

PERFORMANCE INFORMATION

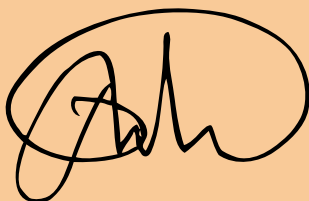
PART B

1. STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION

As the Accounting Officer of the national DHS, I am responsible for the preparation of the Department's performance information and for the judgments made based on this information.

I am further responsible for establishing and implementing a system of internal control designed to provide reasonable assurance of the integrity and reliability of performance information.

In my opinion, the performance information fairly reflects the performance information of the department for the financial year ended 31 March 2013.



T ZULU
DIRECTOR-GENERAL
DEPARTMENT OF HUMAN SETTLEMENTS
DATE: 31 MARCH 2013

2. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

Please refer to annual financial statements Part E of the annual report.

3. OVERVIEW OF DEPARTMENTAL PERFORMANCE

3.1. Service delivery environment

In light of the extended mandate, the Department reviewed its mandate and delivery value chain informed by the seven strategic areas of the housing policy. This resulted in the Department approving the implementation of a turnaround strategy, which included the organisational structure being improved so as to cater for the expanded scope, focus and depth of work in relation to the three spheres of government.

The above resulted in reconsideration of the business model to achieve: (1) seamless administrative processes, (2) improved internal Departmental performance, particularly in relation to the three spheres of government, (3) improved coordination which pointedly minimises silo planning and operation, and (4) effective layers of management and specialisation.

Whilst Government believes that the fundamentals of the housing policy remain relevant and sound, a new model and strategy is required to redirect and enhance existing mechanisms, in order to move towards a more responsive and effective delivery regime. The expanded human settlements mandate reinforces the vision: to promote the achievement of a non-racial, integrated society through the development of sustainable human settlements and promote quality household life.

The Housing Policy and Strategy (1994) has, since the advent of the new democratic regime, attempted to transform the extremely fragmented, complex and racially based South African human settlement environment. Further to this, it also had to transform and regulate the financial housing and institutional framework inherited from the previous government.

Simultaneously, new initiatives, structures and systems were developed and put in place to ensure the establishment of new communities and to address the critical nationwide housing backlog. The significant achievements of this programme have been recognised both nationally and internationally. Significant socio-economic, demographic and policy shifts have also occurred over the past 10 years.

The current political and socio-economic pressures, however, require a new legislative framework, new policy initiatives and innovative housing programmes and projects to stabilise the newly established Human Settlements Department and facilitate the accelerated trend of urbanisation of the population. This is the current reality that the Department has to plan for, adapt to and successfully manage in order to deliver upon its mandate.

The DHS conducted a review of its current national human settlements mandate and strategy and subsequently a macro structure that will support the delivery thereof has been developed. The recommended structure is aligned with the new mandate, broadened from the limited scope of "housing" into all spheres of "human settlements", consequently necessitating the broader strategic objectives. The focus required value-added analysis to ensure that the Department's mandate would be enabled through the adoption of recommended changes, which would result in a tangible improvement in the current service delivery levels within the country.

Within this broader vision, the Department is committed to meeting the following specific objectives:

- Accelerating the delivery of housing as a key strategy for poverty alleviation;
- Utilising provision of housing as a major job creation strategy;
- Ensuring property can be accessed by all as an asset for wealth creation and empowerment;
- Leveraging growth in the economy;
- Combating crime, promoting social cohesion and improving quality of life for the poor;
- Supporting the functioning of the entire single residential property market to reduce duality within the sector, by breaking the barriers between the first economy residential property boom and the second economy slump; and
- Utilising housing as an instrument for the development of sustainable human settlements, in support of spatial restructuring.

The Comprehensive Plan for the Creation of Sustainable Human Settlements envisages enhanced delivery systems and approaches to achieve the vision and objectives set out above. Specifically, the Plan requires the housing sector to implement bold initiatives to achieve the objectives of delivering sustainable human settlements. However, based on the adoption of the National Development Plan, further strategic initiatives and repositioning will have to be undertaken by the Department to ensure appropriate alignment to achieve national state and Government outcomes.

Furthermore, there is a need to strengthen the powers, capability and roles of national Government to formulate strategic interventions to drive the national housing programmes and priorities on one hand and human settlements on the other. Such efforts aim to resolve the acute shortage of capacity to deliver on Government services. The strengthening of inward- and outward-looking capacity development initiatives outlined herein not only deals with the capacity shortage but also addresses the institutional and delivery model necessary to achieve the objectives of the Comprehensive Plan and the National Development Plans.

The delivery responsibility shared between the national, provincial and local Governments also poses a challenge in the sense that, although the national Department has an overarching responsibility around housing matters, the implementation of policies lies in different spheres of government. This makes it impossible for the National Department to monitor projects and allocate resource distribution. Notwithstanding this challenge, the DHS needs to enhance its own capacity and capability in response to the Comprehensive Plan.

For purposes of realising the key objective of creating sustainable human settlements and accelerating housing delivery, and following the conclusion that local Government generally does not have the capacity to implement the Integrated Sustainable Human Settlements model, provision is now made for a significant growth in the areas of national and local Government programme implementation support. This has largely been ignored before and is in direct agreement with the proposal being made.

The Departmental Strategic and Annual Performance Plans 2013/16 have been compiled to be in line with the Departmental Budget Structure, and more specifically in compliance with Treasury Regulations 6.2.1.

Office space limitations continued to force the Department to implement its plans constrained by lack of adequate capacity. This showed itself in increasing contract appointments and overtime by support staff. There is still reluctance by financial institutions to fully comply with the Home Loan and Mortgage Disclosure Act. The department had to establish a task team to address the concerns they are raising. Cooperation by Provinces to compile plans for the phasing out of the Debtors System has not been encouraging. Northern Cape will become the fourth province since 1994 to finish the Debtors System phase out as it concludes devolution processes with various municipalities during 2013/14.

3.2. Service delivery improvement plan

Main service for service delivery improvement and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
XXX	XXX	XXX	XXX	XXX
XXX	XXX	XXX	XXX	XXX

Consultation arrangements for customers

Type of arrangement	Actual customer	Potential customer	Actual achievements
XXX	XXX	XXX	XXX
XXX	XXX	XXX	XXX

Service delivery access strategy

Access strategy	Actual achievements
XXX	XXX
XXX	XXX

Service information tool

Type of information tool	Actual achievements
XXX	XXX
XXX	XXX

Complaint mechanism

Complaint mechanism	Actual achievements
XXX	XXX
XXX	XXX

3.3. Organisational environment

The Department during the period under review finalised the turnaround strategy, aimed at enabling the Department to effectively respond to the human settlement conditions in South Africa. The strategy was aligned to context, organisational design and structure, strategy of the Department and outcome-based approach of Government.

The DHS concluded the review of its current national human settlements mandate and strategy and subsequently a macro structure that will support the delivery thereof was developed and approved.

The Department embarked on filling all the vacant positions to address the challenge of lack of skills. The strengthening of inward and capacity development initiatives is aimed to achieve the mandate of the DHS.

From a human resource management (HRM) perspective, significant developments are as follows:

- At the commencement of the 2012/13 financial year, a new structure was implemented in support of the department's turnaround strategy. Officials were migrated to this structure.
- Significant efforts have been made to fill vacant, funded posts and reduce the number of vacancies.
- Key appointments that were made were that of the DDG: Chief of Operations and DDG: Project Management Unit.
- There was no strike during the year in question.
- With regard to Employment Equity and other transformation initiatives, the Department reviewed its Employment Equity Plan to support the transformation agenda of the department.

The National Upgrading Support Programme (NUSP) has gained momentum during the financial year.

The Programme Management Unit was established following the approval of the new Departmental structure. This meant

that several new posts were created which remained vacant for a considerable period and the unit did for some time not function optimally. In addition, existing human resources took some time to adapt to their new roles, functions and mandates.

Due to a variety of circumstances and reasons, several crucial management positions were not filled and officials had to act in such positions. This placed an additional responsibility on certain officials who were already under severe pressure due to the critical responsibilities they had to perform.

In the case of the Sanitation function, which was, *inter alia*, responsible for the management of the Rural Household Infrastructure Programme (RHIP), a service provider was appointed to provide additional project management services. Eight service providers were also appointed to assist with the implementation of the programme in terms of the appointment and management of contractors within municipalities.

Two NUSP coordinators were appointed on contract to assist with the management of the NUSP; the HDA was approached for support in implementing the programme in Limpopo, North West Province and the Free State. These appointments contributed considerably to the successes achieved by the programme during the year. The implementation of the turnaround strategy with a revised organisational structure required that the various units undertake a process to ensure that the objectives and outcomes of the turnaround strategy are reflected in the unit human resources plan. The implementation of the revised structure, including the revision of post requirements and filling of vacancies, has impacted negatively on the ability of some sub-programmes to meet required targets and outputs. The revised organisational structure is in the process of being implemented and it is expected that a functional branch and unit structure will be introduced in the 2013/14 financial period.

3.4. Key policy developments and legislative changes

3.4.1. Legislative changes

3.4.1.1. Estate Agency Affairs Act, 1976

Following a Presidential Proclamation in May 2012, the Estate Agency Affairs Act, 1976, and the EAAB were transferred from the Department of Trade and Industry to the DHS. Amongst others, the Estate Agency Affairs Act, 1976, seeks to:

- Establish the EAAB.
- Regulate the conduct of estate agents.
- Establish the estate agency fidelity fund.
- Monitor trends within the real estate industry.
- Render education and training to estate agents.

3.4.1.2. Sectional titles schemes management regulations

The Sectional Titles Schemes Management Regulations, which are based on the Sectional Titles Schemes Management Act, 2011, were finalised. The Regulations were not published for public comment because the establishment of the Community Schemes Ombud Service (CSOS) was delayed.

3.4.1.3. CSOS regulations

The CSOS regulations, which are based on the Community Schemes Ombud Service Act, 2011, were finalised. The Regulations were not published for public comment because the establishment of the CSOS was delayed.

3.4.1.4. The HDA regulations

The HDA regulations, which are based on the Housing Development Agency Act, 2008, were finalised and tabled before Parliament for consultation.

In the period under review, key policy revisions, amendments and development impacting on the work of the branch and unit include the development of the Green Paper on Human Settlements, the Cabinet programme on evaluation of human settlements programmes and plans, revisions to the grant frameworks

for the Urban Settlements Development Grant (USDG) and Human Settlements Development Grant (HSDG) with focus on rectification and FLISP. In addition, Government focus on strategic integrated projects has required the work of the human settlements planning unit to ensure alignment with national strategic development programmes and plans, requiring amendments and changes to the business plan templates and formatting.

4. STRATEGIC OUTCOME-ORIENTED GOALS

The following are Departmental strategic outcome-orientated goals informed by Government outcome-based performance approach to Outcome 8:

1. Accelerated delivery of housing opportunities;
2. Access to basic services;
3. Efficient utilisation of land for human settlements development; and
4. Improved property market.

5. PERFORMANCE INFORMATION BY PROGRAMME

5.1. Programme 1: Administration

Purpose: Provide strategic leadership and administrative and management support services to the Department.

Sub-programmes and strategic objectives

The Administration programme has the following strategic objectives:

- provide executive support to the Office of the Director-General on Parliamentary, cabinet liaison, secretariat support and management of intra-departmental structures;
- manage internal audit, risk management and special investigation services to the Department;
- manage HRM services to the Department;
- manage corporate support services to the Department;
- manage inter and intra communication services to the Department;
- manage legal services to the Department;
- manage information systems (IMS) and information technology (IT) systems and infrastructure support services.

Strategic objectives, performance indicators, planned targets and actual achievements

The Chief Directorate of Human Resources met most of its targets during this reporting period. Specific areas of achievement are:

- On completion of the turnaround strategy and the implementation of the new structures, a Human Resource Plan was formulated, and approved by the Executive Authority.
- With the support of Human Resources, the Department has been actively involved in a recruitment drive to fill vacancies that appeared due the finalisation of the turnaround strategy with effect from 01 April 2012. 202 posts have been advertised and are in the process of being filled.
- Performance assessments, and appeals of officials on levels 1–12, were finalised.
- Work-study for the Chief Financial Officer branch was conducted and concluded. When the recommendations are approved, this will impact positively on payment of overtime and appointments of contract workers.
- Departmental internship and learnership programmes were successfully implemented, with 43 interns completing the internship programme and 23 employees successfully completed learnerships.
- An employee wellness programme was put in place and, through a service provider, rendered counselling services were offered to the employees.

The Chief Directorate of Corporate Support provides corporate support to the Department to enhance the quality of employees' work lives and service delivery with regard to the acquisition and maintenance of conducive office accommodation and facilities, security services, records management and library and information services.

Corporate Support met most of its targets during this reporting period. Specific areas of achievement are:

- Corporate Support implemented the provision of compliant protective security measures and processes, during which all vulnerabilities and potential threats were identified, assessed and dealt with to ensure that the corporate environment remains safe, secure and conducive to support the realisation of core business. Effective security measures were implemented for physical safeguarding of departmental assets, personnel security and securing state information.
- All safety and security prescripts and measures were complied with for all ministerial events. Shortlisted candidates

for the advertised vacant posts were screened before interview, in line with prescripts. Specifically, pre-employment vetting of personnel handling sensitive information, and security checks were conducted for service providers prior to bid adjudication processes.

- Departmental records were effectively managed through the implementation of approved policy and records classification systems. A decongestion project was initiated to establish an accurate inventory of all closed and terminated records, with 33 310 files sorted to date. 791.4 linear metres of qualifying ephemeral records were destroyed in line with approved disposal authorities, under the systematic disposal programme, with 19 relevant destruction certificates submitted to the National Archives and Records Service. The remainder of the closed Housing Support Institutions (Thubelisha and Social Housing Foundation) records, totalling 13.5 linear metres, were transferred to the custody of the Department.
- Departmental office accommodation and facilities were maintained in line with prescripts and departmental plans. It should be noted that the adequacy of office accommodation remains a challenge; however, after a protracted engagement with the Department of Public Works the matter is moving towards a resolution.
- In line with the Occupational, Health and Safety Act (Act No. 85 of 1993), the Department established committees to conduct monthly inspections to ensure compliance with a conducive and safe work place. Training interventions were also undertaken; first-aiders were appointed to assist with emergency onsite injuries.
- Access to library and information services and resources was facilitated. Four public requests for access to information under the Promotion of Access to Information Act were processed; two were declined due failure by requesters to comply with the provisions of the Act.

The Chief Directorate of Communication Services is tasked with managing the communication and public relations functions of the Department and to promote Outcome 8. Communication Services met most of its targets during this reporting period. Specific areas of achievement are:

- A multimedia campaign was rolled out to educate South Africans about the concept of sustainable human settlements. The campaign consisted of two television adverts, one radio advert in all official languages, print adverts and billboards. The multimedia campaign's impact will be measured in the next financial year.
- Communication Services supported departmental and ministerial programmes for project launch handovers and other related activities with targeted communication campaigns.
- The Chief Directorate held the Human Settlements Communicators' Forum, a meeting of national, provincial and human settlements institutions communicators. Communicators used this Forum to share ideas and find synergies.
- The Chief Directorate also filled two vacant director positions during the year under review. This brought capacity and the much needed leadership to the Directorates of Media Services and Public Information and Marketing.
- The Corporate Communications directorate disseminated accurate, fair and reliable information to internal stakeholders as well as managed the Department's call centre and help desk, facilitating responses to public inquiries. The departmental call centre is rated among the best in resolving public inquiries as reported in the Presidential Hotline reports.
- The Department's Production and Design directorate made sure that correct branding, styling and proofreading of all publications and branded items was undertaken in accordance with the corporate identity and the branding guidelines approved by Cabinet.
- Partnerships with provincial Human Settlements Departments and human settlements institutions remained an area of focus.

Other notable achievements of the Chief Directorate of Communications are as follows:

- Planned and coordinated the Minister's budget speech.
- Supported youth activities for Youth Month.
- Supported Women's Month activities.
- Managed the timely submission of the Annual Report.
- Participation in other government forums intended to enhance communication across Departments, such as the Social Cluster meetings, Human Settlements Communicators' Forum and GCIS workshops.
- Publishing generic beneficiary booklets.
- Continually reviewing and redesigning the website.
- Conducted face-to-face beneficiary campaigns.
- Showcased the Human Settlements brand on various platforms.
- Executed various communication campaigns, such as the multimedia campaign.
- Site boards have been erected in all priority projects of the Department.

The Chief Directorate of Communications was less successful in the production of the internal newsletter and an external

publication. The Human Settlements Communicators Forum was not held in one quarter.

During the period under review, the Chief Directorate of Legal Services was restructured and reorganised with the goal of improvement of service delivery. A new directorate called Contract Management Services was established. The legal compliance function was separate from the Chief Directorate. The Chief Directorate managed to achieve most of its performance targets. Notable key outputs achieved during the period under review are:

- The sectional titles schemes management regulations were finalised.
- The CSOS regulations were finalised.
- The Rental Housing Amendment Bill was finalised and tabled in Parliament; it was subsequently withdrawn due to technical reasons relating to its implementation.
- The Housing Consumers Protection Bill, which repeals the Housing Consumers Protection Measures Act, 1998, was finalised.
- The Draft Property Practitioners Bill, which repeals the Estate Agency Affairs Act, 1976, was finalised.
- Key establishment processes in the establishment of the Community Schemes Ombud Service were completed.
- The transfer of the administration of the Estate Agency Affairs Act, 1976, and the EAAB from the Department of Trade and Industry to the DHS was facilitated.
- The hosting of the Real Estate Industry Summit was coordinated.
- The Chief Directorate managed to render efficient and effective contract management services to the Department, including the formulation of service-level agreements, contracts, memoranda of agreements as well as international agreements.

The Chief Directorate was involved actively in the following litigation matters:

- Eagle Valley: the applicants sought alternative accommodation following eviction from an illegally occupied building.
- NHBRC vs Elliot: the application contested the constitutionality of section 22 of the Housing Consumers Protection Measures Act, 1998.
- NHBRC vs North West Human Settlements: the NHBRC sought to interdict the North West DHS from continuing with certain housing projects on the grounds of non-compliance with registration requirements.
- Granny Seape vs NHBRC: the applicant is contesting the scope and ambit of the Presidential Proclamation to the extent that it allows the Department to conduct investigations into the affairs of NHBRC.
- The Emma Joalana matter: the plaintiff is contesting the lawful occupation of a low-cost house.

