshold as dictated in the implementation of this policy, the Department over performed. |

Strategies to overcome areas of underperformance

The programme achieved all its targets for the financial year under review.

Changes to planned targets

No targets have been adjusted during the financial year under review

Linking performance with the budget

| Sub- Programme Name | 2014/2015 | | | 2013/2014 | | |
|------------------------------|---------------------|--------------------|---------------------------|---------------------|--------------------|---------------------------|
| | Final Appropriation | Actual Expenditure | (Over)/ Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/ Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Administration | 20 204 | 20 204 | - | 18 161 | 18 161 | - |
| Housing Property Maintenance | 21 424 | 21 424 | - | 9 734 | 9 734 | - |
| Total | 41 628 | 41 628 | - | 55 860 | 55 860 | - |

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

None

5.2. Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2014 to 31 March 2015

| Name of transferee | Type of organisation | Purpose for which the funds were used | Did the Dept. comply with s 38 (1) (j) of the PFMA | Amount transferred (R'000) | Amount spent by the entity | Reasons for the funds unspent by the entity |
|--------------------|----------------------|---------------------------------------|--|----------------------------|----------------------------|---|
| Knysna | Municipality | Provincial housing acceleration | Yes | 8 900 | 8 900 | - |
| Laingsburg | Municipality | Provincial housing acceleration | Yes | 600 | 600 | - |
| Mossel Bay | Municipality | Provincial housing acceleration | Yes | 3 000 | 3 000 | - |
| Prince Albert | Municipality | Provincial housing acceleration | Yes | 3 000 | 3 000 | - |
| City of Cape Town | Municipality | Municipal rates and taxes | N/A | 25 304 | 25 304 | - |
| Bitou | Municipality | Municipal rates and taxes | N/A | 124 | 124 | - |
| Breede Valley | Municipality | Municipal rates and taxes | N/A | 76 | 76 | - |
| Drakenstein | Municipality | Municipal rates and taxes | N/A | 26 | 26 | - |
| Hessequa | Municipality | Municipal rates and taxes | N/A | 10 | 10 | - |
| Matzikama | Municipality | Municipal rates and taxes | N/A | 96 | 96 | - |
| Overstrand | Municipality | Municipal rates and taxes | N/A | 14 | 14 | - |
| Stellenbosch | Municipality | Municipal rates and taxes | N/A | 134 | 134 | - |
| Swartland | Municipality | Municipal rates and taxes | N/A | 6 | 6 | - |
| Swellendam | Municipality | Municipal rates and taxes | N/A | 15 | 15 | - |
| Witzenburg | Municipality | Municipal rates and taxes | N/A | 69 | 69 | - |

6. CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid

None

6.2. Conditional grants and earmarked funds received

The table below details the conditional grants and ear marked funds received during for the period 1 April 2014 to 31 March 2015.

Conditional Grant 1: Human Settlement Development Grant

| Department who transferred the grant | National Department of Human Settlements |
|---|---|
| Purpose of the grant | The facilitation and provision of basic infrastructure, top structures, and basic social and economic amenities that contribute to the establishment of sustainable human settlements. |
| Expected outputs of the grant | 10 357 housing units and 6 211 serviced sites |
| Actual outputs achieved | 10 746 housing units and 7 014 serviced sites |
| Amount per amended DORA | N/A |
| Amount transferred (R'000) | R 1 934 936 |
| Reasons if amount as per DORA not transferred | N/A |
| Amount spent by the Department (R'000) | R 1 934 936 |
| Reasons for the funds unspent by the Department | N/A |
| Monitoring mechanism by the transferring Department | The Department submits quarterly reports to the National Department during the financial year to track performance and at the end of the year an evaluation report is submitted to monitor performance. |

Conditional Grant 2: Expanded Public Works Grant (EPWP)

| Department who transferred the grant | National Department of Public Works |
|---|--|
| Purpose of the grant | <p>To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP guideline:</p> <ul style="list-style-type: none"> • Province precast block paving to courtyards of dwelling units, • Province asphalt premix paving to road verges, and • Provide labour to construct prefabricated housing units. |
| Expected outputs of the grant | <ul style="list-style-type: none"> • 78 people employed and receiving income through EPWP • 28 full time equivalent job opportunities created • R69.50 increased income per EPWP beneficiary |
| Actual outputs achieved | <ul style="list-style-type: none"> • 223 people employed and receiving income through EPWP • 98 full time equivalent job opportunities created, and • R119.98 increased income per EPWP beneficiary. |
| Amount per amended DORA | N/A |
| Amount transferred (R'000) | R 3 842 |
| Reasons if amount as per DORA not transferred | N/A |
| Amount spent by the Department (R'000) | R 3 842 |
| Reasons for the funds unspent by the Department | N/A |
| Monitoring mechanism by the transferring Department | <p>The Department submits quarterly reports to the National Department during the financial year to track performance and at the end of the year an evaluation report is submitted to monitor performance.</p> |

7. DONOR FUNDS

7.1. Donor Funds Received

Donor Fund: DANIDA

| | |
|---|---|
| Name of donor | Danish Government (via RDP fund) |
| Full amount of funding (R'000) | R 15 054 353 |
| Period of commitment | 3 years |
| Purpose of funding | To provide solar water heaters on N2 Gateway projects |
| Expected outputs | 2 169 solar heaters |
| Actual outputs achieved | 1 014 solar heaters |
| Amount received in current period (R'000) | R6 909 112.63 |
| Amount spent by the Department (R'000) | R6 909 112.63 |
| Reasons for the funds unspent | Multi-year projects |
| Monitoring mechanism by the donor | Reports submitted annually |

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

| Infrastructure projects | 2014/2015 | | | 2013/2014 | | |
|-------------------------|---------------------------|--------------------------|--------------------------------|---------------------------|--------------------------|--------------------------------|
| | Final Appropriation R'000 | Actual Expenditure R'000 | (Over)/Under Expenditure R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | (Over)/Under Expenditure R'000 |
| Maintenance and repairs | 5121 | 5121 | - | 3151 | 3151 | - |
| Total | 5121 | 5121 | - | 3151 | 3151 | - |



*Social Housing Project
in Steenberg*



1. INTRODUCTION

The leadership team of the Department of Human Settlements is committed to maintain the highest standards of governance and therefore strives to conform to the governance principles highlighted in the King Code of Governance for South Africa released in 2009. In terms of these principles, the following make up the Department's governance structures:

- An Executive Committee which determines the strategy and leads the Department towards realising its strategy and strategic goal.
- An Enterprise Risk Management Committee (which is dealt with in more detail in paragraph 2);
- An Audit Committee providing independent oversight over governance, risk management and control processes of the Department;
- An independent Internal Audit function providing independent assurance that controls are in place to manage and mitigate risks and that they are adequate and functioning effectively;
- A number of committees that assist the Accounting Officer and Executive Committee in governing the business of the Department in a fair, responsible, and transparent manner.

2. RISK MANAGEMENT

The Accounting Officer (AO) for the Department of Human Settlements takes responsibility for implementing Enterprise Risk Management (ERM) in accordance with the National Treasury Public Sector Risk Management Framework (PSRMF) and the Directorate Enterprise Risk Management (D:ERM) in the Department of the Premier (DotP) provides a centralised strategic support service to the Department.

In compliance with the National Treasury Public Sector Risk Management Framework (PSRMF) and to further embed risk management within the Department, the Western Cape Government (WCG) has adopted an ERM Policy which sets out the WCG's overall intention with regard to ERM. The Department adopted an ERM Strategy, approved by the Accounting Officer on 31 July 2014, and an ERM Implementation Plan, approved by the Accounting Officer on 15 May 2014. This enables the Department to deliver on its Departmental goals, objectives and key performance indicators, enhance risk informed decision making and optimise compliance with applicable legislation.

The Department assessed significant risks that could have an impact on the achievement of its objectives, both strategic and programme risks, on a quarterly basis. Risks were prioritised based on their likelihood and impact (inherently and residually) and additional mitigations were agreed upon to reduce risks to acceptable levels. New/emerging risks were identified during the quarterly review processes.

The Audit Committee provided independent oversight of the Department's system of risk management. The Audit Committee was furnished with quarterly ERM progress reports and departmental risk profiles and registers to execute their independent oversight role. The Audit Committee's evaluation of the risk management process is in relation to the progress of implementation of the Department's Annual ERM Implementation Plan and strategic risks faced by the Department and their relevant risk response/treatment strategies.

Enterprise Risk Management Committee

The Department of Human Settlements has established an Enterprise Risk Management Committee to assist the Accounting Officer in executing his respective responsibilities concerned with risk management. The committee operates under a terms of reference approved by the Accounting Officer on 31 July 2014. ERMCO ratified the strategic and programme risk registers and recommended further action where relevant. The committee comprises of select members of the Department's Senior Management team. As per its Terms of Reference the committee should meet four times a year. The attendance of committee meetings are listed in the table below:

| Member | Position | Scheduled Meetings | Attended |
|----------------|-------------------------------------|--------------------|----------|
| Mr. T Mguli | HOD | 4 | 4 |
| Mr. F De Wet | CFO | 4 | 4 |
| Mr. R Rughubar | CD: Human Settlement Implementation | 4 | 4 |
| Ms J Samson | CD: Human Settlement Planning | 4 | 4 |

Risk management process

During the period under review the Department of Human Settlements assessed its risks relative to its strategic and annual performance plans. Risk assessments are conducted on a strategic level on an annual basis and updated quarterly. At a programme level the risk assessments are conducted on a quarterly basis in order to review and update the existing risks and to identify emerging risks. Significant risks relevant to objectives were assessed in terms of its likelihood and impact. Risk treatment plans are developed and managed by allocated risk owners and all Programme risk registers are approved by the respective programme managers.

The Enterprise Risk Management Committee ratifies, prioritises, and further recommends to the Accounting Officer the significant risks that should be mitigated with an appropriate risk response/treatment in order to meet the departmental strategic objectives. This process is conducted on a quarterly basis and feeds into the evaluation of the performance environment of the Department.

Impact on institutional performance

The Department received the necessary guidance and assistance from Enterprise Risk Management (ERM) to be in line with the Audit Committee's compliance requirements on a quarterly basis. However, the Department lacks the skill to perform the operational risk duties, and DoTP, on the other hand, does not have the capacity to provide this service. The lack of this capacity within the Department is addressed with the allocation of four additional posts at the Sub Directorate: Internal Control. The filling of these four posts was, however, not possible during the financial year under review (2014/15), but are envisaged to be filled in the next financial year (2015/16).

3. FRAUD AND CORRUPTION

The Western Cape Government adopted an Anti-Corruption Strategy which confirms the province's zero tolerance stance towards fraud and corruption. The Department has an approved Fraud Prevention Plan and a Fraud Prevention Implementation plan giving effect to the Fraud Prevention Plan.

Various channels for reporting allegations of fraud and corruption exist and these are described in detail in the Provincial Anti-Corruption Strategy and the Departmental Fraud Prevention Plan. Each allegation received by the Provincial Forensic Services (PFS) is recorded in a Case Management System which is used as a management tool to report on progress made with cases relating to the Department and generating statistics for the province and Department. The PFS protect employees who blow the whistle on suspicions of fraud, corruption, and theft if the disclosure is a protected disclosure (i.e. meets statutory requirements e.g. was made in good faith). The PFS ensures the anonymity of an individual reporting acts of fraud, theft, and corruption should they do so in person.

Once fraud or corruption is confirmed, after completion of an investigation, the relevant employees who were implicated in these acts are subjected to a disciplinary hearing. In all such instances, the WCG representative initiating the disciplinary proceedings is required to recommend dismissal of the employee concerned. Where prima facie evidence of criminal conduct is detected, a criminal matter is reported at the South African Police Services.

During the financial year under review, 10 investigations were completed by the Provincial Forensic Service (PFS). The outcomes of the investigations conducted by the PSF confirmed the following:

| No | FIU NUMBER | FRAUD AND OR CORRUPTION | THEFT | IRREGULARITY AND OR NON-COMPLIANCE | ONLY PRELIMINARY INVESTIGATION |
|----|---------------|-------------------------|-------|------------------------------------|--------------------------------|
| 1 | FIU 180-12/13 | ✓ | ✓ | ✓ | |
| 2 | FIU 54-13/14 | | | | ✓ |
| 3 | FIU 135-13/14 | ✓ | | | |
| 4 | FIU 124-13/14 | ✓ | | | |
| 5 | FIU 160-13/14 | ✓ | | ✓ | |
| 6 | FIU10-14/15 | | | | ✓ |
| 7 | FIU 29-14/15 | | | ✓ | |
| 8 | FIU 179-12/13 | | | | ✓ |
| 9 | FIU 44-14/15 | | | | ✓ |
| 10 | FIU 86-14/15 | | | | ✓ |

Three matters remained on the case list of the Department at the end of the financial year.

4. MINIMISING CONFLICT OF INTEREST

During the year under review the Department received Persal reports on a quarterly basis, verified against the Western Cape Suppliers' Database (WCSD) aimed at identifying Western Cape Government (WCG) officials who have financial interest in companies on the approved suppliers' database. If any departmental officials have business interests with suppliers on the WCSD, the Department is obligated to investigate the matter.

The Department also requires that all members of the Senior Management Services (SMS) complete a financial disclosure declaration. In this regard, the Department fully complied with all the legislative prescripts, for the 2014/15 financial year with no negative outcomes. The Department also ensures that all Supply Chain Management officials submit a declaration of interest on an annual basis. However, two (2) cases were identified during the 2014/15 audit where officials appointed on contract did not disclose their declaration of interest. The Department, however,

addressed this concern by requesting all officials that might have financial interest in any business to disclose it accordingly. The members of the Departmental Bid Evaluation Committee (BEC) and the Bid Adjudication Committee (BAC) are required to sign a declaration of interest before each meeting to evaluate and adjudicate the bids received. Should a conflict of interest arise member/s are expected to recuse themselves in this regard.

5. CODE OF CONDUCT

The Department distributed the Explanatory Manual on the Code of Conduct for the Public Service to all employees during 2012 as a basis of awareness. The manual is also dealt with and handed to all new appointees as part of the induction process. The dissemination of the Code of Conduct addresses employee behaviour in the workplace and contributes to the Department's drive to maintain the highest levels of ethics, the eradication of incidents of corruption and the promotion of good governance.

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

6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

During the year under review the Department achieved the following:

- The prescribed contingency plans for the Department were consulted with the Occupational Health and Safety Act Committee (OHASA) and the Department of Community Safety. The Head of Department approved the contingency plans for 27 Wale Street, York Park building as well as the Goodwood office. These contingency plans were implemented during the period under review.
- Drafted monthly reports relating to OHASA complaints and incidents are submitted to management with the relevant recommendations to rectify shortcomings after compliance audits in the buildings were conducted. Quarterly reports were submitted to the Head of Department (HoD).
- OHASA training (First Aid, Floor Marshal, and Fire Marshal) was provided to all volunteers to ensure compliance, thirteen (13) officials were trained at the Department.
- During the period under review, OHASA induction training was provided to sixteen (16) staff members of Human Settlements.
- Two (2) prescribed evacuation exercises were conducted (1x announced and 1x un-announced).
- Quarterly Occupational Health and Safety (OHS) reports were presented to Enterprise Risk Management Committee (ERMCO) relating to OHS in the Department.
- Employee Health and Wellness (EHW) and Safety, Health, Environment, Risk and Quality assessments were conducted. The Department received full marks for the implementation thereof.
- The EHW operational plan 2014/2015 was approved by HoD and implemented.
- OHS Terms of Reference (TOR) drafted and will be submitted for approval to Occupational Health and Safety Committee (OHS).
- Carbon Dioxide fire extinguishers were serviced at all buildings.
- A new Gym Policy was drafted for the Department and approved by the HoD and accepted by Institutional Management and Labour Caucus (IMLC), in line with the Employee Health and Wellness policy of the Western Cape Government.

7. PORTFOLIO COMMITTEES

The Department attended a total of eight standing committee meetings during the financial year under review. Meetings are held per quarter or at the discretion of the standing committee.

The table below provides a breakdown of dates on which the meetings were held;

| Standing Committee | Date |
|---|-------------------|
| Standing Committee on Public Accounts | 30 October 2014 |
| Standing Committee on Human Settlements | 05 August 2014 |
| Standing Committee on Human Settlements | 02 September 2014 |
| Standing Committee on Human Settlements | 01 October 2014 |
| Standing Committee on Human Settlements | 18 November 2014 |
| Standing Committee on Human Settlements | 03 February 2015 |
| Standing Committee on Human Settlements | 17 February 2015 |
| Standing Committee on Human Settlements | 03 March 2015 |

The table below illustrates the requests emanating from those meetings and the Department's response in this regard;

| Resolution No. | Subject | Details | Response by the Department | Resolved (Yes/No) |
|----------------|---|---|---|-------------------|
| 11/4/6 | Briefing by Mr Madikizela, Minister: Human Settlements on granting of accreditation to municipalities | The registration and de-registration of housing contractors on the Enhanced Peoples Housing Process Contractors Database; The status of Western Cape Housing Demand Database Improvement Programme; The status of the housing projects for rural areas; The development of a policy relating to the transfer of property from a deceased person to dependents. | All requested information submitted on 03 February 2015 | Yes |
| 11/4/6 | Oversight visit to Nyanga to inspect the incomplete vandalised houses | The purpose of the visit would be to observe the status of the vandalised and incomplete houses and receive a briefing by the Department on the measures set in place to repair and transfer the repaired houses to the relevant beneficiaries. After the briefing the Department escorted the Committee on a walk-about of the Nyanga Housing Project. | All requested information submitted | Yes |
| 11/4/6 | Western Cape Appropriation Bill 2015 - Vote 8 Human Settlements | The Department to brief the Committee on the Western Cape Appropriation Bill 2015 for Vote 8. | Presentation provided. | Yes |
| | Communicare to brief the Committee on its core business, funding and general management | Communicare's Business Plan, business operations, community development programs and services. How funding obtained from DoHS in terms of the MOU is spent and what additional funding is sourced. The overall strategic direction and risk management in terms of general management. | All requested information submitted | Yes |

8. SCOPA RESOLUTIONS

The Committee noted the Auditor-General's (AG) audit opinion regarding the Department's Annual Financial Statements for the 2013/14 financial year. The Department received a clean audit in this regard. This audit opinion is an improvement from the 2012/13 financial year, where the Department obtained an unqualified audit opinion with findings on compliance with laws and regulations, human resource management and compensation and findings on predetermined objectives.

The Western Cape Department of Human Settlements spent R2 215 466 000 of a budget of R2 216 997 000, representing 99,98% of the total budget, resulting in an overall under-expenditure of R531 000 (0,02%), as reflected in Part E of the Annual Report.

The Department is encouraged to concentrate on improving its drivers of internal control which relates to action plans (leadership), proper record keeping, processing and reconciling controls, reporting, compliance and IT systems controls (financial and performance management) and internal audit (governance).

The table below highlights the resolutions emanating from the sessions held with the Standing Committee on Public Accounts;

| Resolution No. | Subject | Details | Response by the Department | Resolved (Yes/No) |
|-----------------------------------|--|---|---|-------------------|
| Pages: 67-69 of the Annual Report | The Committee notes that the Department did not resolve recommendations No 2 and No 3 that were passed by the previous Public Accounts Committee. To this end, the Committee undertook to hear evidence of mechanisms that have been put in place by the Department to address the resolutions which were passed by the Committee. | The Committee agreed that: The Department brief the Committee on outcomes of the recommendations that were passed from the Public Accounts Committee during discussions on the Department's Annual Report of the 2012/13 financial year. | The Department briefed the Committee during February 2015 | Yes |

List of Information Required:

The Department of Human Settlements provided the Committee with:

| List of Information Required | Comment |
|---|--|
| A detailed report which provides a breakdown of all consultants used, their HDI statuses, projects they conducted, including the duration of each contract, as indicated on pages 122 and 162 of the Annual Report 2013/14 of the Department. | The matter was resolved at the last Standing Committee session held for the period under review. |
| A financial breakdown of Annexure 1G, as indicated on page 190 of the Annual Report 2013/14 of the Department. | |

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

No matters have given rise to a qualification, disclaimer, adverse opinion, and matters of non-compliance for this Department. The Department received an unqualified clean financial Audit Report for the 2014/15 financial year.

10. INTERNAL CONTROL UNIT

During the year under review, the sub directorate: Internal Control once again played a valuable role in respect of the linkage between the auditors (external and internal) and the Department during the audit processes. In respect of the external audit process all the requested documentation (i.e. Requests for Information, Communication of Audit Findings, departmental responses and related matters, etc.) were co-ordinated and quality assured by this unit in a timely manner. Within the sub directorate Internal Control, a panel has been established headed by the Director: Financial Management, with the aim to address/review and discuss all audit related matters and risks during the audit process on a regular basis. These initiatives contributed to a smooth and almost problem free audit process with the aim of a positive audit outcome that resulted in a financial clean audit opinion in respect of 2014/15.

In respect of the internal audit process, the unit provides assistance with the follow up of recommendations arising from the internal audits due to the fact that Internal Audit does not have the capacity to provide this coverage. Internal Control is also responsible for providing all relevant documentation requested by the internal auditors during the execution phase of their audits. Senior staff of the unit also serve on the Departmental Internal Audit Steering Committee that meets on a monthly basis to discuss the outcomes and progress as per the Internal Audit plan, which includes the audit outcomes in respect of finalised audits and progress made in respect of previous recommendations/action plans.

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

On the compliance side, this unit performed a 100% post checking on all payments made by the Department to avoid non-compliance i.r.o. applicable legislation and to ensure correctness and value for money. Internal Control also ensures that these payments are paid within the prescribed 30 days by co-ordinating the flow of invoices from suppliers to the Department (different directorates) up to the processing thereof on a monthly basis. During the period under review, the drive to pay suppliers within the required period was highlighted by the AG expressing the view that the Department is actually paying suppliers within an average of 17 days. The unit is also responsible for reporting to Provincial Treasury on a monthly basis regarding the 30 day compliance in terms of NTR's 8.2.3.

Internal Control assisted the Monitoring and Evaluation sub-directorate with the physical verification of the houses delivered on a quarterly basis; this forms part of the Internal Control annual inspection programme. This has contributed to an unqualified audit opinion for the last two consecutive financial years 2013/14 and 2014/15.

In terms of Section 38 (1) (j) of the Public Finance Management Act, 1 of 1999 (PFMA), the Internal Control unit visited all 24 local municipalities within the Western Cape to ascertain if the allocated funds were utilised for the intended purpose. The visits concentrated on the following:

- Unspent balances;
- Inventory;
- Work in progress (WIP); and
- Compliance to Supply Chain Management procedures in respect of the appointment of contractors for state subsidised housing projects.

This information is an additional requirement to be disclosed in the 2014/15 financial year. The challenge in this regard was for the unit to obtain the correct information timeously for the inclusion and submission of the Annual Financial Statements at 31 May 2015.

During the year under review, the unit was also responsible for co-ordinating and reporting on the CGRO-GAP to PT and the Audit Committee that ensured that all previous AG findings were addressed and subsequently prevented the re-occurrence thereof. A physical verification (walkthrough) was conducted to ensure that control measures as contained in the GAP in respect of the prior year's audit findings were confirmed as implemented. The Audit Committee confirmed that the Department's Implementation Plan for audit issues raised in the previous year have been adequately resolved and the AG's management report also supports this view.

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

11. INTERNAL AUDIT AND AUDIT COMMITTEES

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

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

The following assurance engagements were approved in the 2014/15 Internal Audit Plan:

- Grant Management
- Western Cape Housing Demand Database

The following consulting engagements were approved in the 2014/15 Internal Audit Plan:

- Contract Management
- GAP Housing
- Govan Mbeki Awards

The Audit Committee is established as an oversight body, providing independent oversight over governance, risk management and control processes in the Department, which includes oversight and responsibilities relating to:

- Internal Audit function;
- External Audit function (Auditor-General of South Africa - AGSA);
- Departmental Accounting and reporting;
- Departmental Accounting Policies;
- Review of AGSA Management and Audit report;
- Review of Departmental In-year Monitoring;
- Departmental Risk Management;
- Internal Control;
- Pre-determined objectives;
- Ethics and Forensic Investigations.

The table below discloses relevant information on the Audit Committee members:

| Name | Qualifications | Internal or external | If internal, position in the Department | Date appointed | Date Resigned | No. of Meetings attended |
|-----------------------|--|----------------------|---|---|---------------|--------------------------|
| Mr Ronnie Kingwill | BCom, CTA, CA(SA) | External | N/A | 01 January 2013 | N/A | 8 |
| Mr Mervyn Burton | B Compt; B Compt (Hons); CA(SA) | External | N/A | 01 January 2012 01 January 2015 (2nd term) | N/A | 8 |
| Ms Judy Gunther | BCompt , Masters in Cost Accounting, CIA; AGA; CRMA | External | N/A | 01 January 2013 | N/A | 8 |
| Mr Louw van der Merwe | CA(SA); ACMA; CIA; CISA; CRMA | External | N/A | 01 January 2013 | N/A | 8 |
| Mr Francois Barnard | BProc, BCompt (Honours); Postgrad Diploma in Auditing; MComm (Tax); CA(SA) | External | N/A | 01 January 2013 | N/A | 5 |



12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2015.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the Department, revealed certain weaknesses, which were then raised with the Department.

The following internal audit work was completed during the year under review:

- Grant Management
- Western Cape Housing Demand Database
- Contract Management
- GAP Housing
- Govan Mbeki Awards

The areas of concern will be completed by the Audit Committee subsequent to the fourth quarter meeting and evaluation of financial statements.

In-Year Management and Monthly/Quarterly Report

The Department has reported monthly and quarterly to Treasury as is required by the PFMA.

Evaluation of Financial Statements

We have reviewed the Annual Financial statements prepared by the Department.

Auditor-General's Report

We have reviewed the Department's implementation plan for audit issues raised in the previous year and we are satisfied that the matters have been adequately resolved. Further commentary will be provided subsequent to the final audit report.

The Audit Committee will record its concurrence and/or acceptance of the conclusions of the Auditor-General on the Annual Financial Statements subsequent to the review of the audit.



Mr Ronnie Kingwill
Chairperson of the Social Cluster Audit Committee
Department of Human Settlements
Date: 31 July 2015

*A full PHP project in
Rondevlei, Retreat.*





1. LEGISLATION THAT GOVERNS HUMAN RESOURCE MANAGEMENT

The information provided in this part is prescribed by the Public Service Regulations (Chapter 1, Part III J.3 and J.4).

In addition to the Public Service Regulations, 2001 (as amended on 30 July 2012), the following prescripts direct Human Resource Management within the Public Service:

- **Occupational Health and Safety Act (85 of 1993)**

To provide for the health and safety of persons at work and for the health and safety of persons in connection with the use of plant and machinery; the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work; to establish an advisory council for occupational health and safety; and to provide for matters connected therewith.

- **Public Service Act 1994, as amended by Act (30 of 2007)**

To provide for the organisation and administration of the public service of the Republic, the regulation of the conditions of employment, terms of office, discipline, retirement, and discharge of members of the public service, and matters connected therewith.

- **Labour Relations Act (66 of 1995)**

To regulate and guide the employer in recognising and fulfilling its role in effecting labour peace and the democratisation of the workplace.

- **Basic Conditions of Employment Act (75 of 1997)**

To give effect to the right to fair labour practices referred to in section 23(1) of the Constitution by establishing and making provision for the regulation of basic conditions of employment; and thereby to comply with the obligations of the Republic as a member state of the International Labour Organisation; and to provide for matters connected therewith.

- **Skills Development Act (97 of 1998)**

To provide an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills of the South African workforce; to integrate those strategies within the National Qualifications Framework contemplated in the South African Qualifications Authority Act, 1995; to provide for learnerships that lead to recognised occupational qualifications; to provide for the financing of skills development by means of a levy-grant scheme and a National Skills Fund; to provide for and regulate employment services; and to provide for matters connected therewith.

- **Employment Equity Act (55 of 1998)**

To promote equality, eliminate unfair discrimination in employment and to ensure the implementation of employment equity measures to redress the effects of discrimination; to achieve a diverse and efficient workforce broadly representative of the demographics of the province.

- **Public Finance Management Act (1 of 1999,)**

To regulate financial management in the national government and provincial governments; to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in those governments; and to provide for matters connected therewith.

- **Skills Development Levy Act (9 of 1999)**

To provide any public service employer in the national or provincial sphere of Government with exemption from paying a skills development levy; and for exemption from matters connected therewith.

- **Promotion of Access to Information Act (2 of 2000)**

To give effect to the constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights; and to provide for matters connected therewith.

- **Promotion of Administrative Justice Act (PAJA) (3 of 2000)**

To give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in section 33 of the Constitution of the Republic of South Africa, 1996; and to provide for matters incidental thereto.

- **Public Administration and Management Act (11 of 2014)**

To give effect to the public administration values and principles as contemplated in section 195(1) of the constitution, provide for secondments in the public service, promote high standards of ethics and professionalism, promote the use of information and communication technologies, promote efficient service delivery, promote the eradication and prevention of unethical practices and provide for setting minimum norms and standards in public administration.

2. INTRODUCTION

The Value of People in the Department

Our people are the foremost contributors to the achievements of the Department and of the successes of the Western Cape Government. Service excellence depends on the wellbeing of our organisation and its people. Hence, we:

- value people who act with integrity, and are engaged, caring, competent, accountable and responsive;
- see people management to be the responsibility of everyone;
- ground the management of our people in the principles of dignity, respect, transparency and equity;
- grow, develop, empower and enable our people to reach and use their full potential;
- embrace diversity and have a deep respect for one another's culture, individuality, language, values and beliefs.

OVERVIEW OF HUMAN RESOURCE MATTERS AT THE DEPARTMENT

Human resources (people) are a key element in achieving the strategic objectives of the Department. Therefore human resource planning **aims to ensure that the Department has the right people, with the right skills, at the right place at the right time, all the time.** The Department's strategic planning cycle precedes the HR planning process where the latter process, among other things, links to the departmental skills development, recruitment, retention, and affirmative action strategies.

The strategic HR Plan was developed and implemented for the period **1 April 2011 to 31 March 2016 and adjusted with effect from 1 April 2014**, as the HR Plan is reviewed annually to determine whether the human resource strategic objectives are still valid and address the HR priorities in the Department. Annual progress reports monitor the implementation of the key activities contained within the HR Plan and are submitted to DPSA as directed.

