



2026/27  
**ANNUAL**  
**PERFORMANCE PLAN**

 **HOUSES ■ SECURITY ■ COMFORT**



**human settlements**  
Department:  
Human Settlements  
REPUBLIC OF SOUTH AFRICA

**A NATION THAT WORKS FOR ALL**



## EXECUTIVE AUTHORITY STATEMENT



I am honoured to present the Annual Performance Plan (APP) for the 2026/27 financial year for the Department of Human Settlements. The APP reaffirms our unwavering commitment to fulfilling the Department's mandate of ensuring adequate housing and sustainable human settlements. Through this Annual Performance Plan, we also seek to breathe life to and advance the objectives of the Medium-Term Development Plan (MTDP).

The 2026/27 financial year marks the second year of the 7th Administration. Significantly, the year 2026 mark the 30th anniversary of the signing of the Constitution of the Republic of South Africa. The Constitution specifically mandate us to ensure that everyone has access to adequate housing, that as government, we must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of the right to adequate housing.

We will also continue to consolidate progress achieved by breathing life to the commitments articulated by the President through the State of the Nation Address (SONA) and tirelessly working towards the realisation of the vision espoused in the National Development Plan.

This APP is anchored on four key pillars that guide our strategic direction:

- **Enhanced Service Delivery:** Implementing integrated human settlements programmes that promote spatial transformation, inclusivity, and sustainable growth.
- **Scaling up our work in Innovative Building Technologies (IBTs),** supporting innovation that can deliver cost-effective, low-carbon, and climate-adaptive homes.
- **Governance and Accountability:** Achieving full implementation of the approved ICT Implementation Plan, driving digital transformation and operational efficiency.
- **Sectoral Performance Monitoring:** Strengthening oversight through quarterly assessments of grant performance and compliance with the Division of Revenue Act (DoRA).
- **Strategic Partnerships:** Deepening collaboration across all spheres of government to advance the District Development Model (DDM) and accelerate infrastructure development working with MECs for Human Settlements and the Executive Mayors of Metros.

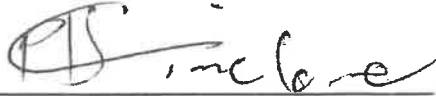
Our focus remains steadfast on creating liveable and integrated communities, expanding access to human settlement opportunities, and driving socio-economic development. We commit to ensure that in our work, and throughout the value chain, we are guided by and uphold the principles of transparency, efficiency, and accountability, ensuring that every effort contributes meaningfully to improving the quality of life of all South Africans.

The human settlements entities, as key implementing agents of the Department's mandate, play a pivotal role in achieving our objectives through their regulatory, funding, and development functions. Meeting the housing demand, stimulating economic growth, creating employment opportunities, and dismantling apartheid spatial patterns remain at the core of our mission.

To achieve these goals, land acquisition and assembly for human settlements, project planning and development, developer regulation, and project funding must be guided by our transformation agenda — one that embraces inclusivity, equity, and the broader developmental priorities of the South African economy.

Accordingly, this APP reflects our collective resolve to address the housing backlog, strengthen governance, and promote socio-economic transformation. I call upon all stakeholders — public and private — to support the implementation of this plan as we work together to realise a better life for all.

I extend my sincere appreciation to the Deputy Minister of Human Settlements, Ms Tandi Mahambehlala for her unwavering support, and to the Director-General, Dr Alec Moemi, the management team, and all departmental officials for their dedication and professionalism. May your commitment continue to drive the vision of sustainable human settlements and resilient communities across our nation.



**Thembisile Simelane, MP**  
**Minister For Human Settlements**

Date: 30/03/2024

## Accounting Officer's Statement.



As we enter the second year of the 7th Administration, I remain committed to consolidating the progress achieved while intensifying our focus on the strategic priorities that drive meaningful change. The past year has been defined by resilience and adaptation as we navigated complex challenges and capitalised on emerging opportunities to serve communities more effectively. Our focus has remained on strengthening governance, deepening accountability, and fostering a culture of innovation across the Department.

In the 2026/27 financial year, our priorities will centre on accelerating digital transformation to enhance service delivery, investing in workforce development, and reinforcing ethical leadership at all levels. We will continue to cultivate partnerships that extend our impact while maintaining prudent financial management to ensure optimal use of resources. These efforts are geared towards improving operational efficiency, institutional capacity, and sustainable development in line with national objectives and stakeholder expectations.

I am pleased to present the 2026/27 Annual Performance Plan (APP), which outlines our strategic priorities and operational commitments for the year ahead. Developed through an inclusive consultative process, this APP reflects our continued dedication to transparency, accountability, and responsiveness to the evolving needs of society. Our strategic objectives focus on strengthening institutional performance and driving sustainable human settlements outcomes. Clear targets and indicators have been set to ensure that progress is measurable and results are tangible. Regular monitoring and evaluation will guide our responsiveness to emerging challenges and opportunities, reinforcing our commitment to effective governance and delivery.

Aligned with the Gender Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing Framework, the Department remains committed to gender equity in the allocation of housing opportunities. The empowerment platforms for women, youth, and persons with disabilities, such as National Forums continues to promote participation of designated groups in the sector. This enabling environment has yielded significant progress, especially for women-owned business entities. In addition, through the dedicated Management Structures such as MINMEC, the MEC's Municipal Mayors and CEOs are held accountable on procurement budget set asides particularly for youth and persons with disabilities business-owned companies. Further, we continue to report on interventions for the prevention of Gender Based Violence and Femicide (GBVF), through the Economic Power Pillar, in line with the National Strategic Plan for GBV as a priority. Through the WECONA Platforms and Partnership with UNISA, a summit was held in the last financial year to share the value sector value chain opportunities. We will also intensify efforts to address, amongst others, youth unemployment, skills development, asset poverty eradication for persons with disabilities, and title deed challenges, ranging from delayed township establishments and family disputes to legislative bottlenecks, through closer collaboration with key public and private stakeholders. Title Deeds are a critical intervention for women as they offer legal protection, especially during the incidence of GBV. Demand for the First Home Finance programme remains strong, reflecting the ongoing aspiration of many South Africans to own homes, and this will remain a key area of focus under the 2024–2029 Medium-Term Development Plan (MTDP).

I invite all stakeholders to engage with the APP and share insights that will help strengthen our collective mission to deliver sustainable, inclusive human settlements for all.


  
\_\_\_\_\_  
Dr Alec Moemi

Director-General: Human Settlements

## Official Sign-Off

It is hereby certified that this Annual Performance Plan:

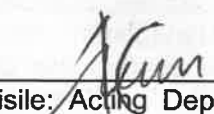
- Was developed by the management of the Department of Human Settlements, under the guidance of Minister Thembu Simelane (MP).
- Considers all the relevant policies, legislation and other mandates for which the Department of Human Settlements is responsible.
- Accurately reflects the impact, outcomes and output that the Department of Human Settlements will endeavour to achieve during the period 2026 to 2027.

  
**Signature:** \_\_\_\_\_  
Albertina Barlow: Head Official Responsible for Planning  
Chief Director: Executive Support


  
**Signature:** \_\_\_\_\_  
Mathope Thusi: Acting Deputy Director-General: Corporate Services

  
**Signature:** \_\_\_\_\_  
Sindisiwe Ngxongo: Deputy Director-General: Entities Oversight, IGR, Monitoring and Evaluation

  
**Signature:** \_\_\_\_\_  
Nana Mhlongo: Deputy Director-General: Research, Policy, Strategy and Planning

  
**Signature:** \_\_\_\_\_  
Ngaka Dumalisile: Acting Deputy Director-General: Informal Settlements Upgrading and Emergency Housing

  
**Signature:** \_\_\_\_\_  
Ngaka Dumalisile: Deputy Director-General: Affordable, Rental and Social Housing

  
**Signature:** \_\_\_\_\_  
Lucy Bele: Deputy Director-General: Chief Financial Officer

  
**Signature:** \_\_\_\_\_  
Alec Moemi: Director-General: National Department of Human Settlements

  
**Approved by**  
**Signature:** \_\_\_\_\_  
**Thembu Simelane: Executive Authority**

## List of Abbreviations

<b>ABT:</b>	Alternative Building Technology
<b>AGSA:</b>	Auditor-General South Africa
<b>APP:</b>	Annual Performance Plan
<b>BAS:</b>	Basic Accounting System
<b>BER-BCI:</b>	Bureau of Economic Research- Building Cost Index
<b>BNG:</b>	Breaking New Ground
<b>BPs:</b>	Basis Points
<b>CCG:</b>	Consolidated Capital Grant
<b>CIDB</b>	Construction Industry Development Board
<b>CoCT:</b>	City of Cape Town
<b>CFO:</b>	Chief Financial Officer
<b>COVID-19:</b>	Coronavirus Disease 2019
<b>CRU:</b>	Community Residential Unit
<b>CSOS:</b>	Community Schemes Ombud Service
<b>DDM:</b>	District Development Model
<b>DG:</b>	Director-General
<b>DHS:</b>	Department of Human Settlements
<b>DORA:</b>	Division of Revenue Act
<b>EHG:</b>	Emergency Housing Grant
<b>ENE:</b>	Estimated National Expenditure
<b>ERRP:</b>	Economic Recovery and Reconstruction Plan
<b>GEHS:</b>	Government Employees Housing Scheme
<b>GRPBMEA:</b>	Gender Responsive Planning Budget, Monitoring, Evaluation and Auditing
<b>GRPBMEAF:</b>	Gender Responsive Planning Budget, Monitoring, Evaluation and Auditing Framework
<b>FHF:</b>	First Home Finance (formerly known as FLISP)
<b>HOD:</b>	Head of Department
<b>HLA:</b>	Housing Land Availability
<b>HLAMDA:</b>	Home Loans and Mortgage Disclosure Act
<b>HR:</b>	Human Resources
<b>HRD:</b>	Human Resource Development
<b>HRDP:</b>	Human Resources Development Plan
<b>HSDG:</b>	Human Settlements Development Grant
<b>HSS:</b>	Housing Subsidy System
<b>ICT:</b>	Information and Communication Technology
<b>IBT:</b>	Innovative Building Technology
<b>IDP:</b>	Integrated Development Plan
<b>IGR:</b>	Inter-Governmental Relations
<b>IHSPDP:</b>	Integrated Human Settlements Planning and Development Programme
<b>IMS:</b>	Information Management System
<b>IRDPA:</b>	Integrated Residential Development Programme
<b>ISP:</b>	Informal Settlements Programme
<b>ISUPG:</b>	Informal Settlements Upgrading Partnership Grant
<b>MEC:</b>	Member of the Executive Council
<b>Metros:</b>	Metropolitan Municipalities
<b>MTDP:</b>	Medium-Term Development Plan
<b>NDP:</b>	National Development Plan
<b>NGO:</b>	Non-Governmental Organisation
<b>NHBRC:</b>	National Home Builders Registration Council
<b>NHFC:</b>	National Housing Finance Corporation
<b>PDA:</b>	Priority Development Area
<b>PESTEL:</b>	Political, Economic, Social, Technological, Environmental and Legal
<b>PFMA:</b>	Public Finance Management Act

<b>PHP:</b>	People Housing Process
<b>PHSHDA:</b>	Priority Human Settlements and Housing Development Areas
<b>PIE:</b>	Prevention of Illegal Eviction and Unlawful Occupation of Land Act
<b>PPRA:</b>	Property Practitioners Regulatory Authority
<b>Q1:</b>	Quarter 1
<b>Q2:</b>	Quarter 2
<b>Q3:</b>	Quarter 3
<b>Q4:</b>	Quarter 4
<b>RSA:</b>	Republic of South Africa
<b>SANS:</b>	South African National Standards
<b>SARB:</b>	South African Reserve Bank
<b>SHI:</b>	Social Housing Institution
<b>SHRA:</b>	Social Housing Regulatory Authority
<b>SIBT:</b>	Sustainable Alternative Technology
<b>SMME:</b>	Small Medium and Micro Enterprise
<b>SOP:</b>	Standard Operating Procedure
<b>SPLUMA:</b>	Spatial Planning and Land Use Management Act
<b>SWOT:</b>	Strengths, Weaknesses, Opportunities and Threats
<b>TID:</b>	Technical Indicator Description
<b>UISP:</b>	Upgrading of Informal Settlements Programme
<b>UISPG:</b>	Upgrading of Informal Settlements Programme Grant
<b>USDG:</b>	Urban Settlements Development Grant
<b>WEGE:</b>	Women Empowerment and Gender Equality

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## Part A: Our Mandate

The Department's mandate is guided by the provisions of the Constitution of the Republic of South Africa, 1996. The following sections of the Constitution remain relevant in carrying out the responsibilities attached to the Department of Human Settlements, working together with Provinces, Municipalities, entities of the Department, and other sector departments. However, the sections listed below are not the only sections of the Constitution that are relevant. It must be noted that the rights in the Bill of Rights may be limited only in terms of law of general application to the extent that the limitation is reasonable and justifiable in an open and democratic society based on human dignity, equality and freedom, considering all relevant factors. At the core of the delivery of the mandate through the prioritisation of vulnerable groups such as the elderly, Persons with Disabilities, Women, Youth, and headed households in the implementation of all Human Settlements Subsidy Programmes.