During the reporting period, the Chief Directorate of IMS and IT managed, maintained and provided IMS and IT systems as well as infrastructure support services to the Department, to support business in the execution of the departmental strategy

The Chief Directorate also managed and maintained IMSs that support the development of integrated human settlements by providing an enabling systems environment to record the need of citizens for adequate shelter and the administration of the housing subsidy process at a provincial level. Notable key outputs achieved during the period under review are:

- Ensured availability of the various IMSs.
- Provided support and training to provincial and municipal users of the various IMSs.
- Managed and maintained the various IMSs to ensure alignment to the national Housing Code.
- Created and maintained formal communication channels and structures with the users of the various IMSs at provincial and municipal levels.

Strategic objective: To provide executive support to the Office of the Director-General						
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations	
Number of reports on administrative and logistical support produced	Report on administrative and logistical support	Report on administrative and logistical support developed	Achieved report produced	N/A	N/A	
	Report on FOSAD document	Report on FOSAD documents	Achieved report produced	N/A	N/A	
Number of reports on Parliamentary and Cabinet liaison	Report on Parliamentary and Cabinet liaison	Four reports on Parliamentary and Cabinet liaison	Achieved report produced	N/A	N/A	
		Four reports on stakeholder liaison and engagements	Achieved report produced	N/A	N/A	
Report on record of proceedings	Record of proceedings	Record of proceedings	Achieved report produced	N/A	N/A	

Strategic objective: To provide departmental risk internal audit and special investigation services to the Department						
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations	
Approved and implemented annual internal audit plan	Planned audits: 31 Completed: 14 Not completed: 17 45% achievement Two ad hoc requested audits completed	Reviewed, approved and implemented internal audit annual plan	The internal audit plan was approved. Implementation status: <ul style="list-style-type: none"> • Audits planned: 21 • Completed audits: 15 • Three audits are in planning/ execution stage 	Three audits have been postponed to 2013/14 Six audits are incomplete and in various stages In 2011/12 the audit plan was 45% complete (14 audits out of 31) In 2012/13 the audit plan is 60% complete (15 audits out of 21)	Audit plan was not complete due to capacity constraints	
Approved and implemented risk management strategy	Risk management strategy updated and presented to Risk Management Committee in August 2011. It was not approved pending finalisation of the turnaround strategy Risk profile was approved by the Accounting Officer	Reviewed, approved and implemented risk management strategy	Risk management strategy has been reviewed and updated	The risk management strategy has not been approved. It was reviewed and updated in both years	The strategy was not approved pending the finalisation and review of the impact of the implementation of the turnaround strategy	

Strategic objective: To provide departmental risk internal audit and special investigation services to the Department					
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations
Reviewed, approved and implemented anti-fraud and corruption strategy	<p>Prevention</p> <ul style="list-style-type: none"> 10 awareness workshops conducted for Department employees Six awareness sessions conducted for branches within Department Four awareness sessions conducted for Sanitation regional office employees Eight anti-corruption awareness workshops conducted for municipal employees and officials <p>Reduction</p> <ul style="list-style-type: none"> Poor workmanship/ poor-quality houses illegal evictions/ threatened evictions Unfair rental/ inconsistent rental fees illegal sale/ rental of low-income houses Non-payment of contractors/sub-contractors Delay/failure to allocate low-income houses Fraud and Corruption Detection Special Investigations Directorate dealt with 170 cases: 48 cases referred to Gauteng; 20 cases referred to KwaZulu-Natal, Eastern Cape, Western Cape, Mpumalanga; 25 cases finalised internally In remaining 20 cases, complainants could not be reached telephonically and there is no further information regarding complainants SIU investigated and completed 42 housing projects out of a total of 59 housing projects under investigation 	Reviewed, approved and implemented anti-fraud and corruption strategy	Draft revised fraud and corruption prevention policy, whistle-blowing policy and fraud prevention plan finalised	Strategy not reviewed and approved	<p>The independent review of anti-fraud and corruption processes revealed that the existing documents are not addressing fraud and corruption prevention strategy requirements</p> <p>The Department had to review its plans and develop a policy that will inform the development of a strategy</p>

Strategic objective: To manage the corporate services to the Department						
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations	
Number of reports on compliance with all security standards	Four reports on compliance with all security standards	Four reports on compliance with all security standards	Four reports on compliance with all security standards submitted	N/A	N/A	
Number of reports on facilities and property management	Four reports on facilities and property management	Four reports on facilities and property management	Four reports on facilities and properties submitted	N/A	N/A	
Number of reports on records management	Four reports on records management	Four reports on records management	Four reports on records management submitted	N/A	N/A	
Number of reports on library and information management services provided	Four reports on library and information management services provided	Four reports on library and information management services	Three reports on library and information management services provided submitted	One report on library and information management services provided; not submitted	The unit's annual performance plan for 2012/2013 had not yet been approved at the end of the first quarter	

Strategic objective: To manage human resources management services to the Department						
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations	
Number of reports on coordinated HRM services	Four reports on coordinated human resource services	Four reports on coordinated human resource services	Four reports on coordinated human resource services	N/A	N/A	
Number of reports on coordinated human resource development initiatives	Four reports on coordinated human resource development initiatives	Four reports on coordinated human resource development initiatives	Four reports on coordinated human resource development initiatives	N/A	N/A	
Number of reports on coordinated labour relation services	Four reports on coordinated labour relation services	Four reports on coordinated labour relation services	Four reports on coordinated labour relation services	N/A	N/A	
Number of reports on organisational transformation programmes	Four reports on organisational transformation programmes	Four reports on organisational transformation programmes	Four reports on organisational transformation programmes	N/A	N/A	

Strategic objective: To manage inter and intra communication service to the Department						
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations	
Number of reports on the implementation of corporate communication strategy	N/A	Four reports on the implementation of corporate communication strategy	Four reports on the implementation of corporate communication strategy	N/A	N/A	
Number of reports on the implementation of media services strategy	N/A	Four reports on the implementation of media services strategy	Four reports on the implementation of media services strategy	N/A	N/A	
Number of reports on the implementation of public information and marketing strategy	N/A	Four reports on the implementation of public information and marketing strategy	Four reports on the implementation of public information and marketing strategy	N/A	N/A	

Strategic objective: To manage legal services to the Department						
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations	
Number of litigation and legal advisory services	N/A	Four reports on litigation and legal advisory provided	Four reports on litigation and legal advisory provided	N/A	N/A	
Number of legislative framework developed	N/A	Four reports on legislative frameworks developed	Four reports on legislative frameworks developed	N/A	N/A	
Number of reports on oversight of contracts in the department conducted	N/A	Four reports on oversight of contracts in the Department conducted	Four reports on oversight of contracts conducted	N/A	N/A	

Strategic objective: To manage IMS and IT systems and infrastructure support services					
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations
Number of reports on IT services	N/A	Reports on IT services	Reports on IT services submitted	N/A	N/A
Approved IT infrastructure strategy and implementation plan	Reports on implemented IT infrastructure projects	Approved IT infrastructure strategy and implementation plan	Approved IT infrastructure strategy and implementation plan submitted	N/A	N/A
Number of reports on the implementation of integrated business solutions programmes and plans	N/A	Four reports on the implementation of the integrated business solutions programmes and plans	Four reports on the implementation of the integrated business solutions programmes and plans submitted	N/A	N/A

Strategy to overcome areas of underperformance

The Department has approved a co-sourcing strategy to augment skills and capacity within the Chief Directorate.

The Executive Management Team (EMT) approved the information and communication technology (ICT) strategy plan 2012/2013 and it is being implemented not only to address the ICT underperformance but also to address the SITA-assessed Department ICT strategy plan 2012/2016, which has provided a report with a Strategic Enterprise Architecture Framework Implementation plan and a proposal that will also address the long-standing ICT Auditor General findings.

It has been presented to EMT and an Operational Plan is being drafted with the participation of all the Department stakeholders to address ICT underperformance and its challenges.

The EMT approved the 2012/2013 and the SITA-assessed 2012/2016 ICT Strategy Plan as part of the Government modernisation programme framework for all government departments. The assessment criteria apply Department of Public Services and Administration (DPSA) best practice and guidelines to the ICT policy framework that is based on the following and addresses the Department's business requirements:

- Government Wide Enterprise Architecture (GWEA) framework best practice
- Mapped to DPSA Corporate Governance ICT Policy (CGICTP) framework guidelines
- Mapped to master systems plan-in-a-box ICT methodology
- Mapped to COBIT V5 for governance
- King III Business Corporate Governance framework best practice

An assessment report was prepared providing the findings as well as recommendations for ICT improvement as follows:

- Aligned ICT and business strategy plans.
- Apply GWEA framework for ICT technology best practice.
- Implement the CGICTP framework with prescribed standards for governance and guidelines.

When the above is accomplished, the Department would have achieved the required ICT standards that are aligned to business practice and comply with all Government-required ICT standards. This will also address the long-standing ICT Auditor General findings.

Changes to planned targets

The sub-programme adhered to the plan aimed at coordination and leadership facilitation and accountability with a strong internal capacity to facilitate and coordinate planned administrative and strategic engagements.

Linking performance with budget

Administraton

Sub-programme	2012/2013			2011/2012		
	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
Ministry	36,334	30,353	5,981	29,865	25,848	4,016
Management	65,429	52,084	13,346	78,163	55,149	23,015
Corporate Services	200,279	154,529	45,750	194,814	127,458	67,357
Property Management	38,156	20,403	17,753	28,768	17,586	11,182
Total	340,198	257,368	82,830	331,611	226,041	105,570

5.2. Programme 2: Human Settlements Delivery Frameworks

Purpose

To manage human settlements delivery frameworks.

Sub-programmes and strategic objectives

- **Operational Policy Frameworks** manages human settlements policy framework development.
- **Governance Framework** manages compliance to human settlements governance frameworks.
- **Advisory Services** advises on the project integration, quality assurance and provides assistance to the Portfolio Committee.

Strategic objectives, performance indicators, planned targets and actual achievements

Continuous policy advice, assistance and interpretation are being offered to stakeholders through various mechanisms that include workshops and seminars. A range of stakeholders are engaged in human settlement policies. In the past year these have included the various provinces and municipalities, the HDA, various Parliamentary committees, Human Settlement portfolio councillors, and other government departments. A South African position for engagement in the World Urban Forum was drafted; the Department exchanged knowledge within the India-Brazil-South Africa Dialogue Forum (IBSA) Working Group on Human Settlements, and shared experiences in bilateral engagements with Botswana and Uganda.

The success of policies of the Department was instrumental in the country being chosen by UN HABITAT as one of the 20 top-performing countries in addressing informal settlement upgrading. The Department was invited to share experiences at the Morocco Conference on "Making Slums History", held in November 2012.

Nine structured workshops are scheduled each year with provinces and their respective municipalities; these are based on newly approved policies, revised policies, and a number of different topics in the Human Settlement sphere. Of the nine scheduled workshops this year, only seven were held. This is not a failure on the part of the Department, but is rather due to the prevailing circumstances and priorities of particular provinces. This, however, still does not prohibit provinces from requesting policy advice and/or interpretation from the Department at a later stage. Every effort is made to, as far as possible, engage provinces and municipalities on their policy needs before topics for the structured workshops are chosen and concluded.

The policy unit has investigated and formulated detailed proposals on the adjustment of the ministerial national norms and standards in respect of permanent residential structures to enable compliance with the recent enacted national building regulations (SANS 10400 XA) in respect of energy-efficient buildings. These proposals were submitted to the Technical Task Team and Technical MINMEC for recommendations to MINMEC and a decision is expected early in the new financial year. Phase two of this project pertains to the revision of the Variation Manual; this phase of the project will be concluded during the second quarter of the 2013/14 financial year.

Women's economic empowerment road shows

In line with departmental outcomes and the governmental transformation agenda and charter on women empowerment and gender equality, the sub-programme implemented various women's economic empowerment road shows in the form of breakfast sessions in partnership with South African Women in Construction (SAWIC). These road shows were led by Deputy Minister Z Kota-Fredericks. The purpose of the road shows was to create awareness about the opportunities in human settlements for women contractors as espoused in the approved MINMEC policy framework on the participation and empowerment of women in human settlements. Various human settlements entities such as NHBRC, NHFC and SHRA participated in the programme. These road shows were hosted in Clanwilliam, Kannaland, Newcastle, Vredendal and Ladysmith, with participation of about 1 000 community members in total.

A women's economic empowerment gala dinner was successfully coordinated in Cape Town to commemorate Women's Month. The event was addressed by Deputy Minister Z Kota-Fredericks, Minister of Women, Children and People with Disabilities L Xingwana and Deputy Minister of Department of International Relations and Cooperation M Fransman.

Annual national Women's Build

In line with Outcome 8's imperative of upgrading informal settlements, the sub-programme successfully implemented a women's build during women's month. The build was implemented in Newcastle, KwaZulu-Natal, for the construction of 1 387 units by Motheo Construction (a woman-owned contractor) yielding 100 units constructed by volunteers from SAWIC, Kwa-Mathukuza and partnerships with the private sector. Kwa-Mathukuza was declared a provincial disaster

due to storms affecting the area. The intervention accelerated housing delivery and restoration of security, comfort and dignity of the affected communities. Minister TMG Sexwale and Deputy Minister Z Kota-Fredericks both participated in the build. The opening ceremony and closing ceremony were successfully coordinated and about 2 500 community members participated. Minister TMG Sexwale handed over the completed houses.

Nelson Mandela Legacy Build

The DHS partnered with private companies to construct eight alternative technology houses in Sokhulumi Village during the Nelson Mandela Legacy Build. The project was managed by SAWIC Gauteng Women Contractors. Stakeholders included Cheese Kids, the Department of Rural Development and Land Reform (DRD&LR) as well as the Department of Social Development, City of Tshwane, Gauteng Department of Housing and local government. The houses were handed over by Deputy Minister Z Kota-Fredericks during the 16 Days campaign. Sokhulumi is classified as a war-on-poverty zone which requires integrated intervention from various stakeholders and government departments to accelerate delivery. Most of the community members are still staying in mud houses, shacks and poorly constructed houses. No Reconstruction and Development Programme (RDP) or Upgrading Informal Settlements Programme (UISP) has been implemented as yet in the village.

Advisory Support

The sub-programme participated in consultative sessions coordinated by the Department of Women, Children and People with Disability and provided input on the Women Empowerment and Gender Equality Bill. Further, the unit also participated in the SAWIC Convention hosted in Durban, KwaZulu-Natal. Deputy Minister Z Kota-Fredericks addressed the convention.

A National Women in Human Settlements Forum was also coordinated to track progress from provinces on implementation of the policy framework for the empowerment of women. The sub-programme also provided a report to the Portfolio Committee on women, children and people with disabilities.

16 Days of Activism

The unit implemented a 16 Days campaign in Langa and Sokhulumi against gender-based violence. In Langa, Xolile Mosie was commemorated. The campaign focused on creating awareness about violence, peace initiatives and reconstruction of communities through self-help build projects.

Youth Training – National Youth Service

During the period under review, the sub-programme implemented a youth service programme, which includes technical and life skills training as well as construction of housing units by the trained youth. The programme was implemented in Winterveld (Gauteng), Kirkwood and Moltino (Eastern Cape), Nkomazi and JS Moroka (Mpumalanga) and Mossel Bay (Western Cape). The unit also participated in the Mpumalanga Youth in Human Settlement (YIHS) provincial launch by MEC for Human Settlements. 100 youth are targeted per project.

Annual National Youth Build

A national youth build was successfully implemented during Youth Month in Kirkwood, hosted by Sundays River Municipality, Eastern Cape. The build was part of an existing rectification and informal settlements upgrading programme which entailed about 750 units. The majority of the beneficiaries were elderly people, people with disabilities, youth-headed households and women-headed households. The community volunteers and stakeholders participated in the actual construction of houses, which yielded 100 units. Both the opening and closing ceremony, involving about 2 500 community members, were implemented successfully. Minister TMG Sexwale, Deputy Minister in the presidency Bapela, National Youth Development Agency CEO Steve Ngobeni, EC MEC for Human Settlements Helen Sauls-August and EC MEC for Social Development P Majodina participated during the handover ceremony. A community library was donated as part of an aftercare programme.

Advisory support

The sub-programme participated in the provincial Human Settlements Youth Summit hosted by KwaZulu-Natal. Further advisory support was granted to Gauteng, Western Cape, Eastern Cape and Mpumalanga for the YIHS programme. The unit also participated in the Commonwealth Conference on education and training of youth workers organised by the presidency. A provincial Youth in Human Settlements Forum was hosted.

Disability mainstreaming

The sub-programme developed terms of reference (ToRs), which were approved for the mainstreaming of disability in human settlements. A sector disability mainstreaming strategy will be developed and implemented in the new financial year 2013/14.

Community outreach

The unit supported all the community outreach programmes and conducted social facilitation and beneficiary profiling for Clanwilliam, Kannaland, Vredendaal, Ladysmith, Khayelitsha, Dunoon (Human Rights Day), Sokhulum, Kirkwood, Newcastle, KwaMathukuza and Langa. It is estimated that about 3 500 families were targeted during the outreach programme. Further interventions included coordination of key stakeholders such as the Department of Health, Social Development and Rural Development. The unit also mobilised nine wheelchairs for people with disabilities during the outreach.

The sector also coordinated the Military Veteran programme, which included construction of a house for a military veteran during the youth build project.

A special house build for a family that was affected by fire was built through mobilisation of sponsorship. The house was handed over by Deputy Minister Z Kota-Fredericks.

Reports on the provision of Parliamentary committees management services

During the 2012/13 financial year, Advisory Services was able to produce four reports on the provision of Parliamentary committee liaison services with recommendations to the Office of the Director-General.