Workforce planning can be defined as an inclusive and dynamic process that involves the identification of both current and future human resource needs as well as potential challenges in order for the Department to consistently achieve its departmental strategic objectives.

SET HUMAN RESOURCE PRIORITIES FOR THE YEAR UNDER REVIEW AND THE IMPACT OF THESE PRIORITIES

After analysing the current workforce profile and the future demand, the following HR priorities were identified:

| No. | Hr Priority | Impact |
|-----|-------------------------------|--|
| 1 | Organisational structure | <ul style="list-style-type: none"> Optimal and functional organisational structure |
| 2 | Recruitment and Selection | <ul style="list-style-type: none"> Departmental Action Plan A pool of suitably qualified candidates (PWD'S, females in MMS/SMS) Adequate and suitable accommodation for staff |
| 3 | Employment Equity / Diversity | <ul style="list-style-type: none"> A diverse workforce with equal <i>opportunities</i> for all |
| 4 | Training and Development | <ul style="list-style-type: none"> Training and Development Plan/Human Resource Development Implementation Plan and Report Alignment of performance agreements with the Annual Performance Plan and strategic objectives of the Department |
| 5 | Employee Health and Wellness | <ul style="list-style-type: none"> An upward curve achieved in effectively managed EH&W issues No abuse of sick leave Increased productivity Increased awareness pertaining to sick leave issues Increased staff morale |
| 6 | Culture and Ethics | <ul style="list-style-type: none"> Effective budgeting and expenditure control Fewer audit queries and disciplinary cases relating to corruption |

WORKFORCE PLANNING FRAMEWORK AND KEY STRATEGIES TO ATTRACT AND RECRUIT A SKILLED AND CAPABLE WORKFORCE

Without human resources (people), the Department cannot deliver an optimum service and without an adequate budget, they cannot recruit, develop, and retain people needed to deliver optimum services.

The challenges facing the Department have been identified. These challenges have been addressed by identifying key activities which have been incorporated into the action plan.

The following are some of the main key activities as set out in the action plan:

| No. | Key Activities |
|-----|--|
| 1 | <p>Organisational structure</p> <ul style="list-style-type: none"> Investigation and Development of Departmental blueprint Organisational structure to align the functions to the National/Provincial mandate. (restructuring) Annually funded structure (funded posts) identified and implemented |
| 2 | <p>Recruitment and Selection</p> <ul style="list-style-type: none"> Reduce vacancy rate to the 10% DPSA target Reduce time to fill a post within 6 months, of which 4 months after the post is advertised as per the DPSA target |
| 3 | <p>EE/ Diversity</p> <ul style="list-style-type: none"> Meeting and maintaining the National 50% women in senior management target Meeting and maintaining the National 2% PWD target and implement measures to reasonably accommodate their needs |
| 4 | <p>Training and Development</p> <ul style="list-style-type: none"> Impact Training Assessments conducted on certain transversal training and development programmes (PMS) Develop and present mentorship and coaching training programme Assess current status of financial management in the Department; and identify training interventions to address shortcomings, among other, the improvement of financial and supply chain management skills |
| 5 | <p>Employee Health and Wellness</p> <ul style="list-style-type: none"> Interventions provided in support of the following health related issues: HIV/Aids Occupational Health and Safety First level of Care sessions Employee Assistance Programme Employee Engagement Manage absenteeism through monitoring of practices, trends and misuse of leave |
| 6 | <p>Culture and Ethics</p> <ul style="list-style-type: none"> Implementation of the Anti-corruption strategy and roll-out of awareness sessions (e-learning) Interventions to align the organisational and personal values to create a highly engaged people (Barrett and Employee Engagement surveys) |

It is expected that the departmental management and the Corporate Service Centre takes joint responsibility for the execution of the action plans, as well as ownership for delivering the necessary outcomes.

Employee Performance Management Framework

One of the cornerstones of the Staff Performance Management System is the basic requirement that all employees are obliged to do what is expected of them. These expectations and the required performance standards are concretised by means of job descriptions, performance agreements, business plans and / or service level agreements. Rewards and incentives are therefore only granted for work that qualitatively and quantitatively surpasses work for which employees are remunerated.

Employees who are nominated for performance bonuses are assessed by moderation panels, who then examine the evidence of superior performance. Under-performing staff members, on the other hand, are required to complete the actions stipulated in a Performance Improvement Plan. These are closely monitored to ensure absolute compliance with acceptable performance standards.

The framework also seeks to promote a positive workplace culture that encourages formal and informal discussions about performance quality, lead practice and continuous individual improvement.

This system sets the framework in which both the employer and employee can equally realise their goals and objectives to ensure the achievement of PSO 12, namely *being the best-run regional government in the world*.

Employee Wellness

Developing a wellness culture in the Department is of strategic importance to ensure that employees achieve optimum levels of performance while feeling cared for and supported in the work context. The WCG's transversal Employee Health and Wellness Programme (EHW) follow a holistic approach to employee wellbeing and is largely preventative in nature, offering both primary and secondary services. The EHW Programme is monitored in the Department through monthly utilisation reports for primary services (24/7/365 telephonic counselling service, online e-Care service and reporting) and secondary services (face-to-face counselling, trauma and critical incidents, training and targeted intervention, executive coaching, advocacy). A quarterly report is prepared by the Directorate: Organisational Behaviour within the Corporate Service Centre that provides a trend analysis of utilisation, risk identification and its impact on productivity. Furthermore, on-going reporting to the Department of Public Service and Administration (DPSA) is a requirement and such reporting focuses on four areas namely, HIV/ AIDS, Health and Productivity, Wellness Management and SHEQ (Safety Health Environment and Quality).

3. HUMAN RESOURCE OVERSIGHT STATISTICS

3.1 Personnel related expenditure

The following tables summarise final audited expenditure by programme (Table 3.1.1) and by salary bands (Table 3.1.2). In particular, it provides an indication of the amount spent on personnel in terms of each of the programmes or salary bands within the Department.

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

The key in the table below is a description of the Programmes within the Department. Programmes will be referred to by their number from here on out

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

Table 3.1.1: Personnel expenditure by programme, 2014/15

| Programme | Total Expenditure (R'000) | Personnel Expenditure (R'000) | Training Expenditure (R'000) | Goods & Services (R'000) | Personnel expenditure as a % of total expenditure | Average personnel expenditure per employee (R'000) | Number of Employees |
|--------------|---------------------------|-------------------------------|------------------------------|--------------------------|---|--|---------------------|
| Programme 1 | 84 446 | 61 195 | 1 049 | 17 903 | 72 | 285 | 215 |
| Programme 2 | 17 067 | 16 172 | 123 | 874 | 95 | 352 | 46 |
| Programme 3 | 2 008 186 | 78 126 | 167 | 48 595 | 4 | 387 | 202 |
| Programme 4 | 41 628 | 15 050 | 13 | 12 852 | 36 | 274 | 55 |
| Total | 2 151 327 | 170 543 | 1 352 | 80 224 | 7.9 | 368 | 518 |

Note: The number of employees refers to all individuals remunerated during the reporting period, excluding the Minister.

Table 3.1.2: Personnel expenditure by salary bands, 2014/15

| Salary bands | Personnel Expenditure (R'000) | % of total personnel expenditure | Average personnel expenditure per employee (R'000) | Number of Employees |
|--|-------------------------------|----------------------------------|--|---------------------|
| Lower skilled (Levels 1-2) | 1 004 | 0.6 | 56 | 18 |
| Skilled (Levels 3-5) | 21 586 | 12.7 | 176 | 123 |
| Highly skilled production (Levels 6-8) | 52 974 | 31.1 | 279 | 190 |
| Highly skilled supervision (Levels 9-12) | 74 961 | 44.0 | 449 | 167 |
| Senior management (Levels 13-16) | 19 871 | 11.7 | 994 | 20 |
| Total | 170 396 | 100.0 | 329 | 518 |

Note: The number of employees refers to all individuals remunerated during the reporting period, excluding the Minister.

The following tables provide a summary per programme (Table 3.1.3) and salary bands (Table 3.1.4), of expenditure incurred as a result of salaries, overtime, housing allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

Table 3.1.3: Salaries, Overtime, Housing Allowance, and Medical Assistance by programme, 2014/15

| Programme | Salaries | | Overtime | | Housing allowance | | Medical assistance | |
|--------------|----------------|--|----------------|--|-------------------|---|--------------------|--|
| | Amount (R'000) | Salaries as a % of personnel expenditure | Amount (R'000) | Overtime as a % of personnel expenditure | Amount (R'000) | Housing allowance as a % of personnel expenditure | Amount (R'000) | Medical assistance as a % of personnel expenditure |
| Programme 1 | 43 638 | 25.6 | 1 816 | 1.1 | 1 412 | 0.8 | 2 628 | 1.5 |
| Programme 2 | 11 821 | 6.9 | 28 | 0.02 | 267 | 0.2 | 475 | 0.3 |
| Programme 3 | 49 458 | 29.0 | 932 | 0.5 | 1 112 | 0.7 | 2 004 | 1.2 |
| Programme 4 | 11 742 | 6.9 | 413 | 0.2 | 409 | 0.2 | 742 | 0.4 |
| Total | 116 659 | 68.5 | 3 189 | 1.9 | 3 200 | 1.9 | 5 849 | 3.4 |

Note: Salaries, overtime, housing allowance, and medical assistance are calculated as a percentage of the total personnel expenditure which appears in Table 3.1.2 above. Furthermore, the table does not make provision for other expenditure such as Pensions, Bonuses and other allowances which make up the total personnel expenditure. Therefore, Salaries, Overtime, Housing Allowance, and Medical Assistance amount to 75.6% of the total personnel expenditure.

The totals of table 3.1.3 and 3.1.4 do balance, however, due to the fact that the data is grouped by either programme or salary band and that it is rounded off to thousands they reflect differently.

Table 3.1.4: Salaries, Overtime, Housing Allowance, and Medical Assistance by salary bands, 2014/15

| Salary Bands | Salaries | | Overtime | | Housing allowance | | Medical assistance | |
|--|----------------|--|----------------|--|-------------------|---|--------------------|--|
| | Amount (R'000) | Salaries as a % of personnel expenditure | Amount (R'000) | Overtime as a % of personnel expenditure | Amount (R'000) | Housing allowance as a % of personnel expenditure | Amount (R'000) | Medical assistance as a % of personnel expenditure |
| Lower skilled (Levels 1-2) | 756 | 0.4 | 1 | 0.04 | 69 | 0.04 | 60 | 0.0 |
| Skilled (Levels 3-5) | 14 624 | 8.6 | 487 | 0.3 | 902 | 0.5 | 1 402 | 0.8 |
| Highly skilled production (Levels 6-8) | 35 622 | 20.9 | 1 615 | 0.9 | 1 299 | 0.8 | 2 520 | 1.5 |
| Highly skilled supervision (Levels 9-12) | 52 551 | 30.8 | 1 087 | 0.6 | 922 | 0.5 | 1 698 | 1.0 |
| Senior management (Levels 13-16) | 13 106 | 7.7 | 0 | 0.0 | 7 | 0.005 | 170 | 0.1 |
| Total | 116 659 | 68.5 | 3 190 | 1.9 | 3 199 | 1.9 | 5 850 | 3.4 |

Note: The totals of table 3.1.3 and 3.1.4 do balance, however, due to the fact that the data is grouped by either programme or salary band and that it is rounded off to thousands they reflect differently.

3.2 EMPLOYMENT AND VACANCIES

The following tables summarise the number of posts on the establishment, the number of employees and the percentage of vacant posts. This information is presented in terms of three key variables: programme (Table 3.2.1), salary band (Table 3.2.2) and critical occupations (Table 3.2.3). Departments have identified critical occupations that need to be monitored. Table 3.2.3 provides establishment and vacancy information for the key critical occupations of the Department.

Table 3.2.1: Employment and vacancies by programme, as at 31 March 2015

| Programme | Number of funded posts | Number of posts filled | Vacancy rate % |
|--------------|------------------------|------------------------|----------------|
| Programme 1 | 196 | 186 | 5.1% |
| Programme 2 | 45 | 43 | 4.4% |
| Programme 3 | 188 | 173 | 8.0% |
| Programme 4 | 57 | 52 | 8.8% |
| Total | 486 | 454 | 6.6% |

Table 3.2.2: Employment and vacancies by salary bands, as at 31 March 2015

| Salary Band | Number of funded posts | Number of posts filled | Vacancy rate % |
|---|------------------------|------------------------|----------------|
| Lower skilled (Levels 1-2) | 10 | 9 | 10.0% |
| Skilled (Levels 3-5) | 128 | 119 | 7.0% |
| Highly skilled production (Levels 6-8) | 185 | 174 | 5.9% |
| Highly skilled supervision (Levels 9-12) | 143 | 132 | 7.7% |
| Senior management (Levels 13-16) | 20 | 20 | 0.0% |
| Total | 486 | 454 | 6.6% |

Note: The information in each case reflects the situation as at 31 March 2015. For an indication of changes in staffing patterns over the year under review, please refer to section 3.4 of this report.

Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2015

| Critical Occupations | Number of funded posts | Number of posts filled | Vacancy rate % |
|----------------------|------------------------|------------------------|----------------|
| Architect | 2 | 1 | 50.0% |
| Engineer | 11 | 8 | 27.3% |
| Project Manager | 6 | 6 | 0.0% |
| Town Planner | 4 | 4 | 0.0% |
| Works Inspector | 31 | 27 | 12.9% |
| GIS Planner | 3 | 3 | 0.0% |
| Total | 57 | 49 | 14.0% |

3.3 JOB EVALUATION

The Public Service Regulations, 2001 as amended, introduced post evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any post in his or her organisation.

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

Table 3.3.1: Job evaluation, 1 April 2014 to 31 March 2015

| Salary Band | Total number of posts | Number of posts evaluated | % of posts evaluated | Posts Upgraded | | Posts Downgraded | |
|---|-----------------------|---------------------------|----------------------|----------------|----------------------|------------------|----------------------|
| | | | | Number | % of number of posts | Number | % of number of posts |
| Lower skilled (Levels 1-2) | 10 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Skilled (Levels 3-5) | 128 | 1 | 0.2 | 0 | 0.0 | 0 | 0.0 |
| Highly skilled production (Levels 6-8) | 185 | 0 | 0.0 | 2 | 0.4 | 0 | 0.0 |
| Highly skilled supervision (Levels 9-12) | 143 | 0 | 0.0 | 1 | 0.2 | 0 | 0.0 |
| Senior Management Service Band A (Level 13) | 15 | 1 | 0.2 | 0 | 0.0 | 0 | 0.0 |
| Senior Management Service Band B (Level 14) | 3 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Senior Management Service Band C (Level 15) | 2 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 486 | 2 | 0.4 | 3 | 0.6 | 0 | 0.0 |

Note: Existing Public Service policy requires departments to subject specifically identified posts (excluding Educator and OSD [occupation-specific dispensation] posts) to a formal job evaluation process. These include newly created posts, as well as posts where the job content has changed significantly. This job evaluation process determines the grading and salary level of a post.

Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2014 to 31 March 2015

| Beneficiaries | African | Indian | Coloured | White | Total |
|-----------------------------|----------|----------|----------|----------|----------|
| Female | 1 | 0 | 0 | 0 | 1 |
| Male | 1 | 0 | 1 | 0 | 2 |
| Total | 2 | 0 | 1 | 0 | 3 |
| Employees with a disability | | | | | 0 |

Table 3.3.3 summarises the number of cases where salary levels exceeded the grade determined by job evaluation (including higher notches awarded). Reasons for the deviation are provided in each case.

Table 3.3.3: Employees who have been granted higher salaries than those determined by job evaluation per race group, 1 April 2014 to 31 March 2015

| Major Occupation | Number of employees | Job evaluation level | Remuneration on a higher salary level | Remuneration on a higher notch of the same salary level | Reason for deviation |
|--------------------------------|---------------------|----------------------|---------------------------------------|---|----------------------|
| Chief Registry Clerk | 1 | 7 | 0 | 9 notch increment | Retention |
| Total | | | | 1 | |
| Percentage of total employment | | | | 0.2 | |

Table 3.3.4: Employees who have been granted higher salaries than those determined by job evaluation per race group, 1 April 2014 to 31 March 2015

| Beneficiaries | African | Indian | Coloured | White | Total |
|-----------------------------|----------|----------|----------|----------|----------|
| Female | 0 | 0 | 1 | 0 | 1 |
| Male | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 1 | 0 | 1 |
| Employees with a disability | | | | | 0 |

3.4. EMPLOYMENT CHANGES

Turnover rates provide an indication of trends in the employment profile of the Department during the year under review. The following tables provide a summary of turnover rates by salary band (Table 3.4.1) and by critical occupations (Table 3.4.2).

Table 3.4.1: Annual turnover rates by salary band, 1 April 2014 to 31 March 2015

| Salary Band | Number of employees as at 31 March 2014 | Turnover rate 2013/14 | Appointments into the Department | Transfers into the Department | Terminations out of the Department | Transfers out of the Department | Turnover rate 2014/15 |
|---|---|-----------------------|----------------------------------|-------------------------------|------------------------------------|---------------------------------|-----------------------|
| Lower skilled (Levels 1-2) | 10 | 12.5 | 0 | 0 | 0 | 1 | 10.0 |
| Skilled (Levels 3-5) | 123 | 19.0 | 21 | 1 | 13 | 5 | 14.6 |
| Highly skilled production (Levels 6-8) | 171 | 9.0 | 21 | 1 | 14 | 3 | 9.9 |
| Highly skilled supervision (Levels 9-12) | 132 | 5.4 | 14 | 0 | 17 | 3 | 15.2 |
| Senior Management Service Band A (Level 13) | 14 | 0.0 | 3 | 0 | 2 | 0 | 14.3 |
| Senior Management Service Band B (Level 14) | 3 | 0.0 | 0 | 0 | 0 | 0 | 0.0 |
| Senior Management Service Band C (Level 15) | 2 | 100.0 | 0 | 0 | 0 | 0 | 0.0 |
| Senior Management Service Band D (Level 16) | 0 | 0.0 | 0 | 0 | 0 | 0 | 0.0 |
| Total | 455 | 10.6 | 59 | 2 | 46 | 12 | 12.7 |
| | | | | | | | |

Note: A transfer is when a Public Service official moves from one Department to another, on the same salary level.

Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2014 to 31 March 2015

| Critical Occupation | Number of employees as at 31 March 2014 | Turnover rate 2013/14 | Appointments into the Department | Transfers into the Department | Terminations out of the Department | Transfers out of the Department | Turnover rate 2014/15 |
|---------------------|---|-----------------------|----------------------------------|-------------------------------|------------------------------------|---------------------------------|-----------------------|
| Architect | 1 | 0.0 | 0 | 0 | 0 | 0 | 0.0 |
| Engineer | 8 | 0.0 | 1 | 0 | 2 | 0 | 25.0 |
| Project Manager | 6 | 0.0 | 0 | 0 | 1 | 0 | 16.7 |
| Town Planner | 3 | 0.0 | 3 | 0 | 1 | 0 | 33.3 |
| Works Inspector | 27 | 3.8 | 8 | 0 | 8 | 0 | 100.0 |
| GIS Planner | 3 | 0.0 | 0 | 0 | 0 | 0 | 0.00 |
| Total | 48 | 8.7 | 12 | 0 | 12 | 0 | 25.0 |
| | | | | | | | |

Table 3.4.3: Staff leaving the employ of the Department, 1 April 2014 to 31 March 2015

| Exit Category | Number | % of total exits | Number of exits as a % of total number of employees as at 31 March 2014 |
|---|-----------|------------------|---|
| Death | 0 | 0.0 | 0.0 |
| Resignation * | 22 | 37.9 | 7.3 |
| Expiry of contract | 19 | 32.8 | 6.3 |
| Dismissal – operational changes | 0 | 0.0 | 0.0 |
| Dismissal – misconduct | 1 | 1.7 | 0.3 |
| Dismissal – inefficiency | 0 | 0.0 | 0.0 |
| Discharged due to ill-health | 0 | 0.0 | 0.0 |
| Retirement | 4 | 6.9 | 1.3 |
| Employee initiated severance package | 0 | 0.0 | 0.0 |
| Transfers to Statutory | 0 | 0.0 | 0.0 |
| Transfers to other Public Service departments | 12 | 20.7 | 4.0 |
| Total | 58 | 100.0 | 19.3 |

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

* Resignations are further discussed in tables 3.4.4 and 3.4.5.

Table 3.4.4: Reasons why staff resigned, 1 April 2014 to 31 March 2015

| Resignation Reasons | Number | % of total resignations |
|--|-----------|-------------------------|
| Better Remuneration | 1 | 4.5 |
| Contract Expired | 1 | 4.5 |
| Other Occupation | 2 | 9.1 |
| Resigning of Position (No reason provided) | 17 | 77.3 |
| Translation Permanent | 1 | 4.5 |
| Total | 22 | 100.0 |

Table 3.4.5: Different age groups of staff who resigned, 1 April 2014 to 31 March 2015

| Age group | Number | % of total resignations |
|---------------|-----------|-------------------------|
| Ages <19 | 0 | 0.0 |
| Ages 20 to 24 | 2 | 9.1 |
| Ages 25 to 29 | 4 | 18.2 |
| Ages 30 to 34 | 7 | 31.8 |
| Ages 35 to 39 | 4 | 18.2 |
| Ages 40 to 44 | 3 | 13.6 |
| Ages 45 to 49 | 0 | 0.0 |
| Ages 50 to 54 | 0 | 0.0 |
| Ages 55 to 59 | 0 | 0.0 |
| Ages 60 to 64 | 1 | 4.5 |
| Ages 65 > | 1 | 4.5 |
| Total | 22 | 100.0 |

Table 3.4.6 Employee initiated severance packages.

| | |
|--|-------------|
| Total number of employee initiated severance packages in 2013/ 2014 | None |
|--|-------------|

Table 3.4.7: Promotions by salary band, 1 April 2014 to 31 March 2015

| Salary Band | Employees as at 31 March 2014 | Promotions to another salary level | Promotions as a % of employees | Progressions to another notch within a salary level | Notch progressions as a % of employees |
|--|-------------------------------|------------------------------------|--------------------------------|---|--|
| Lower skilled (Levels 1-2) | 10 | 0 | 0.0 | 5 | 50.0 |
| Skilled (Levels 3-5) | 123 | 0 | 0.0 | 78 | 63.4 |
| Highly skilled production (Levels 6-8) | 171 | 4 | 2.3 | 96 | 56.1 |
| Highly skilled supervision (Levels 9-12) | 132 | 3 | 2.3 | 74 | 56.1 |
| Senior management (Levels 13-16) | 19 | 0 | 0.0 | 12 | 63.2 |
| Total | 455 | 7 | 1.5 | 265 | 58.2 |

Table 3.4.8: Promotions by critical occupation, 1 April 2014 to 31 March 2015

| Critical Occupation | Employees as at 31 March 2014 | Promotions to another salary level | Promotions as a % of employees | Progressions to another notch within a salary level | Notch progressions as a % of employees |
|---------------------|-------------------------------|------------------------------------|--------------------------------|---|--|
| Architect | 1 | 0 | 0.0 | 1 | 100.0 |
| Engineer | 8 | 0 | 0.0 | 2 | 25.0 |
| Project Manager | 6 | 0 | 0.0 | 6 | 100.0 |
| Town Planner | 3 | 0 | 0.0 | 1 | 33.3 |
| Works Inspector | 27 | 1 | 3.7 | 6 | 22.2 |
| GIS Planner | 3 | 0 | 0.0 | 0 | 0.0 |
| Total | 48 | 1 | 2.1 | 16 | 33.3 |

3.5. EMPLOYMENT EQUITY

Table 3.5.1: Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2015

| Occupational Levels | Male | | | | Female | | | | Foreign Nationals | | Total |
|--|-----------|------------|----------|-----------|-----------|------------|----------|-----------|-------------------|----------|------------|
| | A | C | I | W | A | C | I | W | Male | Female | |
| Top management (Levels 15-16) | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| Senior management (Levels 13-14) | 1 | 4 | 1 | 5 | 1 | 5 | 0 | 1 | 0 | 0 | 18 |
| Professionally qualified and experienced specialists and mid-management (Levels 9-12) | 15 | 41 | 1 | 29 | 11 | 27 | 2 | 8 | 7 | 4 | 145 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8) | 17 | 43 | 0 | 7 | 32 | 59 | 1 | 10 | 0 | 1 | 170 |
| Semi-skilled and discretionary decision making (Levels 3-5) | 14 | 28 | 2 | 3 | 21 | 40 | 1 | 4 | 0 | 0 | 113 |
| Unskilled and defined decision making (Levels 1-2) | 1 | 3 | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 6 |
| Total | 49 | 119 | 4 | 45 | 66 | 132 | 4 | 23 | 7 | 5 | 454 |
| Temporary employees | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand total | 49 | 119 | 4 | 45 | 66 | 132 | 4 | 23 | 7 | 5 | 454 |

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

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

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

Table 3.5.2: Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2015

| Occupational Levels | Male | | | | Female | | | | Foreign Nationals | | Total |
|--|----------|----------|----------|----------|----------|----------|----------|----------|-------------------|----------|----------|
| | A | C | I | W | A | C | I | W | Male | Female | |
| Top management (Levels 15-16) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior management (Levels 13-14) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Professionally qualified and experienced specialists and mid-management (Levels 9-12) | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8) | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 2 |
| Semi-skilled and discretionary decision making (Levels 3-5) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unskilled and defined decision making (Levels 1-2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 3 |
| Temporary employees | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand total | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 3 |

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

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

Table 3.5.3: Recruitment, 1 April 2014 to 31 March 2015

| Occupational Levels | Male | | | | Female | | | | Foreign Nationals | | Total |
|--|----------|-----------|----------|----------|----------|-----------|----------|----------|-------------------|----------|-----------|
| | A | C | I | W | A | C | I | W | Male | Female | |
| Top management (Levels 15-16) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior management (Levels 13-14) | 0 | 0 | 0 | 2 | 0 | 1 | 0 | 0 | 0 | 0 | 3 |
| Professionally qualified and experienced specialists and mid-management (Levels 9-12) | 4 | 1 | 0 | 4 | 1 | 3 | 0 | 1 | 0 | 0 | 14 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8) | 1 | 8 | 0 | 0 | 7 | 4 | 0 | 1 | 0 | 1 | 22 |
| Semi-skilled and discretionary decision making (Levels 3-5) | 4 | 6 | 1 | 1 | 0 | 10 | 0 | 0 | 0 | 0 | 22 |
| Unskilled and defined decision making (Levels 1-2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 9 | 15 | 1 | 7 | 8 | 18 | 0 | 2 | 0 | 1 | 61 |
| Temporary employees | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand total | 9 | 15 | 1 | 7 | 8 | 18 | 0 | 2 | 0 | 1 | 61 |

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

Note: Recruitment refers to new employees, including transfers into the Department, as per Table 3.4.1.

Table 3.5.4: Promotions, 1 April 2014 to 31 March 2015

| Occupational Levels | Male | | | | Female | | | | Foreign Nationals | | Total |
|--|----------|----------|----------|----------|----------|----------|----------|----------|-------------------|----------|----------|
| | A | C | I | W | A | C | I | W | Male | Female | |
| Top management (Levels 15-16) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior management (Levels 13-14) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Professionally qualified and experienced specialists and mid-management (Levels 9-12) | 1 | 1 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 3 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8) | 0 | 1 | 0 | 0 | 0 | 3 | 0 | 0 | 0 | 0 | 4 |
| Semi-skilled and discretionary decision making (Levels 3-5) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unskilled and defined decision making (Levels 1-2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 1 | 2 | 0 | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 7 |
| Temporary employees | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand total | 1 | 2 | 0 | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 7 |

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

Note: Promotions refer to the total number of employees promoted within the Department, as per Table 3.4.7.

Table 3.5.5: Terminations, 1 April 2014 to 31 March 2015

| Occupational Levels | Male | | | | Female | | | | Foreign Nationals | | Total |
|--|----------|-----------|----------|----------|-----------|-----------|----------|----------|-------------------|----------|-----------|
| | A | C | I | W | A | C | I | W | Male | Female | |
| Top management (Levels 15-16) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior management (Levels 13-14) | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| Professionally qualified and experienced specialists and mid-management (Levels 9-12) | 5 | 3 | 0 | 4 | 0 | 4 | 0 | 0 | 1 | 3 | 20 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8) | 2 | 4 | 0 | 0 | 7 | 4 | 0 | 0 | 0 | 0 | 17 |
| Semi-skilled and discretionary decision making (Levels 3-5) | 2 | 4 | 0 | 1 | 4 | 6 | 0 | 1 | 0 | 0 | 18 |
| Unskilled and defined decision making (Levels 1-2) | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Total | 9 | 11 | 0 | 7 | 12 | 14 | 0 | 1 | 1 | 3 | 58 |
| Temporary employees | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand total | 9 | 11 | 0 | 7 | 12 | 14 | 0 | 1 | 1 | 3 | 58 |

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

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

Table 3.5.6: Disciplinary actions, 1 April 2014 to 31 March 2015

| Disciplinary actions | Male | | | | Female | | | | Foreign Nationals | | Total |
|-----------------------|----------|----------|----------|----------|----------|----------|----------|----------|-------------------|----------|----------|
| | A | C | I | W | A | C | I | W | Male | Female | |
| Dismissal/Desertion | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| Final Written Warning | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| TOTAL | 1 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |

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

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

Table 3.5.7: Skills development, 1 April 2014 to 31 March 2015

| Occupational Levels | Male | | | | Female | | | | Total |
|--|----------|-----------|----------|----------|-----------|------------|----------|-----------|------------|
| | A | C | I | W | A | C | I | W | |
| Top management (Levels 15-16) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior management (Levels 13-14) | 0 | 1 | 0 | 0 | 0 | 1 | 0 | 1 | 3 |
| Professionally qualified and experienced specialists and mid-management (Levels 9-12) | 1 | 2 | 0 | 1 | 5 | 29 | 0 | 5 | 43 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8) | 3 | 8 | 1 | 2 | 20 | 65 | 0 | 13 | 112 |
| Semi-skilled and discretionary decision making (Levels 3-5) | 0 | 3 | 0 | 0 | 11 | 23 | 0 | 5 | 42 |
| Unskilled and defined decision making (Levels 1-2) | 0 | 1 | 0 | 0 | 0 | 1 | 0 | 1 | 3 |
| Total | 4 | 57 | 1 | 3 | 36 | 119 | 0 | 25 | 203 |
| Temporary employees | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand total | 4 | 57 | 1 | 3 | 36 | 119 | 0 | 25 | 203 |

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

Note: The above table refers to the total number of personnel (including all categories of interns) who received training, and not the number of training courses attended by individuals. For further information on the actual training provided, please refer to Table 3.13.2.