### 1. Constitutional Mandate

Constitution	How does NDHS contribute?
<p><b>24. Environment</b> —Everyone has the right—</p> <p>a) to an environment that is not harmful to their health or well-being; and</p> <p>b) to have the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures that—</p> <p>i. prevent pollution and ecological degradation.</p> <p>ii. promote conservation; and</p> <p>iii. secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.</p>	<ul style="list-style-type: none"> <li>• The department contributes by providing protection or shelter by developing human settlements in areas that will not expose people to environmental factors that are harmful to their wellbeing –For examples houses that are built on wetlands – Houses that disrupts ecosystems and increases flooding risk, geologically unsuitable land – houses built on weak soil that cannot support structures, prone to landslides and power lines and hazardous land – unused mines and quarry.</li> <li>• The department strives to acquire suitable land and landed property. The aim is to create a conducive environment for people to use as places to live, work, play and pray. The department has an obligation to secure ecologically sustainable human settlement development and management.</li> <li>• The department is expected to ensure compliance with regulatory laws- e.g. Environmental Management Act, Water Act, Sanitation, Land surveying, Deeds registry Act, Spatial Land Use Managements, etc.</li> <li>• The department partners and undertake geospatial mapping of settlements across the human settlements value chain and it include information on property practitioners, social housing, informal settlements, amenities, demand, affordable housing.</li> </ul>
<p><b>25. Property</b> —</p> <p>(1) No one may be deprived of property except in terms of law of general application, and no law may permit arbitrary deprivation of property.</p> <p>(2) Property may be expropriated only in terms of law of general application—</p>	<ul style="list-style-type: none"> <li>• The Department contributes by acquiring land and landed property. The availability of property is necessary for the department to give effect to socio-economic goals relating to housing, food, water, social security, etc.</li> <li>• The Department contributes by addressing the uneven spatial property ownership patterns by</li> </ul>

Constitution	How does NDHS contribute?
(5) The state must take reasonable legislative and other measures, within its available resources, to foster conditions which enable citizens to gain access to land on an equitable basis.	<p>implementing the housing programme and housing subsidy scheme.</p> <ul style="list-style-type: none"> <li>The department develops land and landed property register by working through spheres of government, sector departments and entities to acquire land for human settlements purposes.</li> </ul>
<p><b>26. Housing</b> —(1) Everyone has the right to have access to adequate housing.  (2) The state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of this right.  (3) No one may be evicted from their home, or have their home demolished, without an order of court made after considering all the relevant circumstances. No legislation may permit arbitrary evictions.</p>	<ul style="list-style-type: none"> <li>The department contributes in terms of fulfilling the right of access to adequate housing. The Department contributes by creating an enabling environment and developing frameworks based on a differentiated approach to programmes, tailored to meet the needs of different communities and economic strata.</li> </ul>

In Addition, the Constitution provides the legislative framework for the institutional arrangements used in the development of sustainable human settlements:

- Part A of Schedule 4 lists housing, urban and rural development and regional planning and development as functional areas of concurrent national and provincial legislative competence.
- Section 154 which provides for powers and functions for local government
- Section 125 which provides that, by legislative and other measures, the national government must assist provinces to develop their administrative capacity, which is required for the effective exercise of their powers and the performance of their human settlements functions.

## 2. Legislative and Policy Mandates

- 2.1. The Department tabled the White Paper Policy for Human Settlements for approval on 4 December 2024. The White paper aims to provide an overarching policy framework for the delivery of sustainable human settlements. \ The White Paper adopted the United Definition of human settlements, which is a totality of a human community, be it a village, city, towns and requires the sector to undertake a detailed situational analysis in respect of all the elements of the value chain. This includes prioritisation of vulnerable groups, demand, land, authorizations, amenities, infrastructure, amenities, building materials, labour, environment, and financing mechanisms.
- 2.2. The Department remains guided by the roles and responsibilities stipulated in the Housing Act of 1997, as amended, which includes the following:
  - 2.2.1. To determine national policy, including national norms and standards in respect of housing development
  - 2.2.2. To set broad national housing delivery goals and facilitate the setting of provincial and local government housing delivery goals

- 2.2.3. To monitor the performance of the national government, provincial and local governments against housing delivery goals and budgetary goals.
- 2.2.4. To assist provinces to develop the administrative capacity required for the effective exercise of their powers and performance of their duties in respect of housing development.
- 2.2.5. To support and strengthen the capacity of municipalities to manage their own affairs. to exercise their powers and perform their duties in respect of housing development.
- 2.2.6. To promote consultation on matters regarding housing development between the national government and representatives of—
  - (i) civil society
  - (ii) the sectors and subsectors supplying or financing housing goods or services.
  - (iii) provincial and local governments
  - (iv) any other stakeholder in housing development.
- 2.2.7. To promote effective communication in respect of housing development.
- 2.2.8. To establish a national institutional and funding framework for housing development
- 2.2.9. To negotiate for the national apportionment of the state budget for housing development:
- 2.2.10. To prepare and maintain a multi-year national plan in respect of housing development.
- 2.2.11. To allocate funds for national housing programmes to provincial governments, including funds for national housing programmes administered by municipalities in terms of section 10
- 2.2.12. To allocate funds for national facilitative programmed for housing development;
- 2.2.13. To obtain funds for land acquisition, infrastructure development, housing provision and end-user finance.
- 2.2.14. To institute and finance national housing programmes
- 2.2.15. To establish and finance national institutions for the purposes of housing development and supervise the execution of their mandate.
- 2.2.16. To evaluate the performance of the housing sector against set goals and equitableness and effectiveness requirements: and
- 2.2.17. To take any steps reasonably necessary to—
  - (i) create “an environment conducive to enabling provincial and local governments, the private sector, communities and individuals to achieve their respective goals in respect of housing development; and
- 2.2.18. promote the effective functioning of the housing market

### 2.3 Applicable Legislations

The Human Settlements department is guided by the following pieces of legislation:

Applicable Legislation	Purpose
<b>Architectural Profession Act No 44 of 2000</b>	Which provides for setting up of the South African Council for the Architectural Profession which would register persons responsible for architectural work which is one of the key components of the housing development process

Applicable Legislation	Purpose
<b>Broad-Based Black Economic Empowerment Act 53 of 2003</b>	The Act establishes a legislative framework for the promotion of black economic empowerment (BEE) and empowers the relevant Minister to issue codes of good practice and to publish transformation charters for key sectors.
<b>Community Schemes Ombud Service (CSOS) Act 9 of 2011:</b>	provides for the establishment of the Community Schemes Ombud Service (CSOS) and articulates the mandate and functions of the CSOS; regulates quality assurance and provides a dispute resolution mechanism for community schemes.
<b>Deeds Registries Amendment Act 47 of 1937 (as amended):</b>	regulates the transactions involving land, such as buying, selling, mortgaging, or leasing, and requires them to be registered in a Deeds Registry. The Act also applies to sectional titles, which are units of land within a larger property, such as apartments or townhouses.
<b>Disaster Management Act 57 of 2002:</b>	provides for an integrated and co-ordinated disaster management process, focusing on preventing or reducing the risk of disasters, mitigating the severity of disasters, emergency preparedness, rapid and effective response to disasters, and post-disaster recovery.
<b>Dis-establishment of South African Housing Trust Limited Act 26 of 2002:</b>	dis-established the South African Housing Trust Limited; transfer its rights and assets to the National Housing Finance Corporation and vested its obligations and inabilities in the Government of the Republic of South Africa.
<b>Engineering Profession Act of 2000</b>	which provides for the regulation of the relationship between the Engineering Council of South Africa and the Council for the Built Environment; and for the registration of professionals, candidates and specialist in the specific categories of the engineering profession.
<b>Geomatics Profession Act, 2013 (Act No. 19 of 2013):</b>	provides a framework for the transformation of the geomatics profession and establishes the South African Geomatics Council as an entity responsible for overseeing professional standards, registration, and ethical conduct.
<b>Government Immovable Asset Management Act 19 of 2007 (GIAMA):</b>	provides for a uniform framework for the management of an immovable asset that is held or used by a national or provincial department; to ensure the coordination of the use of an immovable asset with the service delivery objectives of a national or provincial department; to provide for issuing of guidelines and minimum standards in respect of immovable asset management by a national or provincial department.
<b>Home Loan and Mortgage Disclosure Act (HLAMDA) 63 of 2000</b>	promotes fair lending practices, which require disclosure by financial institutions of information regarding the provision of home loans.
<b>Housing Act 107 of 1997 (as amended)</b>	recognises the constitutional right to housing and define the roles and responsibilities of national, provincial and local government in relation to housing.
<b>Housing Consumer Protection Measures Act 95 of 1998</b>	makes provision for the protection of housing consumers

Applicable Legislation	Purpose
<b>Housing Consumer Protection Measures, Act 2025:</b>	provides for the protection of housing consumers, the continuation of the National Home Builders Registration Council as the National Home Building Regulatory Authority that deals with amongst others, the registration of home builders, enrolment of homes to be covered by the home warranty fund, etc.
<b>Housing Development Agency Act 23 of 2008:</b>	provides for the establishment of an agency that facilitates the acquisition of land and landed property for purposes of creating sustainable human settlements.
<b>Housing Development Agency Act Regulations, 2014:</b>	Regulates processes for the declaration of priority housing development area (PHDA); steps in creating a priority housing development plan; funding considerations; implementation of the protocol; and the implementation of the housing development and cooperation between the different State Departments.
<b>Infrastructure Development Act 23 of 2014</b>	To provide for the facilitation and co-ordination of public infrastructure development which is of significant economic or social importance to the Republic; to ensure that infrastructure development in the Republic is given priority in planning, approval and implementation; to ensure that the development goals of the state are promoted through infrastructure development; to improve the management of such infrastructure during all life-cycle phases, including planning, approval, implementation and operations.
<b>Intergovernmental Relations Framework Act 13 of 2005:</b>	establishes a framework for the national, provincial, and local governments to promote and facilitate intergovernmental relations; to provide for mechanisms and procedures to facilitate the settlement of intergovernmental disputes; and matters connected therewith.
<b>Less Formal Township Establishment Act 113 of 1991 (as amended):</b>	provides for shortened procedures for the designation, provision and development of land and for the establishment of township for less formal forms of residential settlement and to regulate the use of land by tribal communities for communal forms of residential settlement.
<b>Land Survey Act, 1997 (Act No. 8 of 1997):</b>	provides a legislative framework for the setting up the Office of the Chief Surveyor-General operating at national level as well as the Surveyors General at a provincial level as a responsible body for the cadastral surveying and land information services in the Republic of South Africa.
<b>Local Government: Municipal Systems Act 32 of 2000 (as amended):</b>	provides for mechanisms and processes necessary for municipalities to move progressively towards the social and economic upliftment of local communities and ensures universal access to essential services affordable to all.
<b>Municipal Finance Management Act 56 of 2003 (as amended):</b>	Promotes a sound municipal financial management and for other institutions in the local sphere of government to ensure that all revenue, expenditure, assets, and liabilities are managed efficiently and effectively and establishes treasury norms and standards for local government.
<b>The National Building Regulations and Building Standards Act, 1977 (Act No. 103 of 1977):</b>	provides amongst others law relating to the development of buildings in municipalities; prescribes the building standards, duties of draftsmen of plans, specifications, documents and diagrams