Strategic objective: Manage human settlements planning frameworks					
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations
National human settlement policy developed and/or revised	National human settlement policy and related frameworks revised	New and/or revised national human settlements policy	Policy on adjustment of ministerial norms and standards in respect of permanent residential structures and the new subsidy quantum has been finalised	The revised norms and standards were submitted to MINMEC in March 2013 and a final decision is expected in May 2013	The MINMEC meeting did not constitute a quorum and the matter had to be deferred to the next meeting
	Number of reports on policy interpretation to departmental stakeholders, state attorney and legal counsel appointed by state attorney, and to provinces and municipalities	Four reports on policy interpretation to departmental stakeholders, state attorney and legal counsel appointed by state attorney, and to provinces and municipalities	interpretation to state attorney, provincial, legislative and disciplinary bodies	N/A	N/A
National human settlement policy developed and/or revised	Not established	Nine structured policy workshops on human settlement policies	Seven workshops on human settlement policies were held with provincial departments and their municipalities	Two workshops were outstanding	In 2011/2012, eight workshops were held in provincial departments and their municipalities – one more than the achievement of 2012/2013 Workshops are dependent on whether provinces find them suitable for that particular financial year; in some instances a particular province may not require assistance and or interpretation services

Strategic objective: To manage compliance with human settlements government frameworks					
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations
Approved monitoring, evaluation and impact assessment and governance frameworks	None	Approved governance frameworks and implementation guidelines for 2012/13	None	Approved governance frameworks	No personnel capacity
Number of reports on the implementation of the sector transformation programmes and plans	None	Four reports on the implementation of the sector transformation programmes and plans	Achieved Reports on the implementation of sector transformation programmes and plans submitted with highlights of: <ul style="list-style-type: none"> • Women's economic empowerment road shows • Women's Build hosted by KZN • Youth Build hosted by Eastern Cape • Nelson Mandela Legacy Build hosted by Gauteng • 16 Days of Activism hosted by Western Cape and Gauteng • YHS implemented in Gauteng, Western Cape, Eastern Cape and Mpumalanga • Women and Youth Forums coordinated • Disability mainstreaming strategy approved • Community outreach and military veterans programme implemented 	N/A	NA
Four economic trends and market analysis reports	Four economic trends and market analysis reports	Four economic trends and market analysis reports	Four economic trends and market analysis reports	N/A	N/A

Strategic objective: To manage compliance with human settlements government frameworks						
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations	
Number of monitoring reports: Four reports on Human Settlements project performance Four reports on human settlements index Four reports on Outcome 8	Four quarterly reports Four quarterly reports Four quarterly reports	Four quarterly reports Four quarterly reports Four quarterly reports	<ul style="list-style-type: none"> Three monitoring reports on human settlements performance One report on human settlements Index Four reports on Outcome 8 	A detailed verification was initiated in one province in the fourth quarter. (See evidence provided, PMU Branch) Performance is measured on annual basis. (See evidence provided, PMU Branch)		
Number of impact assessment reports	One report	One report	One report on UISP study in four provinces	N/A	N/A	
Functional governance framework system	Four quarterly reports	Four quarterly reports	None	Four quarterly reports	No personnel capacity	
Number of research reports on the identified themes in the research agenda	Eight research reports	Three research reports	Three research reports: <ul style="list-style-type: none"> Job creation calculation model Investigating the mortgage default insurance (MDI): its interface with policy and challenges with MDI in its current form 	Five research reports	Research unit was divided into three so that each unit can serve three strategic branches independently	
			<ul style="list-style-type: none"> Analytical research assessing whether FLISP has adequately responded to the challenges of access to housing for the gap market ToRs for the development of the business case to enhance the participation of youth to human settlements. ToRs for the development of the qualification criteria for military veterans 			

Strategic objective: To advise on project integration and quality assurance and provide assistance to the Portfolio Committee						
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations	
Approved project integration services master plan	None	Approved project integration services master plan	None	Approved project integration services master plan	Inadequate personnel capacity	
Number of reports on project quality assurance	None	Four reports on project quality assurance	None	Four reports on project quality assurance	Inadequate personnel capacity	
Number of reports on the provision of Parliamentary committees management services	None	Four reports on the provision of Parliamentary committees management services	Four reports on the provision of Parliamentary committees management services submitted	N/A	N/A	

Strategy to overcome areas of underperformance

None

Changes to planned targets

Approved project integration services master plan and reports on project quality assurance.

The above targets were not achieved due to the fact that the unit is relatively new and therefore inadequately staffed. The unit is in the process of filling all vacant posts and has in the meantime amended its plans, in order to ensure achievement of delivery targets.

Linking performance with budget

Human Settlements delivery frameworks

Sub-programme	2012/2013			2011/2012		
	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
Management	2,501	2,160	341	2,321	1,965	356
Operational Frameworks	17,039	14,561	2,478	8,756	7,624	1,132
Governance Frameworks	18,054	14,018	4,036	10,192	7,118	3,074
Advisory Services	3,711	3,616	95	3,723	3,640	83
Total	41,304	34,355	6,949	24,992	20,347	4,645

5.3. Programme 3: Human Settlements Strategy and Planning

Purpose

To provide implementation and delivery support, build capacity and liaise and communicate with stakeholders for housing and human settlement programmes.

Sub-programmes and strategic objectives

The branch strategy of the Chief Directorate of Human Settlements Planning is managing the development and compliance with human settlements sector delivery frameworks and overseeing integrated human settlements strategic and planning services.

The branch strategy of the Chief Directorate of Human Settlements Strategy is to oversee integrated human settlements strategic and planning services.

The branch strategy of the Chief Directorate of Stakeholder and Intergovernmental Relations is to manage stakeholders' relationships and intergovernmental relations (IGR) services.

Strategic objectives, performance indicators, planned targets and actual achievements

The Chief Directorate of Human Settlements Planning's key delivery objectives are to:

- Develop and review human settlement programme planning frameworks and instruments.
- Support and facilitate the implementation of the abovementioned frameworks and instruments at provincial and municipal level.
- Undertake research and development in respect of human settlement programmes and development planning.

The Chief Directorate has largely honoured the commitments set out for the reporting period. Where targets have not been met, these can to a large extent be ascribed to a lack of staff to accomplish said commitments and tasks, and the shortage of funding – in the case of the revision of the Red Book.

Regarding the first objective, it is noted that most of the frameworks for the HSDG were developed in the 2011/12 financial year; for 2012/13 minor additions and amendments were effected to reflect policy adjustment and enhancements. In addition, a business plan template was developed for the USDG; the business plan template will serve as an addendum to the Built Environment Performance Plans (BEPPs) submitted by the eight metropolitan municipalities. Finally, while not currently employed, it is noted that a business plan template has also been developed for the Rural Household Infrastructure Grant.

At the start of each financial year the Chief Directorate of Human Settlement and Planning embarks on a process of support to provinces in respect of their Human Settlement Development Conditional Grant business plans. During the preparation of the nine provincial business plans, the Chief Directorate provides said support on both compliance and substantive matters.

Finally, the national Department administers the USDG; it therefore is crucial to ensure that the metropolitan municipalities use the grant within accepted legislation and policy. More specifically, the Chief Directorate renders support and guidance in the development of BEPPs. Furthermore, the Chief Directorate plays an important role in providing inputs on human settlements development during the assessment of municipal integrated development plans (IDPs).

The Chief Directorate is currently conducting four evaluations in collaboration with the Department of Performance Monitoring and Evaluation (DPME). The evaluations will provide knowledge regarding the performance of housing strategic instruments, the integrated residential development plan and the USDG while giving a narrative of how the programme has performed with respect to creating assets for the poor and providing the poor leverage to access the city. To date the Chief Directorate has developed all four ToRs, subjected the ToRs to a vigorous consultation process with programme managers and affected provinces and municipalities and advertised two of the ToRs. The evaluations form part of a broader process to rethink the housing programme in preparation of developing a new Human Settlements Green Paper.

The key delivery objectives of the Chief Directorate of Stakeholder and Intergovernmental Relations are to:

- Coordinate stakeholder and intergovernmental engagements.
- Coordinate the implementation of the People's Housing Process (PHP).
- Coordinate stakeholder and intergovernmental forums.
- Coordinate international relations.

National and provincial conditional grant business plans for 2013/14

The 2013/14 business plan process has been finalised and delivered timeously to the National Treasury, within the prescript of the Division of Revenue Act. A rigorous process was followed to ensure that provincial plans are aligned to national priorities. This year marked improvement in the quality of business plans and their timely delivery, which enabled the Department to analyse and finalise the national business plan within the required timeframe. A comprehensive report was submitted to the Director-General.

Provinces were also engaged in quarterly performance review sessions and follow-up workshops to ensure that they were on par with the requirements of the delivery agreements.

Targeted support to municipalities

The Chief Directorate of Human Settlements Planning rendered support to the eight metropolitan municipalities on the newly developed USDG business plan and the first draft BEPPs. Technical training on the usage of the USDG business plan template was provided to Ekurhuleni, City of Jo'burg, Tshwane, Nelson Mandela, City of Cape Town and Mangaung. The metros were also engaged in BEPP review sessions. In addition, through the Induction Programme for Councillor Training in the Eastern Cape, KwaZulu-Natal, Mpumalanga, Western Cape, Limpopo and North West, municipalities were capacitated to develop higher quality housing sector plans. Assessment of IDPs was done in the Free State, Limpopo and Mpumalanga.

Assessment of township establishment applications

In rendering further advice to the built environment sector, the Chief Directorate assessed and provided feedback on a number of Township Establishment applications.

Strategic integrated projects

The Chief Directorate was tasked with reporting on progress made with SIPs 1–7 and 18. A working relationship was formed with the SIP coordinators from various sector departments, the Department of Economic Development and the HDA. The HDA mapped the City of Cape Town's SIP 7 projects. Priority has now been given to the Department's interventions in

mining towns, and the corresponding reports and presentations have been compiled to show how much of the HSDG has been dedicated to development in mining towns.

Collaboration with relevant sector departments

The Chief Directorate of Human Settlements Planning made significant input to the Spatial Planning and Land Use Management Bill by presenting inputs to the Portfolio Committee and the officials of the Department. The Chief Directorate, in collaboration with the HDA, reviewed the Limpopo DHS APP-Part D. The Chief Directorate liaised with the The Council for Scientific Industrial Research and Department of Science and Technology to redraft the Red Book. In addition, sessions were held with the Department of Environmental Affairs in order to give input to the Waterberg-Bojanala priority area. Sessions were also held with the Department of Water Affairs during the IDP analysis process.

Stakeholder portfolio management

The Chief Directorate of Stakeholder and Intergovernmental Relations is tasked with work that includes one-on-one engagement with private and public stakeholders, reporting feedback to the Department, as well as showing value-add to the Department on each engagement.

The following private stakeholders were engaged:

- Buyisani Trading and Distributors
- Enriro Options (Pty) Ltd
- Matjesa Investment Holdings
- Buhlebekhethu Community Project
- Siboniseng Construction
- Dutch Affordable Housing Solutions
- ACt•hec cc Construction Division
- Central Buying Suppliers
- Naturena Rehauwe
- RBM Greenbuild
- Ngentile Promotions
- Assetgrow INV
- Burnstone Development Trust
- South African Cities Network
- BSC Building
- Buildforce
- Epilepsy SA
- Wildbeesfotein Evaton Community Association
- Habitat for Humanity

The following public stakeholders were engaged:

- Cooperative Government and Traditional Affairs
- National Treasury (Cities Support Programme)
- Department of Mineral Resources
- Department of Science and Technology
- NURCHA
- National Housing Finance Cooperation

Stakeholder and outreach initiatives

The following departmental stakeholder outreach programmes were facilitated and implemented:

- The Masimong 4 Community Residential Units (CRU) project (launched 20 June 2012)
- Govan Mbeki Human Settlements Awards (GMHSA)
- Budget vote 2012
- World Urban Forum (WUF) Consultative Workshop
- Youth Build 2012 (14 May 2012)
- Joint MINMEC: Human Settlement and Cooperative Governance and Traditional Affairs (CoGTA) (13 July 2012)
- EAAB summit (31 July 2012)
- Mantheding Project Launch (24 July 2012)
- Construction Sector Breakfast (2 August 2012)
- Presidential visit to Sweetwaters and Bekkersdal (10 August 2012)
- Tlokwe CRU Launch, Municipal Accreditation and MINMEC (10 Aug 2012)
- Women's Build House Handover Closing Ceremony (30 August 2012)

- Fleurhof Integrated Human Settlement Development (20 September 2012)
- SAHF International Conference (16–18 September 2012)
- Bothasig Gardens Social Housing Project
- Cornubia Integrated Housing Development Project Launch
- World Toilet Summit
- Lephhalale SOD Turning Ceremony
- Preparatory meeting for the UN HABITAT International Conference on Women Empowerment
- World Urban Forum Report-back meeting
- Benguela Delegation visit to Cornubia (13 February 2013)
- MINMEC and Implementation Forum (21 February 2013)
- Kenyan delegation visit (1 March 2013)
- EAAB member announcement (7 March 2013)
- Launch of the Chair for Education in Human Settlements (19 March 2013)
- Preparation for Danida Energy Efficiency Pilot Project
- International Conference on the Architecture for 2014

Stakeholder programmes

The 2012 Awards were successfully implemented on 31 May 2012. A full article on the 2012 Awards was included on the Stakeholder Engagement July 2012 newsletter. The GMHSA implementation process was approved by the Minister in December 2012 for the 2013 Awards. Preparations for the Awards have taken place, with provincial Awards to be implemented in April 2013 and the national Awards to be hosted on 6 June 2013.

The GMHSA framework document was reviewed and endorsed by the GMHSA national task team meeting that was convened on 25–26 July 2012. The GMHSA Framework and roll-out plan were approved and endorsed by the Deputy Director General of Strategy and Planning. Subsequently, Technical MINMEC was convened in the third quarter.

Sponsorship was secured to construct a house for the Appolis family. Secondly, four steel doors were secured from a stakeholder for the National Association of People Living with HIV and AIDS. In October 2012, sponsorship of furniture worth R22 951.29 was secured for the Booyens family in Clanwilliam, Western Cape. The family had a fatal fire accident which resulted in the Booyens losing four children, their house and household contents.

The 16 Days of Activism campaign against abuse of women and children held at Bronkhorstspruit in the month of November 2012 was supported. Stakeholders were invited to attend a breakfast session in order to source sponsorship. The sub-directorate secured seven sponsors. An amount of R70 000 in cash was contributed. In addition, PPC contributed 1 000 bags of cement, worth R100 000; other stakeholders contributed building material such as door frames, window frames, furniture and a bicycle for a learner who must travel a long distance to school, as well as protective gear.

The Women's Build programme held at Newcastle in August 2012 was also supported and it secured 21 sponsors and an amount of R154 000 in cash. Further, sponsors contributed building materials such as brick trowels, plastering trowels, plastering floats, brick force materials, roof tiles, wheelbarrows, ceilings, door and window frames, toilet seats and paint. Others contributed construction clothing, T-shirts, blankets, bursaries for the children of beneficiaries and furniture.

The Chief Directorate identified challenges with the coordination of the Department's participation in the Forum of South African Directors-General (FOSAD) clusters, in which the Department is either a core member or a non-core member. As a result, it established a task team with the approval of the EMT. The Directorate also compiled ToR for the task team; its responsibilities include:

- Preparing into the agenda of the social sector cluster.
- Preparing comments on departmental position to serve at FOSAD clusters and FOSAD MANCO.
- Reviewing all inputs by the Department to the FOSAD cluster.
- Reviewing all inputs by the Department requiring Cabinet approval.
- Providing comments on external Cabinet memorandums.

The Chief Directorate also drafted and proposed an improved framework for the quarterly provincial and municipal performance reviews to the MT. The framework was welcomed by the EMT; it is designed to improve performance reporting and also ensure that the Department does oversee the delivery and expenditure on the HSDG and the USDG as per the approved business plans. Proper use of the HSDG and USDG is very important to the Department; hence the need to ensure improved monitoring as this has a direct impact on service delivery in terms of achievable targets.

In the absence of a disaster management nodal point, the Chief Directorate has coordinated a disaster management task team to develop a human settlements disaster management plan for the sector; the draft plan will be presented to the EMT in the first quarter of 2013/14 for endorsement. The plan will thereafter be workshopped at provincial and district levels. In the year under review, significant strides were made in the coordination of the government's programme of action between key sector partners. The Department has worked closely with the DRL&LR, which is responsible for Outcome 9, and Department of CoGTA, which is responsible for Outcome 7. A significant feature of the intergovernmental relationship with both the Department of CoGTA and DRD&LR has been the establishment of quarterly reporting regime where the national DHS provides key housing and sanitation progress information in support of their respective delivery agreement targets. The national DHS made key inputs into the delivery agreement refinement processes for both Outcomes 7 and 9, which will ensure a greater cohesion in the planning, implementation, funding, monitoring and evaluation of the delivery of human settlements priorities. Furthermore, the Directorate has developed a concept document and roll-out plan towards the establishment of the NHSUF. This process will allow all stakeholders to meaningfully participate in the ongoing debates and jointly develop policies and approaches pertaining to South Africa's human settlements development and urban development policies and programmes. The engagement with sector stakeholders to establish the NHSUF is in advanced stages and the Department of CoGTA has commenced with the development of the integrated urban development framework. The NHSUF will also serve as a critical stakeholder engagement platform for the integrated urban development framework. Key policy issues to be discussed include the development of a Green Paper for Human Settlements and the review of the Red Book (i.e. redesign of human settlements planning and urban policy).

The international programme of the DHS has been implemented as planned. The Directorate facilitated two incoming visits from Botswana's Ministry of Lands and Housing (4–12 June 2012) and the Namibian Deputy Minister of Regional and Local Government, Housing and Rural Development (13–17 August 2012). The Department has also received new proposals for cooperation from the Republic of Uganda, the Democratic Republic of Congo and the Republic of Zimbabwe, who have all proposed memorandums of understanding; the Department will still consider these proposed agreements and respond to the respective countries.

The DHS continued to service its existing bilateral cooperations. Under the Cooperation Arrangement signed with the Kingdom of the Netherlands, the Directorate coordinated the continued implementation of the Cooperation Arrangement through an approved 2012 annual implementation plan. Further, a series of workshops was also organised under the Cooperation Arrangement and the Department has hosted oversight committee meetings to monitor the implementation of the programme. The 2013 annual implementation plan and its project proposals were also discussed and revised accordingly and submitted to the Dutch oversight committee in February 2013 for consideration and approval as discussed during the annual review meeting.