3.6. SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

Table 3.6.1: Signing of Performance Agreements by SMS Members, as at 31 Aug 2014

| SMS Level | Number of funded SMS posts per level | Number of SMS members per level | Number of signed Performance Agreements per level | Signed Performance Agreements as % of SMS members per level |
|--------------------------------------|--------------------------------------|---------------------------------|---|---|
| Director-General/ Head of Department | 1 | 1 | 1 | 100.0 |
| Salary Level 15 | 1 | 1 | 1 | 100.0 |
| Salary Level 14 | 3 | 3 | 3 | 100.0 |
| Salary Level 13 | 15 | 15 | 15 | 100.0 |
| Total | 20 | 20 | 20 | 100.0 |

Note: The allocation of performance-related rewards (cash bonus) for Senior Management Service members is dealt with later in the report. Please refer to Table 3.8.5.

Table 3.6.2: Reasons for not having concluded Performance Agreements with all SMS on 31 Aug 2014

| Reasons for not concluding Performance Agreements with all SMS |
|--|
| N/A |

Table 3.6.3: Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 Aug 2014

| Disciplinary steps taken against SMS Members for not having concluded Performance Agreements |
|--|
| N/A |

3.7. FILLING OF SMS POSTS

Table 3.7.1: SMS posts information, as at 30 September 2014

| SMS Level | Number of funded SMS posts per level | Number of SMS posts filled per level | % of SMS posts filled per level | Number of SMS posts vacant per level | % of SMS posts vacant per level |
|--------------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------------|---------------------------------|
| Director-General/ Head of Department | 1 | 1 | 100.00 | 0 | 0.00 |
| Salary level 16, but not HOD | 0 | 0 | 0.00 | 0 | 0.00 |
| Salary Level 15 | 1 | 1 | 100.00 | 0 | 0.00 |
| Salary Level 14 | 3 | 3 | 100.00 | 0 | 0.00 |
| Salary Level 13 | 15 | 15 | 100.00 | 0 | 0.00 |
| Total | 20 | 20 | 100.00 | 0 | 0.00 |

Table 3.7.2: SMS posts information, as at 31 March 2015

| SMS Level | Number of funded SMS posts per level | Number of SMS posts filled per level | % of SMS posts filled per level | Number of SMS posts vacant per level | % of SMS posts vacant per level |
|--------------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------------|---------------------------------|
| Director-General/ Head of Department | 1 | 1 | 100.00 | 0 | 0.00 |
| Salary Level 15 | 1 | 1 | 100.00 | 0 | 0.00 |
| Salary Level 14 | 3 | 3 | 100.00 | 0 | 0.00 |
| Salary Level 13 | 15 | 15 | 100.00 | 0 | 0.00 |
| Total | 20 | 20 | 100.00 | 0 | 0.00 |

Table 3.7.3: Advertising and Filling of SMS posts, as at 31 March 2015

| SMS Level | Advertising | Filling of Posts | |
|--------------------------------------|---|--|--|
| | Number of Vacancies per Level Advertised in 6 Months of becoming Vacant | Number of Vacancies per Level Filled in 6 Months after becoming Vacant | Number of Vacancies per Level not Filled in 6 Months but Filled in 12 Months |
| Director-General/ Head of Department | 0 | 0 | 0 |
| Salary Level 15 | 0 | 0 | 0 |
| Salary Level 14 | 0 | 0 | 0 |
| Salary Level 13 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 |

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

| SMS Level | Reasons for non-compliance |
|--------------------------------------|----------------------------|
| Director-General/ Head of Department | N/A |
| Salary Level 15 | N/A |
| Salary Level 14 | N/A |
| Salary Level 13 | N/A |

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

| Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months |
|--|
| None |

3.8. EMPLOYEE PERFORMANCE

Table 3.8.1: Notch progressions by salary band, 1 April 2014 to 31 March 2015

| Salary Band | Employees as at 31 March 2014 | Progressions to another notch within a salary level | Notch progressions as a % of employees by salary band |
|--|-------------------------------|---|---|
| Lower skilled (Levels 1-2) | 10 | 5 | 50.0 |
| Skilled (Levels 3-5) | 123 | 78 | 63.4 |
| Highly skilled production (Levels 6-8) | 171 | 96 | 56.1 |
| Highly skilled supervision (Levels 9-12) | 132 | 74 | 56.1 |
| Senior management (Levels 13-16) | 19 | 12 | 63.2 |
| Total | 455 | 265 | 58.2 |

Table 3.8.2: Notch progressions by critical occupation, 1 April 2014 to 31 March 2015

| Critical Occupations | Employees as at 31 March 2014 | Progressions to another notch within a salary level | Notch progressions as a % of employees by salary band |
|----------------------|-------------------------------|---|---|
| Architect | 1 | 1 | 100.0 |
| Engineer | 8 | 2 | 25.0 |
| Project Manager | 6 | 6 | 100.0 |
| Town Planner | 3 | 1 | 33.3 |
| Works Inspector | 27 | 6 | 22.2 |
| GIS Planner | 3 | 0 | 0.0 |
| Total | 48 | 16 | 33.3 |

To encourage good performance, the Department has granted the following performance rewards allocated to personnel for the performance period 2013/14, but paid in the financial year 2014/15. The information is presented in terms of race, gender, and disability (Table 3.8.3), salary bands (Table 3.8.4 and Table 3.8.5) and critical occupations (Table 3.8.6).

Table 3.8.3: Performance rewards by race, gender, and disability, 1 April 2014 to 31 March 2015

| Race and Gender | Beneficiary Profile | | | Cost | |
|------------------------------------|-------------------------|--|-------------------------|--------------|----------------------------------|
| | Number of beneficiaries | Total number of employees in group as at 31 March 2014 | % of total within group | Cost (R'000) | Average cost per beneficiary (R) |
| African | 34 | 120 | 28.3 | 439 | 12 930 |
| Male | 19 | 50 | 38.0 | 232 | 12 237 |
| Female | 15 | 70 | 21.4 | 207 | 13 808 |
| Coloured | 112 | 246 | 45.5 | 1 330 | 11 879 |
| Male | 49 | 114 | 43.0 | 643 | 13 129 |
| Female | 63 | 132 | 47.7 | 687 | 10 908 |
| Indian | 6 | 7 | 85.7 | 84 | 13 924 |
| Male | 2 | 3 | 66.7 | 40 | 19 823 |
| Female | 4 | 4 | 100.0 | 44 | 10 974 |
| White | 38 | 79 | 48.1 | 702 | 18 452 |
| Male | 25 | 51 | 49.0 | 541 | 21 621 |
| Female | 13 | 28 | 46.4 | 161 | 12 359 |
| Employees with a disability | 1 | 3 | 33.3 | 23 | 23 232 |
| Total | 191 | 455 | 42.0 | 2 578 | 13 498 |

Note: The above table relates to performance rewards for the performance year 2013/14 and payment effected in the 2014/15 reporting period.

Table 3.8.4: Performance rewards by salary bands for personnel below Senior Management Service level, 1 April 2014 to 31 March 2015

| Salary Bands | Beneficiary Profile | | | Cost | | |
|--|-------------------------|--|--------------------------------|--------------|----------------------------------|--|
| | Number of beneficiaries | Total number of employees in group as at 31 March 2014 | % of total within salary bands | Cost (R'000) | Average cost per beneficiary (R) | Cost as a % of the total personnel expenditure |
| Lower skilled (Levels 1-2) | 3 | 2 | 150.0 | 11 | 3 719 | 0.0 |
| Skilled (Levels 3-5) | 43 | 18 | 238.9 | 257 | 5 968 | 0.2 |
| Highly skilled production (Levels 6-8) | 64 | 60 | 106.7 | 618 | 9 657 | 0.4 |
| Highly skilled supervision (Levels 9-12) | 70 | 199 | 35.2 | 1 367 | 19 528 | 0.9 |
| Total | 180 | 279 | 64.5 | 2 253 | 12 516 | 1.5 |

Note: The cost is calculated as a percentage of the total personnel expenditure for salary levels 1-12, reflected in Table 3.1.2.

Table 3.8.5: Performance rewards (cash bonus), by salary band, for Senior Management Service level, 01 April 2014 to 31 March 2015

| Salary Bands | Beneficiary Profile | | | Cost | | |
|---|-------------------------|--|--------------------------------|--------------|----------------------------------|--|
| | Number of beneficiaries | Total number of employees in group as at 31 March 2014 | % of total within salary bands | Cost (R'000) | Average cost per beneficiary (R) | Cost as a % of the total personnel expenditure |
| Senior Management Service Band A (Level 13) | 8 | 15 | 53.3 | 232 | 29 024 | 1.2 |
| Senior Management Service Band B (Level 14) | 3 | 3 | 100.0 | 93 | 31 025 | 0.5 |
| Senior Management Service Band C (Level 15) | 0 | 2 | 0.0 | 0 | 0 | 0.0 |
| Senior Management Service Band D (Level 16) | 0 | 1 | 0.0 | 0 | 0 | 0.0 |
| Total | 11 | 21 | 52.4 | 325 | 29 570 | 1.6 |

Note: The cost is calculated as a percentage of the total personnel expenditure for salary levels 13-16, reflected in Table 3.1.2.

Table 3.8.6: Performance rewards by critical occupations, 1 April 2014 to 31 March 2015

| Critical Occupation | Beneficiary Profile | | | Cost | | |
|---------------------|-------------------------|--|--------------------------------|--------------|----------------------------------|--|
| | Number of beneficiaries | Total number of employees in group as at 31 March 2014 | % of total within salary bands | Cost (R'000) | Average cost per beneficiary (R) | Cost as a % of total personnel expenditure |
| Architect | 0 | 1 | 0.0 | 0 | 0 | 0.0 |
| Engineer | 2 | 8 | 25.0 | 52 | 25 757 | 0.0 |
| Project Manager | 0 | 0 | 0.0 | 0 | 0 | 0.0 |
| Town Planner | 3 | 3 | 100.0 | 98 | 32 560 | 0.1 |
| Works Inspector | 15 | 27 | 55.6 | 197 | 13 131 | 0.1 |
| GIS Planner | 2 | 3 | 66.7 | 28 | 13 785 | 0.0 |
| Total | 22 | 42 | 52.4 | 375 | 16 988 | 0.2 |

3.9 FOREIGN WORKERS

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

Table 3.9.1: Foreign Workers by salary band, 1 April 2014 to 31 March 2015

| Salary Band | 1 April 2014 | | 31 March 2015 | | Change | |
|---|--------------|--------------|---------------|--------------|-----------|-------------|
| | Number | % of total | Number | % of total | Number | % change |
| Lower skilled (Levels 1-2) | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Skilled (Levels 3-5) | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Highly skilled production (Levels 6-8) | 0 | 0.0 | 1 | 8.3 | 1 | 100.0 |
| Highly skilled supervision (Levels 9-12) | 15 | 100.0 | 11 | 91.7 | -4 | 27.0 |
| Senior management (Levels 13-16) | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 15 | 100.0 | 12 | 100.0 | -3 | 20.0 |

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

Table 3.9.2: Foreign Workers by major occupation, 1 April 2014 to 31 March 2015

| Major Occupation | 1 April 2014 | | 31 March 2015 | | Change | |
|-------------------------|--------------|--------------|---------------|--------------|-----------|-------------|
| | Number | % of total | Number | % of total | Number | % change |
| Technical Advisor | 12 | 80.0 | 9 | 75.0 | -3 | 25.0 |
| Engineer | 2 | 13.3 | 2 | 16.7 | 0 | 0.0 |
| Administration | 0 | 0.0 | 1 | 8.3 | 1 | 100.0 |
| Town & Regional Planner | 1 | 6.7 | 0 | 0.0 | -1 | 100.0 |
| Total | 15 | 100.0 | 12 | 100.0 | -3 | 20.0 |

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

3.10. LEAVE UTILISATION FOR THE PERIOD 1 JANUARY 2014 TO 31 DECEMBER 2014

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave (Table 3.10.1) and incapacity leave (Table 3.10.2). In both cases, the estimated cost of the leave is also provided.

Table 3.10.1: Sick leave, 1 January 2014 to 31 December 2014

| Salary Band | Total days | % days with medical certification | Number of Employees using sick leave | Total number of employees | % of total employees using sick leave | Average days per employee | Estimated Cost (R'000) |
|--|-------------|-----------------------------------|--------------------------------------|---------------------------|---------------------------------------|---------------------------|------------------------|
| Lower skilled (Levels 1-2) | 25 | 84.0 | 5 | 7 | 71.4 | 5 | 7 |
| Skilled Levels 3-5) | 1164 | 79.4 | 113 | 123 | 91.9 | 10 | 577 |
| Highly skilled production (Levels 6-8) | 1385 | 74.7 | 160 | 185 | 86.5 | 9 | 1136 |
| Highly skilled supervision (Levels 9-12) | 911 | 75.9 | 118 | 167 | 70.7 | 8 | 1157 |
| Senior management (Levels 13-16) | 70 | 70.0 | 15 | 20 | 75.0 | 5 | 161 |
| Total | 3555 | 76.5 | 411 | 502 | 81.9 | 9 | 3 038 |

Note: The three-year sick leave cycle started in January 2013. The information in each case reflects the totals excluding incapacity leave taken by employees. For an indication of incapacity leave taken, please refer to Table 3.10.2.

Table 3.10.2: Incapacity leave, 1 January 2014 to 31 December 2014

| Salary Band | Total days | % days with medical certification | Number of Employees using incapacity leave | Total number of employees | % of total employees using incapacity leave | Average days per employee | Estimated Cost (R'000) |
|--|------------|-----------------------------------|--|---------------------------|---|---------------------------|------------------------|
| Lower skilled (Levels 1-2) | 0 | 0.0 | 0 | 7 | 0.0 | 0 | 0 |
| Skilled Levels 3-5) | 31 | 100.0 | 3 | 123 | 2.4 | 10 | 15 |
| Highly skilled production (Levels 6-8) | 84 | 100.0 | 6 | 185 | 3.2 | 14 | 65 |
| Highly skilled supervision (Levels 9-12) | 47 | 100.0 | 5 | 167 | 3.0 | 9 | 61 |
| Senior management (Levels 13-16) | 2 | 100.0 | 1 | 20 | 5.0 | 2 | 4 |
| Total | 164 | 100.0 | 15 | 502 | 3.0 | 11 | 145 |

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

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

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

Table 3.10.3: Annual Leave, 1 January 2014 to 31 December 2014

| Salary Band | Total days taken | Total number employees using annual leave | Average days per employee |
|--|------------------|---|---------------------------|
| Lower skilled (Levels 1-2) | 132 | 7 | 19 |
| Skilled (Levels 3-5) | 2499 | 124 | 20 |
| Highly skilled production (Levels 6-8) | 3961 | 177 | 22 |
| Highly skilled supervision (Levels 9-12) | 3313 | 156 | 21 |
| Senior management (Levels 13-16) | 472 | 20 | 24 |
| Total | 10 377 | 484 | 21 |

Table 3.10.4: Capped leave, 1 January 2014 to 31 December 2014

| Salary Band | Total capped leave available as at 31 Dec 2013 | Total days of capped leave taken | Number of employees using capped leave | Average number of days taken per employee | Number of employees with capped leave as at 31 Dec 2014 | Total capped leave available as at 31 Dec 2014 |
|--|--|----------------------------------|--|---|---|--|
| Lower skilled (Levels 1-2) | 0 | 0 | 0 | 0 | 0 | 0 |
| Skilled (Levels 3-5) | 21 | 9 | 2 | 5 | 5 | 16.06 |
| Highly skilled production (Levels 6-8) | 1814 | 10 | 3 | 3 | 46 | 1731.55 |
| Highly skilled supervision (Levels 9-12) | 1829 | 17 | 3 | 6 | 36 | 1764.51 |
| Senior management (Levels 13-16) | 572 | 0 | 0 | 0 | 8 | 572.23 |
| Total | 4 236 | 36 | 8 | 5 | 95 | 4 084 |

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

Table 3.10.5 summarises payments made to employees as a result of leave that was not taken.

Table 3.10.5: Leave pay-outs, 1 April 2014 to 31 March 2015

| Reason | Total Amount (R'000) | Number of Employees | Average payment per employee |
|---|----------------------|---------------------|------------------------------|
| Leave pay-outs for 2014/15 due to non-utilisation of leave for the previous cycle | 64 | 2 | 32 078 |
| Capped leave pay-outs on termination of service for 2014/15 | 0 | 0 | 0 |
| Current leave pay-outs on termination of service 2014/15 | 0 | 0 | 0 |
| Total | 64 | 2 | 32 078 |

3.11. HIV AND AIDS & HEALTH PROMOTION PROGRAMMES

Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2014 to 31 March 2015

| Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any) | Key steps taken to reduce the risk |
|--|---|
| The nature of the Department's work does not expose employees to increased risk of contracting HIV/AIDS. Despite the very low occupational risk, all employees have been targeted at all levels within the Department. | HIV/AIDS Counselling and Testing [HCT] and Wellness screenings sessions were conducted in general. The outsourced Health and Wellness contract (Employee Health and Wellness Programme [EHWP]) provides employees and their immediate family members [it means the spouse or partner of an employee or children living with an employee] are provided with a range of services. These services include the following: 24/7/365 Telephone counselling; Face to face counselling (6 + 2 session model); Trauma and critical incident counseling; Advocacy on HIV&AIDS awareness, including online E-Care services and Training, coaching and targeted Interventions where these were required. |

Table 3.11.2: Details of Health Promotion and HIV and AIDS Programmes, 1 April 2014 to 31 March 2015

| Question | Yes | No | Details, if yes |
|--|-----|----|---|
| 1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position. | ✓ | | Ms Reygana Shade, Director: Organisational Behaviour, (Department of the Premier). |
| 2. Does the Department have a dedicated unit or have you designated specific staff members to promote health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose. | ✓ | | The Corporate Services Centre (CSC) within the Department of the Premier provides a transversal service to eleven (11) participating departments. A designated Employee Health and Wellness unit within the Directorate Organisational Behaviour and the Chief Directorate Organisational Development serves to promote the health and wellbeing of employees in the eleven (11) departments. The unit consists of a Deputy Director, two (2) Assistant Directors, and four (4) team members. Budget: R2 m |

| Question | Yes | No | Details, if yes |
|--|-----|----|--|
| <p>3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.</p> | ✓ | | <p>The Department has entered into a service level agreement with ICAS [Service Provider] to render an Employee Health and Wellness Service to the eleven departments participating within the Corporate Services Centre [CSC].</p> <p>The Department conducted interventions namely, Employee Advocacy & Awareness, Child & Family Care, Stress & Resilience, Crisis Management, Conflict Management, Managerial Referral, Financial Wellbeing, Relationship Enrichment, Disability Awareness, Trauma Management. These interventions were planned based on the trends reported quarterly through the Employee Health and Wellness Programme [EHWP] reports provided by the service provider, ICAS, for the period 2013/14. The reports were based on the utilisation of the EHW services and management information in order to target appropriate interventions to address these trends.</p> <p>The targeted interventions were aimed at improving employee engagement through awareness and educational interventions that promote healthy lifestyles and coping skills. This involves presentations to create awareness and encourage employees to have a pro-active approach to limit the impact of these problems in the workplace. The above-mentioned interventions were conducted for the targeted departments, managers and supervisors as well as executive coaching for SMS members.</p> <p>The Department also provided information sessions, as requested by various departments in the Western Cape Government [WCG] to inform employees of the EHW service, how to access the Employee Health and Wellness Programme [EHWP]. Promotional material such as pamphlets, posters, and brochures were distributed.</p> |
| <p>4. Has the Department established a committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.</p> | ✓ | | <p>A new Health and Wellness Steering Committee has been established with members nominated by each department.</p> <p>The Department of Human Settlements is represented by the following committee members:</p> <p>J Roberts & LL Groenewald</p> |

| Question | Yes | No | Details, if yes |
|---|-----|----|---|
| <p>5. Has the Department reviewed the employment policies and practices of your Department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.</p> | ✓ | | <p>The Transversal Management Framework for Employee Health and Wellness Programmes in the Western Government is in effect and was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape Province on 10 August 2005.</p> <p>DPSA has developed several national policy documents in 2007/8 that govern Employee Health and Wellness [EHW] in the Public Service and that coordinate the programmes and services in a uniform manner.</p> <p>In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff or applicants.</p> <p>During the period under review, the Department of the Premier has developed a Transversal Employee Health and Wellness policy. The draft document is being consulted for ratification.</p> <p>Further to this, the Department of Health has currently approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that will be applicable to all departments of the Western Government. The document is in line with the four pillars of the EHW Strategic Framework 2008.</p> |
| <p>6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.</p> | ✓ | | <p>The Department implemented the Provincial Strategic Plan on HIV/AIDS, STIs and TB 2012-2016 to mainstream HIV and TB and its gender and rights-based dimensions into the core mandates to reduce HIV-related stigma.</p> <p>The overarching aim of the said Provincial Strategic Plan is to protect HIV-positive employees by advocating the implementation of the Three Zeros in line with the Joint United Nations Programme on HIV & AIDS (UNAIDS). These are Educational programmes and information sessions developed to eradicate stigma and discrimination and to raise awareness through:</p> <ul style="list-style-type: none"> • Zero new HIV, STI and TB infections • Zero deaths associated with HIV and TB • Zero discrimination <p>Also, the Department is conducting the HCT and Wellness screening sessions to ensure that every employee in the Department is tested for HIV and screened for TB, at least annually,</p> <p>The aim was to:</p> <ul style="list-style-type: none"> • Reduce HIV and TB discrimination in the workplace. This included campaigns against unfair discrimination and empowerment of employees. • Reduce unfair discrimination in access to services. This included ensuring that the Employee Relations Directorate addresses complaints or grievances and provides training to employees. <p>Other key elements that addressed anti HIV/AIDS discrimination issues were: Wellness Screenings and TB Testing Sessions with specific requests from departments were conducted, posters and pamphlets were distributed, HIV/AIDS counselling [HCT] and TB Testing were conducted, condom programme and spot talks, including [HIV/AIDS speak out programme] were conducted as well.</p> |

| Question | Yes | No | Details, if yes |
|---|-----|----|---|
| 7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved. | ✓ | | <p>HCT SESSIONS:</p> <p>The following screening sessions were conducted: Blood pressure, Glucose, Cholesterol, TB, BMI [body mass index] and spot talks.</p> <p>The Department of Human Settlements participated in 6 HCT and Wellness screening sessions.</p> <p>217 Employees were tested and counselled for HIV, Tuberculosis, and Sexually Transmitted Infections (STI's).</p> <p>There were 0 clinical referrals for TB, HIV, or any other STIs.</p> |
| 8. Has the Department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators. | ✓ | | <p>The impact of health promotion programmes is indicated through information provided through the Employee Health and Wellness Contract (external EAP service provider).</p> <p>The Employee Health and Wellness Programme (EHWP) is monitored through Quarterly and Annual reporting. This reporting is provided by the External Service Provider. The most recent annual health review period was 1 April 2014 - 2015.</p> <p>The quarterly and annual review provides a breakdown of the EHWP Human Capital Demographic i.e. age, gender, length of service, dependent utilisation, language utilisation, employee vs. manager utilisation, no. of cases.</p> <p>The review further provides amongst others service utilisation, problem profiling and trending, assessment of employee and organisational risk and the impact thereof on the individual functioning in the work place.</p> |

3.12. LABOUR RELATIONS

The following collective agreements were entered into with trade unions within the Department.

Table 3.12.1: Collective agreements, 1 April 2014 to 31 March 2015

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

Table 3.12.2 summarises the outcome of disciplinary hearings conducted within the Department for the year under review.

Table 3.12.2: Misconduct and disciplinary hearings finalised, 1 April 2014 to 31 March 2015

| Outcomes of disciplinary hearings | Number | % of total |
|-----------------------------------|----------|--------------|
| Dismissal/Desertion | 2 | 66.7 |
| Final written warning | 1 | 33.3 |
| Total | 3 | 100.0 |
| Percentage of total employment | | 0.6 |

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

Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2014 to 31 March 2015

| Type of misconduct | Number | % of total |
|--------------------------|----------|--------------|
| Dishonesty | 1 | 33.3 |
| Alleged Corruption | 1 | 33.3 |
| Unauthorised Absenteeism | 1 | 33.3 |
| Total | 3 | 100.0 |

Table 3.12.4: Grievances lodged, 1 April 2014 to 31 March 2015

| Grievances lodged | Number | % of total |
|--|-----------|--------------|
| Number of grievances resolved | 1 | 1.9 |
| Number of grievances not resolved | 53 | 98.1 |
| Total number of grievances lodged | 54 | 100.0 |

Note: Grievances lodged refers to cases that were finalised within the reporting period. Grievances not resolved refers to cases finalised, but where the outcome was not in favour of the aggrieved and found to be unsubstantiated.

Table 3.12.5: Disputes lodged with Councils, 1 April 2014 to 31 March 2015

| Disputes lodged with Councils | Number | % of total |
|--|----------|--------------|
| Number of disputes upheld | 0 | 0.0 |
| Number of disputes dismissed | 1 | 100.0 |
| Total number of disputes lodged | 1 | 100.0 |

Note: Councils refer to the Public Service Coordinating Bargaining Council (PSCBC) and General Public Service Sector Bargaining Council (GPSSBC).

Table 3.12.6: Strike actions, 1 April 2014 to 31 March 2015

| Strike actions | Number |
|--|--------|
| Total number of person working days lost | 0 |
| Total cost (R'000) of working days lost | 0 |
| Amount (R'000) recovered as a result of no work no pay | 0 |

Table 3.12.7: Precautionary suspensions, 1 April 2014 to 31 March 2015

| Precautionary suspensions | Number |
|--|--------|
| Number of people suspended | 0 |
| Number of people whose suspension exceeded 30 days | 0 |
| Average number of days suspended | 0 |
| Cost (R'000) of suspensions | 0 |

Note: Precautionary suspensions refer to staff being suspended with pay whilst the case is being investigated.

3.13. SKILLS DEVELOPMENT

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

Table 3.13.1: Training needs identified, 1 April 2014 to 31 March 2015

| Occupational Categories | Gender | Number of employees as at 1 April 2014 | Training needs identified at start of reporting period | | | |
|--|--------|--|--|---|-------------------------|------------|
| | | | Learnerships | Skills Programmes & other short courses | Other forms of training | Total |
| Legislators, senior officials and managers | Female | 6 | 0 | 0 | 0 | 0 |
| | Male | 14 | 0 | 0 | 0 | 0 |
| Professionals | Female | 24 | 0 | 29 | 0 | 29 |
| | Male | 49 | 0 | 9 | 0 | 9 |
| Technicians and associate professionals | Female | 91 | 0 | 38 | 0 | 38 |
| | Male | 57 | 0 | 20 | 0 | 20 |
| Clerks | Female | 104 | 0 | 26 | 0 | 26 |
| | Male | 64 | 0 | 9 | 0 | 9 |
| Service and sales workers | Female | 10 | 0 | 0 | 0 | 0 |
| | Male | 18 | 0 | 0 | 0 | 0 |
| Skilled agriculture and fishery workers | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 0 | 0 | 0 | 0 |
| Craft and related trades workers | Female | 3 | 0 | 0 | 0 | 0 |
| | Male | 25 | 0 | 0 | 0 | 0 |
| Plant and machine operators and assemblers | Female | 1 | 0 | 0 | 0 | 0 |
| | Male | 1 | 0 | 0 | 0 | 0 |
| Elementary occupations | Female | 3 | 0 | 0 | 0 | 0 |
| | Male | 9 | 0 | 0 | 0 | 0 |
| Sub Total | Female | 243 | 0 | 93 | 0 | 93 |
| | Male | 239 | 0 | 38 | 0 | 38 |
| Total | | 482 | 0 | 131 | 0 | 131 |
| Employees with disabilities | Female | 1 | 0 | 0 | 0 | 1 |
| | Male | 2 | 0 | 0 | 0 | 2 |

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

Table 3.13.2: Training provided, 1 April 2014 to 31 March 2015

| Occupational Categories | Gender | Number of employees as at 31 March 2015 | Training provided within the reporting period | | | |
|--|--------|---|---|---|-------------------------|------------|
| | | | Learnerships | Skills Programmes & other short courses | Other forms of training | Total |
| Legislators, senior officials and managers | Female | 7 | 0 | 1 | 0 | 1 |
| | Male | 13 | 0 | 2 | 0 | 2 |
| Professionals | Female | 23 | 0 | 16 | 0 | 16 |
| | Male | 50 | 0 | 18 | 0 | 18 |
| Technicians and associate professionals | Female | 91 | 0 | 107 | 0 | 107 |
| | Male | 57 | 0 | 55 | 0 | 55 |
| Clerks | Female | 97 | 0 | 29 | 0 | 29 |
| | Male | 51 | 0 | 7 | 0 | 7 |
| Service and sales workers | Female | 11 | 0 | 0 | 0 | 0 |
| | Male | 17 | 0 | 0 | 0 | 0 |
| Skilled agriculture and fishery workers | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 0 | 0 | 0 | 0 |
| Craft and related trades workers | Female | 1 | 0 | 0 | 0 | 0 |
| | Male | 27 | 0 | 0 | 0 | 0 |
| Plant and machine operators and assemblers | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 2 | 0 | 0 | 0 | 0 |
| Elementary occupations | Female | 2 | 0 | 2 | 0 | 2 |
| | Male | 9 | 0 | 12 | 0 | 12 |
| Sub Total | Female | 233 | 0 | 155 | 0 | 155 |
| | Male | 228 | 0 | 94 | 0 | 94 |
| Total | | 461 | 0 | 249 | 0 | 249 |
| Employees with disabilities | Female | 1 | 0 | 0 | 0 | 1 |
| | Male | 2 | 0 | 0 | 0 | 2 |

Note: The above table identifies the number of training courses attended by individuals (including all categories of interns) during the period under review.