Applicable Legislation	Purpose
<b>National Environmental Management Act 107 of 1998 (NEMA):</b>	makes provision for cooperative environmental governance by establishing principles for decision making on matters affecting the environment, institutions that promote cooperative governance and procedures for coordinating environmental functions exercised by organs of state.
<b>National Health Act 61 of 2003:</b>	to provide a framework for a structured uniform health system, considerate of the obligations imposed by the Constitution and other laws on the national, provincial and local governments regarding health services.
<b>National Water Act 36 of 1998:</b>	ensures that South Africa's water resources are protected, used, developed, conserved, managed, and controlled in a sustainable and equitable manner, for the benefit of the people.
<b>The Planning Profession Act 36 of 2002</b>	which amongst other responsibilities sets up the South African Council for Planners, protect the public from unethical planning practices;
<b>Prevention of Illegal Eviction and Unlawful Occupation of Land Act 19 of 1998 (as amended):</b>	provides for the prohibition of unlawful eviction and further provides procedures for the eviction of unlawful occupiers.
<b>Property Practitioners Act 22 of 2019</b>	provides for the regulation of property practitioners; regulates the continuation of the Estate Agency Affairs Board (EAAB) in the new form of Property Practitioners Regulatory Authority (PPRA); and further provides for transformation of the property practitioners sector through the establishment of a transformation fund and a research centre on transformation.
<b>Property Practitioners Regulations, 2022:</b>	regulates the affairs of property practitioners regarding transformation, regularisation, compliance, enforcement, and dispute resolution; training, conduct and consumer protection measures.
<b>Public Finance Management Act 1 of 1999 (as amended):</b>	regulates financial management in the national and provincial governments; to ensure that all revenue, expenditure, assets, and liabilities of those governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in those governments.
<b>Rental Housing Act 50 of 1999 (as amended):</b>	regulates the relationship between landlords and tenants and provide for dispute resolution; provides norms and standards related to rental housing; introduces changes that impact the relationship between tenant and the landlord; requires all municipalities to have a rental office and expands the powers of the Rental Housing Tribunal.
<b>Restitution of Land Rights Act 22 of 1994 (as amended):</b>	provides for the restitution of rights in land to persons or communities dispossessed of such rights in land after 19 June 1913 because of past racially discriminatory laws or practices and establishes a Commission on Restitution of Land Rights.
<b>Sectional Titles Schemes Management Act 8 of 2011:</b>	provides for the establishment of body corporates to manage and regulate common property in sectional title schemes and the establishment of an advisory council to advise the Minister.

Applicable Legislation	Purpose
<b>Social Housing Act 16 of 2008:</b>	provides for the establishment of the Social Regulatory Authority, to regulate social housing institutions (SHIs) and other Delivery Agents (ODAs).
<b>Social Housing Regulations, 2011:</b>	guides the accreditation of SHIs; provide a clear qualification criterion, compliance monitoring, and the investment criteria applicable in the sector.
<b>Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA):</b>	provides a framework for spatial planning and land use management, ensuring the system promotes social and economic inclusion.
<b>The Annual Division of Revenue Act:</b>	provides for equitable division of revenue raised nationally among the national, provincial and local spheres of government for the financial year. provides for equitable division of revenue raised nationally among the national, provincial and local spheres of government for the financial year.
<b>The Expropriation Act of 2025:</b>	It replaces the outdated 1975 Expropriation Act, bringing South Africa's land reform policies in line with constitutional principles.
<b>Traditional Leadership and Governance Framework Act 41 of 2003:</b>	regulates the institution of traditional leadership and its relationship with the state; provides for the establishment and recognition of traditional councils, and the role of traditional leaders in governance and development.
<b>Unemployment Insurance Act 30 of 1996:</b>	establishes the Unemployment Insurance Fund and provides for the imposition and collection of contributions for the benefit of the Unemployment Insurance Fund.
<b>Water Services Act 108 of 1997:</b>	regulates water boards as important water service providers and gives the executive authority and responsibility to the Minister of Human Settlements, Water and Sanitation to support and strengthen the capacity of municipalities to manage their own affairs, exercise their powers and perform their functions.

### 3. Institutional Policies and Strategies over the five-year planning period

The Department is guided by the following policies with explicit mandates that support the development and management of sustainable human settlements:

Policies	Mandate
<b>The Urban Development Framework (1997)</b>	promote a consistent urban development policy approach for effective urban reconstruction and development, to guide development policies, strategies and actions of all stakeholders in the urban development process and to steer them towards the achievement of a collective vision.
<b>Comprehensive Plan for the Creation of Sustainable Human Settlements, 2004</b>	which formalises the shift in the Department's approach from providing housing into developing sustainable human settlements and further outlines a plan for the development of sustainable human settlements.

Policies	Mandate
<b>Gender-Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing Framework</b>	provides a framework for enabling a gender responsive contribution to enable South Africa to realise its Constitutional vision of a non-sexist society, gender equality, empowerment, and to ensure allocation of adequate resources for Women Empowerment and Gender Equality.
<b>Housing Code Version 2000</b>	sets out the National Housing Policy and procedural guidelines for effective implementation; reiterating that housing provision must be sustainable and avail a range of choices to contribute positively to a non-racial, democratic, and integrated society.
<b>Housing Code Version, 2009</b>	provides for prescripts enabling the delivery of inclusive, sustainable, and well-planned housing solutions for people.
<b>Human Settlements Vision 2030</b>	provides the roadmap to 2050 and ensures provision of houses and services in rural and urban areas and seek to address rapid urbanisation challenges and the transformation of rural areas into urban centres
<b>Inclusionary Housing Policy</b>	creates affordable housing opportunities for low- or moderate-income households and requires developers to sell or rent a percentage of new residential units to lower-income residents.
<b>Integrated Urban Development Framework (IUDF), 2016</b>	provides a framework enabling spatial transformation by steering urban growth towards a sustainable growth model of compact, connected and coordinated cities and towns.
<b>National Development Plan (NDP), 2012</b>	which provides a long-term perspective, defines the desired destination of the country, and identifies the role of different sectors in eliminating poverty and reducing inequality by 2030.
<b>National Spatial Development Framework (NSDF), 2020</b>	which aims to ensure equal access for all to services, amenities, and opportunities that well-planned, well-functioning and well-managed urban and rural settlements offer.
<b>National Spatial Development Perspective (NSDP), 2006</b>	which provides a framework for a focused intervention by the State in equitable and sustainable development, guides infrastructure investment and represents a key instrument in the State's drive towards ensuring greater economic growth, buoyant and sustained job creation, and the eradication of poverty.
<b>National Youth Policy, 2020 – 2030</b>	which provides for a framework to strengthen the capacity of key youth development institutions and effects positive youth development outcomes at local, provincial, and national levels.
<b>Procedural and Unfair Practices Regulations under the Rental Housing Act, 50 of 1999 (as amended)</b>	which provides standards and norms for private and public rental practices.
<b>Record of understanding with Association of Mortgage Lenders (AML) in 1995</b>	which committed parties to the national development agenda of promoting and scaling up housing delivery, based on legislative and compliance framework.

Policies	Mandate
<b>Revised Subsidy Quantum, 2023</b>	which provides the revised grant quantum and subsidy amounts for different programmatic interventions and takes into consideration additional elements such as rainwater harvesting devices and solar kits in some programmes.
<b>Spatial Planning and Land Use Management Regulations</b>	Which provides regulations for guiding spatial planning and land use management
<b>Social Contract for the Development of Sustainable Human Settlements, 2014</b>	which provides a framework for partnerships and resource mobilisation recommitting stakeholders to accelerating the delivery of integrated human settlements as a key strategy for poverty alleviation.
<b>Social Housing Policy, 2005</b>	which seeks to create an enabling environment for the social housing sector to develop, grow, and deliver at scale
<b>The Accreditation Framework for Municipalities to Administer National Housing Programmes 2023</b>	which seeks to provide for a programme based incremental approach and revised procedures and processes for implementing the accreditation programme.
<b>Urban Settlement Development Grant Policy</b>	Which provides a policy for the use of urban settlement development grant and specifies the outputs of USDG to inform the input to the DOR Bill
<b>White Paper on Housing, 1994</b>	which provides the first macro policy framework for creating an enabling environment for housing development.
<b>White Paper on the rights of persons with disabilities, 2016</b>	Provide the framework for a uniform and coordinated approach by all government departments and institutions in mainstreaming disability across all planning, design, budgeting, implementation and monitoring of services and development programmes.
<b>White Paper for Human Settlements, 2024</b>	Provide a macro policy that creates an enabling environment for human settlement development and management
<b>South African National Standards</b>	Provides a set of building standards and codes that are used to ensure the safety, health, and sustainability of buildings in South Africa

#### 4. Landmark/ Relevant Court Rulings

The paragraphs below contain a selected list of court rulings that continue to affect the operations of the human settlements sector. The Department will exercise oversight support to ensure implementation of court decisions. The cases include the following:

- ❖ **Ndlovu v Ngcobo; Bekker v Jika (2002, SCA):** The matter concerned tenants and mortgagors who remained in occupation after leases or bonds ended. The SCA confirmed that PIE applies to all unlawful occupiers, including former tenants and mortgagors. The judgment expanded the PIE's scope beyond squatters.
- ❖ **City of Johannesburg v Blue Moonlight Properties 39 (Pty) Ltd 2012 (2) SA 104 (CC):** A private owner sought eviction of occupiers from an inner-city building. The City argued it had no duty to house them. The issue was raised whether the municipalities must provide housing when eviction would cause homelessness. The court held that municipalities must provide emergency housing.
- ❖ **Dladla v City of Johannesburg and Others (CCT 124/16) [2017] ZACC 42 the court held as follows:** "It is declared that the City of Johannesburg and the Metropolitan Evangelical Services' refusal to allow the applicants to reside in communal rooms together with their partners of different sexes is an infringement of the applicants' constitutional rights to dignity and privacy, enshrined in sections 10 and 14 of the Constitution". In Dladla case the court further held that: "The City of Johannesburg and the Metropolitan Evangelical Services are directed to permit those of the applicants who wish to do so, to reside together with their partners of different sexes in communal rooms at Ekuthuleni for the duration of the applicants' stay at Ekuthuleni."
- ❖ **Government of the Republic of South Africa and Others v Grootboom and Others 2001 (1) SA 46 (CC):** The Constitution allocates powers and functions amongst these different spheres emphasising their obligation to co-operate with one another in carrying out their constitutional tasks. In the case of housing, it is a function shared by both national and provincial government. Local governments have an important obligation to ensure that services are provided in a sustainable manner to the communities they govern. A reasonable programme therefore, must clearly allocate responsibilities and tasks to the different spheres of government and ensure that the appropriate financial and human resources are available. The court indicated that the provision of temporary or emergency accommodation to persons who find themselves in situations of crisis or emergency is an accepted part of the states' obligation to provide access to adequate housing.

**Commando & Others v The City of Cape Town & Another (CCT 49/23) [2024] ZACC 27:** The judgment recognised that it is the constitutional duty of the state to arrange its resources in such a way that it is able to realise progressively all the rights that are subject to progressive realisation, including housing rights. It also highlighted that the provisions of section 26(1) are not absolute, but contingent upon the availability of the state's resources. This meant that a balancing exercise was required in ensuring that the state fulfils its obligations within the confines of its available means. Progressive realisation, in this context, transcended a mere legal standard. It demanded an appreciation of the intricate balance between legislative imperatives and economic realities, such as the high costs associated with inner-city development and the lack of available land. Ideally, this balancing exercise would also entail a balancing of the emergency housing crisis with that of social housing development.

It is essential for the City of Cape Town to not prioritise one housing programme over the other. The failure to allocate adequate resources by the City to emergency housing essentially undermined and infringed upon the right of access to adequate housing for these vulnerable communities. It perpetuated inequality and violated its duty to protect the most vulnerable members of society. The City should not hide behind the argument that it was providing social housing in the inner city by disregarding its crucial responsibilities in relation to emergency housing and moreover, the City's commitment to long-term social housing plans should not come at the expense of addressing urgent concerns. Further, that the City's conduct was unreasonable because it failed to mitigate the effects and consequences of gentrification on the most vulnerable. It, in effect, forced the most vulnerable out of the city.