The Department continued to manage the risks around the implementation of the Danida-funded project on energy efficiency measures in low-income housing, the N2 Gateway. The DHS in consultation with its stakeholders had requested extension of the project owing to delays in construction of houses in Joe Slovo 03 precinct. The project has further being extended to the next financial year and is expected to be completed in April 2013. The Department appreciates the cooperation of the Danish Embassy in this regard and is looking towards fast-tracking the completion of the houses to make way for the installation of solar geysers. The DHS has renewed both the contracts of the sustainability advisors and the project manager for the further implementation of the project.

In terms of the Department's cooperation with Cuba, the DHS has continued to coordinate the implementation of the South African Cuban Technical Support Programme (SACTSP) and has held its national committee meeting with all participating provinces to review the SACTSP implementation. Furthermore, following the study visit that took place in July 2011, the Department has being engaged in a process to review the bilateral agreement with Cuba to take stock of the challenges experienced in the implementation of the programme and to respond to the new mandate of the DHS. To this point, the Department has received a revised Memorandum of Understanding (MoU) from Cuba and a draft revised agreement was also prepared by the Department's legal service, which will be negotiated going forward. The Department is still engaged in a process to review the bilateral agreement with Cuba beyond 2014 in view of strengthening the agreement going forward.

The DHS has also continued to support the implementation of the China Assisted Housing Project in Graskop. Several meeting were held with all stakeholders and also bilateral meetings with the Chinese Embassy to address challenges experienced in the implementation of the project. The Department has prepared the ToRs, which will properly define roles and responsibilities of all stakeholders and help to ideally coordinate the involvement of all stakeholders to support the project implementation leading to the proposed launch in October 2013. The ToRs will be discussed during the first sitting of the SA-China oversight committee in implementation of the China Assisted Housing Project.

In terms of the agreement with Angola, the Department participated in the interdepartmental meeting organised by the Department of International Relations and Cooperation (DIRCO) in the first quarter in preparation for the envisaged incoming visit by the Angolan technical team to discuss and unlock some of the challenges experienced in the implementation of the signed agreements with Angola coordinated through DIRCO. The visit has since been postponed due to elections in Angola. The Department had a further meeting with the Presidency to discuss the way forward and facilitate with DIRCO that the visit take place. The agreement will be reviewed during the next financial year and resuscitated with a view to implement the agreed programme of action.

In terms of bilateral engagements, the DHS participated in the Fourth Session of the Joint Commission for Cooperation (JCC) between South Africa and Zimbabwe held 28–30 October. The DHS participated during the social cluster subcommittee. The Department met with its counterpart, the Ministry of National Housing and Social Amenities from Zimbabwe, for bilateral talks to consider the minutes of the previous JCC held in Victoria Falls, Zimbabwe, and to discuss the proposed MoU by Zimbabwe. Both parties further briefed each other on the policy approaches and programmes implemented in both countries. The Department agreed to review the proposed cooperation areas with a view to strengthening them beyond housing policy and programmes, with a renewed focus on a holistic human settlements approach and multilateral cooperation. This process will be pursued further in the next financial year with a view to respond to the proposed MoU from Zimbabwe.

The Department has been requested by DIRCO to renew the Cooperation Agreement signed in 2006 due to increasing interest by South African business to get involved in the reconstruction projects in the Democratic Republic of Congo and with a view to strengthening bilateral relations within the area of human settlements. The Department further participated during the Eighth South Africa-DRC Bi-National Commission held in Pretoria 18–20 October 2012. During the meeting, both parties agreed to relook at the agreement and further host bilateral meetings with a view to understanding each other's new policy parameters and facilitating the renewal of the bilateral agreement. This process will be pursued in full during the next financial year, including writing to the DRC counterparts confirming our intentions to review the bilateral agreement.

Finally during this period under review, the DHS participated in interdepartmental meetings organised by DIRCO in preparation for the inaugural session of the JCC between the Republic of South Africa and the Republic of Uganda, held 8–9 November 2012. The Department has also received a proposed MoU from Uganda. The proposed agreement was further discussed during the occasion of the JCC and follow-up actions will be undertaken in the next quarter, including a formal response from the Department on the proposed MoU and an invitation to the Ugandan delegation to undertake a visit to South Africa with a view to appreciating the issues from which both parties will consider formalising the cooperation.

On the IBSA programme, the working group on human settlements adopted a schedule of the debate sessions and each country prepared and submitted a proposal of debate sessions. The Directorate also prepared the ToRs of an anchor institution that will, amongst others functions, facilitate future debate sessions, maintain the website of the working group and link up with anchor institutions from the two other countries. The unit coordinated inputs and participation at the debate sessions within the ambits of IBSA, on e-learning and involuntary resettlements themes. As a result, the three countries were accorded an opportunity to identify best practices, challenges and best possible solutions on the subject matter.

The Chief Directorate of Stakeholder and Intergovernmental Relations facilitated the participation of the Department in the fourth session of the BRICS Summit held in India 28–29 March 2012. The delegation from the Department was led by Deputy Minister of Human Settlements Z Kota-Fredericks. The Summit was a closed session which was partitioned into two clusters: global governance and sustainable development and green economy. The Department's support and contribution was on the sustainable development and green economy cluster, particularly on the issue of challenges of rapid urbanisation which exacerbates competition for diminishing land resources, rapidly increased slums growth and other most pressing challenges of cities. In addition, the Department participated in the urbanisation forum of BRICS which serves as a platform to articulate South Africa's position on urbanisation challenges and possible solutions.

Deputy Minister of Human Settlements Z Kota-Fredericks undertook a study visit to New Delhi and Mumbai in India 23–27 January 2012. The study tour to India was part of the proposed study programme for the Department as India shares similar experiences and approaches with South Africa on issues such as slum upgrading, land tenure security, housing solutions and eradication of poverty. The visit was also part of the invitation by the Slum Dwellers International (SDI) affiliates in India (SPARK, Manila Milan and the Indian National Slum Dwellers Federation) to participate in an exposure visit to India to deepen our understanding of India's slum upgrading and build on the study tour that was undertaken in 2007.

South Africa was invited to participate at the African Ministerial Conference on Housing and Urban Development (AMCHUD) IV held 19–24 March 2012 in Nairobi, Kenya, on the theme of 'Territorial planning and access to basic services for all: implications of climate change for territorial planning and access to basic services'. The conference was in two segments: the expert and technical group meeting and the ministerial meeting. A South African delegation led by Deputy Minister Z Kota-Fredericks made a remark/intervention on the theme of the conference, highlighting that 'climate change and our developmental agenda can never be seen as exclusive. Moreover, South Africa would be hard pressed to pursue an avenue of unchecked increased investment in energy efficiency to the detriment of striving to achieve the targets set for South Africa's Millennium Development Goals'.

During the period 16–19 November 2012, the Department participated at the AMCHUD Bureau which resolved that, in order to ensure the establishment of the AMCHUD as the specialised Technical Committee of the African Union (AU) as envisaged in the Durban Declaration, a mission to the AU Commission headquarters should be undertaken. As a result, South Africa together with UN HABITAT was invited to accompany the AMCHUD Secretariat to this mission to Addis Ababa; South Africa could not attend due to unforeseen circumstances. However, South Africa still continues to play an active role as a permanent member of the AMCHUD Bureau and assists Kenya as the new host of the AMCHUD.

During the period 27 February to 1 March 2013, the Chief Directorate of Stakeholder and Intergovernmental Relations, on behalf of the DHS, hosted the new members of the Secretariat of AMCHUD to a strategic session intended to impart knowledge on how to further strengthen the AMCHUD Secretariat and prepare for the special AMCHUD meeting in April 2013. Amongst the issues discussed was the institutionalisation of AMCHUD as a specialised Technical Committee of the AU, preparations for the Bureau and special ministerial conference, interim staff structure and guidelines for the Secretariat. During this meeting, historic documentation of AMCHUD was handed over to the new Secretariat of AMCHUD.

South Africa participated at the Sixth Session of the World Urban Forum was hosted by the Government of Italy, in Naples in the first week of September 2012, under the theme 'The Urban Future'. South Africa prepared its position based on the forums' following four broad thematic dialogue sessions:

- Urban planning: institutions and regulations
- Equity and prosperity: distributions of wealth and opportunities
- Productive cities: competitive and innovative cities
- Urban mobility, energy and environmental sustenance

Prior to participation at WUF6, the international relations unit coordinated a preparatory process aimed at consulting with relevant role-players within Government and the private sector, including civil organisations, to establish an informed and consolidated South African position at WUF6.

PHP oversight and intervention support in the sector

The PHP intended to produce 10 000 units in the 2012/13 financial year, but only managed to produce 6 801 units. The reasons for underperformance are that most of the projects were not finalised in the financial year as planned. The Chief Directorate of Stakeholder and Intergovernmental Relations plans to establish provincial PHP forums to rigorously manage the implementation of PHP projects.

The following projects were visited for the purposes of oversight and intervention in the sector:

- Lethabong and Ditsobotla project in North West.
- The Namibia Stop 8 project in KwaZulu-Natal.
- Drommedaris Project in Paarl, Western Cape.
- Three Districts municipalities in Mpumalanga.

A total of 6 801 units were produced in 2012/13 financial year: 1 628 in KwaZulu-Natal, 673 in Gauteng, 450 in North West, 2 750 in Mpumalanga and 1 300 in the Western Cape.

The Chief Directorate had a meeting with Habitat for Humanity to engage them on their community-driven initiatives nationally. The organisation has undergone a strategic review to refocus their activities on community empowerment programmes and social facilitation.

The Chief Directorate was invited to attend the SDI 5 Cities Seminar which was held in Cape Town and Stellenbosch 5–7 February 2013. The Directorate engaged the SANCO Development Institute to allow them to participate in PHP as a community resource organisation. The organisation is utilising community-driven initiatives in the implementation of their

other projects and it is hoped that they will utilise the same community empowerment programmes in the implementation of PHP projects.

The Chief Directorate also participated in a meeting with the Directorate of Women and Youth Mobilisation in order to establish a partnership with NARYSEC, a youth capacitation and development programme from the DRD&LR. The partnership seeks to allow the youth trained by NARYSEC to receive in-service training upon implementation of PHP projects. A concept document was developed to this effect.

The Chief Directorate has also produced the draft implementation guidelines on the enhanced PHP policy framework, which is currently prepared to be table at the technical MINMEC meeting.

Strategic objective: To manage human settlement planning					
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations
Develop human settlements planning frameworks and guidelines	Human settlement frameworks revised include: <ul style="list-style-type: none"> • Nine APP-Part D • Nine Conditional Grant business plan • Eight BEPP • HSPs for municipalities in nine provinces 	Revision of the following provincial and municipal planning frameworks: <ul style="list-style-type: none"> • APP-Part D • Conditional Grant business plan • BEPP • HSP 	Human Settlement frameworks revised include <ul style="list-style-type: none"> • One national Conditional Grant business plan • Nine provincial Conditional Grant business plans • Eight urban settlement development business plans, as annexure to the BEPPs 	No revisions were required for the: <ul style="list-style-type: none"> • Nine APP-Part D • HSPs for municipalities in nine provinces Two frameworks were not revised	There was no need to revise the two frameworks
Number of provinces capacitated in the development of human settlements planning frameworks	<ul style="list-style-type: none"> • Eight APP- Part D • Nine provincial business plans 	Nine provinces capacitated in the development of human settlements planning frameworks: <ul style="list-style-type: none"> • APP-Part D • Conditional Grant business plans 	Nine approved provincial business plans Nine provincial APP-Part D	N/A	N/A
Number of municipalities capacitated in the development of human settlements planning frameworks (BEPPs, HSPs)	N/A	Municipalities capacitated in the development of the human settlement planning frameworks	Three capacitated in the development of the human settlement planning frameworks		The metros were assisted with various issues pertaining to the BEPPs, HSPs and the USDG business plan
	Eight BEPPs	Eight BEPPs, first and final drafts 16 HSPs	Eight BEPPs, first and final drafts Three HSPs	N/A	N/A
	HSPs for municipalities in nine provinces			Deviated with 13 from the target of 16 HSPs	Turnaround strategy shift in functions of officials within the CD of Human Settlements Planning resulted in capacity constraints

Strategic objective: To manage the development of human settlement strategy, including research						
Performance indicator	Baseline	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations	
Development of a human settlements macro strategy	No baseline	A framework and programme plan for the development of a Human Settlements Green Paper developed	A framework and programme plan for the development of a Human Settlements Green Paper developed	N/A	N/A	
Conduct four human settlements evaluations	No baseline	Four frameworks on the evaluation of human settlements programmes completed	Four frameworks on the evaluation of human settlements programmes completed	N/A	N/A	
Consultation and dissemination of knowledge on human settlements strategies and plans	No baseline	Two national strategy and research task team forums held	Two national strategy and research task team forums held	N/A	N/A	
Monitoring reports on the implementation of sector stakeholder collaboration frameworks	Various public-private partnership frameworks for implementation; framework for the implementation of emerging contractors	Four monitoring reports on implementation of sector stakeholder collaboration frameworks	Four monitoring reports on implementation of sector stakeholder collaboration frameworks	N/A	N/A	
Number of monitoring reports on the implementation of program of action (PoA) of the social contract for sustainable human settlements	Outcomes of the Housing Indaba: Vision 2030	Four monitoring reports on the implementation of the PoA of the social contract for sustainable human settlements	Developed the concept, operational and roll-out plans of the establishment for the National Human Settlements and Urban Forum The target is partially achieved	Forums could not meet due to the change of mandate.	The concept and roll-out plan was developed in the fourth quarter of the 2012/13 financial year. These documents are still waiting endorsement by the EMT. The New Human Settlements Engagement Forum was introduced.	
Number of existing bilateral partnerships/relations maintained	Programme of international relations, composed of four existing bilateral relations, developed and implemented	Four reports on the maintenance of bilateral relations	Four reports on the maintenance of bilateral relations	N/A	N/A	

Strategic objective: To manage stakeholder relationships and IGR services						
Performance indicator	Baseline	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations	
Number of existing multilateral relations maintained	Programme of four existing multilateral relations developed and implemented	Four reports on the maintenance of multilateral relations	Four reports on the maintenance of multilateral relations	N/A	N/A	
Reports on the provincial performance reviews coordinated and facilitated	2010/11 reports on provincial performance reviews	Four reports on the provincial performance reviews coordinated and facilitated	Four reports on the provincial performance reviews coordinated and facilitated	N/A	N/A	
Number of reports on the Department's engagements coordinated with multiple sector departments	ToRs for the sustainable human settlements and basic services task team	Four reports on the Department's engagements coordinated with multiple sector departments	Four reports on the Department's engagements coordinated with multiple sector departments	N/A	N/A	
Support the delivery of 35 000 PHP housing units across the provincial DHSs pending provincial DHS allocation to implement PHP	PHP implemented	Support delivery of PHP housing units across the provincial DHSs	Achieved, 6 801 delivered in six provinces	8 500 units in 2011/12 6 801 units in 2012/13 Variance is 1 699 units Deviation = 35000 - 6801	Most projects were not completed within the financial year as planned Fewer units achieved in 2011/12 compared to 2012/13 due to projects not being completed within the financial year as planned The programme has the potential to perform better if the implementation guidelines can be approved. The guidelines have been tabled at EMT are to be tabled at technical MINMEC. Evidence attached (File 3 and 4; Annexure L)	

Strategy to overcome areas of underperformance

There were no areas of underperformance.

Changes to planned targets

No changes were made.

Linking performance with budget

Human settlements strategy and planning

Sub-programme	2012/2013			2011/2012		
	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
Management	-	-	-	-	-	-
Human Settlements Strategy	1,891	1,156	735	15,495	14,435	1,060
Human Settlements Planning	13,000	9,061	3,939	9,618	8,992	626
Stakeholder and Intergovernmental Relations	26,955	23,058	3,897	38,298	35,263	3,035
Total	41,846	33,275	8571	63,411	58,689	4,722

5.4. Programme 4: Project and Programme Management Unit

Purpose

To oversee the execution of Human Settlements programmes and projects.

Sub-programmes and strategic objectives

The Project and Programme Management Unit was established with effect from 1 April 2012, following the approval of the new structure of the Department. The PMU consists of four sub-programmes:

- Programme and Project Planning
- Programme Implementation Facilitation
- National Sanitation Programme
- Programme Monitoring and Evaluation

Strategic objectives, performance indicators, planned targets and actual achievements

The implementation of the new structure and the implementation of new functions and mandates by sub-programmes necessitated a period of transition and adaptation. In addition, the new structure necessitated the filling of vacancies of newly established posts. This resulted in the programme not operating at full capacity for a large part of the year. However, the programme achieved the larger part of its objectives and targets from the operational plan.

The programme is often reliant on inputs and cooperation from provincial Human Settlement Departments and municipalities. Often, the non-responsiveness of these institutions made it difficult for the programme to perform efficiently and effectively. Certain appointed service providers have also not performed as expected, which impacted on the performance of the programme and remedial steps had to be taken to rectify matters.

The NUSP has been established to promote informal settlement upgrading and to provide technical support to municipalities to achieve the objectives of Outcome 8 and the National Planning Commission. Considerable progress has been made in supporting 49 identified municipalities in developing informal settlement upgrading strategies and detailed project plans for the informal settlements in their areas of jurisdiction through the NUSP. Political and technical buy-in has been negotiated with all 49, while technical assistance has been provided to 26 municipalities. Technical assistance for an additional 17 municipalities has been negotiated and it is expected that the balance of the municipalities will receive such assistance in 2013/14. Provincial NUSP structures have been established in eight provinces; these are operational. A structure for the

development of a capacity building programme on informal settlement upgrading has been completed.

Continuous contact has been maintained with provinces and municipalities, as well as a number of individuals, regarding the implementation of housing programmes and products. The majority of queries were received from individuals complaining about housing products, blocked projects, slow-moving projects and informal settlement upgrading projects; solutions to project matters were facilitated.

Continued strategic and project management support was provided to provinces in the rolling out of identified priority projects. This support differed from project to project as each of these projects was at a different stage in the delivery cycle. Consolidated quarterly progress reports on the projects were prepared and submitted.