3.14. INJURY ON DUTY

Table 4.14.1 provides basic information on injury on duty.

Table 3.14.1: Injury on duty, 1 April 2014 to 31 March 2015

| Nature of injury on duty | Number | % of total |
|---------------------------------------|----------|------------|
| Required basic medical attention only | 3 | 100 |
| Temporary disablement | 0 | 0 |
| Permanent disablement | 0 | 0 |
| Fatal | 0 | 0 |
| Total | 3 | 100 |
| Percentage of total employment | | 0.6 |

3.15. UTILISATION OF CONSULTANTS

Table 3.15.1: Report on consultant appointments using appropriated funds, 1 April 2014 to 31 March 2015

| Consultants | Project title | Total number of consultants that worked on the project | Duration: Work days | Contract value in rands |
|--------------------------|--|--|---------------------|-------------------------|
| Pricewaterhousecoopers | Development of a Knowledge Management Strategy HS 02-2014-2015. | 1 | 45 | R 975 184,00 |
| Sub-total | | | | R 975 184,00 |
| Palmer Development Group | HS Demand Study -Western Cape. | 1 | 28 | R 302 071,00 |
| Sub-total | | | | R 302 071 |
| Royal Haskoning DHV | Eden- Extension of Works Inspector, Themba lethu UISP Development Farm 197 George - Inspection work. | 1 | 30 | R 469 091,16 |
| | Royal Haskonig DHV assesment and development of a ten year Human Settlements pipeline for the Eden region: George and Mossel Bay. | 1 | 24 | R 108 789,35 |
| | Kwanokuthula & Qolweni, Eden Adhoc Request, Cape Winelands Developments | 1 | 32 | R 505 206,53 |
| Sub-total | | | | R 1 083 087,04 |
| Jubelie Projects | Geotechnical report for Wolseley. | 1 | 340 | R 1 119 646,57 |
| | Cape Winelands and Breede Valley Municipality: Provision of professional service to obtain township establishment right and to get the project implementation ready to establish a sustainable Human Settlement: Trans Hex Development on Portion of Remainder ERF 1 Worcester : Trans Hex Township. | 1 | 360 | R 1 130 512,00 |
| | Assessment and Development of a ten year Human Settlement Pipeline for the Cape Winelands Region : Drakenstein, Breede Valley and Stellenbosch Municipalities. | 1 | 30 | R 360 000,00 |
| | Request for reinstatement for the monthly fee for routine work appointment for the new Financial Year (Period 1 April 2014 - 31 March 2015). | 1 | 5 | R 2 009,00 |
| | Feasibility assessment study -Portion 10&18 of De Nova Farm. Stellenbosch Municipality | 1 | 5 | R 5 442,49 |
| | Drakenstein Municipality: obtain Township establishment right on erven 8351-8397 Paarl Vlakkeland Township. | 1 | 34 | R 620 312,35 |
| | Survry of Carteville Project 200. | 1 | 20 | R 76 408,27 |
| | Cape Winelands Regional work: Stellenbosch, Breedevalley, Geotechnical variance. | 1 | 390 | R 2 233 557,53 |
| Sub-total | | | | R 5 547 888,21 |

| | | | | |
|------------------------------|---|------------------------------|-----------------------------|------------------------------|
| Planning Partners | Bergrivier Municipality Velddrif: Noordhoek NEMA AND LUPO Approval for 1000 sites; Zoning and Subdivision of 400 sites; Development of 107 serviced sites and top structures in Noordhoek. | 1 | 31 | R 443 646,81 |
| | HS Plan & Pipeline Development for the West Coast Region: Saldanha Bay Municipality | 1 | 12 | R 51 761,70 |
| | Routine Work West Coast Region including assessment of geotechnical variance, Project packaging, Technical and Administrative assistance, Transfer of outstanding title deeds, Feasibility studies, Land purchase investigations. | 1 | 33 | R 616 835,76 |
| | The Rectification of 16 Houses and the Construction of 17 New Houses in Wes Bank, Vredenburg. | 1 | 30 | R 77 631,15 |
| | Bergrivier Municipality Laaiplek: Provision of 88 Sites Via UISP. | 1 | 8 | R 17 185,50 |
| | Bergrivier Municipality Laaiplek 32 Serviced Sites & Top Structure via IRDP. | 1 | 28 | R 132 924,00 |
| | Project Pipeline Development & Assessment for West Coast Region. | 1 | 42 | R 910 368,64 |
| TOTAL | | | | R 2 250 353,56 |
| Lukhozi Consulting Engineers | Provision of ongoing support to Regional Manager in Metropolitan Area. | 1 | 38 | R 717 359,33 |
| | Forest Village Housing Project. | 1 | 28 | R 128 770,98 |
| | To oversee and manage the maintainance and repair of properties in Walmer Estate owned by Western Cape Government in order to transfer to the beneficiaires. | 1 | 15 | R 71 335,32 |
| | Thembelihle offset mitigation, Environmental impact assessment, water use licence agreement, design of weir, Sluice gate and fish ladder. | 1 | 24 | R 115 035,00 |
| | Delft Symphony Precinct 3 & 5 Housing Project- Lukhozi fees. | 1 | 41 | R 904 380,94 |
| | Works Inspectors, Cape Town, Nuwe Begin, Blue Downs. | 1 | 32 | R 502 005,04 |
| | Thembelihle Domestic Workers Housing project - Eagle Park ERF 934 | 1 | 13 | R 34 946,05 |
| Sub-total | | | | R 2 473 832,66 |
| Bazi Property | Bazi Development - PHP (Project assessment analysis phase 2) | 1 | 40 | R 805 643,05 |
| Sub-total | | | | R 805 643,05 |
| AECOM SA | Request for proposal call to investigate the availability of services and compile a development potential report on a number of additional sites. To evaluate stage 1 and stage 2 of the proposed call. | 1 | 420 | R 4 127 449,80 |
| | PRT Project Pipeline Development & Assessment Cape Winelands. | 1 | 5 | R 13 623,00 |
| Sub-total | | | | R 4 141 072,80 |
| AURECON | Determination of foodline Buffeljags, Struisbaai feasibility report, Bredasdorp infill sites feasibility study, Town Planning Application (Struisbaai), Riviersonderend infill site feasibility. | 1 | 270 | R 1 028 156,98 |
| | Overberg Housing Pipeline. | 1 | 38 | R 761 805,00 |
| | Regional Management and Need Analysis. | 1 | 340 | R 2 389 226,66 |
| | Professional Resources : Central Karoo, Eden,Project Pipeline Development. | 1 | 385 | R 2 012 538,06 |
| Sub-total | | | | R 6 191 726,70 |
| Creative Consultants | Evaluation of Upgrading of Informal Settlements. | 1 | 35 | R 539 941,05 |
| Sub-total | | | | R 539 941,05 |
| | Total number of projects | Total individual consultants | Total duration of work days | Total contract value in Rand |
| TOTALS | 35 | 35 | 3 251 | R 24 310 800,07 |

Table 3.15.2: Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs), 1 April 2014 to 31 March 2015

| Project Title | Percentage ownership by HDI groups | Percentage management by HDI groups | Number of Consultants from HDI groups that work on the project |
|----------------|------------------------------------|-------------------------------------|--|
| Not applicable | | | |

Table 3.15.3: Report on consultant appointments using Donor funds, 1 April 2014 to 31 March 2015

| Project Title | Total Number of consultants that worked on the project | Duration: Work days | Donor and Contract value in Rand |
|--------------------------|--|---------------------------|----------------------------------|
| Not applicable | | | |
| Total number of projects | Total individual consultants | Total duration: Work days | Total contract value in Rand |
| Not applicable | | | |

Table 3.15.4: Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs), 1 April 2014 to 31 March 2015

| Project Title | Percentage ownership by HDI groups | Percentage management by HDI groups | Number of Consultants from HDI groups that work on the project |
|----------------|------------------------------------|-------------------------------------|--|
| Not applicable | | | |



OAKHILL ROAD

*Institutional Housing Subsidy
Project in Harmony Village,
Mitchell's Plain*



**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| | Page No |
|--|----------------|
| Report of the Accounting Officer | 125 |
| Report of the Auditor-General | 132 |
| Accounting Policies | 136 |
| Appropriation Statement | 144 |
| Notes to the Appropriation Statement | 158 |
| Statement of Financial Performance | 159 |
| Statement of Financial Position | 160 |
| Statement of Changes in Net Assets | 161 |
| Cash Flow Statement | 162 |
| Notes to the Annual Financial Statements | 163 |
| Annexures | 191 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2015**

Report by the Accounting Officer to the Executive Authority and Parliament/Provincial Legislature of the Republic of South Africa.

The Department expressed its commitment to the Provincial Strategic Objectives and the National Outcomes by implementing a number of programmes that support these strategies and its strategic goals. Necessary programmes and support strategies were put in place to assist the Department to achieve its strategic goals and the outcomes of Provincial Strategic Objective 6 (PSO6).

During the financial year under review the Department exceeded its targets by delivering a total of 18 806 housing opportunities against a target of 17 583. A breakdown of the total figure is illustrated as follows:

- 10 746 housing units, against a target of 10 357;
- 7 014 serviced sites against a target of 6 211; and
- 1 046 other housing opportunities against a target of 1 015.

Professional Resource Teams (PRTs) were used to support municipalities in developing credible human settlement pipelines, which has enabled the Department to approve projects that are ready for implementation. This process has resulted in improved planning processes and has ultimately limited risks in the implementation phase of projects. For the period under review a total of 27 new projects have been approved, which are aligned to the IDPs, and national and provincial priorities.

Significant progress has been made in assisting municipalities with the implementation of the housing demand database (HDDDB) data improvement programme since its implementation in 2012. All 24 local municipalities have uploaded their housing demand data on the system. The Department embarked on a process to assist municipalities with the cleaning of their historical housing demand data and continues to provide municipalities with the necessary user support. For the period under review, the City of Cape Town (CoCT), in partnership with the Centre for e-Innovation, introduced a second version of an enhanced data platform and transferred the platform to the Department in terms of the Memorandum of Agreement (MoA) signed with the CoCT. The enhanced data platform was modified by the Centre for e-Innovation (Ce-I) to include all 24 local municipalities.

“The Framework for the Selection of Housing Beneficiaries in ownership-based subsidy projects” was approved by the Provincial Cabinet in October 2013. The overall objective of the Framework Policy is to define a set of norms and standards for beneficiary selection in the Province and thereby enhance fairness and transparency in the selection of beneficiaries. As municipalities are responsible for beneficiary allocation, each municipality had to develop its own selection policy, in line with this Framework.

In addition, the Department developed and approved a policy to Improve Title Deed Transfer in New Greenfields Subsidy Housing Projects, focusing on Upgrading of Informal Settlements Programme (UISP).

During the 2014/15 financial year the Department achieved a vacancy rate of 6.6 per cent as a result of the appointment of permanent staff, with the objective of improving continuity and efficiency. Furthermore, the Department achieved a level 4 rating in the overall Management performance Assessment Tool (MPAT) as a result of the implementation of initiatives to ensure that the Department is fully compliant to the relevant legislation, policies and regulations.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2015**

The Department reduced the numbers of debtors by 1 147, as a result of the revised Debt Reduction Policy as approved by the Provincial Minister and endorsed by the Provincial Cabinet. These endeavours contributed to the strategic outcome of inculcating a sense of rights and responsibility and uplifting the poor through ownership and asset creation.

The following is an account of the financial results of the Department during the period under review:

Departmental receipts

The Department exceeded the amount of money targeted for collection in its revenue budget for the period under review. This is attributed to the R30.019 million received from the City of Cape Town in respect of unutilized accreditation assistance funds, as well as R6.545 million from housing developers in respect of VAT erroneously paid in past years and R4.661 million for the sale of properties in Our Pride.

Furthermore, R3.785 million was received on behalf of the Western Cape Housing Development Board for the rental of housing properties and R13.138 million realised through the EEDBS. The tariff for the rental of housing properties is in line with the provisions of the Housing Act, 107. The table below provides a breakdown of the funds received:

| Departmental receipts | 2014/2015 | | | 2013/2014 | | |
|--|---------------|-------------------------|--------------------------|---------------|-------------------------|--------------------------|
| | Estimate | Actual Amount Collected | (Over)/ Under Collection | Estimate | Actual Amount Collected | (Over)/ Under Collection |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Sale of goods and services other than capital assets | 95 | 124 | (29) | 100 | 116 | (16) |
| Interest, dividends and rent on land | 3 080 | 154 | 2 926 | 4 280 | 2 643 | 1 637 |
| Financial transactions in assets and liabilities | 55 825 | 78 871 | (23 046) | 70 620 | 87 142 | (16 522) |
| Total | 60 000 | 79 149 | (19 149) | 75 000 | 89 901 | (14 901) |

The Department did not receive all interest, dividends and rent of land as targeted. This was a result of a provision made in the Adjustment Estimates with regard to interest to be paid to the Department by 31 March 2015. The money was held in trust by an Account Administrator for a non-performing PHP project.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2015**

Programme expenditure

All provisional over-expenditures were pre-approved and do not originate from unauthorised expenditure. These over-expenditures were also indicated in the monthly In-Year-Monitoring report of the Department, and that it would be off-set with the necessary virements.

Programme 1: Administration: R153 000

The total over-expenditure of R153 000 on this programme is attributed to increased external audit costs. The reason for this is that the March invoices from the Auditor-General were captured in March 2015, which invoices are normally paid in the following financial year.

Programme 2: Housing Needs, Research and Planning: (R49 000)

Under-expenditure of R49 000 on Goods and Services is due to efficiency drive with regard to travel and subsistence costs and team building sessions. This amount is shifted to programme 4 to defray an over-expenditure on this programme. The shift equals 0.3% of the amount appropriated under this main division in the Adjusted Appropriation.

Programme 3: Housing Development: (R1 423 000)

The total under-expenditure is due to an under-expenditure on Compensation of employees (R1 408 000) due to vacant posts and an under-expenditure on travel and subsistence (R15 000) due to cost containment measures. R153 000 is shifted to Programme 1 and R1 270 000 is shifted to programme 4 to defray over-expenditures on these programmes. The shift equals 0.1% of the amount appropriated in the Adjustments Estimates for this Programme.

Programme 4: Housing Asset Management Property Management: R1 319 000

The total over-expenditure is due to over-expenditures on municipal rates and taxes (R1 222 000) and legal costs (R97 000). R49 000 is shifted from Programme 2 and R1 270 000 is shifted from Programme 3 to finance the total over-expenditure on this programme. This virement equals 3.3 % of the amount appropriated for this main division in the Adjusted Appropriation.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2015**

The table below illustrates the expenditure per programme:

| Programme Name | 2014/2015 | | | 2013/2014 | | |
|--------------------------------------|---------------------|--------------------|---------------------------|---------------------|--------------------|---------------------------|
| | Final Appropriation | Actual Expenditure | (Over)/ Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/ Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Administration | 84 446 | 84 446 | | 80 016 | 79 698 | 318 |
| Housing needs, research and planning | 17 070 | 17 067 | 3 | 14 818 | 14 605 | 213 |
| Housing development | 2 008 186 | 2 008 186 | | 2 065 303 | 2 065 303 | - |
| Housing asset/ property management | 41 628 | 41 628 | | 55 860 | 55 860 | - |
| Total | 2 151 330 | 2 151 327 | 3 | 2 215 997 | 2 215 466 | 531 |

| Explanation of Variance: | Final Appropriation | Actual Expenditure | Variance | Variance as a % of Final Appropriation |
|--|---------------------|--------------------|----------|--|
| | R'000 | R'000 | R'000 | % |
| Programme 2: Housing Needs, Research and Planning | 17 070 | 17 067 | 3 | 0.02 |
| Under-expenditure due to curtailment of travel and subsistence as part of the cost containment measures. | | | | |

The variances mentioned above were within the 8% limit in terms of Section 43(2) of the PMFA. The Department did not apply for any roll-overs as the unspent amounts are uncommitted and therefore do not qualify.

Unauthorised, fruitless and wasteful expenditure

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

Accreditation of the City of Cape Town

In the event that the City of Cape Town gets full accreditation status (assignment) in 2015/16 the funding will flow directly from the National Department of Human Settlements to the Metro. This will lead to a reduction in the delivery, targets and budget of the Department. The Department will however continue to provide an oversight role in respect of the CoCT, which will enable the Department to provide additional and improved support to the non-metro municipalities.

Public Private Partnerships (PPPs)

The Department has not entered into any PPP's during the financial year.

Discontinued activities/activities to be discontinued

No activities are to be discontinued.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2015**

New or proposed activities

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

Supply chain management

The Department sold two properties based on an unsolicited bid proposal during the year under review.

The first property, located in Maitland was sold for R4 million to Cancape Pty (Ltd). The sale price was in excess of the market value of R3.5 million. Cancape rented a portion of the property and requested it for expansion purposes. This will also lead to job creation.

The second property, located in Crawford, was sold to Burnley Lodge, an adjacent property owner, for R950 000. The guest house rented it over the years for parking purposes and now wants to expand the guest house. This will also lead to job creation. Although the selling price was below the municipal value of R1.5 million, the market was tested by advertising the intention to sell the property.

Both properties had no development value for the Department, as the land was too small for development in terms of the Department's mandate.

In both sales, due process was followed as the intention to sell to the unsolicited bidder was advertised for public input and comment.

Gifts and Donations received in kind from non-related parties

No in kind goods and services were provided by the Department or received from parties other than related parties.

Exemptions and deviations received from the National Treasury

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

Events after the reporting date

There were two adjusting events after the reporting date, namely: In the matter Nehawu and the Department (Case no. GPBC 1379/2014), the Commissioner ruled in favour of Nehawu on 4 May 2015 to pay 2012/13 performance bonuses to certain employees. An arbitration award of R162 000 is thus payable, within two weeks of date of ruling. Secondly, expenditure of R4.558 million, incorrectly captured as major assets in previous years, will be written off in 2015/16. In both cases the Annual Financial Statements was adjusted to reflect these events. There were no non-adjusting events, favourable and unfavourable that occurred after the reporting date and the date of approval of the Annual Financial Statements.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2015**

Related party transactions

See Note 25 of the Annual Financial Statements (AFS).

The Department occupies a building free of charge managed by the Department of Transport and Public Works.

Parking space is also provided for government officials at an approved fee that is not market related.

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

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

The Department has one unlisted public entity under its control, e.g. Western Cape Housing Development Fund.

The Department makes use of government motor vehicles managed by Government Motor Transport (GMT) based on tariffs approved by the Department of Provincial Treasury.

The Department received Security Advisory Services and Security Operations from the Department of Community Safety in the Western Cape.

Agency- Principal Arrangements (Department acting as principal)

See Note 31 of the Annual Financial Statements (AFS).

The Department is mandated to develop integrated and sustainable human settlements based on National Priority Outcome 8 and Provincial Strategic Objective 6 (PSO6). In this regard, the Department provided funding to municipalities from the Human Settlement Development Grant (HSDG) received from the National Department of Human Settlements (NDoHS). Funding is allocated to municipalities on condition that certain conditions are met, which includes the submission of a municipal business plan supported by a list of projects per housing programme highlighting the readiness of projects for implementation, cash flow projections and compliance certificates. The Department enters into Service Delivery Agreements (SLA) with the municipalities regarding their delivery targets. The funding and the conditions thereto is gazetted in the Provincial Gazette. Furthermore, some of the responsibilities of the Department include the monitoring of provincial and municipal financial and non-financial performance and control systems. The Department also provides support to municipalities to assist with human settlement planning and delivery.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2015**

The above-mentioned description of the nature, circumstances and terms relating to the agency relationships with the municipalities is the same for each individual municipality. The municipalities as agents of the Department carry the management and administrative costs in the execution of housing delivery on behalf of the Department.

In terms of a written agreement between the National Department of Human Settlements and the South African Post Office, clients of the Department can pay their rental instalments at the Post Office. An agency service is paid to the Post Office to cover their overheads.

Other

There are no other material facts or circumstances, which may have an effect on the understanding of the financial state of affairs that is not addressed elsewhere in this report.

Acknowledgement/s or Appreciation

I would like to express our gratitude to the Provincial Minister of Human Settlements, departmental staff, staff of the Auditor General, the Audit Committee, Provincial Parliament, Corporate Service Centre (CSC) and Provincial Treasury for assisting the Department in achieving a clean audit and achieving its targets for the year under review.

Approval and sign off

The Annual Financial Statements set out on pages 136 to 197 have been approved by the Accounting Officer.



Thando Mguli
Accounting Officer
Date: 29 May 2015

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2015**

Report on the financial statements

Introduction

1. I have audited the financial statements of the Western Cape Department of Human Settlements set out on pages 136 to 190, which comprise the appropriation statement, the statement of financial position as at 31 March 2015, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2014 (Act No. 10 of 2014) (DoRA) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2015**

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Department of Human Settlements as at 31 March 2015 and its financial performance and cash flows for the year then ended, in accordance with the MCS prescribed by the National Treasury and the requirements of the PFMA and DoRA.

Emphasis of matters

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

Significant uncertainty

8. As disclosed in note 18 to the financial statements, the Department was a defendant in a land-claim lawsuit of R87,2 million at the time of this report, which the Department was disputing. The ultimate outcome of this matter cannot currently be determined and no provision for any liability that might result has been made in the financial statements.

Restatement of corresponding figures

9. As disclosed in note 32 to the financial statements, the corresponding figures for 31 March 2014 have been restated as a result of errors discovered during the 2014-15 financial year in the financial statements of the Western Cape Department of Human Settlements at, and for the year ended, 31 March 2014.

Additional matter

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

Unaudited supplementary schedules

11. The supplementary information set out on pages 191 to 197 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Report on other legal and regulatory requirements

12. in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, non-compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2015**

Predetermined objectives

13. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the Department for the year ended 31 March 2015:
 - Programme 2: Housing needs, research and planning on pages 42 to 43
 - Programme 3: Housing development on pages 48 to 51
 - Programme 4: Land and asset management on pages 56 and 57.
14. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
15. I evaluated the usefulness of the reported performance to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information (FMPPPI).
16. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
17. I did not identify any material findings on the usefulness and reliability of the reported performance information for the following programmes:
 - Programme 2: Housing needs, research and planning
 - Programme 3: Housing development
 - Programme 4: Land and asset management.

Additional matters

18. Although I identified no material findings on the usefulness and reliability of the reported performance information for the selected programmes, I draw attention to the following matters:

Achievement of planned targets

19. Refer to the annual performance report on pages 42 to 43, 48 to 51 and 56 to 57 for information on the achievement of planned targets for the year.

Unaudited supplementary information

20. The supplementary information set out on pages 44 to 47, 52 to 55 does not form part of the annual performance report and is presented as additional information. I have not audited this information and, accordingly, I do not report thereon.

WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8

REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2015

Compliance with legislation

21. I performed procedures to obtain evidence that the Department had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

Internal control

22. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. I did not identify any significant deficiencies in internal control.

Other reports

Investigations

23. The forensic investigation unit certified that it was in the process of investigating three cases as at 31 March 2015. One of the cases relates to alleged corruption and the two remaining cases relate to various allegations. The finalisation of these cases has not yet been determined.
24. The forensic investigation unit concluded 10 cases during the year under review. Five cases emanated from non-compliance and relate to irregularities and corruption, while the remaining cases only required a preliminary investigation.

Auditor - General

Cape Town

29 July 2015



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**ACCOUNTING POLICIES
for the year ended 31 March 2015**

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1. Basis of preparation

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

2. Going concern

The financial statements have been prepared on an ongoing concern basis.

3. Presentation currency

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

4. Rounding

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

5. Foreign currency translation

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

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**ACCOUNTING POLICIES
for the year ended 31 March 2015**

6. Comparative information

6.1 Prior period comparative information

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

6.2 Current year comparison with budget

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

7. Revenue

7.1 Appropriated funds

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

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

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

7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the Department; and
- The amount of revenue can be measured reliably.

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

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

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**ACCOUNTING POLICIES
for the year ended 31 March 2015**

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

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

8.1.2 Social contributions

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

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

8.2 Payments for financial assets (Financial transactions in assets and liabilities)

Debts recognised in the statement of financial position are written off in the statement of financial performance when identified as irrecoverable. All other losses are recognised when authorisation has been granted for the recognition thereof.

8.3 Other expenditure

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

8.4 Accrued expenditure payable

Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the Department.

Accrued expenditure payable is measured at cost.

8.5 Leases

8.5.1 Operating leases

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

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

8.5.2 Finance leases

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

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

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

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

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**ACCOUNTING POLICIES
for the year ended 31 March 2015**

9. Aid Assistance

9.1 Aid assistance received

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

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

9.2 Aid assistance paid

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

10. Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

11. Prepayments and advances

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

Prepayments and advances are initially and subsequently measured at cost.

Prepayments are expensed upon receipts of the relevant claims.

12. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

13. Investments

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

14. Impairment of financial assets

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

15. Payables

Loans and payables are recognised in the statement of financial position at cost.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**ACCOUNTING POLICIES
for the year ended 31 March 2015**

16. Capital Assets

16.1 Immovable capital assets

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

Where the cost of immovable capital assets cannot be determined accurately, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used.

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

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

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.

16.2 Movable capital assets

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

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

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

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

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

16.3 Intangible assets

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

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

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

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

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

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**ACCOUNTING POLICIES
for the year ended 31 March 2015**

17. Provisions and Contingents

17.1 Provisions

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

17.2 Contingent liabilities

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

17.3 Contingent assets

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

17.4 Commitments

Commitments are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the Department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

17.5 Employee benefits

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the statement of financial performance of the consolidated financial statements or the statement of financial position of the consolidated financial statements.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**ACCOUNTING POLICIES
for the year ended 31 March 2015**

18. Unauthorised expenditure

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

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

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

19. Fruitless and wasteful expenditure

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

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

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

20. Irregular expenditure

Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefore are provided in the note. Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.