The court directed that the City of Cape Town should consider the issues relating to location of the temporary emergency accommodation so that it does not deprive the evictees of health facilities, workplaces, and schools. The City of Cape Town was directed to develop a reasonable Temporary Emergency Accommodation Policy that is aligned to the National Emergency Housing Programme. The Department has since provided technical support to the City of Cape Town which is currently embarking on stakeholders consultation to finalise the draft policy. Consultation and written comments have since been shared in a reasonable manner, consistent with this judgment.

## **Part B: Our Strategic Focus**

### **1. Vision**

Inclusive, sustainable, integrated, and equitable urban and rural environments

### **2. Mission**

The mission of the Department of Human Settlements is to provide integrated, comprehensive and sustainable human settlements development services with a long-term goal of improving the quality of life for the poor and vulnerable.

### **3. Values**

- Access
- Equity
- Diversity
- Participation
- Learning institution

The priorities of the 7th administration include economic transformation and job creation, education, skills, and health, consolidating the social wage through reliable and quality basic services, Spatial integration, human settlements, and local government and social cohesion and safe communities. Thus the Department is committed to inclusivity, participation and empowerment of designated groups to effect transformation. The mainstreaming of gender, youth disability (GEYODI) priorities our Annual Performance Plans are imperative.

### **4. Situational Analysis**

#### **4.1 External Environmental Analysis**

The priorities of the 7th administration include economic transformation and job creation, education, skills, and health, consolidating the social wage through reliable and quality basic services, Spatial integration, human settlements, and local government and social cohesion and safe communities.

The Department's strategy is clearly articulated in the Medium-term Development Plan (MTDP) and includes the following outcomes:

- Increased access to adequate housing through various programmes
- Develop liveable neighbourhoods in both rural and urban environments and achieve spatial transformation Population Dynamics

#### **Demographic Developments**

In 2026, the South African population is estimated to be slightly higher than 63,100,945 that showed with a growth rate of 1.23% since 2024 (772,291). Black constitutes 81.8%, coloured 8.5%, white 7.1% and Indian/Asian 2.6%. The population is distributed into the

following segment: 26.1% are children up to 14 years. Youth constitute 32,9% (15 -35) while adult population constitute 30.5% (35 and 60) while elderly constitute 10.5% (60 and above). Children and Youth constitute just over 37,3 million (59%). 57% of the population is concentrated in the Gauteng, Kwa- Zulu Natal and Western Cape.

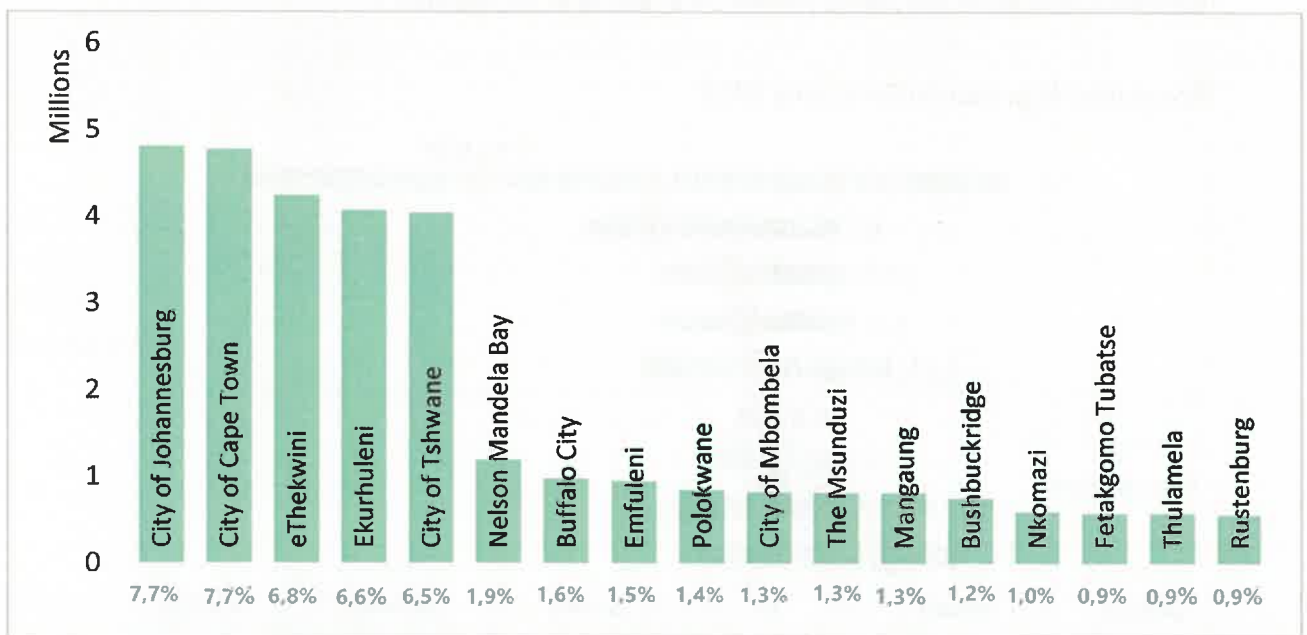
Mid-Year Population Estimates By Provinces 2025



Source: Statistics South Africa (2025)

The estimates indicate that 50% of the South African population live in the largest 17 Metros and Municipalities as depicted in the graph below. This provides critical information for the distribution of resources for community development in the country.

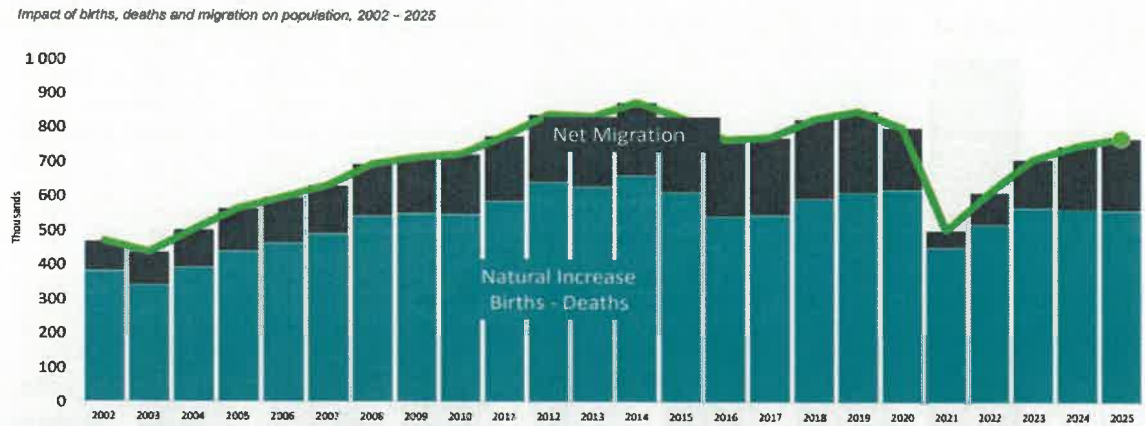
Population Distribution By Metro and Municipalities



Source: Statistics South Africa (2025)

Natural increase still drives population growth with additional portion from net-migration from other countries.

Annual Population growth, whilst improved, have not reached pre-COVID-19 levels.

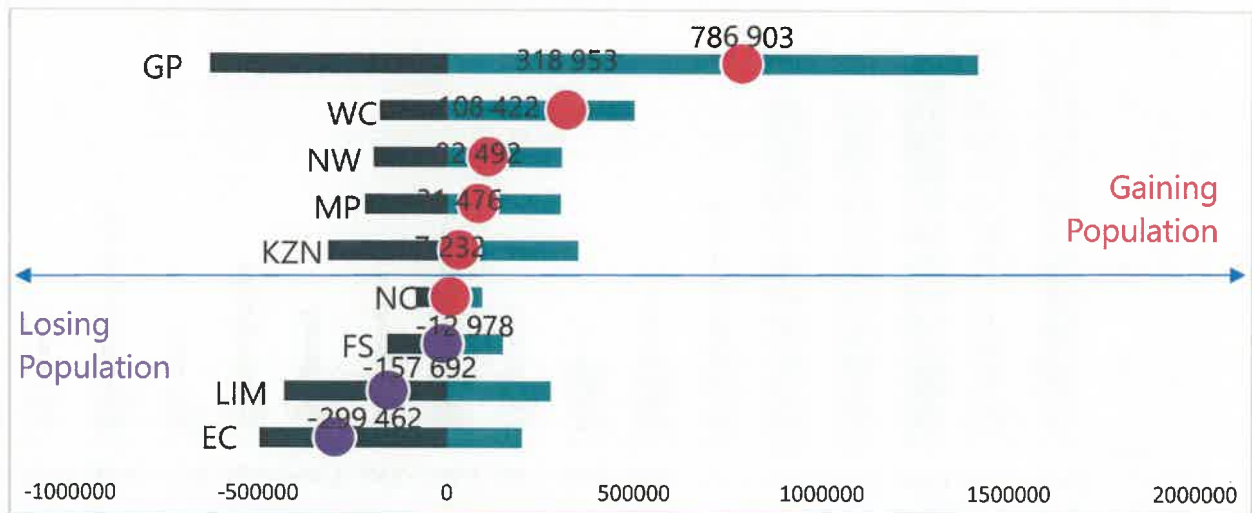


Source: Statistics South Africa (2025)

Western Cape and Gauteng were the only provinces who are below the national fertility rate of South Africa, which is 2.21. Western Cape and Gauteng registered fertility rate of 1.79 and 1.72, respectively, while Limpopo registered the highest fertility rate of 2.94. Migration adds significantly to population growth in different provinces. Gauteng received the largest flow of migrants (1,4 million) while the Western Cape received 500,000.

Regionally, Gauteng, Western Cape, Northwest, Mpumalanga, and KZN are the provinces that have gained in terms of population. While Northern Cape, Free State, Limpopo, and Eastern Cape were the losing provinces in terms of population.

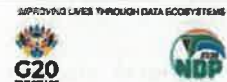
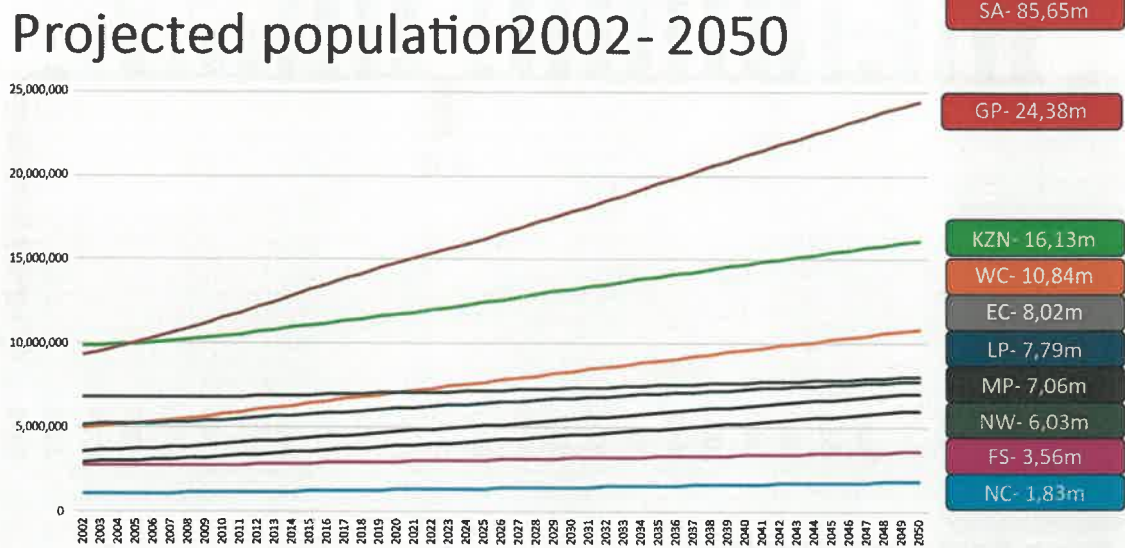
### Population Migration In Provinces 2025



Source: Statistics South Africa (2025)

In terms of projections, South African population is expected to reach 85 million in 2050 according to Statistics South Africa. While the population of Gauteng province is projected to increase by 8,2 million in 2050, the population of Northern Cape is projected to increase by only 430,000. These projections give indications of future distributions of resources for development.