Various stages of progress can be reported on the projects that received ring-fenced funding. The Cornubia project in Ethekwini, one of the Cabinet-endorsed projects, has been progressing well. To date, 439 high density housing units are in the process of being constructed and it is anticipated that these units will be completed for occupation by June 2013. Progress on Lephalale has largely involved the provision of bulk infrastructure; the town planning and township registration processes for the housing component in Altoostyd are in progress. In the Lufhereng project in the City of Johannesburg, to date 1 832 housing units have been completed. In the first phase of the Khutsong Project, 3 239 houses are in the process of being constructed and 2 070 have been completed. In the Sweetwaters project in the City of Johannesburg, 307 beneficiaries have been relocated to the adjacent Tulamtwana project due to bulk infrastructure challenges that are being experienced in the Sweetwaters area.

In the Drommedaris project in the Drakenstein municipality, 1 142 housing units are under construction with 233 completed. In the Duncan Village project in the Buffalo City municipality, 5 354 housing units have been completed. In the Diepsloot project, the development agreement between the implementation agent and the Gauteng DHS is in the process of being finalised and the urban design framework, feasibility study and the NHBRC's Phase 1 Report are complete. In addition, the designs for the pedestrian bridge have been completed.

In the other projects that are funded via that HSDG, progress in the reporting period varied. Construction of houses in the Zanemvula project, situated in the Eastern Cape within the jurisdiction of the Nelson Mandela Bay metropolitan municipality, is ongoing and to date 5 197 new units have been completed. In addition, 2 013 units have been rectified. The Klarinet project, located in Mpumalanga within the jurisdiction of the Emalahleni local municipality, has to date delivered 1 052 housing units and a further 120 are in the process of being constructed.

On the N2 Gateway project, situated within the jurisdiction of the City of Cape Town, in the Delft 7-9 component, 3 911 housing units have been completed to date. In Delft 601, all 601 units have been completed and in Delft Symphony, 1 849 units have been completed, including three units for disabled beneficiaries. In Delft Symphony 4-6, 2 377 units have been completed. In the Joe Slovo Phase 1 component, 705 rental units were completed and in the Joe Slovo Phase 3 component 255 high-density units have been completed. In the New Rest component, 668 units have been completed while in Boystown, 447 units are now complete.

Work in the Lerato Park project, situated in the Sol Plaatjie local municipality, will entail the development of 4 564 residential units and, to date, 10 show houses have been constructed.

Difficulties experienced in the implementation processes at the different projects included:

- Delays in the procurement processes, e.g. at the Cornubia project and Lufhereng.
- Labour-related issues, e.g. at the Cornubia project.
- Inadequate bulk infrastructure in the project area, e.g. Sweetwaters project.
- Availability of land, e.g. at the Lufhereng, Duncan Village and Khutsong projects.
- Environmental concerns in the Diepsloot project.
- Inadequate cooperation from some of the relevant provincial departments and the affected municipalities in signing the Implementation Agreements for the Cornubia, DVRI, Sweetwaters and Diepsloots projects.
- Local and provincial level dynamics, e.g. at Lerato Park and DVRI.
- The inability of the relevant sector departments to align funding and project planning with those of the relevant projects for the delivery of social amenities.

In terms of the Housing Act (Act No. 107 of 1997), the Department has the responsibility to monitor and verify the implementation and performance of human settlements programmes and projects country-wide. During the 2012/13 financial year, on-site monitoring and verification of active human settlements projects was done on a quarterly basis in all provinces.

A verification exercise of all delivery in the 2012/13 financial year has commenced. The objective is to confirm the delivery performance as reported by provincial DHSs and financed from the HSDG.

The Department continued to report progress on the achievement of the objectives of Outcome 8 to Human Settlements MINMEC and Cabinet on a quarterly basis. Interaction with provincial departments, development finance entities, relevant stakeholders and the DPME took place on a continuous basis.

Back-up data from the Housing Subsidy System (HSS) was gathered from provincial departments on a monthly basis and restored to the national Department's data warehouse from where it was available to be extracted as required for reporting and responding to enquires and Parliamentary questions. Non-financial delivery performance statistics were gathered on a monthly basis from the relevant units within provincial DHSs. Monthly analysis was done on the extent to which provinces were making use of the HSS to record their non-financial delivery information.

Operational data on projects funded from the HSDG was analysed and a presentation on the overview of non-financial performance (delivery trends) was compiled. Informal settlements reports were analysed and progress with formalisation of data was summarised and made available.

The Information Handbook was updated to make information on key indicators relevant to human settlements readily available.

A project to map informal settlements in the 49 prioritised municipalities in partnership with the South African National Space Agency has progressed and the mapping of informal settlements in Western Cape, North West and Gauteng was completed.

The Human Settlements Master Dataset was analysed with the Geographical Information System to identify location data quality issues, and data enhancements were performed. This spatial data analysis process enables the national Department to report on human settlements development at various geographic levels, including district and local municipality. The operational data was filtered and packaged for monitoring and reporting on human settlement development in the 23 Cabinet priority rural districts and tracking projects in the NUSP municipalities and mining towns.

The revision of the Monitoring, Evaluation and Impact Assessment policy and implementation framework to incorporate the USDG, Outcome 8, and the RHIP initiatives has been initiated

A baseline study on UISP was initiated in collaboration with the DPME. The baseline study forms part of the evaluations that are on the national evaluation plan submitted to Cabinet. The baseline study will collate existing maps, the estimated number of households, record household information, including demographics, health and safety, employment, consumption and productive activities, as well as the empowerment of local communities in the informal settlements targeted for upgrading. These exercises will collect baseline data that will be used to conduct future impact evaluations.

A draft national sanitation policy was developed which will be submitted for discussion, consideration and approval during 2013/14.

A total of 243 municipalities in all nine provinces were supported with assessments of water services development plans in their respective IDPs. The process has assisted in ensuring that sanitation projects are prioritised and adequately budgeted for. The Department supported 45 water service authorities in seven provinces on water and sanitation hygiene initiatives. RHIP served 27 144 households with sanitation facilities, thus reducing the rural sanitation backlog in seven benefiting provinces.

The Department participated in the 12th Annual World Toilet Summit, an initiative of the World Toilet Organisation to achieve the Millennium Development Goals, held in Durban 3–6 December 2012. It followed in the wake of World Toilet Day, established on 19 November 2001 to raise awareness about the number of people living without access to proper sanitation – a figure which stands at 2.6 billion worldwide.

Health and hygiene (H&H) awareness campaigns were conducted in the Cape Winelands district, three areas in the City of Cape Town and seven areas in Stellenbosch. These campaigns were particularly targeted at women and children and also areas where hygiene education was identified as a priority by provincial sanitation task teams.

A national bucket eradication strategy has been developed. Eighteen municipalities have been assisted to compile local bucket eradication strategies to eliminate approximately 88 012 bucket toilets. The national Department is further monitoring the implementation of bucket replacement projects in 52 municipalities, to which R116.7 mil has been committed in the 2012/13 financial year.

The Department supported the ministerial national sanitation task team, appointed by Human Settlements Minister Tokyo Sexwale in September 2012 to look at the challenge of unclosed toilets in the country. The report was completed in March 2013 and one of the findings was non-compliance to the norms and standards in the implementation of the sanitation programme. The task team recommended that sanitation become a national priority of government, which has been achieved following a decision by Cabinet to elevate it to one of the strategic infrastructure projects.

The South African Human Rights Commission investigated the right to access to water and sanitation and submitted its report to the Minister of Human Settlements during March 2013. The Commission stated its satisfaction that the dignity of people of Rammulotsi, Viljoenskroon, in the Free State is restored. The assertion follows inspection that was conducted on 9 April 2013 in Rammulotsi together with the Moqhaka local municipality and the DHS to assess progress made in the enclosure of open toilets. The Commission commended the municipality and the Department on making sure that the residence of Rammulotsi can use sanitation in a dignified manner. The Commission further confirmed that the initial 1 831 toilets that formed part of its investigation were enclosed. The DHS also assisted with the enclosure of an additional 253 toilets, some of which were demolished by residents.

Strategic objective: To facilitate the planning and implementation of sustainable human settlements in identified projects						
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations	
Consolidated quarterly progress report on identified projects facilitated	Four consolidated quarterly project progress reports	Four consolidated quarterly project progress reports on identified projects facilitated	Four consolidated quarterly project progress reports on identified projects facilitated produced	N/A	N/A	
Minutes of technical task team meetings	N/A	Provision of planning and implementation support to provinces at 32 technical task team meetings in identified projects	Provision of planning and implementation support to provinces at 30 technical task team meetings in identified projects	Did not provide planning and implementation support to provinces at two technical task team meetings in identified projects	There was lack of clarity regarding the new mandate and functions of the Chief Directorate. As a result, engagements with provinces started very late	
Number of reports on projects and programmes provided with delivery support	No baseline	Four reports on projects and programmes provided with delivery support	Four reports on projects and programmes provided with delivery support produced	N/A	N/A	

Strategic objective: To manage the implementation and facilitation of human settlements projects						
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations	
Number of reports produced in respect of slow-moving projects and projects matters to receive delivery support	No baseline	Four reports produced in respect of slow-moving projects and project matters to receive delivery support	Four reports produced in respect of slow-moving projects and project matters to receive delivery support	N/A	N/A	
Develop support programme tools to enhance delivery of affordable stock, programme implementation and provide overall advisory and technical support on management of rental housing stock	No baseline	Reviewed CRU policy finalised and submitted for approval	Not achieved	CRU policy not reviewed, finalised or submitted for approval	It has been agreed that the CRU policy will be reviewed by the policy unit of the Department. This target will be removed from the unit's APP and will be completed in the next financial year	
	No baseline	National private sector strategy finalised and submitted for approval	Not achieved	Strategy to guide the implementation of private rental housing not developed or approved	This target has been deemed to be more appropriately located in the policy unit of the Department	
	No baseline	National human settlements cooperatives policy developed, finalised and submitted for approval	Partially achieved Appointed a service provider for the development of the cooperatives policy	National human settlements cooperatives policy not developed, finalised and submitted for approval	The service level agreement has not yet been signed by the DG	
	No baseline	Criteria for the demarcation and assessment of restructuring zones developed	Not achieved	Criteria for the demarcation and assessment of restructuring zones not developed	Agreement has been reached with the policy unit in the Department that they will initiate this work	
Performance reports on the development of 80 000 public and private rental housing units in provinces in line with output 1.2 of Outcome 8		Support delivery of approximately 6 000 public rental and 19 693 private rental housing units in the provinces	Support delivery of approximately 6 000 public rental and 19 693 private rental housing units in the provinces in line with output 1.2 of Outcome 8 313 299 public rental and 10 565 private rental units delivered in line with output 1.2 of Outcome 8	N/A	N/A	

Strategic objective: To manage the implementation and facilitation of human settlements projects					
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations
Manage the implementation of NUSP in 49 municipalities	None	Report on progress on implementation of NUSP in 25 municipalities	<p>Produced one report on the implementation of NUSP in 45 municipalities</p> <p>One progress report on the development of informal settlement upgrading plans in 45 metro areas, cities and large towns</p> <p>Four reports on informal settlement projects upgrading projects supported in provinces and municipalities</p>	One report on the implementation of NUSP in 20 additional municipalities, due to extension of the NUSP	The NUSP was extended to 45 municipalities
Manage and monitor the upgrading on informal settlements in the provinces and municipalities	TBD	Progress reports to MINMEC on the informal settlement upgrading targets as contained in Outcome 8	Progress reports to MINMEC on the informal settlement upgrading targets as contained in Outcome 8 submitted	N/A	N/A

Strategic objective: To manage the implementation of the sanitation programme						
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations	
Draft sanitation policy	N/A	Draft sanitation policy approved and rolled out	Revised the White Paper on Household Sanitation Presented the draft sanitation policy to the Portfolio Committee Prepared a final draft sanitation policy	Draft sanitation policy not approved and rolled out	The policy development process has been put on hold in order to clarify the role of the DHS in water services	
Number of engagement on progress on the roll-out of free basic sanitation strategy	N/A	12 engagement reports	16 engagement reports on seven provinces, covering 34 municipalities One international benchmark report covering four countries	Four engagement reports achieved in addition to the target	The wording of this target was changed to read "nine provincial reports on the roll-out of free basic sanitation project plan", as the initial target did not comply with SMART principles There were no engagement reports for KZN and Gauteng The work of the national sanitation task team warranted engagement with more municipalities than envisaged	
Number of rural households served under RHIP	5 580 households served	58 000 households served	27 144 households served by 22 March 2013 Four progress reports on the implementation of RHIP produced	30 560 households fewer than the annual target served	An application for rollover of funds from the previous financial year was submitted to National Treasury in April 2012 and was declined. Additional service providers were appointed too late	
Number of assessment reports on sanitation projects supported regarding engineering evaluation of MIG technical reports	N/A	12 assessment reports on sanitation projects supported regarding engineering evaluation of MIG technical reports	12 assessment reports on sanitation projects supported regarding engineering evaluation of MIG technical reports produced	N/A	N/A	

Strategic objective: To manage the implementation of the sanitation programme					
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations
Number of reports on municipalities supported with the assessment of WSDP/IDP	16 reports on municipalities supported with the assessment of WSDP/IDP	12 reports on municipalities supported with WSDP/IDP assessment	One report on municipalities supported with WSDP/IDP assessment	11 reports on municipalities supported with WSDP/IDP assessment not completed	This target needs to be reworded to "Number of municipalities supported with the assessment of WSDP/IDP" as this is a once-off, annual exercise in for all provinces
Number of monitoring reports on the eradication of formal bucket sanitation system	N/A	12 monitoring reports on the eradication of formal bucket sanitation system	One progress report on the provision of support for the implementation of the post-1994 bucket replacement programme One close-out report on the provision of support for the implementation of the post-1994 bucket replacement programme Local eradication strategies for 18 municipalities in the Free State	12 monitoring reports on the eradication of formal bucket sanitation system not produced	Local eradication strategies for 18 municipalities in the Free State have only been compiled in December 2012. Municipalities will have to commit funding in the next financial year
Number of reports on sanitation sector capacity building programmes	N/A	Four reports on sanitation sector capacity building programmes	Four reports on sanitation sector capacity building programmes produced	N/A	N/A
Number of water services authorities supported on WASH programme	20 WSAs supported with WASH implementation, special H&H days observed (Global Hand Wash, World Toilet, Limpopo Easter Awareness)	27 WSAs supported on WASH	Supported 45 on WASH	18 additional WSAs supported on WASH	The unit received more requests for support on the WASH programme than anticipated
Number of households reached with H&H user education	5 580 households targeted for user education	58 000 households reached with H&H user education	31 092 households reached with H&H user education	12 605 not reached with H&H user education	Appointed new implementing agent This target varies in accordance with the available funding in a particular financial year
Number of WSAs supported to create jobs through sanitation programmes	N/A	20 WSAs supported to create jobs	20 WSAs supported to create jobs	N/A	N/A

Strategic objective: To manage the monitoring and evaluation of human settlements projects						
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations	
Monitoring and evaluation framework for human settlements projects	No baseline	Develop monitoring and evaluation framework for human settlements	Completed inception report	Monitoring and evaluation framework for human settlements not developed	Report not yet finalised for submission for approval Service provider only appointed in December 2012 The target to be deferred to the first quarter of the 2013/14 financial year	
Monitoring and evaluation impact assessments	No baseline	Four monitoring and evaluation impact assessments	<ul style="list-style-type: none"> UISP monitoring and evaluation impact assessment in four provinces Human settlement index progress report Verification of delivery First, second and third quarter project level monitoring report Four Outcome 8 progress reports 	N/A	N/A	
Number of reports on the implementation of data management, verification and analysis processes	(Four reports made available in previous configuration)	Four reports on the implementation of data management, verification and analysis processes	Four reports on the implementation of data management, verification and analysis processes produced	N/A	N/A	

Selected performance indicators as per 2012/2013 strategic plan

Indicator	Programme	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement for 2012/2013	Comment on deviations
Number of houses completed per year	Programme and projects management units	88 989	120 000	Partially achieved 113 776 houses completed	6 224 houses not completed	Final figures from provinces have not been confirmed. These figures will be confirmed during the fourth quarter provincial reviews, to be held in May 2013.
Number of sites serviced per year	Programme and projects management units	49 028	70 000	Partially achieved 41 112 sites serviced	28 888 sites not serviced	Final figures from provinces have not been confirmed. These figures will be confirmed during the fourth quarter provincial reviews, to be held in May 2013.
Number of households upgraded in well-located informal settlements with access to secure tenure and basic services	Programme and projects management units	100 000	140 000	Achieved 141 973 units (up to 31 December 2012)		
Number of affordable, social and rental accommodation units provided	Programme and projects management units	15 816	25 693	Achieved 31 299 units (up to 31 December 2012)		
Number of municipalities provided with technical assistance for informal settlement upgrading	Programme and projects management units	20	9	Achieved 45 municipalities provided with technical assistance for informal settlement upgrading		
Number of hectares of land released for human settlements development	Programme and projects management units	2 084	2 084	Achieved 7 477.5 ha of land released (up to 31 December 2012)		

Strategy to overcome areas of underperformance

A major area of underperformance for the branch was in the implementation of RHIP. Certain service providers appointed to implement the programme did not perform sufficiently. The strategy to overcome this underperformance is to reduce the funding and number of units originally allocated to these service providers and to reallocate such units and funds to six new service providers in an effort to conclude the contracts within the particular financial year.

As part of the Department's monitoring and evaluation process, it became clear that provinces would not achieve the targets set, particularly the Outcome 8 targets in relation to the provision of basic services and secure tenure for households residing in informal settlements. Upon investigation, it became clear that provinces did not adhere to previously agreed upon indicators by which the targets were to be achieved. In order to rectify this under-reporting, a new schedule and new guidelines were developed. It was also agreed that, in terms of these newly developed guidelines, provinces will have to re-evaluate their historical figures and all Outcome 8 reports will be enhanced with the correct information.

In view of the capacity constraints experienced by the programme, all vacant posts were advertised and the process of filling vacancies had progressed well by the end of the financial year.

Changes to planned targets

Where targets were changed, it was with the sole purpose of adhering to SMART criteria, with no material changes to the essence of the target and no financial implications.