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

21. Changes in accounting policies, accounting estimates and errors

Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the Department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

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

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

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**ACCOUNTING POLICIES
for the year ended 31 March 2015**

22. **Events after the reporting date**
Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.
23. **Agent-Principal arrangements**
The nature, circumstances and terms related to the agency-principal arrangements are described in the Accounting Officer's Report.
24. **Departures from the MCS requirements**
Management has concluded that the financial statements present fairly the Department's primary and secondary information. The Department complied with all the Standards.
25. **Capitalisation reserve**
The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
26. **Recoverable revenue**
Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
27. **Related Party Disclosures**
- 27.1 **Related party transactions**
A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions are recorded in the notes to the financial statements when the transaction is not at arm's length.
- 27.2 **Key management personnel**
Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Department. The number of individuals and their full compensation is recorded in the notes to the financial statements.
28. **Inventories (*Effective from 1 April 2016*)**
At the date of acquisition, inventories are recorded at cost price in the notes to the financial statements.
Where inventories are acquired as part of a non-exchange transaction, the cost of inventory is its fair value at the date of acquisition.
Inventories are subsequently measured at the lower of cost and net realisable value or the lower of cost and replacement value.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**APPROPRIATION STATEMENT
for the year ended 31 March 2015**

| APPROPRIATION PER PROGRAMME | | | | | | | | | |
|--|------------------------------------|-------------------------------|-------------------|---------------------------------|--------------------------------|-------------------|--|---------------------------------|--------------------------------|
| Voted funds and Direct charges | 2014/15 | | | | | | | 2013/14 | |
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| Programme | | | | | | | | | |
| 1. Administration | 84 293 | - | 153 | 84 446 | 84 446 | - | 100,0 | 80 016 | 79 698 |
| 2. Housing Needs, Research and Planning | 17 119 | - | (49) | 17 070 | 17 067 | 3 | 100,0 | 14 818 | 14 605 |
| 3. Housing Development | 2 009 609 | - | (1 423) | 2 008 186 | 2 008 186 | - | 100,0 | 2 065 303 | 2 065 303 |
| 4. Housing Asset Management, Property Management | 40 309 | - | 1 319 | 41 628 | 41 628 | - | 100,0 | 55 860 | 55 860 |
| Programme sub-total | 2 151 330 | - | - | 2 151 330 | 2 151 327 | 3 | 100,0 | 2 215 997 | 2 215 466 |
| Total | 2 151 330 | - | - | 2 151 330 | 2 151 327 | 3 | 100,0 | 2 215 997 | 2 215 466 |
| Reconciliation with Statement of Financial Performance | | | | | | | | | |
| Add: | | | | | | | | | |
| Departmental receipts | | | | 19 149 | | | | 14 901 | |
| Aid assistance | | | | 10 499 | | | | 10 934 | |
| Actual amounts per Statement of Financial Performance (Total Revenue) | | | | 2 180 978 | | | | 2 241 832 | |
| Add: Aid assistance | | | | | 2 354 | | | | 435 |
| Actual amounts per Statement of Financial Performance Expenditure | | | | | 2 153 681 | | | | 2 215 901 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**APPROPRIATION STATEMENT
for the year ended 31 March 2015**

| APPROPRIATION PER ECONOMIC CLASSIFICATION | | | | | | | | | |
|---|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| Economic classification | 2014/15 | | | | | | | 2013/14 | |
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| Current payments | 250 724 | 1 097 | (1 222) | 250 599 | 250 596 | 3 | 100,0 | 239 592 | 239 379 |
| Compensation of employees | 169 504 | 2 793 | (1 754) | 170 543 | 170 543 | - | 100,0 | 150 433 | 150 320 |
| Salaries and wages | 150 812 | 3 188 | (1 533) | 152 467 | 152 467 | - | 100,0 | 133 660 | 133 560 |
| Social contributions | 18 692 | (395) | (221) | 18 076 | 18 076 | - | 100,0 | 16 773 | 16 760 |
| Goods and services | 81 220 | (1 696) | 532 | 80 056 | 80 053 | 3 | 100,0 | 89 159 | 89 059 |
| Administrative fees | 243 | (31) | (23) | 189 | 189 | - | 100,0 | 245 | 245 |
| Advertising | 305 | 1 352 | - | 1 657 | 1 657 | - | 100,0 | 1 035 | 1 035 |
| Minor assets | 310 | 13 | (3) | 320 | 320 | - | 100,0 | 291 | 291 |
| Audit costs: External | 8 148 | (189) | 573 | 8 532 | 8 532 | - | 100,0 | 10 491 | 10 491 |
| Bursaries: Employees | 420 | 112 | 65 | 597 | 597 | - | 100,0 | 226 | 226 |
| Catering: Departmental activities | 383 | (132) | (3) | 248 | 248 | - | 100,0 | 599 | 599 |
| Communication (G&S) | 2 309 | (44) | (13) | 2 252 | 2 252 | - | 100,0 | 3 448 | 3 448 |
| Computer services | 1 031 | 16 | - | 1 047 | 1 047 | - | 100,0 | 1 326 | 1 326 |
| Consultants: Business and advisory services | 40 649 | (4 843) | - | 35 806 | 35 806 | - | 100,0 | 43 141 | 43 141 |
| Infrastructure and planning services | 985 | (768) | - | 217 | 217 | - | 100,0 | 28 | 28 |
| Legal services | 2 731 | (130) | 152 | 2 753 | 2 753 | - | 100,0 | 3 355 | 3 355 |
| Contractors | 357 | (126) | - | 231 | 231 | - | 100,0 | 205 | 205 |
| Agency and support / outsourced services | 901 | 1 460 | - | 2 361 | 2 361 | - | 100,0 | 3 456 | 3 456 |
| Entertainment | 28 | (17) | - | 11 | 11 | - | 100,0 | 43 | 43 |
| Fleet services (including government motor transport) | 2 462 | 203 | - | 2 665 | 2 665 | - | 100,0 | 3 159 | 3 159 |
| Consumable supplies | 291 | (63) | - | 228 | 228 | - | 100,0 | 203 | 203 |
| Consumable: Stationery, printing and office supplies | 1 956 | (67) | - | 1 889 | 1 889 | - | 100,0 | 1 908 | 1 908 |
| Operating leases | 1 307 | 10 | - | 1 317 | 1 317 | - | 100,0 | 1 524 | 1 524 |
| Property payments | 9 415 | 1 274 | (135) | 10 554 | 10 554 | - | 100,0 | 8 457 | 8 457 |
| Travel and subsistence | 5 498 | (209) | (135) | 5 154 | 5 151 | 3 | 99,9 | 5 008 | 4 908 |
| Training and development | 497 | 633 | - | 1 130 | 1 130 | - | 100,0 | 419 | 419 |
| Operating payments | 636 | (59) | 66 | 643 | 643 | - | 100,0 | 380 | 380 |
| Venues and facilities | 345 | (92) | (12) | 241 | 241 | - | 100,0 | 165 | 165 |
| Rental and hiring | 13 | 1 | - | 14 | 14 | - | 100,0 | 47 | 47 |
| Transfers and subsidies | 1 895 550 | (1 189) | 1 222 | 1 895 583 | 1 895 583 | - | 100,0 | 1 971 271 | 1 971 271 |
| Provinces and municipalities | 42 179 | (2 027) | 1 222 | 41 374 | 41 374 | - | 100,0 | 102 135 | 102 135 |
| Municipalities | 42 179 | (2 027) | 1 222 | 41 374 | 41 374 | - | 100,0 | 102 135 | 102 135 |
| Municipal bank accounts | 42 179 | (2 027) | 1 222 | 41 374 | 41 374 | - | 100,0 | 102 135 | 102 135 |
| Departmental agencies and accounts | 21 342 | - | - | 21 342 | 21 342 | - | 100,0 | 4 | 4 |
| Departmental agencies (non-business entities) | 21 342 | - | - | 21 342 | 21 342 | - | 100,0 | 4 | 4 |
| Higher education institutions | - | - | - | - | - | - | - | 1 000 | 1 000 |
| Public corporations and private enterprises | - | - | - | - | - | - | - | 950 | 950 |
| Public corporations | - | - | - | - | - | - | - | 200 | 200 |
| Subsidies on products and production (pc) | - | - | - | - | - | - | - | 200 | 200 |
| Private enterprises | - | - | - | - | - | - | - | 750 | 750 |
| Other transfers to private enterprises | - | - | - | - | - | - | - | 750 | 750 |
| Households | 1 832 029 | 838 | - | 1 832 867 | 1 832 867 | - | 100,0 | 1 867 182 | 1 867 182 |
| Social benefits | 236 | 318 | - | 554 | 554 | - | 100,0 | 446 | 446 |
| Other transfers to households | 1 831 793 | 520 | - | 1 832 313 | 1 832 313 | - | 100,0 | 1 866 736 | 1 866 736 |
| Payments for capital assets | 4 456 | 107 | - | 4 563 | 4 563 | - | 100,0 | 4 533 | 4 215 |
| Machinery and equipment | 4 456 | 78 | - | 4 534 | 4 534 | - | 100,0 | 4 523 | 4 205 |
| Transport equipment | 3 317 | 134 | - | 3 451 | 3 451 | - | 100,0 | 3 684 | 3 366 |
| Other machinery and equipment | 1 139 | (56) | - | 1 083 | 1 083 | - | 100,0 | 839 | 839 |
| Software and other intangible assets | - | 29 | - | 29 | 29 | - | 100,0 | 10 | 10 |
| Payment for financial assets | 600 | (15) | - | 585 | 585 | - | 100,0 | 601 | 601 |
| Total | 2 151 330 | - | - | 2 151 330 | 2 151 327 | 3 | 100,0 | 2 215 997 | 2 215 466 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**APPROPRIATION STATEMENT
for the year ended 31 March 2015**

| Programme 1: Administration | | | | | | | | | |
|------------------------------------|-------------------------------------|--------------------------------|-----------------------|----------------------------------|---------------------------------|-----------------------|--|----------------------------------|---------------------------------|
| | 2014/15 | | | | | | | 2013/14 | |
| Sub programme | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| 1. Office of the MEC | 6 059 | - | (768) | 5 291 | 5 291 | - | 100,0 | 5 393 | 5 377 |
| 2. Corporate Services | 78 234 | - | 921 | 79 155 | 79 155 | - | 100,0 | 74 623 | 74 321 |
| Total | 84 293 | - | 153 | 84 446 | 84 446 | - | 100,0 | 80 016 | 79 698 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**APPROPRIATION STATEMENT
for the year ended 31 March 2015**

| Economic classification | 2014/15 | | | | | | | 2013/14 | |
|---|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| Current payments | 78 999 | (191) | 153 | 78 961 | 78 961 | - | 100,0 | 74 446 | 74 446 |
| Compensation of employees | 61 645 | - | (450) | 61 195 | 61 195 | - | 100,0 | 55 479 | 55 479 |
| Salaries and wages | 54 200 | - | (609) | 53 591 | 53 591 | - | 100,0 | 48 440 | 48 440 |
| Social contributions | 7 445 | - | 159 | 7 604 | 7 604 | - | 100,0 | 7 039 | 7 039 |
| Goods and services | 17 354 | (191) | 603 | 17 766 | 17 766 | - | 100,0 | 18 967 | 18 967 |
| Administrative fees | 150 | (14) | (2) | 134 | 134 | - | 100,0 | 159 | 159 |
| Advertising | 147 | (104) | - | 43 | 43 | - | 100,0 | 147 | 147 |
| Minor assets | 288 | 35 | (3) | 320 | 320 | - | 100,0 | 263 | 263 |
| Audit costs: External | 5 224 | (177) | 573 | 5 620 | 5 620 | - | 100,0 | 6 701 | 6 701 |
| Bursaries: Employees | 420 | 112 | 65 | 597 | 597 | - | 100,0 | 226 | 226 |
| Catering: Departmental activities | 76 | (11) | (3) | 62 | 62 | - | 100,0 | 342 | 342 |
| Communication (G&S) | 1 879 | (194) | (13) | 1 672 | 1 672 | - | 100,0 | 1 721 | 1 721 |
| Computer services | 991 | 34 | - | 1 025 | 1 025 | - | 100,0 | 581 | 581 |
| Consultants: Business and advisory services | 100 | 9 | - | 109 | 109 | - | 100,0 | 175 | 175 |
| Legal services | 74 | (20) | (14) | 40 | 40 | - | 100,0 | 130 | 130 |
| Contractors | 113 | 8 | - | 121 | 121 | - | 100,0 | 189 | 189 |
| Agency and support / outsourced services | 884 | (82) | - | 802 | 802 | - | 100,0 | 912 | 912 |
| Entertainment | 16 | (7) | - | 9 | 9 | - | 100,0 | 24 | 24 |
| Fleet services (including government motor transport) | 2 462 | 203 | - | 2 665 | 2 665 | - | 100,0 | 3 159 | 3 159 |
| Consumable supplies | 136 | (3) | - | 133 | 133 | - | 100,0 | 102 | 102 |
| Consumable: Stationery, printing and office supplies | 1 625 | (103) | - | 1 522 | 1 522 | - | 100,0 | 1 698 | 1 698 |
| Operating leases | 693 | 32 | - | 725 | 725 | - | 100,0 | 841 | 841 |
| Property payments | 9 | 3 | - | 12 | 12 | - | 100,0 | 12 | 12 |
| Travel and subsistence | 1 551 | (206) | - | 1 345 | 1 345 | - | 100,0 | 1 259 | 1 259 |
| Training and development | 313 | 138 | - | 451 | 451 | - | 100,0 | 126 | 126 |
| Operating payments | 68 | 161 | - | 229 | 229 | - | 100,0 | 90 | 90 |
| Venues and facilities | 135 | (11) | - | 124 | 124 | - | 100,0 | 81 | 81 |
| Rental and hiring | - | 6 | - | 6 | 6 | - | 100,0 | 29 | 29 |
| Transfers and subsidies | 238 | 99 | - | 337 | 337 | - | 100,0 | 436 | 436 |
| Departmental agencies and accounts | 2 | - | - | 2 | 2 | - | 100,0 | 4 | 4 |
| Departmental agencies (non-business entities) | 2 | - | - | 2 | 2 | - | 100,0 | 4 | 4 |
| Households | 236 | 99 | - | 335 | 335 | - | 100,0 | 432 | 432 |
| Social benefits | 236 | (42) | - | 194 | 194 | - | 100,0 | 278 | 278 |
| Other transfers to households | - | 141 | - | 141 | 141 | - | 100,0 | 154 | 154 |
| Payments for capital assets | 4 456 | 107 | - | 4 563 | 4 563 | - | 100,0 | 4 533 | 4 215 |
| Machinery and equipment | 4 456 | 78 | - | 4 534 | 4 534 | - | 100,0 | 4 523 | 4 205 |
| Transport equipment | 3 317 | 134 | - | 3 451 | 3 451 | - | 100,0 | 3 684 | 3 366 |
| Other machinery and equipment | 1 139 | (56) | - | 1 083 | 1 083 | - | 100,0 | 839 | 839 |
| Software and other intangible assets | - | 29 | - | 29 | 29 | - | 100,0 | 10 | 10 |
| Payment for financial assets | 600 | (15) | - | 585 | 585 | - | 100,0 | 601 | 601 |
| Total | 84 293 | - | 153 | 84 446 | 84 446 | - | 100,0 | 80 016 | 79 698 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**APPROPRIATION STATEMENT
for the year ended 31 March 2015**

| Subprogramme: 1.1: Office of the MEC | | | | | | | | | |
|--|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| Economic classification | 2014/15 | | | | | | | 2013/14 | |
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| Current payments | 5 814 | (40) | (768) | 5 006 | 5 006 | - | 100,0 | 5 109 | 5 109 |
| Compensation of employees | 4 843 | - | (733) | 4 110 | 4 110 | - | 100,0 | 4 316 | 4 316 |
| Goods and services | 971 | (40) | (35) | 896 | 896 | - | 100,0 | 793 | 793 |
| Administrative fees | 25 | - | (2) | 23 | 23 | - | 100,0 | 18 | 18 |
| Minor assets | 3 | - | (3) | - | - | - | - | 3 | 3 |
| Catering: Departmental activities | 5 | - | (3) | 2 | 2 | - | 100,0 | 5 | 5 |
| Communication (G&S) | 65 | - | (13) | 52 | 52 | - | 100,0 | 41 | 41 |
| Consultants: Business and advisory | - | 7 | - | 7 | 7 | - | 100,0 | - | - |
| Legal services | 20 | (6) | (14) | - | - | - | - | 18 | 18 |
| Contractors | 31 | 2 | - | 33 | 33 | - | 100,0 | 37 | 37 |
| Entertainment | 10 | (6) | - | 4 | 4 | - | 100,0 | 12 | 12 |
| Fleet services (including consumable supplies) | 190 | 64 | - | 254 | 254 | - | 100,0 | 253 | 253 |
| Consumable: Stationery, printing and office supplies | 20 | 8 | - | 28 | 28 | - | 100,0 | 26 | 26 |
| Operating leases | 83 | 24 | - | 107 | 107 | - | 100,0 | 50 | 50 |
| Travel and subsistence | 76 | 2 | - | 78 | 78 | - | 100,0 | 75 | 75 |
| Training and development | 443 | (135) | - | 308 | 308 | - | 100,0 | 243 | 243 |
| Venues and facilities | - | - | - | - | - | - | - | 11 | 11 |
| Transfers and subsidies | - | - | - | - | - | - | - | 1 | 1 |
| Households | - | 4 | - | 4 | 4 | - | 100,0 | 3 | 3 |
| Social benefits | - | - | - | - | - | - | - | 3 | 3 |
| Other transfers to households | - | 4 | - | 4 | 4 | - | 100,0 | - | - |
| Payments for capital assets | 245 | 36 | - | 281 | 281 | - | 100,0 | 281 | 265 |
| Machinery and equipment | 245 | 36 | - | 281 | 281 | - | 100,0 | 281 | 265 |
| Transport equipment | 210 | 64 | - | 274 | 274 | - | 100,0 | 281 | 265 |
| Other machinery and equipment | 35 | (28) | - | 7 | 7 | - | 100,0 | - | - |
| Total | 6 059 | - | (768) | 5 291 | 5 291 | - | 100,0 | 5 393 | 5 377 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**APPROPRIATION STATEMENT
for the year ended 31 March 2015**

| Subprogramme: 1.2: Corporate Services | | | | | | | | | |
|--|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| Economic classification | 2014/15 | | | | | | | 2013/14 | |
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| Current payments | 73 185 | (151) | 921 | 73 955 | 73 955 | - | 100,0 | 69 337 | 69 337 |
| Compensation of employees | 56 802 | - | 283 | 57 085 | 57 085 | - | 100,0 | 51 163 | 51 163 |
| Salaries and wages | 49 635 | - | 92 | 49 727 | 49 727 | - | 100,0 | 44 440 | 44 440 |
| Social contributions | 7 167 | - | 191 | 7 358 | 7 358 | - | 100,0 | 6 723 | 6 723 |
| Goods and services | 16 383 | (151) | 638 | 16 870 | 16 870 | - | 100,0 | 18 174 | 18 174 |
| Administrative fees | 125 | (14) | - | 111 | 111 | - | 100,0 | 141 | 141 |
| Advertising | 147 | (104) | - | 43 | 43 | - | 100,0 | 147 | 147 |
| Minor assets | 285 | 35 | - | 320 | 320 | - | 100,0 | 260 | 260 |
| Audit costs: External | 5 224 | (177) | 573 | 5 620 | 5 620 | - | 100,0 | 6 701 | 6 701 |
| Bursaries: Employees | 420 | 112 | 65 | 597 | 597 | - | 100,0 | 226 | 226 |
| Catering: Departmental activities | 71 | (11) | - | 60 | 60 | - | 100,0 | 337 | 337 |
| Communication (G&S) | 1 814 | (194) | - | 1 620 | 1 620 | - | 100,0 | 1 680 | 1 680 |
| Computer services | 991 | 34 | - | 1 025 | 1 025 | - | 100,0 | 581 | 581 |
| Consultants: Business and advisory | 100 | 2 | - | 102 | 102 | - | 100,0 | 175 | 175 |
| Legal services | 54 | (14) | - | 40 | 40 | - | 100,0 | 112 | 112 |
| Contractors | 82 | 6 | - | 88 | 88 | - | 100,0 | 152 | 152 |
| Agency and support / outsourced | 884 | (82) | - | 802 | 802 | - | 100,0 | 912 | 912 |
| Entertainment | 6 | (1) | - | 5 | 5 | - | 100,0 | 12 | 12 |
| Fleet services (including consumable supplies) | 2 272 | 139 | - | 2 411 | 2 411 | - | 100,0 | 2 906 | 2 906 |
| Consumable: Stationery, printing and office supplies | 116 | (11) | - | 105 | 105 | - | 100,0 | 76 | 76 |
| Operating leases | 1 542 | (127) | - | 1 415 | 1 415 | - | 100,0 | 1 648 | 1 648 |
| Property payments | 617 | 30 | - | 647 | 647 | - | 100,0 | 766 | 766 |
| Travel and subsistence | 9 | 3 | - | 12 | 12 | - | 100,0 | 12 | 12 |
| Training and development | 1 108 | (71) | - | 1 037 | 1 037 | - | 100,0 | 1 016 | 1 016 |
| Operating payments | 313 | 138 | - | 451 | 451 | - | 100,0 | 115 | 115 |
| Venues and facilities | 68 | 161 | - | 229 | 229 | - | 100,0 | 90 | 90 |
| Rental and hiring | 135 | (11) | - | 124 | 124 | - | 100,0 | 80 | 80 |
| Transfers and subsidies | - | 6 | - | 6 | 6 | - | 100,0 | 29 | 29 |
| Departmental agencies and accounts | 238 | 95 | - | 333 | 333 | - | 100,0 | 433 | 433 |
| Departmental agencies (non-business entities) | 2 | - | - | 2 | 2 | - | 100,0 | 4 | 4 |
| Households | 236 | 95 | - | 331 | 331 | - | 100,0 | 429 | 429 |
| Social benefits | 236 | (42) | - | 194 | 194 | - | 100,0 | 275 | 275 |
| Other transfers to households | - | 137 | - | 137 | 137 | - | 100,0 | 154 | 154 |
| Payments for capital assets | 4 211 | 71 | - | 4 282 | 4 282 | - | 100,0 | 4 252 | 3 950 |
| Machinery and equipment | 4 211 | 42 | - | 4 253 | 4 253 | - | 100,0 | 4 242 | 3 940 |
| Transport equipment | 3 107 | 70 | - | 3 177 | 3 177 | - | 100,0 | 3 403 | 3 101 |
| Other machinery and equipment | 1 104 | (28) | - | 1 076 | 1 076 | - | 100,0 | 839 | 839 |
| Software and other intangible assets | - | 29 | - | 29 | 29 | - | 100,0 | 10 | 10 |
| Payment for financial assets | 600 | (15) | - | 585 | 585 | - | 100,0 | 601 | 601 |
| Total | 78 234 | - | 921 | 79 155 | 79 155 | - | 100,0 | 74 623 | 74 321 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**APPROPRIATION STATEMENT
for the year ended 31 March 2015**

| Programme 2: Housing Needs, Research and Planning | | | | | | | | | |
|---|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| Sub programme | 2014/15 | | | | | | | 2013/14 | |
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| 1. Administration | 11 518 | - | (709) | 10 809 | 10 806 | 3 | 100,0 | 9 367 | 9 154 |
| 2. Planning | 5 601 | - | 660 | 6 261 | 6 261 | - | 100,0 | 5 451 | 5 451 |
| Total | 17 119 | - | (49) | 17 070 | 17 067 | 3 | 100,0 | 14 818 | 14 605 |

| Economic classification | 2014/15 | | | | | | | 2013/14 | |
|---|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| Current payments | 17 119 | (21) | (49) | 17 049 | 17 046 | 3 | 100,0 | 14 735 | 14 522 |
| Compensation of employees | 16 045 | 23 | 104 | 16 172 | 16 172 | - | 100,0 | 13 639 | 13 526 |
| Salaries and wages | 13 921 | 21 | 415 | 14 357 | 14 357 | - | 100,0 | 11 960 | 11 860 |
| Social contributions | 2 124 | 2 | (311) | 1 815 | 1 815 | - | 100,0 | 1 679 | 1 666 |
| Goods and services | 1 074 | (44) | (153) | 877 | 874 | 3 | 99,7 | 1 096 | 996 |
| Administrative fees | 47 | (3) | (21) | 23 | 23 | - | 100,0 | 35 | 35 |
| Advertising | - | 35 | - | 35 | 35 | - | 100,0 | - | - |
| Minor assets | 22 | (22) | - | - | - | - | - | 1 | 1 |
| Catering: Departmental activities | 34 | (3) | - | 31 | 31 | - | 100,0 | 51 | 51 |
| Communication (G&S) | 68 | (3) | - | 65 | 65 | - | 100,0 | 58 | 58 |
| Consultants: Business and advisory services | 35 | (35) | - | - | - | - | - | 15 | 15 |
| Contractors | - | - | - | - | - | - | - | 1 | 1 |
| Entertainment | 7 | (7) | - | - | - | - | - | 3 | 3 |
| Consumable supplies | 24 | (1) | - | 23 | 23 | - | 100,0 | 22 | 22 |
| Consumable: | | | | | | | | | |
| Stationery, printing and office supplies | 79 | (11) | - | 68 | 68 | - | 100,0 | 38 | 38 |
| Operating leases | 164 | (9) | - | 155 | 155 | - | 100,0 | 140 | 140 |
| Travel and subsistence | 477 | (3) | (120) | 354 | 351 | 3 | 99,2 | 651 | 551 |
| Training and development | 61 | 62 | - | 123 | 123 | - | 100,0 | 66 | 66 |
| Operating payments | 10 | (10) | - | - | - | - | - | 1 | 1 |
| Venues and facilities | 46 | (34) | (12) | - | - | - | - | 3 | 3 |
| Rental and hiring | - | - | - | - | - | - | - | 11 | 11 |
| Transfers and subsidies | - | 21 | - | 21 | 21 | - | 100,0 | 83 | 83 |
| Households | - | 21 | - | 21 | 21 | - | 100,0 | 83 | 83 |
| Social benefits | - | 21 | - | 21 | 21 | - | 100,0 | 82 | 82 |
| Other transfers to households | - | - | - | - | - | - | - | 1 | 1 |
| Total | 17 119 | - | (49) | 17 070 | 17 067 | 3 | 100,0 | 14 818 | 14 605 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**APPROPRIATION STATEMENT
for the year ended 31 March 2015**

| Subprogramme: 2.1: Administration | | | | | | | | | |
|--|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| Economic classification | 2014/15 | | | | | | | 2013/14 | |
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| Current payments | 11 518 | (21) | (709) | 10 788 | 10 785 | 3 | 100,0 | 9 298 | 9 085 |
| Compensation of employees | 10 790 | - | (601) | 10 189 | 10 189 | - | 100,0 | 8 417 | 8 304 |
| Salaries and wages | 9 296 | - | (290) | 9 006 | 9 006 | - | 100,0 | 7 347 | 7 247 |
| Social contributions | 1 494 | - | (31) | 1 183 | 1 183 | - | 100,0 | 1 070 | 1 057 |
| Goods and services | 728 | (21) | (108) | 599 | 596 | 3 | 99,5 | 881 | 781 |
| Administrative fees | 43 | - | (21) | 22 | 22 | - | 100,0 | 29 | 29 |
| Catering: Departmental activities | 21 | 1 | - | 22 | 22 | - | 100,0 | 46 | 46 |
| Communication (G&S) | 46 | (1) | - | 45 | 45 | - | 100,0 | 43 | 43 |
| Contractors | - | - | - | - | - | - | - | 1 | 1 |
| Entertainment | 6 | (6) | - | - | - | - | - | 2 | 2 |
| Consumable supplies | 17 | 1 | - | 18 | 18 | - | 100,0 | 18 | 18 |
| Consumable: Stationery, printing and office supplies | 57 | (8) | - | 49 | 49 | - | 100,0 | 36 | 36 |
| Operating leases | 105 | 1 | - | 106 | 106 | - | 100,0 | 140 | 140 |
| Travel and subsistence | 319 | - | (75) | 244 | 241 | 3 | 98,8 | 522 | 422 |
| Training and development | 30 | 63 | - | 93 | 93 | - | 100,0 | 30 | 30 |
| Venues and facilities | 33 | (21) | (12) | - | - | - | - | 3 | 3 |
| Rental and hiring | - | - | - | - | - | - | - | 11 | 11 |
| Transfers and subsidies | - | 21 | - | 21 | 21 | - | 100,0 | 69 | 69 |
| Households | - | 21 | - | 21 | 21 | - | 100,0 | 69 | 69 |
| Social benefits | - | 21 | - | 21 | 21 | - | 100,0 | 69 | 69 |
| Total | 11 518 | - | (709) | 10 809 | 10 806 | 3 | 100,0 | 9 367 | 9 154 |

| Subprogramme: 2.2: Planning | | | | | | | | | |
|--|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| Economic classification | 2014/15 | | | | | | | 2013/14 | |
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| Current payments | 5 601 | - | 660 | 6 261 | 6 261 | - | 100,0 | 5 437 | 5 437 |
| Compensation of employees | 5 255 | 23 | 705 | 5 983 | 5 983 | - | 100,0 | 5 222 | 5 222 |
| Salaries and wages | 4 625 | 21 | 705 | 5 351 | 5 351 | - | 100,0 | 4 613 | 4 613 |
| Social contributions | 630 | 2 | - | 632 | 632 | - | 100,0 | 609 | 609 |
| Goods and services | 346 | (23) | (45) | 278 | 278 | - | 100,0 | 215 | 215 |
| Administrative fees | 4 | (3) | - | 1 | 1 | - | 100,0 | 6 | 6 |
| Advertising | - | 35 | - | 35 | 35 | - | 100,0 | - | - |
| Minor assets | - | - | - | - | - | - | - | 1 | 1 |
| Catering: Departmental activities | 13 | (4) | - | 9 | 9 | - | 100,0 | 5 | 5 |
| Communication (G&S) | 22 | (2) | - | 20 | 20 | - | 100,0 | 15 | 15 |
| Consultants: Business and advisory | 16 | (16) | - | - | - | - | - | 15 | 15 |
| Entertainment | 1 | (1) | - | - | - | - | - | 1 | 1 |
| Consumable supplies | 7 | (2) | - | 5 | 5 | - | 100,0 | 4 | 4 |
| Consumable: Stationery, printing and office supplies | 22 | (3) | - | 19 | 19 | - | 100,0 | 2 | 2 |
| Operating leases | 59 | (10) | - | 49 | 49 | - | 100,0 | - | - |
| Travel and subsistence | 158 | (3) | (45) | 110 | 110 | - | 100,0 | 129 | 129 |
| Training and development | 31 | (1) | - | 30 | 30 | - | 100,0 | 36 | 36 |
| Operating payments | - | - | - | - | - | - | - | 1 | 1 |
| Transfers and subsidies | - | - | - | - | - | - | - | 14 | 14 |
| Households | - | - | - | - | - | - | - | 14 | 14 |
| Social benefits | - | - | - | - | - | - | - | 13 | 13 |
| Other transfers to households | - | - | - | - | - | - | - | 1 | 1 |
| Total | 5 601 | - | 660 | 6 261 | 6 261 | - | 100,0 | 5 451 | 5 451 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**APPROPRIATION STATEMENT
for the year ended 31 March 2015**

| Programme 3: Housing Development | | | | | | | | | |
|----------------------------------|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| Sub programme | 2014/15 | | | | | | | 2013/14 | |
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| 1. Administration | 74 673 | - | (1 423) | 73 250 | 73 250 | - | 100,0 | 106 066 | 106 066 |
| 2. Financial Interventions | 152 925 | - | 79 638 | 232 563 | 232 563 | - | 100,0 | 205 325 | 205 325 |
| 3. Incremental Intervention | 1 708 471 | - | (403 504) | 1 304 967 | 1 304 967 | - | 100,0 | 1 360 701 | 1 360 701 |
| 4. Social Rental Intervention | 73 540 | - | 323 866 | 397 406 | 397 406 | - | 100,0 | 393 211 | 393 211 |
| Total | 2 009 609 | - | (1 423) | 2 008 186 | 2 008 186 | - | 100,0 | 2 065 303 | 2 065 303 |