Projected Population 2002-2050

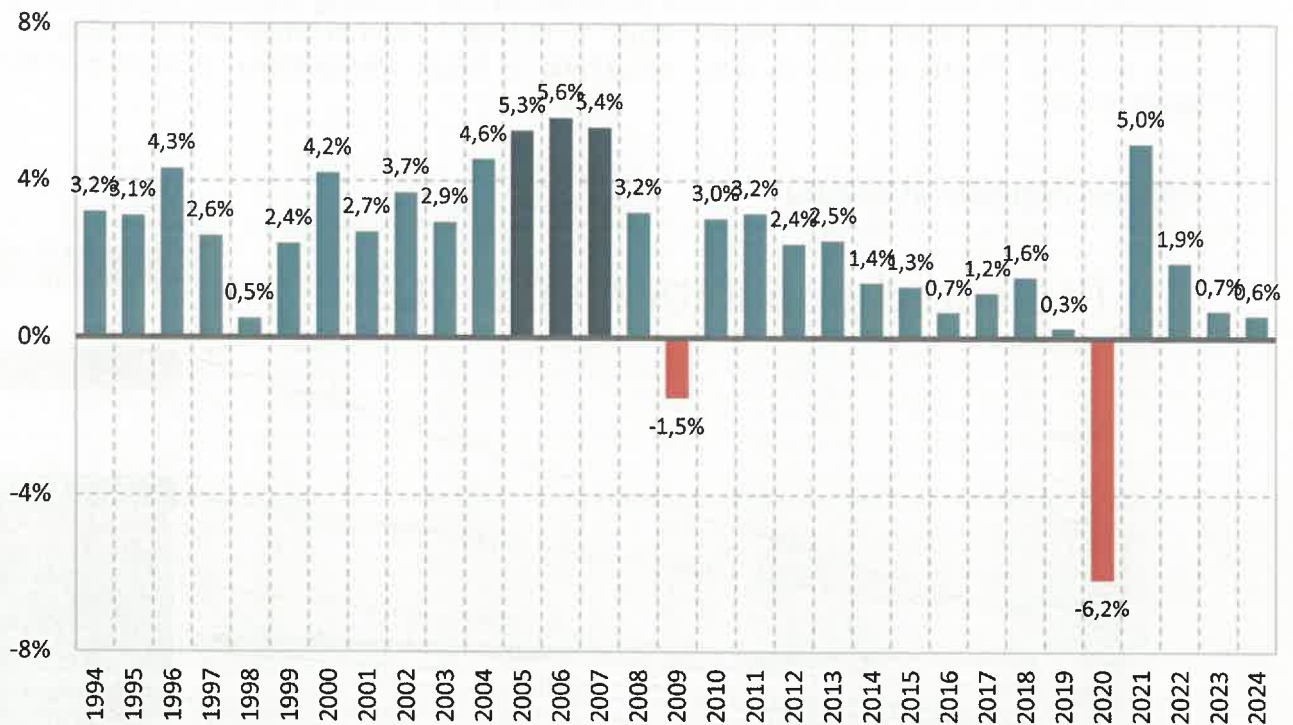


Source: Statistics South Africa (2025)

The relationship between population growth versus economic growth is a long-debated topic with contradictory theories. The Malthusian model sees population growth as a threat to living standards, while the economist, Michael Kremer, has suggested that world population growth is a key driver of advancing economic prosperity. If there are more people, Kremer argues, then there are more scientists, inventors, and engineers to contribute to innovation and technological progress. Modern theories acknowledge both positive and negative effects, with arguments suggesting that a growing population can increase demand and human capital but also strain resources and infrastructure. The actual relationship depends on factors like technological advancement, the ability to manage a larger population, and the rate of population change (Sibe et al. 2016).

Much of the South African population do not possess the skills required to grow the economy and to contribute to the technological advancement of the country. The rate of increase in the population of South Africa currently (1.23%) is above recent GDP growth rate which is averaged at 1% (from 2016 to 2019) and from 2022 to 2024 (1%). Even developments in 2025 indicated that it is highly likely for the economic growth to remain around 1%. Population growth therefore is likely to strain the per capita income and therefore weakening the standard of living over time.

## Long-term Economic Growth In South Africa



Source: Statistics South Africa (2025)

Several structural constraints on the supply side of the South African economy, such as infrastructure bottlenecks, a weak business environment, and low productivity, have impeded economic growth. Electricity supply shortages have particularly constrained South Africa's growth for several years. However, the reliability and availability of the power supply have improved substantially since March 2024. Severe weather conditions have also caused the weakest performance of the agricultural sector. As a result, the economy has been struggling to return to the performance of its glory days of 2005 to 2007.

South Africa's GDP growth forecast for 2025 ranges from 0.9% to 1.6%, with differing projections from various institutions like Investec (0.9%), the African Development Bank Group (1.6%), the International Monetary Fund (IMF) 1.0%, PwC Forecasts a range of 0.5% (downside) to 1.3% (upside). PwC's economic outlook in September 2025 is advocating for 0.7% growth, and the National Treasury forecasts GDP growth at 1.4%.

For the Department of Human Settlements, poor economic performance means that there will be limited funding for housing development and related support. With limited ability to borrow due to government debt, which has been increasing in the recent past, the scope for raising the budget through debt is therefore limited as well. Therefore, the model of housing delivery needs to be reviewed to reflect funding constraints.

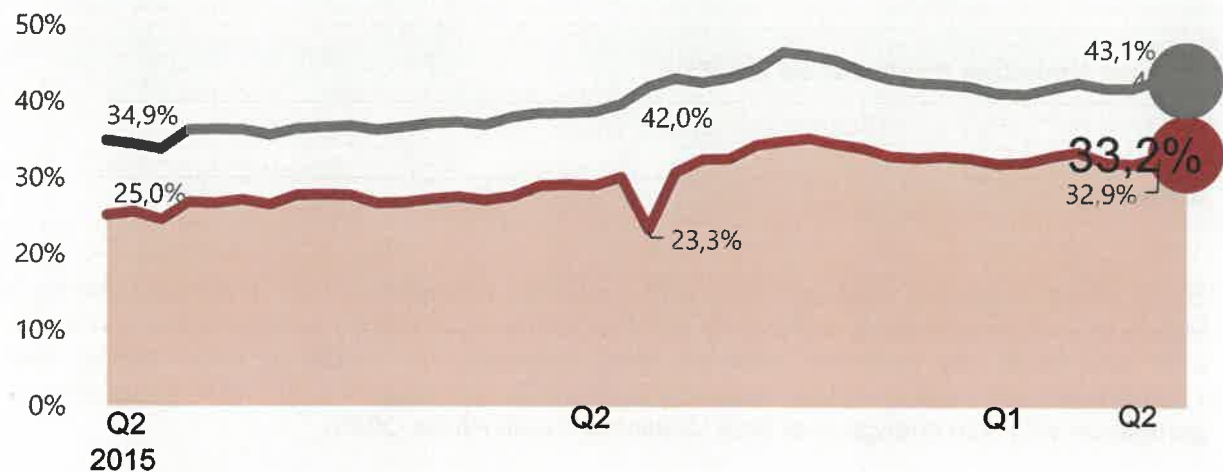
The construction sector, as one of the potential drivers of employment, improved marginally from 2024 to 2025. According to Statistics South Africa, the value of buildings completed saw an increase of 3.1% (R693,2 million) in the first half of 2025, compared to the same period in 2024. The challenges include delays in project completion are sometimes attributed to issues like late payments, community disruptions, and a shortage of skilled project managers,

especially in provinces like KwaZulu-Natal, Limpopo, and the Free State. The value of building plans passed (at current prices) decreased by 3.0% (-R1 445,6 million) during the first half of 2025 compared with the first half of 2024, reflecting possible stagnation going forward. The decreases were reported for residential buildings (-R1 546,0 million) and non-residential buildings (-R1 433,8 million). An increase was reported for additions and alterations (R1 534,2 million).

### Unemployment rate

South Africa's official unemployment rate was 33.2% in the second quarter of 2025, up from 32.9% in the first quarter. The expanded unemployment rate remained high at 42.9%. Job losses were recorded in sectors including community and social services, finance and agriculture, transport, and manufacturing sectors. Employment increased in the trade (88,000 jobs), private households (28,000 jobs), and construction (20,000 jobs) industries. The youth unemployment rate remains a pressing concern, with over 62% of those aged 15-24 without jobs in the second quarter of 2025. Women continued to face a higher unemployment rate, with 35.9% compared to 31.0% for men in the second quarter of 2025 (Statistics South Africa, 2025).

### Official vs expanded unemployment: Q2:2015-Q2:2025

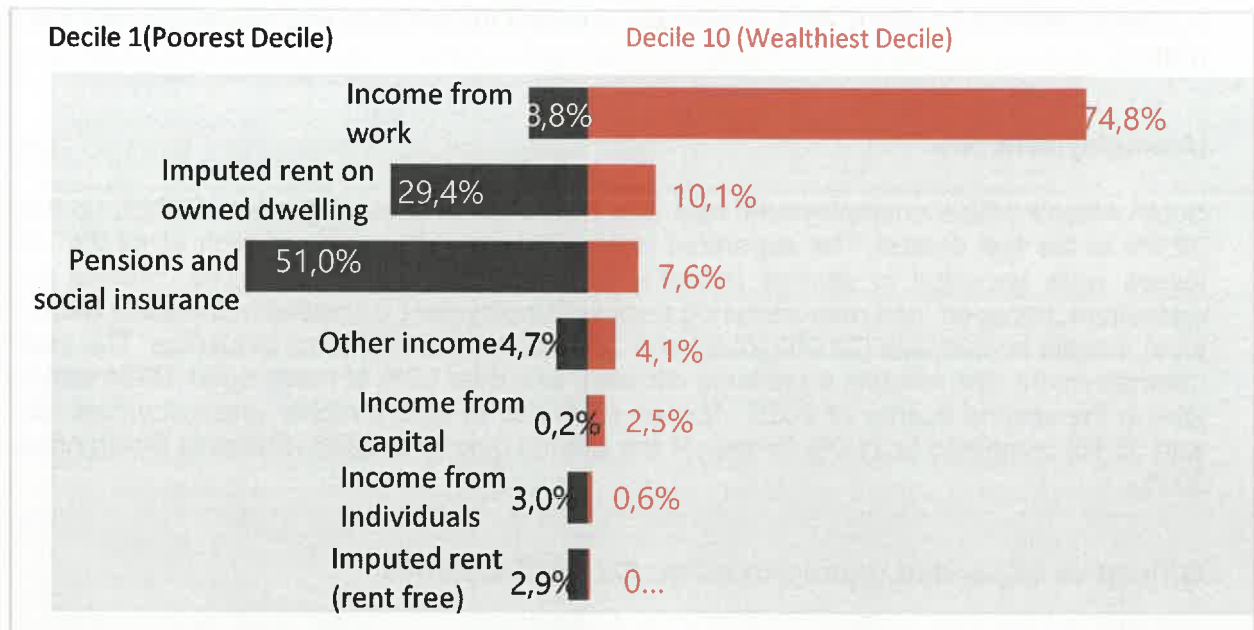


Source: Statistics South Africa (2025)

The expanded unemployment rate decreased by 0,2% to 42,9% in quarter 2 of 2025 compared to quarter 1 of 2025. High levels of unemployment are an indication that many South Africans will continue to depend on the government for support, including housing.

Structural challenges and weak growth have undermined progress in reducing poverty. Despite the government holding fort on the war on poverty with social wage, the achievement of progress in household welfare is severely constrained. This is depicted in the graph below as over 50% of lower-income households relied mainly on pensions and social insurance.