Linking performance with budget

Programme and Project Management Unit

Sub-programme	2012/2013			2011/2012		
	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
Management	2,887	778	2,109	1,738	1,387	351
Programme and Project Planning	8,730	3,760	4,970	5,191	4,048	1,143
Programme Implementation Facilitation	66,165	8,803	57,361	8,243	6,252	1,991
Programme Monitoring and Evaluation	23,829	12,356	11,473	18,173	16,247	1,926
National Sanitation Programme	66,098	60,822	5,276	103,288	98,648	4,640
Total	167,709	86,520	81,190	136,632	126,581	10,051

5.5. Programme 5: Chief Financial Officer

Strategic objective

The following are the sub-programmes and strategic objectives of the Office of the Chief Operations Officer:

- The sub-programme Financial Management manages and provides financial support, overall budgetary and grants management services
- The sub-programme Chief Investments Officer manages and mobilises sectoral resources.

Strategic objectives, performance indicator, planned targets and actual achievements

The budget processes have been finalised, ensuring that the budget for 2013/14 financial year was approved. The adjustment estimate process was completed successfully in 2012/13. The quarterly interim financial statements as well as the annual financial statements were submitted to management.

All reports were generated and submitted as planned. In addition to reports required by prescripts, monthly financial statements were produced during the last quarter for January and February. As part of our strategy to address challenges experienced within the branch, a workstudy was commissioned on the activities performed by the branch. The report was finalised in February and its recommendations will be implemented in the new financial year. Full implementation of the recommendations will move us closer to the National Treasury's recommended organogram and will enhance our effectiveness.

The HSDG transferred to provinces amounted to R15.4 billion, of which R15.3 billion has been spent, representing a spending rate of 99%.

Strategic objective: To manage and provide financial support, overall budgetary and grants management services					
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievements for 2012/2013	Comment on deviation
Approved annual financial statements	Annual financial statements published	Submission of approved interim and annual financial statements	Annual financial statements and interim financial statements submitted	N/A	N/A
Departmental reports on supply chain management	Reports on supply chain management	Submission of monthly and/or quarterly departmental reports on logistics, procurement and transport services	Monthly and/or quarterly departmental reports on logistics, procurement and transport services submitted on time	N/A	N/A
Monthly and quarterly reports on system support	Reports submitted and approved	Submission of monthly and/or quarterly management reports on debtor system support	Four quarterly reports submitted	N/A	N/A
Approved MTEF budget	Budget approved	Approved 2012 medium-term expenditure framework budget	The estimates of national expenditure were approved and published	N/A	N/A
Percentage of funds transferred	100% of funds transferred	100% of funds transferred	98% of funds transferred	2% of funds not transferred	Out of R15.725 billion, R15.395 billion was transferred R284.8 mil in the Eastern Cape and R46.1 mil in Limpopo for March 2013 were stopped, totalling R330.9 mil

Strategic objective: To manage and mobilise sectoral resources							
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target for 2012/2013	Variance from 2011/2012 to 2012/2013	Comment on variance	
Provide secretariat function for Office of Disclosure in terms of the Act	Two reports were produced	Four reports on secretariat functions for Office of Disclosure in terms of the Act	Four reports on secretariat functions for Office of Disclosure in terms of the Act produced	N/A	2 reports	N/A	
	Four reports were produced on lending practices	Three reports on analysis of information submitted by financial institutions to detect lending patterns and practices on home loans	Three reports on analysis of information submitted by financial institutions to detect lending patterns and practices on home loans produced	N/A	1 report	N/A	
		Annual report on the performance and ratings of financial institutions	Annual report on the performance and ratings of financial institutions prepared and submitted to the Minister in terms of the Act	N/A	N/A	N/A	
		96 500 MDI housing finance loans approved	Not achieved	96 500	96 500	Implementation has not commenced due to outstanding capitalisation approval from the National Treasury, which affected the finalisation of the Financial Services Board insurance licences application	
		Approved revised FLISP policy	Approved revised FLISP policy achieved	N/A	N/A	N/A	

Strategic objective: To manage and mobilise sectoral resources							
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target for 2012/2013	Variance from 2011/2012 to 2012/2013	Comment on variance	
		Approved policy on long-term fixed interest rate	Not achieved		<p>Process kickstarted in first and second quarters with stakeholder consultations and a draft instrument on long-term interest rate produced</p> <p>There was no further progress information supplied from NHFC</p>	Information received was only up to the third quarter, as the final report is only expected at the end of April 2013	
		320 mortgage loans	160 mortgages	The quarterly target of 80 mortgages was only achieved in the first and second quarters. Zero mortgages were reported in the third quarter	160 mortgages	Information received was only up to the third quarter, as the final report is only expected at the end of April 2013	
		10 718 incremental loans	2 679 incremental loans	The quarterly target of 2 679 was only achieved in the first quarter. No loans were approved in the second and third quarters	8 039 incremental loans outstanding	Information received was only up to the third quarter, as the final report is only expected at the end of April 2013	
		11 098 units (wholesale funding, NHFC)	8 733 units		2 365 wholesale funding units outstanding	Information received was only up to the third quarter, as the final report is only expected at the end of April 2013	
		3 209 housing units leveraged by NHFC and other funders	802 units	A target of 802 units was achieved in the first quarter. No units were delivered in the second and third quarters	2 407 units	Information received was only up to the third quarter, as the final report is only expected at the end of April 2013	

Strategic objective: To manage and mobilise sectoral resources							
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target for 2012/2013	Variance from 2011/2012 to 2012/2013	Comment on variance	
		44 625 incremental loans	33 081	All quarterly targets achieved. The third quarter target reflected an over-achievement of 3 645 loans	5 121 incremental loans outstanding	Information received was only up to the third quarter, as the final report is only expected at the end of April 2013	
		22 loans granted for the construction of 3 080 affordable housing units	Seven loans granted for the construction of 982 housing units Sites: Two loans signed to deliver 465 sites	Third quarter reflects the loans in sites	15 loans for the construction of 2 098 affordable housing units outstanding	Information received was only up to the third quarter, as the final report is only expected at the end of April 2013	
		Four reports on engagements with financial institutions and/ or other stakeholders on investments in human settlements	Four reports on engagements with financial institutions and other stakeholders on investment submitted	N/A	N/A	N/A	
Promote investments in sustainable human settlements		Develop business plan for official development assistance (ODA) strategy	Draft business plan for ODA was submitted	Business plan is not yet approved	Business plan is not yet approved	Unit advised to halt development on this target due to lack of funding from European community	
		One report submitted to management on the number of houses delivered through pension fund	One report submitted to management on the number of houses delivered through pension fund	N/A	N/A	N/A	
		Two reports on Employer Assisted Housing (EAH) submitted to management	Two reports on EAH submitted to management	N/A	N/A	N/A	

Selected performance indicators as per 2012/2013 Strategic Plan

Indicator	Programme	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances	Evidence
Number of finance opportunities facilitated for households in the affordable sector	Office of the Chief Financial Officer		69 970	The target was not reported on			

Strategy to overcome areas of underperformance

To address the underperformance of provinces, the Funds Management unit is planning to do more provincial visits to improve spending performance. Process reviews were conducted resulting in some changes and shifts in the processing of transactions, thus enhancing internal controls.

Changes to planned targets: None.

Linking performance with budget

Housing Development Finance

Sub-programme Final appropriation R'000	2012/2013			2011/2012		
	actual expenditure	(over)/under expenditure	final appropriation	actual expenditure	(over)/under expenditure	
	R'000	R'000	R'000	R'000	R'000	
Management	3,013	1,678	1,335	2,816	1,178	1,638
Financial Management	42,422	33,722	8,700	35,562	29,703	5,859
Chief Investment Officer	23,043	17,795	5,248	26,008	14,795	11,212
HSDG	15,725,959	15,395,032	330,927	15,121,516	15,121,516	-
USDG	7,392,206	7,392,206	-	6,266,998	6,266,998	-
Contributions	912,808	912,808	-	487,091	484,074	3,017
Rural Household Infrastructure Grant	340,625	205,566	135,540	257,508	187,353	70,155
Total	24,440,076	23,958,807	481,269	22,197,499	22,105,618	91,881

5.6 Programme 6: Office of the Chief Operations Officer

Purpose

To oversee the provision of human settlements operational services.

Sub-programmes and strategic objectives:

The following are the sub-programmes and strategic objectives of the Office of the Chief Operations Officer:

- The sub-programme Enterprise Architecture oversees the enhancement of human settlements operations through effective enterprise architecture services.
- The sub-programme Technical Capacity Building manages the development of the technical capacity of the human settlements sector
- The sub-programme Regulatory Compliance manages regulatory compliance services.

Strategic objectives, performance indicators, planned targets and actual achievements

The Office of the Chief Operations Officer, through the sub-programmes Enterprise Architecture, Technical Capacity Development and Regulatory Compliance Services, is mandated to oversee the enhancement of human settlements operations through effective enterprise architecture services, manage the development of the technical capacity of the human settlements sector and manage regulatory compliance service. During the 2012/13 financial year, the Office of the Chief Operations Officer was able to present the departmental quarterly performance reports to inform the Accounting Officer on the overall performance of the Department and the challenges experienced during the implementation of the departmental strategic and annual performance plan 2012/13–2013/15. Furthermore, all departmental quarterly performance reports were submitted to the National Treasury as per Treasury requirements.

The departmental strategic and performance plans for the financial year 2012/13–2013/15 and the departmental annual report 2011/12 were therefore tabled in Parliament as per Parliamentary schedule. The enterprise architectural and operations systems were not approved during the period under review.

The Office of the Chief Operations Officer implemented human settlements training and skills development programmes at all three spheres of government for officials, councillors and community-based organisations and institutions. The capacity development strategies were developed and provided support to provincial departments in the development and implementation of provincial capacity development programmes and business plans. The sector professional development support programmes, which aimed at ensuring the implementation of professional projects for the sector, were developed and implemented.

It is pertinent to note that the national technical capacity development strategy and the provincial capacity development business plans and programmes were geared to ensure achievement of the Outcome 8 targets and Human Settlement Vision 2030. The development of a sector knowledge management strategy was not achieved during the period under review.

The approved strategic plans and budgets of seven human settlements entities were aligned to Outcome 8 outputs. Furthermore, performance monitoring and oversight visits of human settlements entities were conducted and reports on financial and non-financial assessments were produced. The assessment of the quarterly and annual performance of the human settlements entities were in compliance with the requirements of the Public Finance Management Act (PFMA) and Treasury regulations. There were five performance monitoring reports that were consolidated and submitted for approval. However, the fourth quarter reports of the performance monitoring and oversight visits were not completed during the period under review. The two reports will be finalised and submitted for approval by 30 April 2013. The human settlements entity CSOS was established. Service level agreements between the executive authority of the Department and the human settlements entities' boards were developed and submitted for approval.

The key performance indicator (KPI) 'Performance and compliance monitoring reports on oversight' is duplicated. This KPI was replaced by 'Seven performance monitoring and oversight visit reports produced'. Therefore, the later KPI was achieved and the initial KPI was not performed.

Strategic objective: To oversee the enhancement of human settlements operations through effective enterprise architecture services						
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievements for 2012/2013	Comment on deviations	
Approved enterprise architectural and operations systems	N/A	Approved enterprise architectural and operations systems	The enterprise architectural and operations system was not approved	the enterprise architectural and operations system was not approved as the D-G-signed ToRs were rejected by the Bid Specification Committee	Not applicable as this was the new target	
Number of departmental strategic and compliance reports	Four departmental strategy management compliance reports	Four departmental strategy management compliance reports	Four departmental strategy management compliance reports completed	N/A	N/A	
One validation and verification report on individual SMS performance agreements aligned to DHS strategic and performance plans	N/A	One validation and verification report on individual SMS performance agreements aligned to DHS strategic and performance plans	One validation and verification report on individual SMS performance agreements aligned to DHS strategic and performance plans	N/A	N/A	
One departmental strategic and performance plans analysis report	N/A	One departmental strategic and performance plans analysis report	One departmental strategic and performance plans analysis report	N/A	N/A	
Number of reports on departmental performance prepared and submitted to the Office of the Accounting Officer	N/A	Four reports on departmental performance prepared and submitted to the Office of the Accounting Officer	Four reports on departmental performance prepared and submitted to the Office of the Accounting Officer	N/A	N/A	
One departmental annual performance report	N/A	One departmental annual performance report, 2012/13	One departmental annual performance report, 2012/13 compiled	N/A	N/A	
Number of departmental performance reports submitted to National Treasury	N/A	Four departmental performance reports submitted to National Treasury	Four departmental performance reports submitted to National Treasury	N/A	N/A	

Strategic objective: To manage the development of the technical capacity of the human settlements sector						
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievements for 2012/2013	Comment on variance	
Number of human settlements training and skills development programmes at all three spheres for officials, councillors and community based organisations/ institutions	Human settlements training and skills development programmes at all three spheres; 40 officials, 274 beneficiaries and 679 councillors trained	Four reports on human settlements training and skills development programmes at all three spheres for officials, councillors and community-based organisations/ institutions	Four reports on human settlements training and skills development submitted	N/A	N/A	
One strategy revised; one strategy developed; national capacity development strategy developed	National capacity development strategy (approved 2007)	Revised national capacity development strategies to deliver sustainable human settlements	National capacity development strategy to deliver sustainable human settlements was revised	N/A	N/A	
Sector knowledge management strategy developed	N/A	Sector knowledge management strategy developed	Draft sector knowledge management framework was developed ToR for the appointment of a service provider to develop the sector knowledge management strategy was approved	N/A	Supply chain management processes to appoint a service provider to develop the sector knowledge management strategy is underway	

Strategic objective: To manage the development of the technical capacity of the human settlements sector					
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievements for 2012/2013	Comment on variance
Nine provincial departments supported in the development and implementation of provincial capacity development programmes business plans	Implementation of provincial capacity development business plans Implementation of the SACTSP by provinces	Nine provincial departments supported in the development and implementation of provincial capacity development programmes business plans	Nine provincial Departments of Human Settlements were supported in the development and implementation of provincial capacity development programmes and business plans through: (1) the facilitation of technical capacity development task team sessions (to monitor the implementation of technical capacity development business plans), (2) SACTSP task team sessions (to monitor the implementation of the SACTSP program) and (3) facilitating the approval of a MoU between DHS and EWSETA by the DG to secure funding for implementation of technical capacity development programmes	N/A	N/A

Strategic objective: To manage the development of the technical capacity of the human settlements sector						
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievements for 2012/2013	Comment on variance	
Sector professional development programmes developed, reviewed Implemented	N/A	Sector professional development support programme developed	<p>Sector professional development support programme was developed and implemented</p> <p>Sector professional development support programme was implemented through the following activities:</p> <p>(1) ToRs for the procurement of a service provider to determine institutional arrangements for the establishment of the professional body</p> <p>(2) Co-hosting of the 2012 Southern African International Housing Conference</p> <p>(3) Registration of Bachelor of Human Settlements Development degree with national in terms of NSA regulations</p> <p>(4) Launched the Chair of Education in Human Settlements</p>	N/A	N/A	
Sector professional development support programme; Human Settlements curriculum; scholarship programme		Human Settlements curriculum reviewed	Human Settlements curriculum has been reviewed and approved by the Council on Higher Education	N/A	N/A	

Strategic objective: To manage the development of the technical capacity of the human settlements sector					
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievements for 2012/2013	Comment on variance
		Scholarship programme implemented	<p>The scholarship programme was implemented through:</p> <p>Facilitation of student registration</p> <p>Processing of payments for tuition, accommodation, stipend, prescribed (textbooks and meals for the first and second semesters</p> <p>(1) Facilitation of placement of the six scholarship beneficiaries in North West</p> <p>(2) Facilitation of placement of the scholarship beneficiaries for experiential training</p> <p>(3) A workshop hosted with sister departments to benchmark on student placements</p> <p>(4) A graduate workshop hosted for final year students to equip them with workplace skills</p> <p>(5) Facilitation of the Govan Mbeki Awards preparations for the scholarship category in provinces</p> <p>(6) University visits to monitor scholarship beneficiaries' performance</p>	N/A	N/A

Strategic objective: To manage regulatory compliance service					
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievements for 2012/2013	Comment on variance
Approved strategic plans and compliance framework	Approved strategic plans and compliance frameworks	Strategic plans and compliance frameworks of entities and Department	Compliance framework on entities that report to the Department was produced	The framework does not cover the Department	The produced framework is intended to be used as the benchmark
Number of performance monitoring and oversight visits reports produced	Performance and compliance monitoring and oversight visits reports	Performance and compliance monitoring reports on oversight	No performance reported as KPI is duplicated. This KPI is replaced by KPI 'Seven performance monitoring and oversight visits reports produced' below	N/A	N/A
Approved strategic plans and budgets of housing entities aligned to Outcome 8 objectives	Six letters of approved strategic plans for 2010/11	Seven strategic plans of entities with Outcome 8 outputs approved by Minister	Seven plans processed of entities with Outcome 8 outputs. Two plans approved by Minister. Five plans still in the Ministry	Six strategic plans of entities with Outcome 8 outputs approved by Minister	Awaiting Ministerial approval
Number of performance monitoring and oversight visits reports produced (financial and non-financial)	Seven performance monitoring and oversight visits reports for 2010/11	Seven performance monitoring and oversight visits reports produced	Five performance monitoring and oversight visits reports produced	Two performance monitoring and oversight visits reports to be produced	Oversight visits have not yet been completed. By the end of April 2013, the two outstanding reports will be finalised and target met
Number of housing entities established or dissolved	One housing entity established	One housing entity established	One housing entity established	N/A	N/A
Number of oversight report on governance, risk management and policy advocacy	Two oversight reports on governance 2010/11	Eight oversight reports on governance, risk management and policy advocacy	Four reports (consolidated into one report) approved. Four reports (consolidated into one) still in the system	Four reports (consolidated into one), yet to be approved	Four reports (consolidated into one), will be finalised before the end of the quarter
Approved service level agreements	N/A	Seven service level agreements approved	Seven service level agreements processed for approval	Seven approved service level agreements	Awaiting Ministerial approval
A report on the BEPPs reviews coordinated and facilitated	N/A	One report on the BEPPs reviews coordinated and facilitated	Not achieved	One report on the BEPPs reviews coordinated and facilitated	N/A

Strategic objective: To manage regulatory compliance service						
Performance indicator	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievements for 2012/2013	Comment on variance	
Reports on the municipal performance reviews coordinated and facilitated		Two reports on the municipal performance reviews coordinated and facilitated	Two reports on the municipal performance reviews coordinated and facilitated	N/A	N/A	
Functioning Disaster Management Unit in the human settlement sector	N/A	One report on the ToRs for the appointment of a nodal point for disaster management	Draft ToRs	No report on the ToRs for the appointment of a nodal point for disaster management	N/A	
Number of reports on management of Outcome 8	Macro coordination framework and ToRs; report on the delivery agreements	Four reports on the progress of the PoA for Outcome 8	Four reports on the progress of the POA for Outcome 8	N/A	N/A	
Number of municipalities assessed for accreditation	Eight municipalities assessed for accreditation	10 municipalities assessed for accreditation	10 municipalities assessed for accreditation	N/A	N/A	
Number accredited municipalities supported with implementation of post-accreditation process	Zero accredited municipalities supported with implementation of post-accreditation process	Eight accredited municipalities supported with implementation of post-accreditation process	Eight accredited municipalities supported with implementation of post-accreditation process	N/A	N/A	
Number of the national municipal accreditation frameworks reviewed	Zero national municipal accreditation frameworks reviewed	One national municipal accreditation frameworks reviewed	Municipal accreditation framework has been reviewed and approved by HS MINMEC	N/A	N/A	
Number of municipalities provided with capacity building and support for accreditation	Eight municipalities provided with capacity building and support for accreditation	Nine municipalities provided with capacity building and support for accreditation	Nine accredited municipalities supported with implementation of post-accreditation process	N/A	N/A	

Selected performance indicators as per 2012/2015 departmental strategic plan and annual performance plans

Indicator	Programme	Actual achievement 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target for 2012/2013
Number of municipalities assessed for accreditation level 2	Office of the Chief of Operations	Eight municipalities assessed for accreditation	10 municipalities assessed for accreditation	10 municipalities assessed for accreditation	None

Strategy to overcome areas of underperformance

The programme will be filling all vacant and funded posts in the new financial year in order to overcome areas of underperformance.