| Economic classification | 2014/15 | | | | | | | 2013/14 | |
|--|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| Current payments | 126 776 | 1 333 | (1 423) | 126 686 | 126 686 | - | 100,0 | 122 516 | 122 516 |
| Compensation of employees | 75 114 | 4 420 | (1 408) | 78 126 | 78 126 | - | 100,0 | 64 985 | 64 985 |
| Salaries and wages | 68 104 | 4 822 | (1 339) | 71 587 | 71 587 | - | 100,0 | 58 969 | 58 969 |
| Social contributions | 7 010 | (402) | (69) | 6 539 | 6 539 | - | 100,0 | 6 016 | 6 016 |
| Goods and services | 51 662 | (3 087) | (15) | 48 560 | 48 560 | - | 100,0 | 57 531 | 57 531 |
| Administrative fees | 45 | (14) | - | 31 | 31 | - | 100,0 | 50 | 50 |
| Advertising | 123 | 1 406 | - | 1 529 | 1 529 | - | 100,0 | 873 | 873 |
| Minor assets | - | - | - | - | - | - | - | 26 | 26 |
| Audit costs: External | 2 924 | (12) | - | 2 912 | 2 912 | - | 100,0 | 3 790 | 3 790 |
| Catering: Departmental activities | 265 | (114) | - | 151 | 151 | - | 100,0 | 197 | 197 |
| Communication (G&S) | 332 | 151 | - | 483 | 483 | - | 100,0 | 1 644 | 1 644 |
| Computer services | 40 | (18) | - | 22 | 22 | - | 100,0 | 745 | 745 |
| Consultants: Business and advisory services | 40 361 | (4 824) | - | 35 537 | 35 537 | - | 100,0 | 42 819 | 42 819 |
| Infrastructure and planning services | 851 | (719) | - | 132 | 132 | - | 100,0 | - | - |
| Legal services | 1 141 | (234) | - | 907 | 907 | - | 100,0 | 2 784 | 2 784 |
| Contractors | 149 | (39) | - | 110 | 110 | - | 100,0 | 15 | 15 |
| Agency and support / outsourced services | 17 | (9) | - | 8 | 8 | - | 100,0 | 63 | 63 |
| Entertainment | 5 | (3) | - | 2 | 2 | - | 100,0 | 15 | 15 |
| Consumable supplies | 90 | (57) | - | 33 | 33 | - | 100,0 | 33 | 33 |
| Consumable: Stationery, printing and office supplies | 203 | 43 | - | 246 | 246 | - | 100,0 | 98 | 98 |
| Operating leases | 357 | 1 | - | 358 | 358 | - | 100,0 | 447 | 447 |
| Property payments | 718 | 1 213 | - | 1 931 | 1 931 | - | 100,0 | 527 | 527 |
| Travel and subsistence | 3 323 | (85) | (15) | 3 223 | 3 223 | - | 100,0 | 2 895 | 2 895 |
| Training and development | 105 | 438 | - | 543 | 543 | - | 100,0 | 212 | 212 |
| Operating payments | 436 | (159) | - | 277 | 277 | - | 100,0 | 210 | 210 |
| Venues and facilities | 164 | (47) | - | 117 | 117 | - | 100,0 | 81 | 81 |
| Rental and hiring | 13 | (5) | - | 8 | 8 | - | 100,0 | 7 | 7 |
| Transfers and subsidies | 1 882 833 | (1 333) | - | 1 881 500 | 1 881 500 | - | 100,0 | 1 942 787 | 1 942 787 |
| Provinces and municipalities | 29 700 | (2 027) | - | 27 673 | 27 673 | - | 100,0 | 74 921 | 74 921 |
| Municipalities | 29 700 | (2 027) | - | 27 673 | 27 673 | - | 100,0 | 74 921 | 74 921 |
| Municipal bank accounts | 29 700 | (2 027) | - | 27 673 | 27 673 | - | 100,0 | 74 921 | 74 921 |
| Departmental agencies and accounts | 21 340 | - | - | 21 340 | 21 340 | - | 100,0 | - | - |
| Departmental agencies (non-business entities) | 21 340 | - | - | 21 340 | 21 340 | - | 100,0 | - | - |
| Higher education institutions | - | - | - | - | - | - | - | 1 000 | 1 000 |
| Public corporations and private enterprises | - | - | - | - | - | - | - | 200 | 200 |
| Public corporations | - | - | - | - | - | - | - | 200 | 200 |
| Subsidies on products and production (pc) | - | - | - | - | - | - | - | 200 | 200 |
| Households | 1 831 793 | 694 | - | 1 832 487 | 1 832 487 | - | 100,0 | 1 866 666 | 1 866 666 |
| Social benefits | - | 315 | - | 315 | 315 | - | 100,0 | 85 | 85 |
| Other transfers to households | 1 831 793 | 379 | - | 1 832 172 | 1 832 172 | - | 100,0 | 1 866 581 | 1 866 581 |
| Total | 2 009 609 | - | (1 423) | 2 008 186 | 2 008 186 | - | 100,0 | 2 065 303 | 2 065 303 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**APPROPRIATION STATEMENT
for the year ended 31 March 2015**

| Subprogramme: 3.1: Administration | | | | | | | | | |
|--|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| Economic classification | 2014/15 | | | | | | | 2013/14 | |
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| Current payments | 55 931 | (211) | (1 423) | 54 297 | 54 297 | - | 100,0 | 50 877 | 50 877 |
| Compensation of employees | 51 866 | - | (1 408) | 50 458 | 50 458 | - | 100,0 | 47 435 | 47 435 |
| Salaries and wages | 45 311 | - | (1 339) | 43 972 | 43 972 | - | 100,0 | 41 442 | 41 442 |
| Social contributions | 6 555 | - | (69) | 6 486 | 6 486 | - | 100,0 | 5 993 | 5 993 |
| Goods and services | 4 065 | (211) | (15) | 3 839 | 3 839 | - | 100,0 | 3 442 | 3 442 |
| Administrative fees | 24 | (3) | - | 21 | 21 | - | 100,0 | 35 | 35 |
| Advertising | - | 90 | - | 90 | 90 | - | 100,0 | - | - |
| Minor assets | - | - | - | - | - | - | - | 7 | 7 |
| Catering: Departmental activities | 44 | (25) | - | 19 | 19 | - | 100,0 | 63 | 63 |
| Communication (G&S) | 289 | 48 | - | 337 | 337 | - | 100,0 | 251 | 251 |
| Computer services | - | - | - | - | - | - | - | 4 | 4 |
| Consultants: Business and advisory | 232 | (217) | - | 15 | 15 | - | 100,0 | - | - |
| Infrastructure and planning services | 6 | (2) | - | 4 | 4 | - | 100,0 | - | - |
| Legal services | 581 | (83) | - | 498 | 498 | - | 100,0 | 397 | 397 |
| Contractors | 9 | (4) | - | 5 | 5 | - | 100,0 | 15 | 15 |
| Agency and support / outsourced | - | - | - | - | - | - | - | 63 | 63 |
| Entertainment | 5 | (3) | - | 2 | 2 | - | 100,0 | 15 | 15 |
| Consumable supplies | 30 | 1 | - | 31 | 31 | - | 100,0 | 20 | 20 |
| Consumable: Stationery, printing and office supplies | 198 | 45 | - | 243 | 243 | - | 100,0 | 98 | 98 |
| Operating leases | 357 | 1 | - | 358 | 358 | - | 100,0 | 447 | 447 |
| Travel and subsistence | 2 191 | (127) | (15) | 2 049 | 2 049 | - | 100,0 | 1 750 | 1 750 |
| Training and development | 7 | 49 | - | 56 | 56 | - | 100,0 | 69 | 69 |
| Operating payments | 79 | 20 | - | 99 | 99 | - | 100,0 | 161 | 161 |
| Venues and facilities | - | 4 | - | 4 | 4 | - | 100,0 | 47 | 47 |
| Rental and hiring | 13 | (5) | - | 8 | 8 | - | 100,0 | - | - |
| Transfers and subsidies | 18 742 | 211 | - | 18 953 | 18 953 | - | 100,0 | 55 189 | 55 189 |
| Provinces and municipalities | 14 900 | - | - | 14 900 | 14 900 | - | 100,0 | 52 100 | 52 100 |
| Municipalities | 14 900 | - | - | 14 900 | 14 900 | - | 100,0 | 52 100 | 52 100 |
| Municipal bank accounts | 14 900 | - | - | 14 900 | 14 900 | - | 100,0 | 52 100 | 52 100 |
| Households | 3 842 | 211 | - | 4 053 | 4 053 | - | 100,0 | 3 089 | 3 089 |
| Social benefits | - | 211 | - | 211 | 211 | - | 100,0 | 85 | 85 |
| Other transfers to households | 3 842 | - | - | 3 842 | 3 842 | - | 100,0 | 3 004 | 3 004 |
| Total | 74 673 | - | (1 423) | 73 250 | 73 250 | - | 100,0 | 106 066 | 106 066 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**APPROPRIATION STATEMENT
for the year ended 31 March 2015**

| Subprogramme: 3.2: Financial Interventions | | | | | | | | | | |
|--|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|--|
| Economic classification | 2014/15 | | | | | | | 2013/14 | | |
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 | |
| Current payments | 70 845 | 1 544 | - | 72 389 | 72 389 | - | 100,0 | 71 639 | 71 639 | |
| Compensation of employees | 23 248 | 4 420 | - | 27 668 | 27 668 | - | 100,0 | 17 550 | 17 550 | |
| Salaries and wages | 22 793 | 4 822 | - | 27 615 | 27 615 | - | 100,0 | 17 527 | 17 527 | |
| Social contributions | 455 | (402) | - | 53 | 53 | - | 100,0 | 23 | 23 | |
| Goods and services | 47 597 | (2 876) | - | 44 721 | 44 721 | - | 100,0 | 54 089 | 54 089 | |
| Administrative fees | 21 | (11) | - | 10 | 10 | - | 100,0 | 15 | 15 | |
| Advertising | 123 | 1 316 | - | 1 439 | 1 439 | - | 100,0 | 873 | 873 | |
| Minor assets | - | - | - | - | - | - | - | 19 | 19 | |
| Audit costs: External | 2 924 | (12) | - | 2 912 | 2 912 | - | 100,0 | 3 790 | 3 790 | |
| Catering: Departmental activities | 221 | (89) | - | 132 | 132 | - | 100,0 | 134 | 134 | |
| Communication (G&S) | 43 | 103 | - | 146 | 146 | - | 100,0 | 1 393 | 1 393 | |
| Computer services | 40 | (18) | - | 22 | 22 | - | 100,0 | 741 | 741 | |
| Consultants: Business and advisory | 40 129 | (4 607) | - | 35 522 | 35 522 | - | 100,0 | 42 819 | 42 819 | |
| Infrastructure and planning services | 845 | (717) | - | 128 | 128 | - | 100,0 | - | - | |
| Legal services | 560 | (151) | - | 409 | 409 | - | 100,0 | 2 387 | 2 387 | |
| Contractors | 140 | (35) | - | 105 | 105 | - | 100,0 | - | - | |
| Agency and support / outsourced | 17 | (9) | - | 8 | 8 | - | 100,0 | - | - | |
| Consumable supplies | 60 | (58) | - | 2 | 2 | - | 100,0 | 13 | 13 | |
| Consumable: Stationery, printing and office supplies | 5 | (2) | - | 3 | 3 | - | 100,0 | - | - | |
| Property payments | 718 | 1 213 | - | 1 931 | 1 931 | - | 100,0 | 527 | 527 | |
| Travel and subsistence | 1 132 | 42 | - | 1 174 | 1 174 | - | 100,0 | 1 145 | 1 145 | |
| Training and development | 98 | 389 | - | 487 | 487 | - | 100,0 | 143 | 143 | |
| Operating payments | 357 | (179) | - | 178 | 178 | - | 100,0 | 49 | 49 | |
| Venues and facilities | 164 | (51) | - | 113 | 113 | - | 100,0 | 34 | 34 | |
| Rental and hiring | - | - | - | - | - | - | - | 7 | 7 | |
| Transfers and subsidies | 82 080 | (1 544) | 79 638 | 160 174 | 160 174 | - | 100,0 | 133 686 | 133 686 | |
| Provinces and municipalities | 14 800 | (2 027) | - | 12 773 | 12 773 | - | 100,0 | 22 821 | 22 821 | |
| Municipalities | 14 800 | (2 027) | - | 12 773 | 12 773 | - | 100,0 | 22 821 | 22 821 | |
| Municipal bank accounts | 14 800 | (2 027) | - | 12 773 | 12 773 | - | 100,0 | 22 821 | 22 821 | |
| Departmental agencies and accounts | 1 340 | - | - | 1 340 | 1 340 | - | 100,0 | - | - | |
| Departmental agencies (non-business entities) | 1 340 | - | - | 1 340 | 1 340 | - | 100,0 | - | - | |
| Higher education institutions | - | - | - | - | - | - | - | 1 000 | 1 000 | |
| Public corporations and private enterprises | - | - | - | - | - | - | - | 200 | 200 | |
| Public corporations | - | - | - | - | - | - | - | 200 | 200 | |
| Subsidies on products and production (pc) | - | - | - | - | - | - | - | 200 | 200 | |
| Households | 65 940 | 483 | 79 638 | 146 061 | 146 061 | - | 100,0 | 109 665 | 109 665 | |
| Social benefits | - | 104 | - | 104 | 104 | - | 100,0 | - | - | |
| Other transfers to households | 65 940 | 379 | 79 638 | 145 957 | 145 957 | - | 100,0 | 109 665 | 109 665 | |
| Total | 152 925 | - | 79 638 | 232 563 | 232 563 | - | 100,0 | 205 325 | 205 325 | |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**APPROPRIATION STATEMENT
for the year ended 31 March 2015**

| Subprogramme: 3.3: Incremental Intervention | | | | | | | | | |
|--|------------------------------|-------------------------|------------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| Economic classification | 2014/15 | | | | | | | 2013/14 | |
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| Transfers and subsidies | 1 708 471 | - | (403 504) | 1 304 967 | 1 304 967 | - | 100,0 | 1 360 701 | 1 360 701 |
| Departmental agencies and accounts | 20 000 | - | - | 20 000 | 20 000 | - | 100,0 | - | - |
| Departmental agencies (non- business entities) | 20 000 | - | - | 20 000 | 20 000 | - | 100,0 | - | - |
| Households | 1 688 471 | - | (403 504) | 1 284 967 | 1 284 967 | - | 100,0 | 1 360 701 | 1 360 701 |
| Other transfers to households | 1 688 471 | - | (403 504) | 1 284 967 | 1 284 967 | - | 100,0 | 1 360 701 | 1 360 701 |
| Total | 1 708 471 | - | (403 504) | 1 304 967 | 1 304 967 | - | 100,0 | 1 360 701 | 1 360 701 |

| Subprogramme: 3.4: Social Rental Intervention | | | | | | | | | |
|---|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------|-------------------|
| Economic classification | 2014/15 | | | | | | | 2013/14 | |
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Appropriation R'000 | Expenditure R'000 |
| Transfers and subsidies | 73 540 | | 323 866 | 397 406 | 337 403 | | 100,0 | 393 211 | 393 211 |
| Households | 73 540 | | 323 866 | 397 406 | 337 403 | | 100,0 | 393 211 | 393 211 |
| Other transfers to households | 73 540 | | 323 866 | 397 406 | 337 403 | | 100,0 | 393 211 | 393 211 |
| Total | 73 540 | | 323 866 | 397 406 | 397 400 | | 100,0 | 393 211 | 393 211 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**APPROPRIATION STATEMENT
for the year ended 31 March 2015**

| Programme 4: Housing Asset Management, Property Management | | | | | | | | | |
|--|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| Sub programme | 2014/15 | | | | | | | 2013/14 | |
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| 1. Administration | 20 037 | - | 167 | 20 204 | 20 204 | - | 100,0 | 18 888 | 18 888 |
| 2. Housing Properties Maintenance | 20 272 | - | 1 152 | 21 424 | 21 424 | - | 100,0 | 36 972 | 36 972 |
| Total | 40 309 | - | 1 319 | 41 628 | 41 628 | - | 100,0 | 55 860 | 55 860 |

| Economic classification | 2014/15 | | | | | | | 2013/14 | |
|--|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| Current payments | 27 830 | (24) | 97 | 27 903 | 27 903 | - | 100,0 | 27 895 | 27 895 |
| Compensation of employees | 16 700 | (1 650) | - | 15 050 | 15 050 | - | 100,0 | 16 330 | 16 330 |
| Salaries and wages | 14 587 | (1 655) | - | 12 932 | 12 932 | - | 100,0 | 14 291 | 14 291 |
| Social contributions | 2 113 | 5 | - | 2 118 | 2 118 | - | 100,0 | 2 039 | 2 039 |
| Goods and services | 11 130 | 1 626 | 97 | 12 853 | 12 853 | - | 100,0 | 11 565 | 11 565 |
| Administrative fees | 1 | - | - | 1 | 1 | - | 100,0 | 1 | 1 |
| Advertising | 35 | 15 | - | 50 | 50 | - | 100,0 | 15 | 15 |
| Minor assets | - | - | - | - | - | - | - | 1 | 1 |
| Catering: Departmental activities | 8 | (4) | - | 4 | 4 | - | 100,0 | 9 | 9 |
| Communication (G&S) | 30 | 2 | - | 32 | 32 | - | 100,0 | 25 | 25 |
| Consultants: Business and advisory services | 153 | 7 | - | 160 | 160 | - | 100,0 | 132 | 132 |
| Infrastructure and planning services | 134 | (49) | - | 85 | 85 | - | 100,0 | 28 | 28 |
| Legal services | 1 516 | 124 | 166 | 1 806 | 1 806 | - | 100,0 | 441 | 441 |
| Agency and support / outsourced services | - | 1 551 | - | 1 551 | 1 551 | - | 100,0 | 2 481 | 2 481 |
| Entertainment | - | - | - | - | - | - | - | 1 | 1 |
| Consumable supplies | 41 | (2) | - | 39 | 39 | - | 100,0 | 46 | 46 |
| Consumable: Stationery, printing and office supplies | 49 | 4 | - | 53 | 53 | - | 100,0 | 74 | 74 |
| Operating leases | 93 | (14) | - | 79 | 79 | - | 100,0 | 96 | 96 |
| Property payments | 8 688 | 58 | (135) | 8 611 | 8 611 | - | 100,0 | 7 918 | 7 918 |
| Travel and subsistence | 147 | 85 | - | 232 | 232 | - | 100,0 | 203 | 203 |
| Training and development | 18 | (5) | - | 13 | 13 | - | 100,0 | 15 | 15 |
| Operating payments | 122 | (51) | 66 | 137 | 137 | - | 100,0 | 79 | 79 |
| Transfers and subsidies | 12 479 | 24 | 1 222 | 13 725 | 13 725 | - | 100,0 | 27 965 | 27 965 |
| Provinces and municipalities | 12 479 | - | 1 222 | 13 701 | 13 701 | - | 100,0 | 27 214 | 27 214 |
| Municipalities | 12 479 | - | 1 222 | 13 701 | 13 701 | - | 100,0 | 27 214 | 27 214 |
| Municipal bank accounts | 12 479 | - | 1 222 | 13 701 | 13 701 | - | 100,0 | 27 214 | 27 214 |
| Public corporations and private enterprises | - | - | - | - | - | - | - | 750 | 750 |
| Private enterprises | - | - | - | - | - | - | - | 750 | 750 |
| Other transfers to private enterprises | - | - | - | - | - | - | - | 750 | 750 |
| Households | - | 24 | - | 24 | 24 | - | 100,0 | 1 | 1 |
| Social benefits | - | 24 | - | 24 | 24 | - | 100,0 | 1 | 1 |
| Total | 40 309 | - | 1 319 | 41 628 | 41 628 | - | 100,0 | 55 860 | 55 860 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**APPROPRIATION STATEMENT
for the year ended 31 March 2015**

| Subprogramme: 4.1: Administration | | | | | | | | | |
|--|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| Economic classification | 2014/15 | | | | | | | 2013/14 | |
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| Current payments | 20 037 | (24) | 167 | 20 180 | 20 180 | - | 100,0 | 18 137 | 18 137 |
| Compensation of employees | 16 700 | (1 650) | - | 15 050 | 15 050 | - | 100,0 | 16 330 | 16 330 |
| Salaries and wages | 14 587 | (1 655) | - | 12 932 | 12 932 | - | 100,0 | 14 291 | 14 291 |
| Social contributions | 2 113 | 5 | - | 2 118 | 2 118 | - | 100,0 | 2 039 | 2 039 |
| Goods and services | 3 337 | 1 626 | 167 | 5 130 | 5 130 | - | 100,0 | 1 807 | 1 807 |
| Administrative fees | 1 | - | - | 1 | 1 | - | 100,0 | 1 | 1 |
| Advertising | 35 | 15 | - | 50 | 50 | - | 100,0 | 15 | 15 |
| Minor assets | - | - | - | - | - | - | - | 1 | 1 |
| Catering: Departmental activities | 8 | (4) | - | 4 | 4 | - | 100,0 | 9 | 9 |
| Communication (G&S) | 30 | 2 | - | 32 | 32 | - | 100,0 | 25 | 25 |
| Consultants: Business and advisory | 153 | 7 | - | 160 | 160 | - | 100,0 | 132 | 132 |
| Infrastructure and planning services | 134 | (49) | - | 85 | 85 | - | 100,0 | 28 | 28 |
| Legal services | 1 515 | 124 | 167 | 1 806 | 1 806 | - | 100,0 | 441 | 441 |
| Agency and support / outsourced | - | 1 551 | - | 1 551 | 1 551 | - | 100,0 | - | - |
| Entertainment | - | - | - | - | - | - | - | 1 | 1 |
| Consumable supplies | 41 | (2) | - | 39 | 39 | - | 100,0 | 29 | 29 |
| Consumable: Stationery, printing and office supplies | 49 | 4 | - | 53 | 53 | - | 100,0 | 74 | 74 |
| Operating leases | 93 | (14) | - | 79 | 79 | - | 100,0 | 96 | 96 |
| Property payments | 896 | 58 | - | 954 | 954 | - | 100,0 | 658 | 658 |
| Travel and subsistence | 147 | 85 | - | 232 | 232 | - | 100,0 | 203 | 203 |
| Training and development | 18 | (5) | - | 13 | 13 | - | 100,0 | 15 | 15 |
| Operating payments | 122 | (51) | - | 71 | 71 | - | 100,0 | 79 | 79 |
| Transfers and subsidies | - | 24 | - | 24 | 24 | - | 100,0 | 751 | 751 |
| Public corporations and private enterprises | - | - | - | - | - | - | - | 750 | 750 |
| Private enterprises | - | - | - | - | - | - | - | 750 | 750 |
| Other transfers to private enterprises | - | - | - | - | - | - | - | 750 | 750 |
| Households | - | 24 | - | 24 | 24 | - | 100,0 | 1 | 1 |
| Social benefits | - | 24 | - | 24 | 24 | - | 100,0 | 1 | 1 |
| Total | 20 037 | - | 167 | 20 204 | 20 204 | - | 100,0 | 18 888 | 18 888 |

| Subprogramme: 4.2: Housing Properties Maintenance | | | | | | | | | |
|---|------------------------------|-------------------------|----------------|---------------------------|--------------------------|----------------|---|---------------------------|--------------------------|
| Economic classification | 2014/15 | | | | | | | 2013/14 | |
| | Adjusted Appropriation R'000 | Shifting of Funds R'000 | Virement R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Expenditure as % of final appropriation % | Final Appropriation R'000 | Actual Expenditure R'000 |
| Current payments | 7 793 | - | (70) | 7 723 | 7 723 | - | 100,0 | 9 758 | 9 758 |
| Goods and services | 7 793 | - | (70) | 7 723 | 7 723 | - | 100,0 | 9 758 | 9 758 |
| Agency and support / outsourced | - | - | - | - | - | - | - | 2 481 | 2 481 |
| Consumable supplies | - | - | - | - | - | - | - | 17 | 17 |
| Property payments | 7 792 | - | (135) | 7 657 | 7 657 | - | 100,0 | 7 260 | 7 260 |
| Operating payments | - | - | 66 | 66 | 66 | - | 100,0 | - | - |
| Transfers and subsidies | 12 479 | - | 1 222 | 13 701 | 13 701 | - | 100,0 | 27 214 | 27 214 |
| Provinces and municipalities | 12 479 | - | 1 222 | 13 701 | 13 701 | - | 100,0 | 27 214 | 27 214 |
| Municipalities | 12 479 | - | 1 222 | 13 701 | 13 701 | - | 100,0 | 27 214 | 27 214 |
| Municipal bank accounts | 12 479 | - | 1 222 | 13 701 | 13 701 | - | 100,0 | 27 214 | 27 214 |
| Total | 20 272 | - | 1 152 | 21 424 | 21 424 | - | 100,0 | 36 972 | 36 972 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2015**

1. **Detail of transfers and subsidies as per Appropriation Act (after Virement):**
Detail of these transactions can be viewed in the notes on Transfers and subsidies, note 7 and 34, and Annexure 1 (A-D) to the Annual Financial Statements.
2. **Detail of specifically and exclusively appropriated amounts voted (after Virement):**
Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.
3. **Detail on payments for financial assets**
Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

4. **Explanations of material variances from Amounts Voted (after virement):**

4.1 **Per programme**

| Per programme: | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Variance as a % of Final Approp. % |
|---|---------------------------------|--------------------------------|-------------------|--|
| Programme 2: Housing Needs, Research and Planning | 17 070 | 17 067 | 3 | 0,02 |
| Variance due to saving on travel and subsistence due to cost containment measures | | | | |

4.2 **Per economic classification**

| Per economic classification: | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Variance as a % of Final Appropriation % |
|--|---------------------------------|--------------------------------|-------------------|---|
| Current expenditure Goods and services | 80 231 | 80 228 | 3 | - |
| Variance due to saving on travel and subsistence due to cost containment measures. | | | | |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2015**

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|---|----------|------------------|------------------|
| REVENUE | | | |
| Annual appropriation | 1 | 2 151 330 | 2 215 997 |
| Departmental revenue | 2 | 19 149 | 14 901 |
| Aid assistance | 3 | 10 499 | 10 934 |
| TOTAL REVENUE | | 2 180 978 | 2 241 832 |
| EXPENDITURE | | | |
| Current expenditure | | | |
| Compensation of employees | 4 | 170 543 | 150 320 |
| Goods and services | 5 | 80 053 | 89 059 |
| Total current expenditure | | 250 596 | 239 379 |
| Transfers and subsidies | | | |
| Transfers and subsidies | 7 | 1 895 583 | 1 971 271 |
| Aid assistance | 3 | 2 354 | 435 |
| Total transfers and subsidies | | 1 897 937 | 1 971 706 |
| Expenditure for capital assets | | | |
| Tangible assets | 8 | 4 534 | 4 205 |
| Intangible assets | 8 | 29 | 10 |
| Total expenditure for capital assets | | 4 563 | 4 215 |
| Payments for financial assets | 6 | 585 | 601 |
| TOTAL EXPENDITURE | | 2 153 681 | 2 215 901 |
| SURPLUS FOR THE YEAR | | 27 297 | 25 931 |
| Reconciliation of Net Surplus for the year | | | |
| Voted Funds | | 3 | 531 |
| Annual appropriation | | 3 | 531 |
| Departmental revenue and PRF Receipts | 13 | 19 149 | 14 901 |
| Aid assistance | 3 | 8 145 | 10 499 |
| SURPLUS FOR THE YEAR | | 27 297 | 25 931 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2015**

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|---|------|------------------|------------------|
| ASSETS | | | |
| Current Assets | | 84 487 | 64 450 |
| Cash and cash equivalents | 9 | 83 927 | 59 213 |
| Prepayments and advances | 10 | 35 | 149 |
| Receivables | 11 | 525 | 5 088 |
| Non-Current Assets | | 46 487 | 47 647 |
| Receivables | 11 | 46 487 | 47 647 |
| TOTAL ASSETS | | 130 974 | 112 097 |
| LIABILITIES | | | |
| Current Liabilities | | 87 669 | 68 139 |
| Voted funds to be surrendered to the Revenue Fund | 12 | 3 | (16 721) |
| Departmental revenue and PRF Receipts to be surrendered to the Revenue Fund | 13 | 5 176 | 2 280 |
| Bank overdraft | 14 | - | 45 458 |
| Payables | 15 | 82 490 | 37 122 |
| Non-Current Liabilities | | | |
| TOTAL LIABILITIES | | 87 669 | 68 139 |
| NET ASSETS | | 43 305 | 43 958 |
| Represented by: | | | |
| Recoverable revenue | | 43 305 | 43 958 |
| | | - | - |
| TOTAL | | 43 305 | 43 958 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2015**

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|---|------|------------------|------------------|
| NET ASSETS | | | |
| Recoverable revenue | | | |
| Opening balance | | 43 958 | 8 442 |
| Transfers | | (653) | 35 516 |
| Irrecoverable amounts written off | 6.2 | - | (343) |
| Debts revised | | (106) | (278) |
| Debts recovered (included in departmental receipts) | | (8 310) | (200) |
| Debts raised | | 7 763 | 36 337 |
| Closing balance | | 43 305 | 43 958 |
| TOTAL | | 43 305 | 43 958 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**CASH FLOW STATEMENT
for the year ended 31 March 2015**

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|--|-----------|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | 2 240 978 | 2 299 580 |
| Annual appropriated funds received | 1,1 | 2 151 330 | 2 198 745 |
| Departmental revenue received | 2 | 78 995 | 87 268 |
| Interest received | 2.2 | 154 | 2 633 |
| Aid assistance received | | 10 499 | 10 934 |
| Net (increase)/ decrease in working capital | | 51 205 | 9 466 |
| Surrendered to Revenue Fund | | (59 532) | (124 053) |
| Surrendered to RDP Fund/Donor | | (8 145) | (10 499) |
| Current payments | | (250 596) | (239 379) |
| Payments for financial assets | | (585) | (601) |
| Transfers and subsidies paid | | (1 897 937) | (1 971 706) |
| Net cash flow available from operating activities | 16 | 75 388 | (37 192) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for capital assets | 8 | (4 563) | (4 215) |
| Net cash flows from investing activities | | (4 563) | (4 215) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Increase/ (decrease) in net assets | | (653) | 35 516 |
| Net cash flows from financing activities | | (653) | 35 516 |
| Net increase/ (decrease) in cash and cash equivalents | | 70 172 | (5 891) |
| Cash and cash equivalents at beginning of period | | 13 755 | 19 646 |
| Cash and cash equivalents at end of period | 17 | 83 927 | 13 755 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| 1. Appropriation | 2014/15 | | | 2013/14 |
|---|---------------------------------|-----------------------------------|--|------------------------------------|
| 1.1 Annual Appropriation | Final Appropriation R'000 | Actual Funds Received R'000 | Funds not requested/ not received R'000 | Appropriation Received R'000 |
| Programmes | | | | |
| Administration | 84 446 | 84 446 | - | 79 402 |
| Housing Needs, Research and Planning | 17 070 | 17 070 | - | 14 688 |
| Housing Development | 2 008 186 | 2 008 186 | - | 2 049 225 |
| Housing Asset Management, Property Management | 41 628 | 41 628 | - | 55 430 |
| Total | 2 151 330 | 2 151 330 | - | 2 198 745 |
| | | Note | 2014/15 R'000 | 2013/14 R'000 |
| 1.2 Conditional Grants | | | | |
| Total grants received | | 33 | 1 938 778 | 1 962 237 |
| | | Note | 2014/15 R'000 | 2013/14 R'000 |
| 2 Departmental Revenue | | | | |
| Sales of goods and services other than capital assets | | 2,1 | 124 | 116 |
| Interest, dividends and rent on land | | 2,2 | 154 | 2 643 |
| Transactions in financial assets and liabilities | | 2,3 | 78 871 | 87 142 |
| Total revenue collected | | | 79 149 | 89 901 |
| Less: Own revenue included in appropriation | | 13 | 60 000 | 75 000 |
| Departmental revenue collected | | | 19 149 | 14 901 |

Included in transactions in financial assets and liabilities is R30.019 million received from the City of Cape Town in respect of unutilised accreditation assistance funds, as well as R6.545 million from housing developers in respect of VAT erroneously charged on RDP projects and R4.661 million for the sale of properties in Our Pride.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|--|----------|------------------|------------------|
| 2.1 Sales of goods and services other than capital assets | 2 | | |
| Sales of goods and services produced by the Department | | 100 | 84 |
| Administrative fees | | 1 | 1 |
| Other sales | | 99 | 83 |
| Sales of scrap, waste and other used current goods | | 24 | 32 |
| Total | | 124 | 116 |
| 2.2 Interest, dividends and rent on land | 2 | | |
| Interest | | 154 | 2 633 |
| Rent on land | | - | 10 |
| Total | | 154 | 2 643 |
| 2.3 Transactions in financial assets and liabilities | 2 | | |
| Loans and advances | | 33 649 | 24 856 |
| Other Receipts including Recoverable Revenue | | 45 222 | 62 286 |
| Total | | 78 871 | 87 142 |

Included in Transactions in financial assets and liabilities are the following receipts in respect of the former Western Cape Housing Development Board:

R3 785 000 for rental of housing properties and R13 138 000 realised through the EEDBS (Note 2.3: Loans and advances)

An amount of R46 000 disclosed as administrative fees under sales of goods and services other than capital assets in 2013/14 has been restated as other sales, in accordance with the Standard Chart of Accounts (SCOA) (See Note 2.1).

| | | | |
|---|--|----------|----------|
| 3. Aid Assistance | | | |
| Transferred from statement of financial performance | | 8 145 | 10 499 |
| Paid during the year | | (8 145) | (10 499) |
| Closing Balance | | - | - |

R10 499 000 was received from the Danish Government via the RDP fund for the provision of solar water heaters for the N2 Gateway projects. Unspent funds of R8 145 000 was surrendered to the RDP fund.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|--|------|------------------|------------------|
| 4. Compensation of employees | | | |
| 4.1 Salaries and wages | | | |
| Basic salary | | 117 334 | 102 034 |
| Performance award | | 2 680 | 2 247 |
| Service Based | | 6 972 | 6 296 |
| Compensative/circumstantial | | 4 257 | 4 615 |
| Periodic payments | | 2 515 | 2 661 |
| Other non-pensionable allowances | | 18 709 | 15 707 |
| Total | | 152 467 | 133 560 |
| 4.2 Social Contributions | | | |
| Employer contributions | | | |
| Pension | | 12 187 | 10 937 |
| Medical | | 5 858 | 5 794 |
| Bargaining council | | 31 | 29 |
| Total | | 18 076 | 16 760 |
| Total compensation of employees | | 170 543 | 150 320 |
| Average number of employees | | 472 | 454 |

The increase in Compensation of employees is due to normal salary increases and an increase in the number of employees. The average remuneration per employee increased by 8.6% to R362 000 (2013/14: 4.1% to R331 000). The higher increase is due to the appointment of certain professionals, as well as the fact that the Accounting Officer's post was vacant for six months in 2013/14.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|---|------|------------------|------------------|
| 5. Goods and services | | | |
| Administrative fees | | 189 | 245 |
| Advertising | | 1 657 | 1 035 |
| Minor assets | 5.1 | 320 | 291 |
| Bursaries (employees) | | 597 | 226 |
| Catering | | 248 | 599 |
| Communication | | 2 252 | 3 448 |
| Computer services | 5.2 | 1 047 | 1 326 |
| Consultants: Business and advisory services | | 35 806 | 43 141 |
| Infrastructure and planning services | | 217 | 28 |
| Legal services | | 2 753 | 3 355 |
| Contractors | | 231 | 205 |
| Agency and support / outsourced services | | 2 361 | 3 456 |
| Entertainment | | 11 | 43 |
| Audit cost – external | 5.3 | 8 532 | 10 491 |
| Fleet services | | 2 665 | 3 159 |
| Consumables | 5.5 | 2 117 | 2 111 |
| Operating leases | | 1 317 | 1 524 |
| Property payments | 5.6 | 10 554 | 8 457 |
| Rental and hiring | | 14 | 47 |
| Travel and subsistence | 5.7 | 5 151 | 4 908 |
| Venues and facilities | | 241 | 165 |
| Training and development | | 1 130 | 419 |
| Other operating expenditure | 5.8 | 643 | 380 |
| Total | | 80 053 | 89 059 |

The 2013/14 figure for inventory of R2 103 000 has been restated as consumables in terms of SCOA version 4 effective from 1 April 2014.