Percentage distribution of annual income of South African households by per capita income deciles, 2023

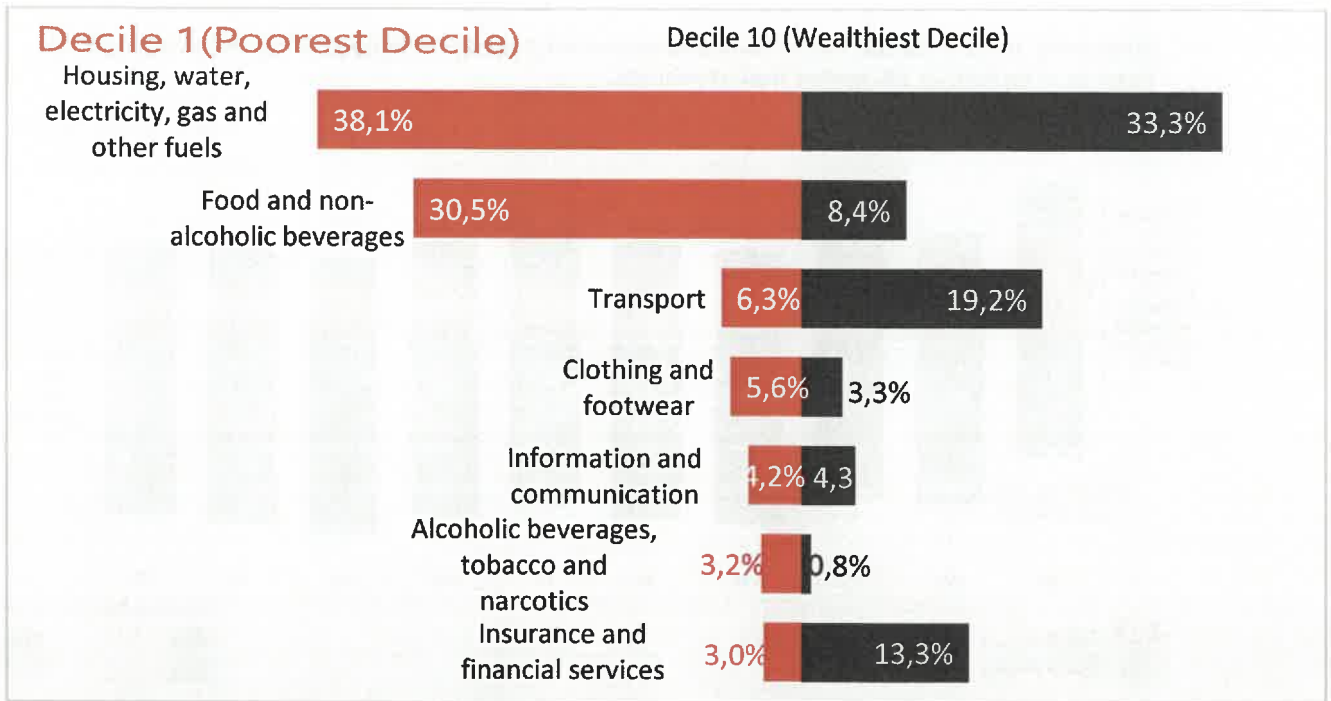


Source: Statistics South Africa (2025)

**Inequality**

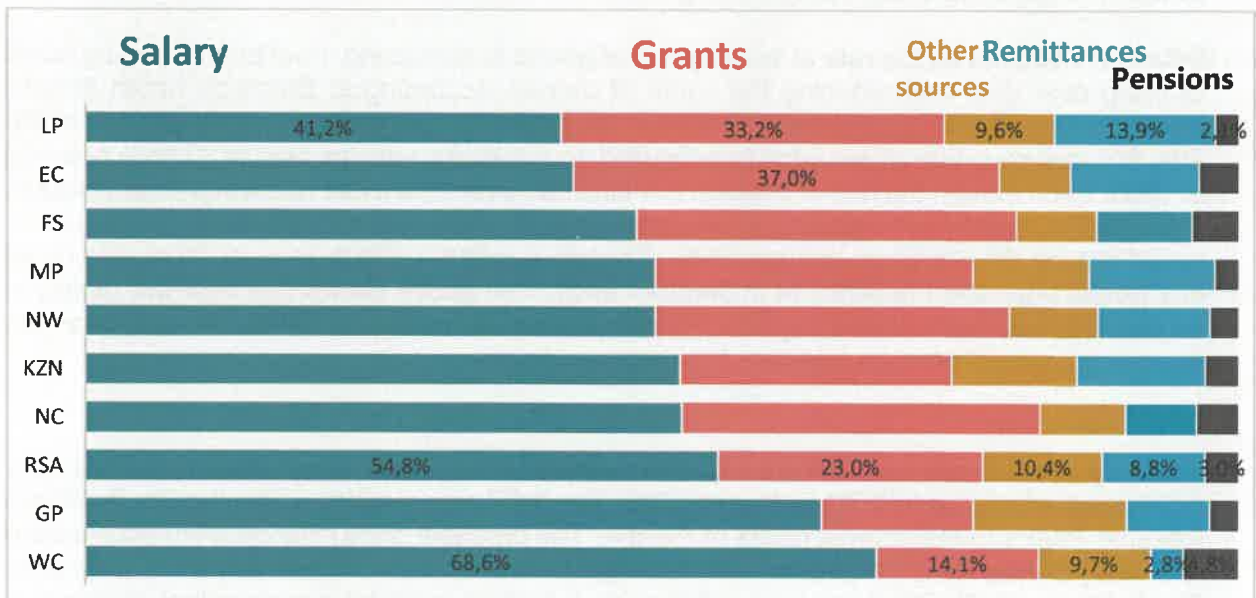
South Africa remains a dual economy with persistent inequality, which is perpetuated by a legacy of exclusion of black community and the nature of economic growth, which is not pro-poor and does not generate sufficient jobs. Inequality in wealth is even higher, and intergenerational mobility is low, meaning inequalities are passed down from generation to generation with little change over time (Statistics South Africa, 2025).

The Percentage distribution of selected annual household consumption expenditure by division expenditure and income decile in 2023 shows that over 68% of expenditure for the poorest decile is on housing, water, electricity, and food. Large disparities in proportions spent on categories such as food, transport, and insurance between poorest and wealthiest.



Source: Statistics South Africa (2024)

Percentage distribution of main sources of household income by province in 2023 revealed that grants are the second major source of income in all provinces after salaries.



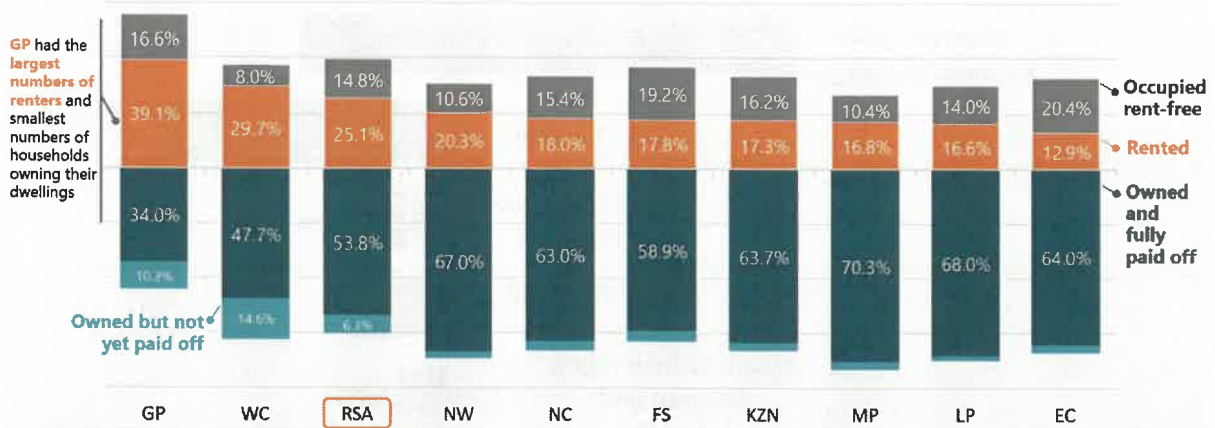
Source: Statistics South Africa (2024)

When it comes to housing, of the estimated 19,6 million households, 84.1% resided in formal dwellings, while 11.7% lived in informal dwellings and 3.9% in traditional housing in 2024, according to the General Household Survey of 2024.

Nationally, three-fifths (60,1%) of households owned *paid off or being paid off* the dwelling they lived in. A further 25,1% rented their dwellings.

Percentage distribution of dwelling units by tenure status and province, 2024

Source: General Household Survey 2024



Gauteng appears to have the largest percentage of those who are renting almost 40% followed by Western Cape with almost 30%. This suggests that rental accommodation is critical in these provinces. Therefore, rental should be streamlined to accommodate those who come to the cities in search of greener pasture.

### Inflation outlook and the cost of living

Inflation is defined as the rate at which price of goods is increasing. It reflects changing costs of living over time and reducing the value of money. According to Statistics South Africa's historic data, inflation outlook has remained reasonably low compared to early periods of the 70s, 80s and early 90s where inflation recorded double digits, with the high of 20.56% reached in 1986. Even though the rate of inflation remains low, over time it has had a significant impact. The inflation adjustment calculator shows that a basket of items worth R1,000 in January 2001 would require R3,506.99 in January 2025. Therefore, with R1,000 in January 2025, one could buy goods equivalent to R285.14 in January 2001. The above shows that over the period of 24 years, prices had increased by 250.7% with an annual increase of 5.4%. This also changes the composition of items to prioritise from a given income.

Recently, annual consumer price inflation increased from 2,7% in March 2025 to 3.5% in July 2025 before declining to 3.3% in August 2025. The 3.3% rate remains within the South African Reserve Bank's (SARB) target range of 3%-6%. The producer price inflation (PPI) accelerated to a one-year high of 2.1% year-on-year in August 2025, up from 1.5% in July 2025 (Statistics South Africa, 2025). Producer price inflation as a leading indicator suggests that increase in the headline inflation is highly unlikely in the near future.

### Interest rates

During the 2024/25 financial year, interest rates declined from 11.75% in September 2024 down to 11.00% in February 2025. On July 31, 2025, the SARB lowered the repo rate by 25 basis points to 7%, effective from August 1, 2025, bringing the prime lending rate to 10.5%.

Lower rates translate to reduced monthly bond repayments for homeowners and improving affordability to those with some form of credit.

## **Debt-to-Income Ratio**

According to DebtBusters' Debt Index providing a detailed insight into the financial health of South Africans seeking debt counselling, *"the debt service ratio is higher, where consumers need 68% of their take-home pay to service debt – a significant increase from previous quarters and at the highest level since 2017. Those taking home R35 000 or more a month need to use 74% of their income towards debt repayments, and their total debt to annual net income ratio is 187%. Those taking home R5 000 or less a month use 75% of their income towards debt repayments.*

Sager (The Executive Head at DebtBusters) further stated that the median debt-to-annual-income ratio is 113%, indicating that consumers are still experiencing the effects of interest rate increases that began in November 2021, and – despite some respite – remain elevated". What is compounding the problem according to Sager (2024), is that "an income growth – while better than in years past – is still behind expense growth". Areas contributing to the problem are that "since 2016, electricity tariffs increased by 135%, petrol price increased by 72%, and inflation's compounded impact is 44%". Sager (2024) further pointed out that "even though financial strain remains a challenge, but on the bright side, people are feeling more optimistic about it".

## **Access To Finance for Housing Purposes**

The majority (90.38%) of mortgage agreements granted during the December 2024 quarter were granted to those earning R700K and above. Out of the R48,655 billion mortgage agreements granted, the size category of R0 to R350 000 accounted for only R745,898 million which is 1.5%. The size category of R351K-R700K accounted for 8% which is equal to R3,9 billion. The size greater than R700K accounted for 90% which is equal to R43, 977 billion. Therefore, the focus for affordable housing development should on more on provision of serviced stands as this will allow individuals to request finance in smaller amounts depending on individual affordability, to build their homes incrementally.

## **Just Transition**

South Africa stands at a pivotal moment as it seeks to transition towards a low-carbon, climate-resilient future. The concept of a "just transition" is central to this process, aiming to balance the urgent need to address climate change with the imperative of social equity. Nowhere is this more critical than in human settlements, where the impacts of both environmental degradation and socio-economic inequality are deeply felt. This overview explores what a just transition means for South Africa's urban and rural communities, the challenges faced, and the opportunities for inclusive development.

A just transition refers to the process of shifting towards sustainable economies and societies in a manner that is fair, inclusive, and leaves no one behind. In the South African context, this means that workers, communities, and vulnerable groups must be supported as the country moves away from fossil fuels and towards greener alternatives. Human settlements—encompassing cities, towns, and villages—are at the heart of this process, as they are both sources of emissions and centres of social life and economic activity.