Changes to planned targets

No planned targets were changed during the implementation period.

Linking performance with budget

Chief of Operations

Sub-programme	2012/2013			2011/2012		
	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
Management	3,305	2,343	962	5,337	2,950	2,387
Enterprise Architecture	7,702	5,872	1,830	13,981	12,135	1,846
Technical Capacity Development	35,614	35,371	243	40,395	38,741	1,654
Regulatory Compliance Services	59,779	50,172	9,607	11,683	7,817	3,866
Total	106,400	93,759	12,641	71,396	61,643	9,753

6. SUMMARY OF FINANCIAL INFORMATION

6.1 Departmental receipts

Departmental receipts	2012/2013			2011/2012		
	Estimate amount R'000	Actual Amount collected R'000	(over)/under collection R'000	Estimate amount R'000	Actual Amount collected R'000	(over)/under collection R'000
Tax receipts	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-
Sale of goods and services other than capital assets	167	168	(1)	157	302	(145)
Transfers received			-			-
Fines, penalties and forfeits			-			-
Interest, dividends and rent on land	55	25	30	21	21	-
Sale of capital assets			-	153		153
Transactions in financial assets and liabilities	1,048	766	282	988	285	703
Total	1,270	959	311	1,319	608	711

6.2. Programme expenditure

Programme	2012/2013			2011/2012		
	Final	Actual	(Over)/ under expenditure	Final	Actual	(Over)/ under expenditure
	appropriation	expenditure		appropriation	expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000
1. Administration	236,106	174,318	61,788	222,111	167,552	54,559
2. Housing Policy, Research and Monitoring	46,719	32,356	14,363	39,442	32,954	6,488
3. Housing Planning and Delivery Support	224,460	143,667	80,793	200,011	187,350	12,661
4. Housing Development Finance	24,440,076	23,958,808	478,564	22,197,499	22,105,620	91,879
5. Strategic Relations and Governance	190,444	154,119	36,325	166,478	105,444	61,034
Total	25,137,805	24,465,975	671,830	22,825,541	22,598,920	226,621

6.3. Transfer payments, excluding public entities

See 6.5 below

6.4. Public entities

The following is a list of public entities established through the DHS:

1. NATIONAL HOUSING FINANCE CORPORATION (NHFC)

The NHFC was established as a Development Finance Institution (DFI) in 1996 with the principal mandate of broadening and deepening access to affordable housing finance for low- to middle-income households. This mandate is achieved through leveraging private sector funds for human settlements development, the funding of private inner city landlords and social housing landlords as well as installment sale subsidised projects and the awarding of incremental loans, providing borrowers with an opportunity to improve their current homes or to build a home in an incremental way by making successive loans. These loans are mostly in the range of R10 000 to R15 000. Certain intermediaries offer mortgage loans in addition to incremental loans and NHFC, as a security, takes cession of the individual loans.

During the financial year under review, the NHFC approved a single partnership transaction that stands to significantly leverage R12 billion of private sector funds for human settlements development and achieve developmental impact of 43 000 housing units in total. As such, 163 400 beneficiaries will be impacted. Participation is aligned to the attainment of Outcome 8, and also in line with the New Growth Path, since it is envisioned to create 158 000 additional jobs. This partnership transaction will result in a total of R3 billion foreign direct investment into the country. For the 2012/13 financial year, the NHFC leveraged R2.5 billion through third party funding.

Milestones achieved in strategic initiatives during the 2012/13 financial year:

- **FLISP** – Eight out of nine provinces signed the implementation protocols; five provinces transferred **R167,7 mil** FLISP funds to the NHFC, ±835 subsidy applications worth **R42 mil** under consideration from accredited projects
- **MDI** – MDI business case was enhanced with a new premium structure to attain sustainability; consultation with the banks and the National Treasury to capitalise the business has been positive.

Although the NHFC had a slow start to the financial year due to the depressed economic environment, the entity managed to disburse R480 mil by the end of the financial year, resulting in 27 593 housing opportunities being delivered. In particular, R136.5 mil benefitted social housing recipients. The entity also experienced a significant pipeline growth, with approvals totaling R1 295 billion for the year under review. The approvals stand to grow the client base from 53 to 69 intermediaries,

achieving a 30% growth in client base. The NHFC business developments efforts over time are paying off as key clients are now able to attract significant private sector funding and funding from international banks. Massive job creation is also being achieved. For the financial year under review, 9 249 jobs were created against a target of 7 547.

2. NATIONAL URBAN RECONSTRUCTION AGENCY (NURCHA)

NURCHA's mandate is spelt out in the South African Government/OSI/SEDF/NURCHA Agreement as an entity that will ensure availability of bridging finance to small, medium and established contractors building low- and moderate-income housing and related community facilities and infrastructure. To achieve this, NURCHA lends to contractors and developers building subsidy housing, affordable housing and community facilities and infrastructure, either directly or through intermediaries. NURCHA may, with the permission of its board and in line with the prescripts of the PFMA, provide other forms of financing to assist in the development of empowered construction and development companies

NURCHA continues to focus on the key areas of growth of both lending and programme management portfolios whilst placing a significant emphasis on the collection of the historical bad debt. The entity is also driving the implementation of flagship projects across the country which will reinforce the commitment and relevance of the entity to the agenda of the national DHS. Furthermore, active engagements are being held with both the public and private sector to form strategic partnerships; the entity's collaboration between various parties is a key driver to service delivery.

For the financial year under review, the Social Housing Programme signed 12 projects, resulting in only 60% of the value of loans being achieved for the year, in other words R67.3 mil in comparison to the annual budget of R112.8 mil. Despite the lower-than-expected volume of contracts signed for the year, the value of projects achieved 97% of the annual target, reaching R610 mil. The Social Housing Programme is financing larger projects as the number of houses built exceeds the 5 343 target by 55%, reaching a total of 8 298 houses built. This is also a result of rollovers from previous years. The Social Housing Programme will be greatly influenced by the roll out of the Contractor Finance and Development Programme initiative, which is expected to drive project volumes in the new year.

With regard to the Infrastructure Programme, an underperformance across all annual targets is registered. This is largely driven by the change to certificate-based lending, which resulted in the entity making fundamental changes to its lending model resulting in a significant reduction in applications. The targets set were based on historical performance and no revision of targets was undertaken during the financial year. The NURCHA board has taken a decision to focus its efforts to existing clients until project volumes increase.

The Affordable Housing Programme presented 17 new loan applications out of a budgeted 22 to the NURCHA Credit Committee. Eleven of these loan applications were approved and signed by the clients, three were not accepted by the clients and three loans will be signed in the new financial year. Two of the loans not accepted relate to the clients' exposure levels as a result of delays encountered with other projects. In general, the Affordable Housing Programme is making significant inroads into national expansion, with discussions held with developers in the Eastern Cape, KwaZulu-Natal and the Western Cape. The entity is also engaging with relevant parties to consider increasing the product offering into the rental market.

3. RURAL HOUSING LOAN FUND (RHLF)

The mandate confirmed by the Executive Authority continues to be to provide affordable housing micro credit to low-income rural households and, in so doing, empowering them to maximise their housing choices and improve their living conditions incrementally with access to credit from sustainable retail lenders.

The RHLF executes its mandate, in its form as a wholesale DFI, working through a network of retail finance intermediaries, to deliver funding for incremental housing purposes to the rural poor. As a venture capital fund, the RHLF takes an equity stake in some of the intermediary lenders in order to play an active role in supporting the growth of these entities.

The RHLF's performance for the 2012/13 financial year is pleasing, with most of the annual targets being achieved. The entity disbursed R107,1 mil to its intermediaries (excluding mezzanine funds), against an annual target of R101,5 mil. This translated into 44 812 for the financial year, against a target number of 38 202, with the average loan amounting to R6 087. Of the 44 812 loans disbursed, 65,8% of the loans went to households earning less than R3 500, and only 11,6% of the loans to households earning more than R9 500.

The major challenge that confronted the entity during the year of review is funding constraints. The market is showing appetite for housing micro loans, and there is a high demand for the RHLF funding. However, the RHLF cannot approve any more facilities due to the limited financial constraints. The lack of funding also impacted the entity's ability to secure

additional intermediaries and community-based origination channels that would have helped the entity to reach its target market.

4. NATIONAL HOME BUILDERS REGISTRATION COUNCIL (NHBRC)

The NHBRC is a statutory body with the responsibility to regulate the South African home building industry and to protect the interests of the housing consumer in terms of the Housing Consumers Protection Measures Act (Act No. 95 of 1998, as amended). The NHBRC's mission is to protect the Warranty Fund by ensuring that all subsidy and non-subsidy homes are enrolled prior to the commencement of construction to allow for inspection during construction. The entity is also tasked with providing customer care services to all stakeholders in the home building industry, capacitating housing consumers about their rights, duties and obligations, building the capacity of home builders, promoting quality and innovative construction in the home building industry and promoting and maintaining ethical standards in the home building industry.

The new home builder's registration increased in the year under review by 9%, compared to the figures registered in the last financial year. The increase in the registration of home builders can be attributed to the change in market conditions. The NHBRC has witnessed a steady increase in the renewal of registration status by registered builders since the 2005/2006 financial year. The average renewal over the last four years is 78%. This means that of all the active builders, the NHBRC expects 78% of them, on average, to renew their registration every new financial year.

Enrolment of homes has increased by 14% as compared to the previous financial year. This could also be attributed to the fact that the market has started to recover from the recession. It should be noted that it is the intention of the NHBRC to reduce the number of late enrolments as they pose a risk to the Warranty Fund.

The total number of complaints received for the year under review totaled 541, of which 471 were complaints that were resolved by the NHBRC. The total numbers of complaints received and resolved are broken down as structural related, roof related, maintenance related and other complaints that are outside the warranty.

Section 14 of the Housing Consumers Protection Measures Act requires that all new homes be enrolled 15 days prior to construction. In the current year, a total of 37 843 houses were enrolled for project enrolment and a total of 207 616 for home enrolment. The NHBRC still faces challenges with a number of provincial DHSs in terms of ensuring that all projects are enrolled timeously.

The NHBRC conducts a minimum of four inspections on houses that are enrolled; the number of inspections conducted per house depends on the complexity of the design of the house. The NHBRC uses the inspection of the houses as a mitigating factor to the risk posed to it. A total number of 249 114 inspections were conducted for the year under review; this is an increase of 12% as compared to the figures of the previous financial year. The NHBRC has also embarked on a strategy to ensure that all subsidy housing units constructed in the country were inspected by the NHBRC, which is done in order to mitigate the risk of possible future rectification by government. A total of 179 930 subsidy inspections were conducted by the NHBRC for the year under review.

5. HOUSING DEVELOPMENT AGENCY (HDA)

The HDA came into being on 23 September 2008. It was established in terms of the Housing Development Agency Act (Act No. 23 of 2008). The HDA began its operations from 1 April 2010; its strategic objective is to facilitate and accelerate the development of large-scale integrated sustainable human settlements. The agency is tasked with ensuring the availability of land for development, facilitating the effectiveness structure of projects and overseeing their implementation, ensuring appropriate government funding flows and subsidies for development, and promoting an appropriate policy and regulatory framework.

During the financial year under review, the entity saw a total of 6 695.1133 hectares of public land and 295.2536 of private land being released for human settlements development. Furthermore, the entity identified a total of 28 090.4908 hectares of properties. Two properties in inner-city Johannesburg were acquired by the HDA, and the process plan to release the properties into the development cycle is underway. Moreover, a Deed of Sale has been signed by the HDA and Servcon for five properties measuring 746.5626 hectares. Payment of the purchase price has been effected and rates clearance certificates have been issued; transfer and registration is underway. Moreover, two Ventersdorp properties measuring 295 hectares have been acquired by the HDA and transferred to the Ventersdorp municipality.

With regard to intergovernmental initiatives by the HDA, three Implementation Protocols were concluded with the KwaZulu-Natal DHS, the Western Cape DHS, and the Northern Cape Department of Cooperative Governance, Human Settlements and Traditional Affairs. The entity also undertook an audit and rapid assessment of 67 informal settlements in 17 municipalities in Limpopo to determine the status of each informal settlement. The community consultation process has commenced. Informal settlement upgrading work is well underway in the Northern Cape and rapid assessments in six settlements have also been undertaken.

The HDA signed six respective NUSP delivery agreements with six different municipalities; this will assist the municipalities to achieve their Outcome 8 targets. Feasibility studies and project packaging in five NUSP municipalities to develop assessed project pipeline and multi-year expenditure to submit for project funding for implementation has been undertaken. Nine projects have been recommended for funding and upgrading initiative in the financial year 2013/14. The Bendor Ext. 100 Roads and Stormwater project is approximately 80% complete. With regards to the mega projects, both the N2 Gateway and Zanemvula are on track. The Zanemvula won the Govan Mbeki Best Priority Award at the Eastern Cape awards and the N2 Gateway won the Govan Mbeki Best Priority Award at the national awards.

The HDA has opened an office in the Free State; this means that the HDA now has a total of five offices in Cape Town, Port Elizabeth, Polokwane, Bloemfontein and Johannesburg. The HDA hosted a number of workshops throughout the year. The HDA has on behalf of the NUSP developed a website and produced a brochure and an electronic newsletter. Furthermore, the HDA publications unit produced a number of newsletters on urban regeneration, on how to use Lapsis, on blocked projects, on informal settlement status reports, on emergency housing, and on neighbourhood regeneration. Of importance as well is that various HDA produced videos were delivered. The videos were on Nahsli, the human settlements value chain, on project pipelines, on examining relocations on the N2 Gateway, as well as on mega-project management on Zanemvula.

6. SOCIAL HOUSING REGULATORY AUTHORITY (SHRA)

SHRA was established in terms of the Social Housing Act (Act No. 16 of 2008). It is intended to regulate all social housing institutions (SHIs) and projects obtaining public funds. The SHRA has two main service delivery programmes: the Investment Programme and the Regulations Programme.

The 2012/13 year was effectively SHRA's second year of operation. The organisation moved from the office establishment phase in year one to the organisational building phase in terms of its growth path. Most of the key functions have been unpacked and where necessary have been reviewed and fine-tuned to optimise performance. For the year under review, 11 085 social housing units were approved. The accreditation process included 42 SHIs, providing the following accreditation status:

- Fully accredited: 8
- Conditionally accredited: 12
- Pre-accredited: 23
- Declined: 8
- Withdrawn: 1

In total, 32 intervention grants were approved, tenant and building audit tools were developed, nine tenant audits were undertaken and seven building condition audits were undertaken. The SHRA also signed agreements with the following provinces and municipalities:

- North West: signed
- Free State: signed
- Eastern Cape: signed
- KZN: signed
- Limpopo: draft
- Mpumalanga: draft
- Gauteng: draft
- Northern Cape: draft
- Western Cape: draft
- City of Cape Town: signed
- City of Johannesburg: in the process of finalisation
- Ekurhuleni: draft

7. ESTATE AGENCY AFFAIRS BOARD (EAAB)

The EAAB was established in 1977 in terms of the Estate Agency Affairs Act (Act No. 112 of 1976). The primary mandate of the EAAB is to regulate, maintain and promote the standard of conduct of estate agents having due regard for the public interest, issue fidelity fund certificates to qualifying applicants, prescribe the standard of training of estate agents, investigate complaints against estate agents, institute disciplinary proceedings against offending estate agents where required and manage and control the Estate Agents Fidelity Fund. The EAAB was transferred from the DTI to the DHS following a Cabinet decision to house all pieces of legislations pertaining to housing under one department.

During the financial period under review, registrations increased by 6%. In the 2012/13 financial year, a total of 55 232 registrations were recorded compared to the 52 304 of the 2012/11 financial year. This is due to rising interest in the estate agency profession as intern applications increase. The EAAB's attendance to EAAB awareness campaigns has increased dramatically, which has had a positive impact on existing estate agents renewing their fidelity fund certificates. The implementation of online registrations has also improved the turnaround times to process fidelity fund certificates. Almost 95% of renewals and 70% of new registrations are processed within the expected time.