A total amount of R3 159 000 in respect of GG transport included in the figure for travel and subsistence in 2013/14 has been restated as fleet services in terms of SCOA version 4.

An amount of R67 000 included in the figure for agency and support/outsourced services in 2013/14 has been restated and included under contractors in the comparative figures for 2013/14, as well as R109 000 previously included in the figure for advertising, was reclassified as transfers to households in accordance with the SCOA.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|-------------------------------------|----------|------------------|------------------|
| 5.1 Minor assets | 5 | | |
| Tangible assets | | 320 | 291 |
| Machinery and equipment | | 320 | 291 |
| Total | | 320 | 291 |
| 5.2 Computer services | 5 | | |
| SITA computer services | | 772 | 287 |
| External computer service providers | | 275 | 1 039 |
| Total | | 1 047 | 1 326 |
| 5.3 Audit cost – external | 5 | | |
| Regularity audits | | 7 222 | 8 522 |
| Investigations | | 1 310 | 1 969 |
| Total | | 8 532 | 10 491 |

The expenditure in respect of investigations is for work performed by the FIU in terms of their agreement with the Department.

5.4 Inventory

Due to SCOA version 4 which was implemented effective from 1 April 2014, resulting in a change in accounting policy, the total amount of R2 103 000 classified as inventory in 2013/14, have been restated as other consumables and stationery and printing under the note for consumables. Detail of this is as follows:

Foods and food supplies: R68 000
 Fuel, oil and gas: R17 000
 Other consumables R68 000
 Material and supplies: R43 000
 Stationery and printing: R1 907 000

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|--|----------|------------------|------------------|
| 5.5 Consumables | 5 | | |
| Consumable supplies | | 236 | 204 |
| Uniform and clothing | | 10 | - |
| Household supplies | | 99 | - |
| Communication accessories | | 1 | - |
| IT consumables | | 45 | - |
| Other consumables | | 81 | 204 |
| Stationery, printing and office supplies | | 1 881 | 1 907 |
| Total | | 2 117 | 2 111 |

The following items, classified as inventory in 2013/14, have been restated as other consumables and stationery and printing under the note for consumables:

Foods and food supplies: R68 000; Fuel, oil and gas: R17 000; Other consumables: R68 000; Materials and supplies: R43 000 and Stationery and printing: R1 907 000.

Furthermore, an amount of R8 000 classified as transfers to households (donations) in 2013/14 has been reclassified as consumables.

The above-mentioned reclassifications were done in terms of the SCOA version 4 which was implemented with effect from 1 April 2014.

| | | | |
|----------------------------------|----------|---------------|--------------|
| 5.6 Property payments | 5 | | |
| Municipal services | | 3 405 | 3 779 |
| Property management fees | | 208 | 25 |
| Property maintenance and repairs | | 5 505 | 3 672 |
| Other | | 1 436 | 981 |
| Total | | 10 554 | 8 457 |

The amount of R1 436 000 for "Other" is for Deed searches.

| | | | |
|-----------------------------------|----------|--------------|--------------|
| 5.7 Travel and subsistence | 5 | | |
| Local | | 5 040 | 4 289 |
| Foreign | | 111 | 619 |
| Total | | 5 151 | 4 908 |

An amount of R3 159 000 previously included in the amount for travel and subsistence (Local) in 2013/14 has been restated as fleet services

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|---|----------|------------------|------------------|
| 5.8 Other operating expenditure | 5 | | |
| Professional bodies, membership and subscription fees | | 64 | 53 |
| Resettlement costs | | 46 | 169 |
| Other | | 533 | 158 |
| Total | | 643 | 380 |

The amount of R533 000 for other is for freight services & the transport of goods (R179 000), non-life insurance premiums (R162 000) and printing and publication services (R192 000).

| | | | |
|---|-----|------------|------------|
| 6. Payments for financial assets | | | |
| Other material losses written off | 6.1 | 585 | 601 |
| Total | | 585 | 601 |

| | | | |
|---|----------|------------|------------|
| 6.1 Other material losses written off | 6 | | |
| Nature of losses | | | |
| Vehicle and vehicle accessories damage | | 60 | 114 |
| Overpayment of suppliers | | - | 44 |
| Ex-employees: Salary overpayment & T&S (Uneconomical to recover) | | 1 | 31 |
| Employees: PILAR (2 cases) | | - | 242 |
| Ex-employees: State guarantee, bursary, income tax | | - | 27 |
| Ex-employees: Private telephone debt | | - | 3 |
| Duplicate payment | | - | 18 |
| Loss of office equipment (Laptops, 3G cards, cellphone, camera, etc.) | | 102 | 23 |
| Employees: Private telephone debt | | - | 14 |
| Previous year's irregular expenditure | | 422 | 85 |
| Total | | 585 | 601 |

The amount of R422 000 written-off in respect of irregular expenditure relates to irregular expenditure not condoned in previous years.

| | | | |
|--|--|----------|------------|
| 6.2 Debts written off | | | |
| Recoverable revenue written off | | | |
| Bursary debt | | - | 29 |
| Lost cameras | | - | 34 |
| Salary related debt | | - | 267 |
| Private telephone calls | | - | 13 |
| Total | | - | 343 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|--|-------------|------------------|------------------|
| 7. Transfers and Subsidies | | | |
| Provinces and municipalities | 33 | 41 374 | 102 135 |
| Departmental agencies and accounts | ANNEXURE 1A | 21 342 | 4 |
| Higher education institutions | ANNEXURE 1B | - | 1 000 |
| Public corporations and private enterprises | ANNEXURE 1C | - | 950 |
| Households | ANNEXURE 1D | 1 832 867 | 1 867 182 |
| Total | | 1 895 583 | 1 971 271 |
| Unspent funds transferred to the above beneficiaries | | 704 186 | 362 240 |

The unspent funds relates to the Human Settlement Development Grant transferred to municipalities. These transfers are classified as transfers to households in accordance with the Standard Chart of Accounts (SCoA). The amount transferred to municipalities, but not yet spent amounts to R704.186 million. The following 2013/14 figures have been reclassified in accordance with the SCoA: Gifts, donations and sponsorships made R260 000 reclassified as follows : R200 000 reclassified as transfers to public corporations and private enterprises ; R60 000 reclassified as transfers to households (R50 000) and goods and services (R10 000). Furthermore, R109 000 previously classified as advertising was reclassified as transfers to households . Thus, a nett amount of R99 000, classified as goods and services in 2013/14, has been reclassified as transfers and subsidies .

| | | | |
|--|----|--------------|--------------|
| 8. Expenditure for capital assets | | | |
| Tangible assets | | 4 534 | 4 205 |
| Machinery and equipment | 29 | 4 534 | 4 205 |
| Intangible assets | | 29 | 10 |
| Software | 30 | 29 | 10 |
| Total | | 4 563 | 4 215 |

| | | | |
|---|--------------|----------------|--------------|
| 8.1 Analysis of funds utilised to acquire capital assets - 2014/15 | | | |
| | Voted Funds | Aid assistance | TOTAL |
| | R'000 | R'000 | R'000 |
| Tangible assets | 4 534 | - | 4 534 |
| Machinery and equipment | 4 534 | - | 4 534 |
| Intangible assets | 29 | - | 29 |
| Software | 29 | - | 29 |
| Total | 4 563 | - | 4 563 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

8.2 Analysis of funds utilised to acquire capital assets - 2013/14

| | Voted Funds R'000 | Aid assistance R'000 | TOTAL R'000 |
|--------------------------|----------------------|-------------------------|------------------|
| Tangible assets | 4 205 | - | 4 205 |
| Machinery and equipment | 4 205 | - | 4 205 |
| Intangible assets | 10 | - | 10 |
| Software | 10 | - | 10 |
| Total | 4 215 | - | 4 215 |
| | Note | 2014/15 R'000 | 2013/14 R'000 |

8.3 Finance lease expenditure included in Expenditure for capital assets

| | | |
|-------------------------|--------------|--------------|
| Tangible assets | | |
| Machinery and equipment | 3 533 | 3 444 |
| Total | 3 533 | 3 444 |

9. Cash and Cash Equivalents

| | | |
|--|---------------|---------------|
| Consolidated Paymaster General Account | 83 927 | - |
| Investments (Domestic) | - | 59 213 |
| Total | 83 927 | 59 213 |

All investments were deposited into the Department's current bank account at financial year end, in order to avoid a bank overdraft as at 31/3/2015, as well as a possible cash shortage in April 2016. (Provincial Treasury initiative/directive)

10. Prepayments and Advances

| | | |
|------------------------|-----------|------------|
| Travel and subsistence | 35 | 149 |
| Total | 35 | 149 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| 11. Receivables | Note | 2014/15 | | | Total R'000 | 2013/14 R'000 |
|-------------------------|--------------------|--------------------------------|--------------------------------|------------------------------------|----------------|------------------|
| | | Less than one year R'000 | One to three years R'000 | Older than three years R'000 | | |
| Claims recoverable | 11.1 Annexure 3 | 357 | 138 | 46 229 | 46 724 | 51 971 |
| Recoverable expenditure | 11.2 | 153 | 54 | 33 | 240 | 395 |
| Staff debt | 11.3 | 14 | 22 | 11 | 47 | 369 |
| Other debtors | 11.4 | 1 | - | - | 1 | - |
| Total | | 525 | 214 | 46 273 | 47 012 | 52 735 |

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|--|-----------|------------------|------------------|
| 11.1 Claims recoverable | 11 | | |
| National Departments | | - | 1 665 |
| Provincial Departments | | 228 | 124 |
| Public entities | | 2 | 17 |
| Private enterprises | | 46 235 | 46 126 |
| Households and non-profit institutions | | 259 | 164 |
| Local governments | | - | 3 875 |
| Total | | 46 724 | 51 971 |

The amount in respect of private enterprises mainly relates to the fraudulent use of PHP subsidies which were held in trust by Account Administrators (R6 920 000) and private developers of housing projects (R39 272 000).

| | | | |
|---|-----------|------------|------------|
| 11.2 Recoverable expenditure (disallowance accounts) | 11 | | |
| Disallowance account: Damages and losses | | 240 | 395 |
| Total | | 240 | 395 |

| | | | |
|-------------------------------------|-----------|-----------|------------|
| 11.3 Staff debt | 11 | | |
| Breach of contract: Study bursaries | | 11 | 16 |
| Salary related debt | | 32 | 31 |
| Private telephone | | 4 | 53 |
| Private 3G card costs | | - | 3 |
| Irregular expenditure not condoned | | - | 266 |
| Total | | 47 | 369 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|---|-----------|------------------|------------------|
| 11.4 Other debtors | 11 | | |
| Salary clearing accounts: SARS | | 1 | - |
| Total | | 1 | - |
| 11.5 Impairment of receivables | | | |
| Estimate of impairment of receivables | | 46 699 | 47 000 |
| Total | | 46 699 | 47 000 |
| For the methodology of determining the amount for impairment, please see note 27. | | | |
| 12. Voted Funds to be Surrendered to the Revenue Fund | | | |
| Opening balance | | (16 721) | 124 |
| As restated | | (16 721) | 124 |
| Transfer from statement of financial performance (as restated) | | 3 | 531 |
| Voted funds not requested/not received | 16 | - | (17 252) |
| Paid during the year | | 16 721 | (124) |
| Closing balance | | 3 | (16 721) |
| The negative closing balance in 2013/14 was due to the fact that the funds were not made available timeously | | | |
| 13. Departmental revenue and PRF Receipts to be surrendered to the Revenue Fund | | | |
| Opening balance | | 2 280 | 36 308 |
| Transfer from Statement of Financial Performance | | 19 149 | 14 901 |
| Own revenue included in appropriation | | 60 000 | 75 000 |
| Paid during the year | | (76 253) | (123 929) |
| Closing balance | | 5 176 | 2 280 |
| 14. Bank Overdraft | | | |
| Consolidated Paymaster General Account | | - | 45 458 |
| Total | | - | 45 458 |
| All investments were paid into the bank account at year end, resulting in a favorable bank balance as at 31/3/2015, as disclosed under the note for cash and cash equivalents | | | |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|--------------------------------------|-----------|------------------|------------------|
| 15. Payables - current | | | |
| Clearing accounts | 15.1 | 44 | 44 |
| Other payables | 15.2 | 82 446 | 37 078 |
| Total | | 82 490 | 37 122 |
| 15.1 Clearing accounts | 15 | | |
| Salary clearing accounts: SARS | | 44 | 44 |
| Total | | 44 | 44 |
| 15.2 Other payables | 15 | | |
| Department of Labour | | 1 | - |
| WC: Department of Public Works (GMT) | | 652 | - |
| WC: Department of the Premier | | 38 | - |
| WC: Department of Local Government | | 1 021 | 1 021 |
| City of Cape Town | | 80 660 | 36 056 |
| Office of the Auditor-General | | 73 | - |
| EC: Department of Human Settlements | | - | 1 |
| Total | | 82 446 | 37 078 |

The amount of R80.660 million was received from the City of Cape Town for bulk services still to be rendered.

| | | | |
|--|--|---------------|-----------------|
| 16. Net cash flow available from operating activities | | | |
| Net surplus /(deficit) as per Statement of Financial | | 27 297 | 25 931 |
| Add back non cash/cash movements not deemed operating activities | | 48 091 | (63 123) |
| (Increase)/decrease in receivables - current | | 5 723 | 25 435 |
| (Increase)/decrease in prepayments and advances | | 114 | (3) |
| Increase/(decrease) in payables - current | | 45 368 | (15 966) |
| Expenditure on capital assets | | 4 563 | 4 215 |
| Surrenders to Revenue Fund | | (59 532) | (124 053) |
| Surrenders to RDP Fund/Donor | | (8 145) | (10 499) |
| Voted funds not requested/not received | | - | (17 252) |
| Own revenue included in appropriation | | 60 000 | 75 000 |
| Net cash flow generated by operating activities | | 75 388 | (37 192) |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|---|---------|------------------|------------------|
| 17. Reconciliation of cash and cash equivalents for cash flow purposes | | | |
| Consolidated Paymaster General account | | 83 927 | (45 458) |
| Cash with commercial banks (Local) | | - | 59 213 |
| Total | | 83 927 | 13 755 |
| 18. Contingent liabilities and contingent assets | | | |
| 18.1 Contingent liabilities | | | |
| Liable to Nature | | | |
| Claims against the Department | Annex 2 | 2 113 | 16 113 |
| Other | Annex 2 | 87 158 | 87 158 |
| Total | | 89 271 | 103 271 |
| <p>All matters as disclosed are still in process. The matter Hawston Sea Farms Foundation v. the Premier and MEC of the Department (R87.158 million) is in settlement negotiations. In all cases the timing of outflow and the amounts of such outflows are uncertain.</p> | | | |
| 18.2 Contingent assets | | | |
| Nature of contingent asset | | | |
| PILIR cases | | 8 | - |
| Total | | 8 | - |
| <p>The Department of Public Service and Administration (DPSA) contracted Metropolitan Health (Pty) Ltd on 17 October 2014, as the preferred Health Risk Manager to evaluate and finalise the stockpiled PILIR cases. Metropolitan Health collected all the stockpiled PILIR cases on 15 January 2015 which consists of ill health, retirements and death cases, to be finalised by no later than 31 March 2016. The Department of the Premier (Corporate Services Centre) confirmed the DPSA agreement with Metropolitan Health (Pty) Ltd in an agreement signed by the Director-General on 8 December 2014. The Department forwarded 10 PILIR cases to Metropolitan Health and received 5 cases back from Metropolitan Health to date. The Corporate Services Centre continuously monitors these cases with Metropolitan Health.</p> | | | |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|---------------------------------|------|------------------|------------------|
| 19. Commitments | | | |
| Current expenditure | | | |
| Approved and contracted | | 58 015 | 104 604 |
| Approved but not yet contracted | | 2 | - |
| | | 58 017 | 104 604 |
| Capital Expenditure | | | |
| Approved and contracted | | 4 418 892 | 2 611 111 |
| Approved but not yet contracted | | 396 709 | 419 789 |
| | | 4 815 601 | 3 030 900 |
| Total Commitments | | 4 873 618 | 3 135 504 |

The majority of commitments for capital expenditure are in respect of infrastructure/housing projects, which are subject to the availability of funds. The allocations are gazetted as transfers to households. The approved, but not contracted amount of R396.709 million is in respect of infrastructure projects. Of the total commitments of R4.874 billion, approximately R3 billion is for longer than a year, which is for infrastructure/ housing projects.

20. Accruals and payables not recognised

| | | | 2014/15 R'000 | 2013/14 R'000 |
|--|----------------|-----------------|------------------|------------------|
| Listed by economic classification | 30 days | 30+ days | Total | Total |
| Goods and services | 3 171 | 392 | 3 563 | 7 220 |
| Transfers and subsidies | 47 462 | 779 | 48 241 | 64 782 |
| Capital assets | 40 | - | 40 | 12 |
| Total | 50 673 | 1 171 | 51 844 | 72 014 |

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|--|------|------------------|------------------|
| Listed by programme level | | | |
| Programme 1: Administration | | 212 | 707 |
| Programme 2: Housing needs, research and planning | | 32 | 11 |
| Programme 3: Housing development | | 49 781 | 66 250 |
| Programme 4: Housing asset management, Property management | | 1 819 | 5 046 |
| Total | | 51 844 | 72 014 |

Accruals are based on the invoice date. Invoices are paid within 30 days of receipt, but with housing subsidies, payment is effected within 30 days of certification of a claim by the Department's inspectors as per agreement with the municipalities. Therefore, in respect of subsidies, the 30 days commences after certification of a claim.

| | | | |
|-------------------------------------|---------------|-----------|-----------|
| Confirmed balances with Departments | ANNEXURE 4 | 91 | 31 |
| Total | | 91 | 31 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|-----------------------------------|------|------------------|------------------|
| 21. Employee benefits | | | |
| Leave entitlement | | 3 847 | 3 876 |
| Service bonus (Thirteenth cheque) | | 3 512 | 3 331 |
| Performance awards | | 2 558 | 2 274 |
| Capped leave commitments | | 5 418 | 5 120 |
| Total | | 15 335 | 14 601 |

Included in the amount for leave entitlement are leave credit balances amounting to R372 152. The amount for performance awards equals 1.5% of actual expenditure on Compensation of Employees in 2014/15.

22. Lease commitments
22.1 Operating leases expenditure

| | Specialised military assets R'000 | Land R'000 | Buildings and other fixed structures R'000 | Machinery and equipment R'000 | Total R'000 |
|--|--|---------------|--|--|----------------|
| 2014/15 | | | | | |
| Not later than 1 year | - | - | - | 696 | 696 |
| Later than 1 year and not later than 5 years | - | - | - | 606 | 606 |
| Total lease commitments | - | - | - | 1 302 | 1 302 |

| | Specialised military assets R'000 | Land R'000 | Buildings and other fixed structures R'000 | Machinery and equipment R'000 | Total R'000 |
|--|--|---------------|--|--|----------------|
| 2013/14 | | | | | |
| Not later than 1 year | - | - | - | 908 | 908 |
| Later than 1 year and not later than 5 years | - | - | - | 609 | 609 |
| Total lease commitments | - | - | - | 1 517 | 1 517 |

The operating leases are for photocopy machines.
No assets are sub-leased.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

22.2 Finance leases expenditure

| | Specialised military assets | Land | Buildings and other fixed structures | Machinery and equipment | Total |
|--|-----------------------------------|----------|---|-------------------------------|---------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| 2014/15 | | | | | |
| Not later than 1 year | - | - | - | 3 631 | 3 631 |
| Later than 1 year and not later than 5 years | - | - | - | 12 115 | 12 115 |
| Later than five years | - | - | - | 321 | 321 |
| Total lease commitments | - | - | - | 16 067 | 16 067 |
| 2013/14 | | | | | |
| Not later than 1 year | - | - | - | 3 486 | 3 486 |
| Later than 1 year and not later than 5 years | - | - | - | 12 831 | 12 831 |
| Later than five years | - | - | - | 1 736 | 1 736 |
| Total lease commitments | - | - | - | 18 053 | 18 053 |

The nett present value of the leased assets (datacard agreements) under finance leases is R196 500 (2013/14: R216 700). No assets are sub-leased.

Included above is finance lease commitments for GG vehicles amounting to R16.001 million. The Department leased 74 vehicles from GMT during 2014/15 (74 vehicles: 2013/14).

Note 22.3: Finance lease commitments: Permanently allocated GG vehicles, disclosed separately in 2013/14, has been incorporated into this note.

| | Note | 2014/15 | 2013/14 |
|--|------|---------------|---------------|
| | | R'000 | R'000 |
| 23. Accrued Departmental revenue | | | |
| Transactions in financial assets and liabilities | | 23 091 | 22 836 |
| Total | | 23 091 | 22 836 |

Included in the total amount of R23.091 million for Accrued departmental revenue are fraudulent subsidies previously allocated to non-qualifying beneficiaries which are being recovered by the Special Investigating Unit (SIU). To date a total amount of R8 856 680 (excluding interest) was claimed by the SIU, of which R6 313 767 was received by the Department. (In 2008/09 an amount of R459 825 was paid into the National Revenue Fund by the SIU.) The total amount still to be recovered from the non-qualifying beneficiaries by the SIU is R7 230 120, i.e. capital: R1 958 645 and accumulated interest: R5 271 475.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|--|-----------|------------------|------------------|
| 23.1 Analysis of accrued departmental revenue | | | |
| Opening balance | 23 | 22 836 | 22 348 |
| Less: Amounts received | | 5 213 | 4 697 |
| Add: Amounts recognised | | 6 374 | 6 443 |
| Less: Amounts written-off/reversed as irrecoverable | | 906 | 1 258 |
| Closing balance | | 23 091 | 22 836 |
| 23.2 Accrued Department revenue written off | 23 | | |
| Nature of losses | | | |
| Irrecoverable rental income written off | | 906 | 1 258 |
| Total | | 906 | 1 258 |
| 23.3 Impairment of accrued departmental revenue | 23 | | |
| Estimate of impairment of accrued departmental revenue | | 6 608 | 6 749 |
| Total | | 6 608 | 6 749 |

The impairment of accrued Departmental Revenue was assessed at balance sheet date. The test for impairment was done per individual debtor, as well as per the different classes of debtors. Further consideration was given to all outstanding accounts on which there were little or no movement for more than 120 days.

24. Irregular expenditure

24.1 Reconciliation of irregular expenditure

| | | |
|---|----------|----------|
| Opening balance | - | 43 |
| As restated | - | 43 |
| Less: Prior year amounts condoned | - | (43) |
| Irregular expenditure awaiting condonation | - | - |

25. Related party transactions

All transactions disclosed under payments made in 2013/14 have been restated as R0, due to the fact that the disclosure was not in accordance with the Modified Cash Standard, as the transactions did not fall under the Minister's portfolio. Included in the afore-mentioned reclassifications, the following amounts in respect of the Western Cape Housing Development Fund (WCHDF) have been restated due thereto that the WCHDF is accounted for in the books of the Department: Payments made: Goods and services R710 000, restated as R0; Year-end balances arising from revenue/payments: R35 596 000 restated as R0.

For further detail on related party transactions, please refer to the Accounting Officer's report.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

26. Key management personnel

| | No. of Individuals | 2014/15 R'000 | 2013/14 R'000 |
|---|-----------------------|------------------|------------------|
| Political office bearers (provide detail below) | 1 | 1 652 | 1 653 |
| Level 15 to 16 | 2 | 2 708 | 797 |
| Level 14 (incl CFO if at a lower level) | 3 | 3 404 | 3 236 |
| Total | | 7 764 | 5 686 |

Included in the aggregate remuneration for key management personnel is performance bonuses of R93 000. The increase in the amount for level 15 to 16 is due to the appointment of an advisor to the Minister at salary level 15. The figures for 2013/14 have been restated as follows due to Goods and Services included and performance bonuses double counted.

Political office bearers: R1.668 million restated as R1.653 million. Level 15 to 16: R763 000 restated as R797 000. Level 14: R3.429 million restated as R3.236 million.

| | Note | 2014/15 R'000 | 2013/14 R'000 |
|--|------|------------------|------------------|
| 27. Impairment: other | | | |
| Households: Out of service staff debtors | | 230 | 164 |
| Private enterprises | | 46 229 | 46 125 |
| Staff debtors | | - | 316 |
| Recoverable expenditure (Disallowance: damages and losses) | | 240 | 395 |
| Total | | 46 699 | 47 000 |

The above-mentioned impairment losses were assessed at balance sheet date and the test for impairment was done per individual debtor, as well as per the different classes of debtors. Further consideration was then given to all outstanding accounts on which there were little or no movement for more than 120 days. It was then concluded that all such debts were impaired.

Recoverable expenditure (Disallowance: damages and losses) consist of a number of individual cases of e.g. losses of equipment, damages to GG-vehicles, etc., which cases are still under investigation. Historically, these amounts are eventually written off, depending on the advice from the State Attorney, and thus the whole of the account is considered as impaired.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| | Note | 2014/15 R'000 | 2013/14 R'000 | | |
|--|-------------|------------------|------------------|-------------|------------------|
| 28. Provisions | | | | | |
| Provision for the payment of 2012/13 performance bonuses | | 162 | - | | |
| Total | | 162 | - | | |
| 28.1 Reconciliation of movement in provisions - 2014/15 | | | | | |
| | Provision 1 | Provision 2 | Provision 3 | Provision 4 | Total provisions |
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| Increase in provision | 162 | - | - | - | 162 |
| Closing balance | 162 | - | - | - | 162 |

The provision is for 2012/13 performance bonuses payable to certain employees in terms of a ruling by the Commissioner on 4 May 2015 in the matter Nehawu and the Department (Case no. GPBC 1379/2014). An arbitration award of R162 000 is thus payable, within two weeks of date of ruling.

29. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

| | Opening balance | Additions | Disposals | Closing balance |
|--|--------------------|--------------|---------------|--------------------|
| | R'000 | R'000 | R'000 | R'000 |
| MACHINERY AND EQUIPMENT | 36 391 | 2 740 | 18 323 | 20 808 |
| Transport assets | 10 070 | 1 698 | 1 312 | 10 456 |
| Computer equipment | 19 900 | 962 | 13 732 | 7 130 |
| Furniture and office equipment | 5 282 | 52 | 2 705 | 2 629 |
| Other machinery and equipment | 1 139 | 28 | 574 | 593 |
| TOTAL MOVABLE TANGIBLE CAPITAL ASSETS | 36 391 | 2 740 | 18 323 | 20 808 |

R4.558 million was previously incorrectly capitalized assets at the Disaster Management Centre. Although these assets will only be written-off in 2015/16, the above disclosure for movable assets has been adjusted accordingly.

Movable Tangible Capital Assets under investigation

| | Number | Value R'000 |
|---|--------|----------------|
| Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation: | | |
| Machinery and equipment | 10 | 165 |

The assets are under investigation in order to determine responsibility and the recovery of the losses. The cases were reported to the SAPS, as well as referred to the State Attorney.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

29.1 Additions

**ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR
THE YEAR ENDED 31 MARCH 2015**

| | Cash | Non-cash | (Capital work- in-progress current costs and finance lease payments) | Received current, not paid (Paid current year, prior year) | Total |
|---|--------------|--------------|---|--|--------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| MACHINERY AND EQUIPMENT | 4 534 | 1 699 | (3 533) | 40 | 2 740 |
| Transport assets | 3 533 | 1 698 | (3 533) | - | 1 698 |
| Computer equipment | 922 | - | - | 40 | 962 |
| Furniture and office equipment | 51 | 1 | - | - | 52 |
| Other machinery and equipment | 28 | - | - | - | 28 |
| TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS | 4 534 | 1 699 | (3 533) | 40 | 2 740 |

Disposals

**29.2 DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH
2015**

| | Sold for cash | Transfer out or destroyed or scrapped | Total disposals | Cash received Actual |
|--|------------------|---|--------------------|----------------------------|
| | R'000 | R'000 | R'000 | R'000 |
| MACHINERY AND EQUIPMENT | - | 18 323 | 18 323 | - |
| Transport assets | - | 1 312 | 1 312 | - |
| Computer equipment | - | 13 732 | 13 732 | - |
| Furniture and office equipment | - | 2 705 | 2 705 | - |
| Other machinery and equipment | - | 574 | 574 | - |
| TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS | - | 18 323 | 18 323 | - |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

29.3 Movement for 2013/14

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED
31 MARCH 2014**

| | Opening balance R'000 | Prior period error R'000 | Additions R'000 | Disposals R'000 | Closing balance R'000 |
|--|-----------------------------|--------------------------------|--------------------|--------------------|-----------------------------|
| HERITAGE ASSETS | 47 | (47) | - | - | - |
| Heritage assets | 47 | (47) | - | - | - |
| MACHINERY AND EQUIPMENT | 36 043 | 1 968 | 2 275 | 3 895 | 36 391 |
| Transport assets | 10 101 | (122) | 1 502 | 1 411 | 10 070 |
| Computer equipment | 21 623 | (713) | 696 | 1 706 | 19 900 |
| Furniture and office equipment | 2 820 | 3 045 | 49 | 632 | 5 282 |
| Other machinery and equipment | 1 499 | (242) | 28 | 146 | 1 139 |
| TOTAL MOVABLE TANGIBLE CAPITAL ASSETS | 36 090 | 1 921 | 2 275 | 3 895 | 36 391 |

| Prior period error | Note | 2013/14 R'000 |
|--|------|------------------|
| Nature of prior period error | | |
| Relating to 2011/12 | | 2 204 |
| Asset data correction | | 25 |
| Reclassification of assets to consumables | | (490) |
| Reversal of assets disposed in current year | | 2 669 |
| Relating to 2013/14 | | (283) |
| Non-cash: verification surplus | | 9 |
| Prior year disposals completed in current year | | (149) |
| Non-cash: Reversal of prior year additions & reclassifications | | (143) |
| Total | | 1 921 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

29.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

| | Specialised military assets R'000 | Intangible assets R'000 | Heritage assets R'000 | Machinery and equipment R'000 | Biological assets R'000 | Total R'000 |
|---------------------------|--|-------------------------------|-----------------------------|--|-------------------------------|----------------|
| Opening balance | - | 178 | - | 9 347 | - | 9 525 |
| Additions | - | 4 | - | 332 | - | 336 |
| Disposals | - | - | - | 4 749 | - | 4 749 |
| TOTAL MINOR ASSETS | - | 182 | - | 4 930 | - | 5 112 |

| | Specialised military assets | Intangible assets | Heritage assets | Machinery and equipment | Biological assets | Total |
|-------------------------------------|-----------------------------------|----------------------|--------------------|-------------------------------|----------------------|--------------|
| Number of R1 minor assets | - | - | - | 1 | - | 1 |
| Number of minor assets at cost | - | 60 | - | 3 189 | - | 3 249 |
| TOTAL NUMBER OF MINOR ASSETS | - | 60 | - | 3 190 | - | 3 250 |

The opening balance was adjusted down with R770 000 due to prior year errors.

Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

| | Specialised military assets R'000 | Intangible assets R'000 | Heritage assets R'000 | Machinery and equipment R'000 | Biological assets R'000 | Total R'000 |
|---------------------------|--|-------------------------------|-----------------------------|--|-------------------------------|----------------|
| Opening balance | - | 347 | 75 | 10 234 | - | 10 656 |
| Prior period error | - | (174) | 11 | (77) | - | (240) |
| Additions | - | 5 | - | 291 | - | 296 |
| Disposals | - | - | 86 | 1 101 | - | 1 187 |
| TOTAL MINOR ASSETS | - | 178 | - | 9 347 | - | 9 525 |

| | Specialised military assets | Intangible assets | Heritage assets | Machinery and equipment | Biological assets | Total |
|-------------------------------------|-----------------------------------|----------------------|--------------------|-------------------------------|----------------------|--------------|
| Number of R1 minor assets | - | - | - | 6 | - | 6 |
| Number of minor assets at cost | - | 112 | - | 7 565 | - | 7 677 |
| TOTAL NUMBER OF MINOR ASSETS | - | 112 | - | 7 571 | - | 7 683 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| Prior period error | Note | 2013/14 R'000 |
|--|------|------------------|
| Nature of prior period error | | |
| Relating to 2012/13 | | (759) |
| Asset data corrections and asset verification surplusses | | 80 |
| Asset verification surplusses & disposals completed | | 6 |
| Reclassification of assets | | (845) |
| Relating to 2013/14 | | 519 |
| Reclassification of assets | | (11) |
| Incorrect disposals captured | | 530 |
| Total | | (240) |

The amount of R845 000 relating to 2012/13 were in respect of assets reclassified as consumables and inventory. The closing balance was adjusted down with R770 000 due to prior year errors.

29.5 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2015

| | Specialised military assets R'000 | Intangible assets R'000 | Heritage assets R'000 | Machinery and equipment R'000 | Biological assets R'000 | Total R'000 |
|---|--|-------------------------------|-----------------------------|--|-------------------------------|----------------|
| Assets written off | - | 95 | - | 17 492 | - | 17 587 |
| TOTAL MOVABLE ASSETS WRITTEN OFF | - | 95 | - | 17 492 | - | 17 587 |

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2014

| | Specialised military assets R'000 | Intangible assets R'000 | Heritage assets R'000 | Machinery and equipment R'000 | Biological assets R'000 | Total R'000 |
|---|--|-------------------------------|-----------------------------|--|-------------------------------|----------------|
| Assets written off | - | - | - | 234 | - | 234 |
| TOTAL MOVABLE ASSETS WRITTEN OFF | - | - | - | 234 | - | 234 |

30. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

| | Opening balance R'000 | Additions R'000 | Disposals R'000 | Closing balance R'000 |
|--|-----------------------------|--------------------|--------------------|-----------------------------|
| SOFTWARE | 688 | 29 | 143 | 574 |
| TOTAL INTANGIBLE CAPITAL ASSETS | 688 | 29 | 143 | 574 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

30.1 ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

| | Cash | Non-cash | (Development work-in- progress current costs | Received current, not paid (Paid current year, received prior year) | Total |
|---|-----------|----------|---|--|-----------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| SOFTWARE | 29 | - | - | - | 29 |
| TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS | 29 | - | - | - | 29 |

Disposals

30.2 DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

| | Sold for cash | Transfer out or destroyed or scrapped | Total disposals | Cash received Actual |
|--|---------------|---|-----------------|-------------------------|
| | R'000 | R'000 | R'000 | R'000 |
| SOFTWARE | - | 143 | 143 | - |
| TOTAL DISPOSAL OF INTANGIBLE CAPITAL ASSETS | - | 143 | 143 | - |

Movement for 2013/14

30.3 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

| | Opening balance | Prior period error | Additions | Disposals | Closing balance |
|--|--------------------|-----------------------|-----------|-----------|--------------------|
| | | R'000 | R'000 | R'000 | R'000 |
| SOFTWARE | 696 | 27 | 10 | 45 | 688 |
| TOTAL INTANGIBLE CAPITAL ASSETS | 696 | 27 | 10 | 45 | 688 |

Prior period error

Note

**2013/14
R'000**

Nature of prior period error

Relating to 2012/13

27

Reclassification: Asset to
consumable

(15)

Reversal of disposal

42

Total

27

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| | 2014/15 | 2013/14 |
|--|------------------|------------------|
| | R'000 | R'000 |
| 31. Agent-principal arrangements | | |
| 31.1 Department acting as the principal | | |
| Western Cape municipalities | | |
| City of Cape Town | 700 823 | 623 269 |
| Breede Valley | 42 995 | 64 296 |
| Drakenstein | 18 979 | 67 968 |
| Langeberg | 14 815 | 14 356 |
| Stellenbosch | 12 032 | 43 625 |
| Witzenberg | 39 835 | 38 919 |
| Beaufort West | 16 450 | 21 196 |
| Laingsburg | 8 323 | 3 011 |
| Prince Albert | 27 571 | 17 428 |
| Bitou | 66 462 | 76 190 |
| George | 41 478 | 68 375 |
| Hessequa | 11 300 | 8 354 |
| Kannaland | 2 523 | 11 065 |
| Knysna | 40 555 | 56 262 |
| Mossel Bay | 51 031 | 59 966 |
| Oudtshoorn | 32 267 | 27 295 |
| Cape Agulhas | 24 436 | 21 924 |
| Overstrand | 29 373 | 25 700 |
| Swellendam | 36 730 | 46 814 |
| Theewaterskloof | 79 135 | 48 677 |
| Bergrivier | 6 521 | 7 340 |
| Cederberg | 14 014 | 10 113 |
| Matzikama | 4 400 | 20 504 |
| Saldanha Bay | 28 300 | 50 398 |
| Swartland | 15 465 | 36 851 |
| Total municipalities | 1 365 813 | 1 469 896 |
| SA Post Office | 63 | 69 |
| Total | 1 365 876 | 1 469 965 |

See Accounting Officers report for detail under the heading Agent-Principal arrangement.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

| | 2013/14 R'000 |
|---|------------------|
| 32. Prior period errors | |
| 32.1 Correction of prior period errors | |
| Expenditure: | |
| Goods and services (Incorrect classification in terms of SCOA) | (99) |
| Transfers and subsidies (Incorrect classification in terms of SCOA) | 99 |
| Net effect | <u><u>-</u></u> |
| For a description of the nature of the prior period errors, as well as why the corrections were required, please refer to Note 7 and Annexures 1D and 1F. | |
| Assets: | |
| Current assets: Receivables (Incorrect classification in AFS) | (47 647) |
| Non-current assets: Receivables (Incorrect classification in AFS) | 47 647 |
| Net effect | <u><u>-</u></u> |
| Please see the Statement of Financial Position (Receivables) for the adjustment. | |
| Liabilities: (e.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.) | |
| Payables: Western Cape Housing Development Fund (WCHDF) | (35 596) |
| Net assets (Increase in net assets) | 35 596 |
| Net effect | <u><u>-</u></u> |
| The amount of R35.596 million was previously recognized as a payable to the WCHDF, but it does not meet the definition of a payable as no obligation existed due to the fact that the WCHDF is accounted for in the books of the Department. See note 15.2. | |
| For prior period errors in respect of secondary information, please refer to notes 25, 26, 29.3 and 29.4. | |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

33. Statement of Conditional Grants received

| NAME OF GRANT | GRANT ALLOCATION | | | | | SPENT | | | | 2013 /14 | |
|---------------------------------------|--|----------------------|----------------------------|-----------------------------|---------------------------|---|--------------------------------------|-----------------------------------|---|-----------------------------------|--------------------------------------|
| | Division of Revenue Act/ Provincial Grants R' 000 | Roll Overs R' 000 | DORA Adjustments R' 000 | Other Adjustments R' 000 | Total Available R' 000 | Amount received by Department R' 000 | Amount spent by Department R' 000 | Under / (over-spending) R' 000 | % of available funds spent by dept % | Division of Revenue Act R' 000 | Amount spent by Department R' 000 |
| Human Settlement Development Grant | 1 914 936 | - | 20 000 | - | 1 934 936 | 1 934 936 | 1 934 936 | - | 100.0 | 1 959 237 | 1 959 237 |
| Expanded Public Works Incentive Grant | 3 842 | - | - | - | 3 842 | 3 842 | 3 842 | - | 100.0 | 3 000 | 3 000 |
| | 1 918 778 | - | 20 000 | - | 1 938 778 | 1 938 778 | 1 938 778 | - | 100.00 | 1 962 237 | 1 962 237 |

It is certified that, in terms of DORA, that all transfers in terms of the Act (Human Settlement Development Grant) were deposited into the primary bank account of the Western Cape Government.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

34. Statement of Unconditional Grants and transfers paid to municipalities

| NAME OF MUNICIPALITY | GRANT ALLOCATION | | | | TRANSFER | | | SPENT | | 2013/14 |
|---|------------------|-------------------------|-----------------------|------------------------------|------------------------------|---|---|--|---|------------------------------|
| | Amount R '000 | Roll Overs R '000 | Adjustments R '000 | Total Available R '000 | Actual Transfer R '000 | % of Available funds Transferred R '000 | Amount received by Municipality R '000 | Amount spent by municipality R '000 | Available funds spent by municipality % | Total Available R '000 |
| Settlement assistance: | | | | | | | | | | |
| Mun: City of Cape Town | - | - | - | - | - | - | - | - | - | 1 000 |
| Accreditation assistance: | | | | | | | | | | |
| Mun: City of Cape Town | - | - | - | - | - | - | - | - | - | 10 000 |
| Provincial housing acceleration grant: | | | | | | | | | | |
| Mun: George | - | - | - | - | - | - | - | - | - | 7 500 |
| Mun: Knysna | 8 900 | - | - | 8 900 | 8 900 | 100.0 | 8 900 | 8 900 | 100 | - |
| Mun: Laingsburg | 600 | - | - | 600 | 600 | 100.0 | 600 | 600 | 100 | - |
| Mun: Mossel Bay | 3 000 | - | - | 3 000 | 3 000 | 100.0 | 3 000 | 3 000 | 100 | - |
| Mun: Prince Albert | 3 000 | - | - | 3 000 | 3 000 | 100.0 | 3 000 | 3 000 | 100 | 6 000 |
| Mun: Saldanha Bay | - | - | - | - | - | - | - | - | - | 8 000 |
| Mun: Swartland | - | - | - | - | - | - | - | - | - | 5 400 |
| Mun: Swellendam | - | - | - | - | - | - | - | - | - | 22 000 |
| Mun: Witzenberg | - | - | - | - | - | - | - | - | - | 3 200 |
| Municipal rates and taxes: | | | | | | | | | | |
| Mun: City of Cape Town | 26 109 | - | (805) | 25 304 | 25 304 | 100.0 | 25 304 | 25 304 | 100 | 37 974 |
| Mun: Bitou | 124 | - | - | 124 | 124 | 100.0 | 124 | 124 | 100 | 62 |
| Mun: Breede Valley | 76 | - | - | 76 | 76 | 100.0 | 76 | 76 | 100 | 113 |
| Mun: Cederberg | - | - | - | - | - | - | - | - | - | 12 |
| Mun: Drakenstein | 26 | - | - | 26 | 26 | 100.0 | 26 | 26 | 100 | 100 |
| Mun: George | - | - | - | - | - | - | - | - | - | 68 |
| Mun: Hessequa | 10 | - | - | 10 | 10 | 100.0 | 10 | 10 | 100 | 43 |
| Mun: Kannaland | - | - | - | - | - | - | - | - | - | 3 |
| Mun: Matzikama | 96 | - | - | 96 | 96 | 100.0 | 96 | 96 | 100 | 22 |
| Mun: Mossel Bay | - | - | - | - | - | - | - | - | - | 4 |
| Mun: Overstrand | 14 | - | - | 14 | 14 | 100.0 | 14 | 14 | 100 | 5 |
| Mun: Saldanha Bay | - | - | - | - | - | - | - | - | - | 229 |
| Mun: Stellenbosch | - | - | - | - | - | 100.0 | - | 134 | 100 | 108 |
| Mun: Swartland | 6 | - | - | 6 | 6 | 100.0 | 6 | 6 | 100 | 2 |
| Mun: Swellendam | 15 | - | - | 15 | 15 | 100.0 | 15 | 15 | 100 | - |
| Mun: Theewaterskloof | - | - | - | - | - | - | - | - | - | 190 |
| Mun: Witzenberg | 69 | - | - | 69 | 69 | 100.0 | 69 | 69 | 100 | 100 |
| | 42 179 | - | (805) | 41 374 | 41 374 | 100.0 | 41 374 | 41 374 | 100 | 102 135 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

ANNEXURE 1A

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

| DEPARTMENT/AGENCY/ ACCOUNT | TRANSFER ALLOCATION | | | | TRANSFER | | 2013/14 |
|--|---------------------------------|---------------------|----------------------|--------------------------|--------------------------|---------------------------------------|----------------------------|
| | Adjusted appropriation R'000 | Roll Overs R'000 | Adjustments R'000 | Total Available R'000 | Actual Transfer R'000 | % of Available funds transferred % | Appropriation Act R'000 |
| SABC (TV licences) | 2 | - | - | 2 | 2 | 100 | 4 |
| Housing Development Agency (HDA) | 20 000 | - | - | 20 000 | 20 000 | 100 | - |
| Social Housing Regulatory Authority (SHRA) | 1 340 | - | - | 1 340 | 1 340 | 100 | - |
| | 21 342 | - | - | 21 342 | 21 342 | | 4 |

ANNEXURE 1B

STATEMENT OF TRANSFERS TO HIGHER EDUCATION

| INSTITUTION NAME | TRANSFER ALLOCATION | | | | Actual Transfer R'000 | TRANSFER | | 2013/14 |
|-------------------------|---------------------------------|---------------------|----------------------|--------------------------|--------------------------|---------------------------------|---------------------------------------|----------------------------|
| | Adjusted appropriation R'000 | Roll Overs R'000 | Adjustments R'000 | Total Available R'000 | | Amount not transferred R'000 | % of Available funds transferred % | Appropriation Act R'000 |
| University of Cape Town | - | - | - | - | - | - | | 1 000 |
| Total | - | - | - | - | - | - | | 1 000 |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

ANNEXURE 1C

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

| NAME OF PUBLIC CORPORATION/ PRIVATE ENTERPRISE | TRANSFER ALLOCATION | | | | EXPENDITURE | | | | 2013/14 |
|---|-------------------------------------|---------------------|----------------------|--------------------------|--------------------------|----------------------------------|------------------|------------------|----------------------------|
| | Adjusted appropriation Act R'000 | Roll Overs R'000 | Adjustments R'000 | Total Available R'000 | Actual Transfer R'000 | Available funds transferred % | Capital R'000 | Current R'000 | Appropriation Act R'000 |
| Private enterprises | | | | | | | | | |
| Transfers | - | - | - | - | - | - | - | - | 950 |
| MacSand (Claim for reimbursement of royalties) | - | - | - | - | - | - | - | - | 750 |
| SA Housing Foundation. (Sponsorship of housing conference) | - | - | - | - | - | - | - | - | 100 |
| Khayelitsha Development Forum (Sponsorship of gala evening) | - | - | - | - | - | - | - | - | 100 |
| TOTAL | - | - | - | - | - | - | - | - | 950 |

The transfers to the SA Housing Foundation and the Khayelitsha Development Forum were disclosed as sponsorships in the annexure for Gifts, donations and sponsorships made in 2013/14. These are now restated as transfers to Public Corporations and private enterprises.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

ANNEXURE 1D

STATEMENT OF TRANSFERS TO HOUSEHOLDS

| DEPARTMENT/AGENCY/ ACCOUNT | TRANSFER ALLOCATION | | | | EXPENDITURE | | 2013/14 |
|--|------------------------------------|------------------------|----------------------|-----------------------------|-----------------------------|--|-------------------------------|
| | Adjusted appropriation R'000 | Roll Overs R'000 | Adjustments R'000 | Total Available R'000 | Actual Transfer R'000 | % of Available funds transferred % | Appropriation Act R'000 |
| Transfers | | | | | | | |
| Employee social benefits - leave gratuity | 4 | - | 373 | 377 | 377 | 100 | 279 |
| Post retirement benefits | 229 | - | (59) | 170 | 170 | 100 | 166 |
| Injury on duty | 3 | - | 4 | 7 | 7 | 100 | - |
| Prizes for staff for participation in the Virtual Resource Centre (VRC) celebration week | - | - | - | - | - | - | 1 |
| USB stylus pens for staff at year-end function | - | - | - | - | - | - | 49 |
| T-shirts and peak caps for staff for Provincial sports day | - | - | 94 | 94 | 94 | 100 | 83 |
| T-shirts and peak caps for staff for Provincial golf day | - | - | 43 | 43 | 43 | 100 | 26 |
| Christmas hampers for the Mafimanyane old age home | - | - | 4 | 4 | 4 | - | - |
| Govan Mbeki awards | - | - | 35 | 35 | 35 | 100 | - |
| | 236 | - | 494 | 730 | 730 | | 604 |
| Subsidies | | | | | | | |
| Human Settlement Development Grant | 1 827 951 | - | 344 | 1 828 295 | 1 828 295 | 100 | 1 863 578 |
| Expanded Public Works Incentive Grant | 3 842 | - | - | 3 842 | 3 842 | 100 | 3 000 |
| | 1 831 793 | - | 344 | 1 832 137 | 1 832 137 | 100 | 1 866 578 |
| Total | 1 832 029 | - | 838 | 1 832 867 | 1 832 867 | 100 | 1 867 182 |

Amounts transferred to municipalities, but not yet spent as per note 7, relate to transfers to municipalities from the Human Settlement Development Grant.

A total amount of R50 000, disclosed as gifts made in kind in annexure 1G of the Annual Report of 2013/14 has been restated as transfers to households in this annexure, ie. prizes for staff for participation in the Virtual Resource Centre (VRC) celebration week (R1 000) and USB stylus pens for staff at year-end function (R49 000). Furthermore, an amount of R109 000, classified as advertising under goods and services in 2013/14 has been reclassified as transfers to households. These reclassification were done in accordance with the Standard Chart of Accounts (SCOA).

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

ANNEXURE 1E

STATEMENT OF AID ASSISTANCE RECEIVED

| NAME OF DONOR | PURPOSE | OPENING BALANCE R'000 | REVENUE R'000 | EXPENDITURE R'000 | CLOSING BALANCE R'000 |
|---|--|-----------------------------|------------------|----------------------|-----------------------------|
| Received in cash | | | | | |
| Danish government (via the RDP Fund) | Solar water heaters for houses on the N2 Gateway project | - | 10 499 | 2 354 | 8 145 |
| TOTAL | | - | 10 499 | 2 354 | 8 145 |

The amount of R8 145 000 reflected as the closing balance above was paid back to the RDP fund as at 31/3/2015.

ANNEXURE 1F

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE

| NATURE OF GIFTS, DONATIONS OR SPONSORSHIPS Made in kind | 2014/15 R'000 | 2013/14 R'000 |
|---|------------------|------------------|
| Made in kind | | |
| Govan Mbeki awards | 35 | - |
| Sympathy flowers and fruit baskets | 9 | 8 |
| Christmas hampers for the Mafimanyane old age home | 4 | - |
| Prizes for staff for participation in the Virtual Resource Centre (VRC) celebration | - | 1 |
| Gift bags for SA Housing Foundation conference | - | 2 |
| USB Stylus pens for staff at year-end function | - | 49 |
| T-shirts and peak caps for staff for Provincial sports day | 94 | 83 |
| T-shirts and peak caps for staff for Provincial golf day | 43 | 26 |
| TOTAL | 185 | 169 |

Sponsorships paid in cash to the SA Housing Foundation (sponsorship of housing conference: R100 000) and the Khayelitsha Development Forum (sponsorship of gala evening: R100 000) as disclosed in 2013/14, have been restated as transfers/subsidies to Public corporations and private enterprises.

The following donations made in kind as previously reflected in the Annual Report 2013/14 have been restated as follows in terms of SCOA. (The detail of the donations are however still reflected on this statement for full disclosure):

Sympathy flowers and fruit baskets: R8 000 (restated as consumables).

Prizes for staff for participation in the Virtual Resource Centre (VRC) celebration week: R1 000 (restated as transfers to households).

USB Stylus pens for staff at year-end function: R49 000 (restated as transfers to households).

Gift bags for the SA Housing Foundation conference: R2 000 (restated as advert: promotional items).

All of the above restatements are due to the updated Excel AFS template for the 2014/15 Annual Financial Statements. Amounts of R83 000 and R26 000 for t-shirts and peak caps for the provincial sports and golf days respectively, disclosed as advertisement (promotional items) in 2013/14, have been restated as transfers to households in terms of SCOA, as well as disclosed as gifts made in kind in this annexure.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

ANNEXURE 2

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2015

| Nature of liability | Opening balance 1 April 2014 R'000 | Liabilities incurred during the year R'000 | Liabilities paid/ cancelled/ reduced during the year R'000 | Liabilities recoverable (Provide details here under) R'000 | Closing balance 31 March 2015 R'000 |
|---|---|--|--|---|--|
| Claims against the Department | | | | | |
| Eureka Bricks and Blocks v. Department of Human Settlements | 466 | - | - | - | 466 |
| Mr. Rudolph Orton t/a Roma Construction & Civils v. The Department of Human Settlements | 1 647 | - | - | - | 1 647 |
| Agulhas National Park (Emerald Insurance Co.) v. Department of Human Settlements | 14 000 | - | 14 000 | - | - |
| Subtotal | 16 113 | - | 14 000 | - | 2 113 |
| Other | | | | | |
| Hawston Seafarms Foundation v. Premier and the MEC for Dept. Human Settlements | 87 158 | - | - | - | 87 158 |
| Subtotal | 87 158 | - | - | - | 87 158 |
| TOTAL | 103 271 | - | 14 000 | - | 89 271 |

The matter Hawston Seafarms Foundation v. the Premier and the MEC of the Department is in settlement negotiations. In all the cases above the timing of outflows and the amounts of such outflows are uncertain.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

ANNEXURE 3

CLAIMS RECOVERABLE

| GOVERNMENT ENTITY | Confirmed balance outstanding | | Unconfirmed balance outstanding | | Total | | Cash in transit at year end 2014/15 | |
|---|-------------------------------|------------|---------------------------------|--------------|------------|--------------|--|----------|
| | 31/03/2015 | 31/03/2014 | 31/03/2015 | 31/03/2014 | 31/03/2015 | 31/03/2014 | Receipt date up to six (6) working days after year end | Amount |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | | R'000 |
| DEPARTMENTS | | | | | | | | |
| WCG: Dept of Local Government | - | 8 | - | - | - | 8 | - | - |
| WCG: Department of the Premier | - | - | - | 103 | - | 103 | - | - |
| WCG: Department of Health | - | - | - | 13 | - | 13 | - | - |
| WCG: Department of Transport and Public Works | - | - | 1 | - | 1 | - | - | - |
| WCG: Department of Environmental Affairs and Development Planning | 151 | - | 74 | - | 225 | - | - | - |
| Province of the Eastern Cape: Department of Housing | - | - | 2 | - | 2 | - | - | - |
| National Department of Environmental Affairs | - | - | - | 22 | - | 22 | - | - |
| National Department of Public Works | - | - | - | 1 643 | - | 1 643 | - | - |
| Total | 151 | 8 | 77 | 1 781 | 228 | 1 789 | - | - |

**WESTERN CAPE PROVINCE
DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 8**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2015**

ANNEXURE 4

INTER-GOVERNMENT PAYABLES

| GOVERNMENT ENTITY | Confirmed balance outstanding | | Unconfirmed balance outstanding | | Total | | Cash in transit at year end 2014/15 | |
|--|-------------------------------|---------------------|---------------------------------|---------------------|---------------------|---------------------|--|-----------------|
| | 31/03/2015 R'000 | 31/03/2014 R'000 | 31/03/2015 R'000 | 31/03/2014 R'000 | 31/03/2015 R'000 | 31/03/2014 R'000 | Receipt date up to six (6) working days after year end | Amount R'000 |
| DEPARTMENTS | | | | | | | | |
| Current | | | | | | | - | - |
| Department of Justice and Constitutional Development | - | 31 | 391 | - | 391 | 31 | - | - |
| WCG: Department of the Premier | 91 | - | - | - | 91 | - | - | - |
| South African Police Services | - | - | 14 | - | 14 | - | - | - |
| TOTAL INTERGOVERNMENTAL | 91 | 31 | 405 | - | 496 | 31 | - | - |

ANNEXURE 5

INVENTORY

The Standard Chart of Accounts (SCOA) version 4 was implemented effective from 1 April 2014, resulting in a change in accounting policy with the reclassifications of 2013/14 Annual Financial Statement information. Subsequently, the inventory of R246 000 relating to stationery and printing supplies, was reclassified as consumables.

The Department's inventory as at 31 March 2015 consist of infrastructure/housing projects, as follows:

Completed houses not yet transferred to beneficiaries: R1.858 billion.

Work-in-progress: R145.160 million.

The above-mentioned inventory and work-in-progress is for the whole Province of the Western Cape and not only the City of Cape Town as disclosed in the 2013/14 Annual Financial Statements and therefore no comparative figures are available.

Afrikaans and IsiXhosa versions of this document are available on request.
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