Below are the challenges in just transition:

- **Inequality and Legacy of Apartheid:** South Africa's urban and rural landscapes are still shaped by historical patterns of segregation, with many communities experiencing limited access to basic services, quality housing, and economic opportunities.
- **Climate Vulnerability:** Informal settlements are particularly exposed to climate risks such as flooding, drought, and heatwaves, often lacking resilient infrastructure.
- **Energy Poverty:** Many households, especially in peri-urban and rural areas, struggle with unreliable or unaffordable access to clean energy, relying instead on coal, paraffin, or wood for cooking and heating.
- **Resource Constraints:** Rapid urbanisation puts pressure on water, land, and waste management systems, further complicating efforts to achieve sustainable growth.

### Principles of a Just Transition in Human Settlements

- **Inclusivity:** All voices—especially those of marginalised groups—must be included in planning and decision-making processes related to settlement development and climate adaptation.
- **Equity:** Interventions must address historical injustices, ensuring that the benefits of green development (such as jobs, improved services, and safer environments) are shared fairly.
- **Resilience:** Human settlements should be designed or retrofitted to withstand climate shocks, with a focus on nature-based solutions and infrastructure upgrades.
- **Economic Opportunities:** The transition should generate decent work and support small businesses, particularly in construction, renewable energy, waste management, and urban agriculture.
- **Participatory Governance:** Local governments, civil society, and communities should collaborate to shape policies and monitor progress.

### Key Strategies for a Just Transition in Human Settlements

- **Upgrading Informal Settlements:** Improve access to services, infrastructure, and tenure security while involving residents in planning and implementation.
- **Promoting Green Building and Retrofitting:** Encourage energy-efficient design, renewable energy integration, and sustainable materials in both new and existing housing.
- **Expanding Access to Clean Energy:** Invest in off-grid and grid-tied renewable energy solutions for households and community facilities.
- **Nature-Based Solutions:** Restore and protect wetlands, green spaces, and urban forests to enhance resilience and improve quality of life.
- **Skills Development and Job Creation:** Provide training and support for workers to participate in the emerging green economy, especially in construction, maintenance, and environmental services.

Several South African cities and municipalities have begun piloting just transition initiatives. For example, Cape Town and Durban have advanced programmes in green buildings and climate adaptation. National programmes such as the Upgrading of Informal Settlements Programme (UISP) and the Renewable Energy Independent Power Producer Procurement Programme (REIPPPP) also provide frameworks for integrating just transition principles into settlement planning.

A just transition for human settlements in South Africa is not only a moral and social imperative but also a practical necessity for sustainable development. A just transition means that the rights and needs of the most vulnerable members of society, such as elderly, women, youth, persons with disabilities, and children are protected. By centring equity, participation, and resilience, South Africa can build communities that are inclusive, prosperous, and climate-ready. The journey requires robust policy frameworks, strong partnerships, and the active involvement of all stakeholders to ensure that no one is left behind as the country moves towards a greener future. Thus, the Innovative Building Technologies (IBT) Summit outcomes will be implemented vigorously through sector collaboration.

### **Alignment to Spatial Priorities, NSDF, PDAs and Monitoring**

The Department of Human Settlements recognises that spatial dynamics such as rapid urbanisation, internal and cross-border migration, climate change impacts, and uneven economic development continue to shape the demand for human settlements across South Africa. These spatial shapers have direct implications for the location, scale, sequencing and form of human settlements investment and must therefore inform planning, prioritisation and resource allocation decisions.

In alignment with the National Spatial Development Framework (NSDF), the Department will strengthen the spatial logic underpinning the 2026/27 Annual Performance Plan by directing human settlements investment towards areas that can support inclusive growth, access to economic opportunities, and sustainable service delivery. Priority will be given to well-located land within urban cores, secondary cities, townships, informal settlements, and strategic development corridors, while also supporting appropriate rural settlement development in line with local and regional spatial contexts.

The Department will continue to ensure that provinces plan and prioritise investment in declared Priority Development Areas (PDAs), in line with the Spatial Planning and Land Use Management Act (SPLUMA) and national human settlements priorities. Provincial and municipal planning processes, including housing chapters of Integrated Development Plans (IDPs) and human settlements business plans, will be guided to concentrate investment within PDAs to promote spatial integration, efficient infrastructure provision, and coordinated development outcomes.

The Department will utilise the NSDF's spatial shapers and National Spatial Action Areas to guide programme prioritisation across the human settlements value chain, including land assembly, informal settlements upgrading, catalytic projects, rental housing, and affordable housing interventions. This approach will ensure that investments contribute to spatial transformation, reduce apartheid spatial patterns, and improve access to livelihoods, services and social infrastructure.

Investment decisions will be increasingly informed by an understanding of the spatial distribution of human settlements needs, including population growth trends, migration patterns, housing demand pressures in metropolitan and secondary urban areas, and climate-related risks such as flooding, water scarcity and environmentally sensitive land. This spatial evidence base will support more targeted and coordinated interventions across programmes.

The District Development Model (DDM) will serve as a key coordination mechanism to align human settlements planning and investment across national, provincial and local government. Through participation in DDM structures, joint planning processes and district-level spatial prioritisation, the Department will support integrated development outcomes and reduce fragmented investment. Human settlements programmes will be aligned with district

development priorities, including PDAs, to enhance intergovernmental coordination and implementation coherence.

To strengthen accountability and implementation, the Department will monitor the extent to which provincial and municipal human settlements investments are directed towards declared Priority Development Areas. This will be achieved through the assessment of annual and adjusted human settlements business plans, with specific attention to the proportion of planned investment, projects and outputs located within PDAs, and through ongoing performance monitoring during the financial year.

Through these measures, the 2026/27 Annual Performance Plan strengthens the integration of spatial planning, investment prioritisation and monitoring, ensuring that human settlements delivery is responsive to spatial realities, supports national development priorities, and advances the objectives of spatial transformation and inclusive development.

## **4.2 Internal Environment Analysis**

The Department has undertaken an analysis of the internal environment and considered the pronouncements made during the Opening of Parliament Address (OPA), where the President highlighted key priorities of the Seventh Administration of Government as follows:

**Strategic Priority 1:** Inclusive growth and job creation

**Strategic Priority 2:** Reduce Poverty and tackle the high cost of living

**Strategic Priority 3:** A capable, ethical, and developmental state

In his State of the Nation Address (SO), the president pronounced that “*We are remaking our cities and reducing the cost of living for working families. We are introducing a new model for housing, where people are given subsidies for ownership and rental in areas that are suitable for them. We are shifting from building houses for people to supporting them to build, buy or rent their own housing*”.

The Department has extensively consulted with stakeholders working together with Operation Vulindlela. A policy statement will be issued detailing the detailed implementation arrangements for piloting the demand side subsidies and capital subsidies in selected provinces.

The National Department of Human Settlements directly contributes to Strategic Priorities 2 & 3 through the following outcomes.

- Improved integration in human settlements planning and implementation to achieve spatial transformation and liveable neighbourhoods
- Improved sector coordination and integration across all levels of government
- Reduced impact of disasters and improved livelihoods
- Improved efficiency, governance, and accountability.

The National Department of Human Settlements (NDHS) is mandated to provide sustainable human settlements and improve housing delivery across South Africa. While the department has made significant strides—delivering over five million homes since 1994 and benefiting over twenty million citizens—ongoing challenges persist in human resource retention, financial management, and addressing the nation’s housing backlog. Information and Communication Technology (ICT) initiatives are increasingly central to the NDHS’s strategy, offering enhanced transparency, efficiency, and innovation in service delivery.

The NDHS operates as a centralised government with provincial and municipal governments serving as implementation arms. Key entities reporting to the Minister include 1) the Social Housing Regulatory Authority (SHRA), 2) Housing Development Agency, 3) the National Housing Finance Cooperation, 4) Community Schemes Ombuds, 5) , Property Practitioners Regulatory Authority and 6) the National Home Builders Registration Council (NHBR), . This structure supports national oversight while enabling localised execution of housing programmes.

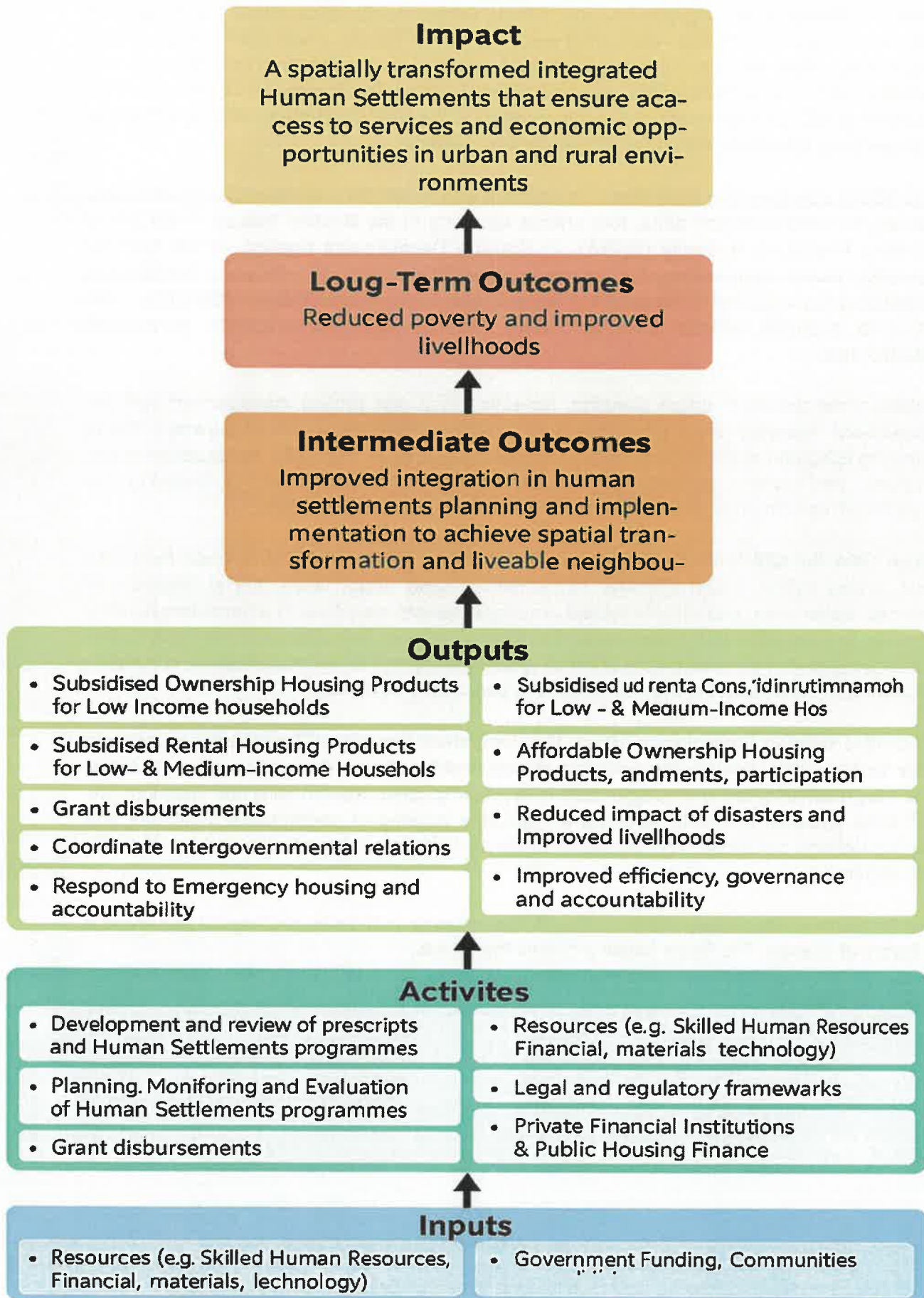
Skilled professionals in urban planning, housing policy, and project management staff the department. However, there are ongoing challenges in retaining technical expertise and in ensuring adequate staffing levels to meet increasing demands. Currently, the department has finalised the macro-organisational structure and is in the process of finalising the microstructure with engagement with organised labour having taken place.

Since 1994, the NDHS has facilitated the delivery of over five million housing units, benefiting over twenty million South Africans. Nonetheless, rapid urbanisation, the proliferation of informal settlements, and climate-related housing disasters contribute to a persistent housing backlog. In terms of ICT Initiatives as Strategic Enablers. The Department’s HSS Online platform digitises the management of housing applications and subsidy allocations, enhancing accountability and reducing the risk of fraud in beneficiary selection.