The Professional Designation Exam (PDE) was only introduced to the estate agency sector by the EAAB during August 2011. In the drive to professionalise the estate agency industry, it was created to test the practical and specialised competencies and knowledge required of professional estate agents. The number of candidates who registered and passed the PDE for Level 4 (targeted at intern estate agents) increased by 151% in the financial year 2012/13 compared to the previous financial year. The number of candidates who registered and passed the PDE Level 5 (targeted at non-principal estate agents) increased by 36%.

Research into the implementation of Continuing Professional Development (CPD) for estate agents has been completed and an approved CPD policy was communicated to affected stakeholders for implementation on 1 August 2012. Practising estate agents are required to comply with the prescribed CPD requirements in accordance with the policy. An explanatory brochure on the CPD programme has been issued while various clarifying articles have also been published in the EAAB's newsletter and AGENT magazine. Information on the CPD programme will also be widely disseminated at the EAAB roadshows that are presently being conducted countrywide.

The number of inspections performed in the 2012/13 financial period increased dramatically. 1 613 inspections were performed during the 2012/13 financial period, compared to 364 performed in the prior year. This is an almost 343% increase. An executive for inspections has been appointed in the 2012/13 financial period with the intention of improving the effectiveness of prosecutions of estate agents who do not comply with the EAAB requirements and widening the scope of inspections to include all nine provinces.

Cases raised from complaints for prosecutions and completed amounted to 411 in the 2012/13 financial period. This is a vast improvement on the 214 cases enrolled in the previous period. Although estate agents were prosecuted, there were no appeals raised during the 2012/13 financial period.

The fidelity fund used to protect consumers against unscrupulous estate agents is in a healthy financial position. It has grown by almost 12% since the 2008/09 financial period. Its net asset value is R575 mil as at the end of 2012/13 financial period.

8. SERVCON HOUSING SOLUTIONS

Servcon was established in 1995 as a result of the Record of Understanding entered into between the Department of Housing (representing government) and the Banking Council (representing participating banks). The company was established in terms of the Companies Act of 1973 and was mandated to provide exclusive management services effective from 1 April 1998, with respect to a documented 'ring-fenced' portfolio of 33 310 properties comprising properties in possession and non-performing loans worth R1.277 billion over a period of eight years (1 April 1998 to 31 March 2006). In 2006 the shareholders represented by the Banking Council and the DHS parted, in terms of the Sale of Shares and Claims Agreement. During 2007 the institution undertook to assist provinces through a normalisation and regularisation programme.

The institution ceased operations in September 2009 and is currently in the process of final closure. Servcon is wholly owned by government and the Managing Director of Servcon is accountable to the Executive Authority of Human Settlements.

9. SOCIAL HOUSING FOUNDATION (SHF)

The SHF is a Section 21 company established in 1996. The board of the SHF is accountable to the Executive Authority of Human Settlements. The foundation was established to develop and build capacity for SHIs and to develop a policy framework for the social housing sector. It provides knowledge management services as well as policy, communication and institutional support to the sector. In addition the foundation has been monitoring and evaluating the social housing sector. The SHF is in the process of liquidation.

10. THUBELISHA HOMES

Thubelisha Homes was established as a non-profit, special purpose vehicle to create appropriate housing stock for rightsizing the Servcon portfolio. The institution ceased operations in July 2009 and was placed in voluntary liquidation on 29 March 2012. The liquidation of the entity is in progress. The liquidator is accountable to the Master of the High Court. The accounting officer is accountable to the Executive Authority of Human Settlements.

11. COMMUNITY SCHEMES OMBUD SERVICE (CSOS)

The Community Schemes Ombud Service Act (Act No. 9 of 2011) was promulgated on 11 June 2011 and provides for the establishment of the CSOS as a public entity. The functions of the CSOS are to:

- Develop and provide dispute resolution in terms of the CSOS Act.
- Provide training for conciliators, adjudicators and other employees of CSOS.
- Regulate, monitor and control quality of schemes governance documentation.
- Take custody of, preserve and provide public access electronically or by other means to schemes governance documentation.

The operationalisation of the CSOS is in progress. The board of the CSOS is accountable to the Executive Authority of Human Settlements.

6.5 Conditional grants and earmarked funds paid

Human Settlements Development Grant

Department/municipality to whom the grant has been transferred	Nine provinces
Purpose of the grant	To provide funding for the creation of sustainable human settlements
Expected outputs of the grant	241 294
Actual outputs achieved	160 679
Amount per amended DoRA	R15 725 959
Amount transferred (R'000)	R15 395 032
Reasons if amount as per DoRA not transferred	R330.1 mil was withheld from Eastern Cape and Limpopo provinces respectively due to under performance
Amount spent by the department/ municipality (R'000)	R15 276 204
Reasons for the funds unspent by the entity	
Monitoring mechanism by the transferring department	

Urban Settlements Development Grant

Department/municipality to whom the grant has been transferred	Buffalo City Metropolitan Municipality
Purpose of the grant	To supplement the capital revenues of metropolitan municipalities in order to support the national human settlements development programmes
Expected outputs of the grant	Number of additional households in informal settlements receiving basic municipal services per annum, including water and sanitation, solid waste and area lighting Number of in-situ upgraded households in informal settlements Number of households relocated from informal settlements Hectares of land identified, procured and proclaimed for informal settlement upgrading and/or mixed use development Number of title deeds transferred to eligible households Number of work opportunities created through the overall capital programme of the municipality Number of households served by schools and clinics within upgraded settlement

Actual outputs achieved	Indicator	Third Quarter Actual Achieved
	Number of new households (RDP) provided with water connections	605
	Number of formal households with access to basic electricity (20 amp supply)	858
	Number of new households (RDP) provided with electricity connections	549
	Backlog of electricity connections to consumer units	658
	Number of sanitation service points (toilets) installed for informal settlement dwellers	176
	Number of formal domestic customers receiving sewerage services	120 683
	Kilometers of roads and associated services re-gravelled	89.7 km
	Kilometers of roads surfaced	16.2 km
	Kilometers of existing roads and associated services maintained and rehabilitated	484.5 km
	Number of water services points installed for informal settlements dwellers within a 200 m radius	67
	Number of new households (RDP) provided with water connections	591
	Number of land parcels released	7
Amount per amended DoRA	R499 474 000	
Amount transferred (R'000)	R499 474 000	
Reasons if amount as per DoRA not transferred	None	
Amount spent by the department/ municipality (R'000)	R155 863 000	

Reasons for the funds unspent by the entity	Political interference as a major cause for the poor service delivery and poor spending in the city Moratorium on land acquisition Lengthy procurement processes Legal challenges around major projects Limited land in close proximity to the city centre
Monitoring mechanism by the transferring department	Conduct quarterly reviews with the municipalities Undertake oversight visits in order to assess and where possible address challenges faced by municipalities Hold CFO forums
Department/municipality to whom the grant has been transferred	Nelson Mandela Bay Metropolitan Municipality
Purpose of the grant	To supplement the capital revenues of metropolitan municipalities in order to support the national human settlements development programmes
Expected outputs of the grant	Number of additional households in informal settlements receiving basic municipal services per annum, including water and sanitation, solid waste and area lighting Number of in-situ upgraded households in informal settlements Number of households relocated from informal settlements Hectares of land identified, procured and proclaimed for informal settlement upgrading and/or mixed use development Number of title deeds transferred to eligible households Number of work opportunities created through the overall capital programme of the municipality Number of households served by schools and clinics within upgraded settlement

Actual outputs achieved	Indicator	Third Quarter Actual Achieved
	Number of erven provided with permanent water and sanitation services	3 647
	Number of settlements upgraded from informal to formal	90% completed
	Number of households relocated from stressed informal settlements and other servitudes to Greenfield development areas	726
	Number of state subsidised defective houses rectified	924
	Percentage of households within the urban edge provided with access to a basic potable water supply within a 200m radius	100%
	Number of new state-subsidised houses provided with water connections	3 080
	Number of new state-subsidised houses provided with sewer connections	3 080
	Number of new erven connected to electricity	1 780
	Number of new streetlights installed	27
	Number of new area lights installed	372
	Kilometres of gravel roads to be tarred	4 km
	Number of gravel cul-de-sac to be tarred	30
	Kilometres of new sidewalks constructed	1.5 km

Amount per amended DoRA	R592 870 000
Amount transferred (R'000)	R592 870 000
Reasons if amount as per DoRA not transferred	None
Amount spent by the department/ municipality (R'000)	R314 414 000
Reasons for the funds unspent by the entity	Delays due to supply chain processes for the appointment of the new service providers (vehicles) since previous contracts expired Delays to relocate were caused by the service delivery protests experienced in Motherwell NU 29 Budget cut from R25 mil to R17.5 mil in the 2012/13 financial year, which provides for the connection of 2 500 erven only
Monitoring mechanism by the transferring department	Conduct quarterly reviews with the municipalities Undertake oversight visits in order to assess and where possible address challenges faced by municipalities Hold CFO forums

Department/municipality to whom the grant has been transferred	Mangaung Metropolitan Municipality	
Purpose of the grant	To supplement the capital revenues of metropolitan municipalities in order to support the national human settlements development programmes	
Expected outputs of the grant	Number of additional households in informal settlements receiving basic municipal services per annum, including water and sanitation, solid waste and area lighting Number of in-situ upgraded households in informal settlements Number of households relocated from informal settlements Hectares of land identified, procured and proclaimed for informal settlement upgrading and/or mixed use development Number of title deeds transferred to eligible households Number of work opportunities created through the overall capital programme of the municipality Number of households served by schools and clinics within upgraded settlement	
Actual outputs achieved	Indicator	Third Quarter Actual Achieved
	2.8km of gravel roads tarred / Budget spend	50%
	Kilometres of roads resurfaced	11 km
	Percentage of formal erven with access to functioning basic water supply	94.4%
	Number of consumer units provided with a basic level of potable water above RDP standards	158 448
	Number of formal domestic customers receiving sewerage services	227
	Two landfill sites rehabilitated	50%
	Number of informal settlements upgraded	1
	Development of seven land parcels to provide housing accelerated	LAA finalised, but not yet signed; service level agreement for Hillside View drafted

	Number of land parcels acquired for the development of human settlements	Report for land parcel was approved during Council meeting of March 2013 and the formal and written offer will be made to the owners
Amount per amended DoRA	R485 967 000	
Amount transferred (R'000)	R485 967 000	
Reasons if amount as per DoRA not transferred	None	
Amount spent by the department/ municipality (R'000)	R300 192 000	
Reasons for the funds unspent by the entity	Shortage of bitumen in RSA Sites are not yet ready Signing of LAA for Vista Park 2 and finalisation of LAA for Vista Park 3	
Monitoring mechanism by the transferring department	Conduct quarterly reviews with the municipalities Undertake oversight visits in order to assess and where possible address challenges faced by municipalities Hold CFO forums	

Department/ Municipality to whom the grant has been transferred	Ekurhuleni Metropolitan Municipality
Purpose of the grant	To supplement the capital revenues of metropolitan municipalities in order to support the national human settlements development programmes
Expected outputs of the grant	Number of additional households in informal settlements receiving basic municipal services per annum, including water and sanitation, solid waste and area lighting Number of in-situ upgraded households in informal settlements Number of households relocated from informal settlements Hectares of land identified, procured and proclaimed for informal settlement upgrading and/or mixed use development Number of title deeds transferred to eligible households Number of work opportunities created through the overall capital programme of the municipality Number of households served by schools and clinics within upgraded settlement

Actual outputs achieved	Indicator	Third Quarter Actual Achieved
	Install lighting	
	Install protective structures and pre-payment meters	
	Install LV and MV cables	
	Electricity connections to households in townships	
	MEIA rectification	
	Construction of roads	10km
	Construction of walkways	1km
	Construction of stormwater drains	3km

	Resurface and rehabilitation of paved roads	
Amount per amended DoRA	R1 212 537 000	
Amount transferred (R'000)	R1 212 537 000	
Reasons if amount as per DoRA not transferred	None	
Amount spent by the department/ municipality (R'000)	R607 300 000	
Reasons for the funds unspent by the entity	Not indicated	
Monitoring mechanism by the transferring department	Conduct quarterly reviews with the municipalities. Undertake oversight visits in order to assess and where possible address challenges faced by municipalities. Hold CFO forums.	

Department/municipality to whom the grant has been transferred	City of Tshwane Metropolitan Municipality	
Purpose of the grant	To supplement the capital revenues of metropolitan municipalities in order to support the national human settlements development programmes	
Expected outputs of the grant	Number of additional households in informal settlements receiving basic municipal services per annum, including water and sanitation, solid waste and area lighting Number of in-situ upgraded households in informal settlements Number of households relocated from informal settlements Hectares of land identified, procured and proclaimed for informal settlement upgrading and/or mixed use development Number of title deeds transferred to eligible households Number of work opportunities created through the overall capital programme of the municipality Number of households served by schools and clinics within upgraded settlement	
Actual outputs achieved	Indicator	Third Quarter Actual Achieved
	Construction of roads and stormwater drains (45 km)	33%
	Upgrading of stadium	60%
	Upgrading of sewers	99%
	Bulk water pipeline installed	1 289m
	Network pipes for reticulation installed	69 934m
	Sewer network pipes installed	12 985m
Amount per amended DoRA	R1 051 070 000	
Amount transferred (R'000)	R1 051 070 000	
Reasons if amount as per DoRA not transferred	None	
Amount spent by the department/ municipality (R'000)	R610 211 000	
Reasons for the funds unspent by the entity	Reasons not mentioned	
Monitoring mechanism by the transferring department	<ul style="list-style-type: none"> Conduct quarterly reviews with the municipalities. Undertake oversight visits in order to assess and where possible address challenges faced by municipalities Hold CFO forums 	

Department/municipality to whom the grant has been transferred	City of Johannesburg Metropolitan Municipality
Purpose of the grant	To supplement the capital revenues of metropolitan municipalities in order to support the national human settlements development programmes
Expected outputs of the grant	<p>Number of additional households in informal settlements receiving basic municipal services per annum, including water and sanitation, solid waste and area lighting</p> <p>Number of in-situ upgraded households in informal settlements</p> <p>Number of households relocated from informal settlements</p> <p>Hectares of land identified, procured and proclaimed for informal settlement upgrading and/or mixed use development</p> <p>Number of title deeds transferred to eligible households</p> <p>Number of work opportunities created through the overall capital programme of the municipality</p> <p>Number of households served by schools and clinics within upgraded settlement</p>

Actual outputs achieved	Indicator	Third Quarter Actual Achieved
	Number of solar water heaters rolled out	2 490
	Percentage of treatment works upgraded and constructed	97%
	Provision of basic sanitation to households in informal settlements	3043
	Provision of basic water to households in informal settlements	3045
	Provision of basic electricity to households in informal settlements	4488
	Provision of public lights in informal settlements	5169
	Informal settlement households upgraded	2016
	Number of informal settlements relocated	1
	Number of informal settlements receiving the basic standard of waste services	119
Amount per amended DoRA	R1 290 748 000	
Amount transferred (R'000)	R1 290 748 000	
Reasons if amount as per DoRA not transferred	None	
Amount spent by the department/ municipality (R'000)	R483 366 000	
Reasons for the funds unspent by the entity	Reasons not mentioned	
Monitoring mechanism by the transferring department	<p>Conduct quarterly reviews with the municipalities</p> <p>Undertake oversight visits in order to assess and where possible address challenges faced by municipalities</p> <p>Hold CFO forums</p>	

Department/municipality to whom the grant has been transferred	eThekweni Metropolitan Municipality	
Purpose of the grant	To supplement the capital revenues of metropolitan municipalities in order to support the national human settlements development programmes	
Expected outputs of the grant	Number of additional households in informal settlements receiving basic municipal services per annum, including water and sanitation, solid waste and area lighting Number of in-situ upgraded households in informal settlements Number of households relocated from informal settlements Hectares of land identified, procured and proclaimed for informal settlement upgrading and/or mixed use development Number of title deeds transferred to eligible households Number of work opportunities created through the overall capital programme of the municipality Number of households served by schools and clinics within upgraded settlement	
Actual outputs achieved	Indicator	Third Quarter Actual Achieved
	The number of consumer units receiving fully subsidised housing	2 760
	Number of consumer units provided with access to a free basic level of potable water	1 000
	Number of consumer units provided with access to a free basic level of sanitation	4 019
	Number of consumer units provided with new prepaid electricity connections	8 575
	Number of consumer units provided with new conventional electricity connections	800
	Kilometres of sidewalk constructed.	25
	Kilometres of unsurfaced road converted to surfaced	3.8km
Amount per amended DoRA	R1 287 560 000	
Amount transferred (R'000)	R1 287 560 000	
Reasons if amount as per DoRA not transferred	None	
Amount spent by the department/ municipality (R'000)	R782 542 000	
Reasons for the funds unspent by the entity	Due to a court dispute with regard to the tender that was granted, there has been a delivery problem with water meters	
Monitoring mechanism by the transferring department	Conduct quarterly reviews with the municipalities Undertake oversight visits in order to assess and where possible address challenges faced by municipalities Hold CFO forums	

Department/municipality to whom the grant has been transferred	City of Cape Town Metropolitan Municipality	
Purpose of the grant	To supplement the capital revenues of metropolitan municipalities in order to support the national human settlements development programmes	
Expected outputs of the grant	Number of additional households in informal settlements receiving basic municipal services per annum, including water and sanitation, solid waste and area lighting Number of in-situ upgraded households in informal settlements Number of households relocated from informal settlements Hectares of land identified, procured and proclaimed for informal settlement upgrading and/or mixed use development Number of title deeds transferred to eligible households Number of work opportunities created through the overall capital programme of the municipality Number of households served by schools and clinics within upgraded settlement	
Actual outputs achieved	Indicator	Third Quarter Actual Achieved
	Number of water service points provided	183
	Number of sanitation service points (toilets) provided in informal settlements	546
	Serviced sites	3 467
	CRU upgrades and shared services provision to re-blocked informal settlements	1 257
	Number of informal settlements receiving door-to-door refuse collection	204
Amount per amended DoRA	R971 980 000	
Amount transferred (R'000)	R971 980 000	

6.6. Conditional grants and earmarked funds received

No conditional grants and earmarked funds were received by the Department during the period under review.

6.7. Donor Funds

No donor funds were received by the Department during the period under review.

6.8. Capital investment, maintenance and asset management plan

The department is not directly involved in capital investment.