**Innovative Building Technologies (IBTs):** The department supports ICT-enabled research and data systems that promote the adoption of sustainable, climate-resilient housing solutions. The integration of smart technologies aids in monitoring construction quality and sustainability. ICT tools underpin the SDIP, allowing for real-time tracking of performance indicators and service delivery outcomes. This facilitates evidence-based decision-making and timely policy adjustments.

The Department has looked at the input, activities, outputs, outcomes, and impact and created a theory of change. The figure below provides the details:

### **Theory of Change**



**PESTEL and SWOT Analysis**

The NDHS has adopted a robust PESTEL framework—Political, Economic, Social, Technological, Environmental, and Legal—to assess external factors influencing its strategic direction. NDHS has undertaken an in-depth situational analysis using the planning combination of both PESTEL-SWOT analysis, to detect how elements of the external environment and the identified strengths, weaknesses, opportunities and threats would need to be addressed for it to operate effectively, efficiently, and to deliver on the impact that it seeks to achieve.

PESTEL Factor	Strengths	Weaknesses	Opportunities	Threats	Strategies
<b>Political</b>	Government commitment to housing rights, established policies; international donor support	Policy misalignment; frequent changes, weak enforcement capacity	Policy harmonisation; inclusive urban development; global collaboration	Political instability, corruption, and shifting priorities	Foster intergovernmental alignment; secure global funding; strengthen transparency
<b>Economic</b>	Job creation potential; housing stimulates growth; access to financing instruments	Limited affordability; rising costs, and poor financial inclusion	Innovative financing (PPP, microfinance); housing for poverty reduction; attract FDI	Economic downturns, inflation; currency fluctuations	Diversify financing; incentivise private investment; build local supply chains
<b>Social</b>	Public awareness; civil society advocacy; cultural diversity in settlement design	Social inequality; urban-rural disparities; limited participation	Community-driven housing; social innovation; integration with health/education	Rapid urbanisation; informal settlements; social unrest	Empower communities; promote inclusive policies; invest in slum upgrading
<b>Technological</b>	Digital housing platforms; sustainable materials; urban planning data	Digital divide; slow adoption; weak R&D investment	Smart city initiatives; green construction tech; e-governance expansion	Cybersecurity risks; rapid obsolescence; digital exclusion	Invest in digital literacy; incentivise green tech; strengthen cybersecurity
<b>Environmental</b>	Growing emphasis on sustainable housing; renewable energy integration	Vulnerability to climate change; poor waste management in settlements	Eco-friendly housing projects; climate-resilient infrastructure	Natural disasters; environmental degradation; resource scarcity	Promote green building codes; invest in resilient infrastructure; enforce environmental regulations
<b>Legal</b>	Constitutional recognition of housing rights; legal	Weak enforcement; complex land tenure	Legal reforms for tenure security; stronger	Litigation delays; land disputes; weak	Simplify land tenure laws; strengthen enforcement;

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PESTEL Factor	Strengths	Weaknesses	Opportunities	Threats	Strategies
	frameworks for land use	systems; slow legal processes	housing rights enforcement	regulatory compliance	promote legal awareness

## Planned Policy Initiatives

The National Department of Human Settlements will continue to facilitate an annual policy programme, which will focus on the development of Human Settlements Code. This will provide prescripts, guidelines, business processes, and roles and responsibilities of various stakeholders, including the private sector, civil society organisations, academia, beneficiaries, provincial departments, sector departments, municipalities, and entities.

The Department will continue with policy advocacy sessions on the provisions of the Cabinet approved White Paper for Human Settlements, will also pursue consultation on the Prevention of Illegal Evictions and Unlawful Occupation of land Bill, craft a Rental Regulator policy foundation and develop guidelines for dealing with inner-city rental challenges.

The Department will continue its work with Operation Vulindlela to drive policy reforms that will enable the crafting of provincial agreements regarding the demand-side rental subsidy and capital subsidies as possible pilots. Detailed implementation arrangements will require funding from HSDG, USDG, CCG, and support from provinces, including entities such as NHFC and SHRA.

Over and above these, the department will finalise the process of seeking Cabinet approval for the norms and standards for Innovative Building Technology, pursue a new methodology for revising the subsidy quantum and align with norms and standards for IBT, review the housing allocation formulae, formulae for the first home finance programme and propose changes in the first home finance programme the income segments, revise the qualification criteria for housing, engage with industry players to finalise the small scale rental programme, create a densification subsidy, and digitalise the voucher for dealing with emergency housing.

The Department will embark on additional reforms working with the Social Housing Regulatory Authority to create a rental regulator that will attend to regulatory functions which are both in the public and private sector space following the approval of norms and standards for rental.

## Stakeholder Analysis

The table below provides a summary of key stakeholders which contribute to the delivery of the Department's mandate.

stakeholder	Needs & Expectations
<b>Cities Alliance and UN Habitat</b>	Promote the international programme for the delivery of human settlements
<b>Human Settlements Entities</b>	Mandate, Funding, Policy directive & Capacity support
<b>Provincial Departments of Human Settlements</b>	Policy directive & HSDG Funding Capacity support
<b>Metropolitan Municipality</b>	USDG funding to supplement capital budgets of the Metros in the provision of human settlements services & Capacity support
<b>Banking Association of South Africa</b>	Policy certainty The department is working together with the Banking Association in addressing the affordability of the human settlements gap market

stakeholder	Needs & Expectations
<b>Infrastructure fund</b>	Work together with Social Housing Regulatory Authority to package social housing projects that were gazetted for implementation over the remainder of the MTSF period and allocate the Consolidated Capital Grant which would require equity and loan funding.
<b>National Department of Mineral Resources and Energy</b>	Work together in developing and implementing electrification programme and social labour plans Framework for the affordable housing programme in mining communities
<b>Cooperative Governance and Traditional Affairs</b>	Work together in implementing the District Development Model and align Bulk infrastructure Programme
<b>Water and Sanitation</b>	Work together in aligning the infrastructure plans. Integrated Human Settlement Planning
<b>Public Works and Infrastructure</b>	Work together with the Public Works and Infrastructure to release suitable parcels of land and landed properties that are currently vested in the Department of Public Works and Infrastructure and other government departments for human settlements development as of to date about 12 568.64 Ha has been released by DPWI to the Department of Human Settlements
<b>Other National Departments</b>	Partnerships in delivery of programmes Intergovernmental Relations
<b>The Citizens</b>	Suitable and Integrated Human Settlements Subsidised and affordable housing
<b>NGO's and Civil Society Organisations</b>	Government to deliver its mandate. Partnerships
<b>Department of Agriculture, Rural Development and Land Reform</b>	Work together in aligning the infrastructure plans for rural households (Mud houses)
<b>Agre'ment SA</b>	Promotion of Innovative Building Technologies
<b>Collaborations with Women, Youth and Persons with Disabilities Formations</b>	Mainstreaming participation and empowerment of the formations in flagship programmes of the DHS Value Chain
<b>Operation Vulindlela</b>	Proposal that will assist South Africa to grow the economy through housing and human settlements developments

### Stakeholder Cross Reference

The table below provides a summary of the MTDP targets and the responsible key stakeholders – that will ensure and contribute to the delivery of the targets is in line with each stakeholder's respective role.

Target	MTDP targets	Stakeholders required	Role in contributing to MTDP target
<b>Housing Units</b>	<b>237 000</b>	Province Municipalities NHBRC	Develop housing units through units through various programmes for households

Target	MTDP targets	Stakeholders required	Role in contributing to MTDP target
		Private Sector Contractors Developers Entities Sector Departments Beneficiaries National Treasury Council for the Built Environment Institutions Of Higher Learning	earning less than R3500 per month, with monitoring reports of disaggregated data per gender, age and disability
<b>FLISP</b>	<b>140 000</b>	NHFC BASA Private sector House of Traditional Leaders Municipalities Provinces Lenders Sector Departments Beneficiaries PPRA Property Practitioners GEHS HLAMDA CAHF National Treasury	Disburse subsidies to subsidies to households in the gap market and monitoring reports on disaggregated data per gender, age and disability
<b>SERVICED SITES</b>	<b>314 000</b>	Municipalities Provinces Landowners National Department Department of Rural Development Department of Public Works State Owned Entities Sector Departments Beneficiaries HDA NHFC	Complete serviced sites through various programme with monitoring reports on disaggregated data per gender, youth and disability.
<b>SOCIAL HOUSING</b>	<b>15 000</b>	SHRA Lenders NHFC DBSA Infrastructure fund Rental housing tribunal Social housing institutions Developers Other delivery agents Landowners Beneficiaries CSOS NHBRC HDA	Complete Social Rental Housing units in restructuring zones with monitoring reports on disaggregated data per gender, age and disability

Target	MTDP targets	Stakeholders required	Role in contributing to MTDP target
<b>TITLE DEED</b>	<b>80 000</b> Title deeds for households in all 9 provinces	Provinces Municipalities NHBRC Private sector Contractors Developers Sector departments Beneficiaries Presidency National treasury Council for Built Environment Institutions of Higher Learning	Register title deeds for households in all 9 provinces with disaggregated data per gender.



**Part C: Measuring Our Performance**

**Institutional Programme Performance Information**

**1. PROGRAMME 1: ADMINISTRATION**

**Purpose:** The purpose of this Programme is to provide strategic leadership, management, and support services to the Department.

<b>Branch: Office Of the Deputy Director-General</b>	<b>1.1 Sub-Programme Executive Support</b> <b>Office of the DG</b>
<b>Branch: Corporate Services</b>	<b>1.2 Sub-Programme Corporate Services</b> <b>Information Communication &amp; Technology</b>
<b>Branch: Chief Financial Office</b>	<b>1.3 Sub-Programme Financial Management</b> <b>1.3.1 Financial Management Services</b> <b>1.3.1 Grants Management Services</b>

### 1.1 Sub-Programme: Executive Support

**Purpose:** To strategically lead, manage, and oversee all operations and support services required for effective and efficient implementation of the DHS's core functions.

#### Outcomes, Outputs, Performance Indicators and Targets

Ref. No	Outcomes	Outputs	Output Indicators	Annual Targets						
				Audited/ Actual Performance		Estimated Performance	MTEF Period			
				2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
Office of the DG										
1.1.1	Improved efficiency, governance and accountability	Compliance with statutory prescripts	Percentage compliance with statutory prescripts	74% compliance with statutory prescripts	100% compliance with statutory prescripts	100% compliance with statutory prescripts	100% compliance with statutory prescripts	100% compliance with statutory prescripts	100% compliance with statutory prescripts	100% compliance with statutory prescripts

#### Output Indicators: Annual and Quarterly Targets

Ref. No	Output Indicators	Annual Target 2026/27			
		Q1	Q2	Q3	Q4
Strategic Planning, Monitoring and Evaluation, & Office of the CFO					
1.1.1	Percentage compliance with statutory prescripts	100% compliance with statutory prescripts	100% compliance with statutory prescripts	100% compliance with statutory prescripts	100% compliance with statutory prescripts

## 1.2 Sub-Programme: Corporate Services

**Purpose:** To oversee the provision of corporate support services to the Department.

### Outcomes, Outputs, Performance Indicators and Targets

Ref. No	Outcome	Output	Output Indicators	Annual Targets						
				Audited/ Actual Performance	Estimated Performance	MTEF Period				
				2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
Information, Communication and Technology										
1.2.1	Improved efficiency, governance and accountability	ICT Plan implemented	Percentage implementation of the approved ICT implementation Plan	100% implementation of the approved annual ICT Plan	100% implementation of the approved annual ICT Plan	100% implementation of the approved ICT Implementation Plan	100% implementation of the approved ICT Implementation Plan	100% implementation of the approved ICT Implementation Plan	100% implementation of the approved ICT Implementation Plan	100% implementation of the approved ICT Implementation Plan

### Output Indicators: Annual and Quarterly Targets

Ref. No	Output Indicator	2026/27 Annual Target	Q1	Q2	Q3	Q4
Information, Communication, and Technology						
1.2.1	Percentage implementation of the approved ICT implementation Plan	100% implementation of the approved ICT implementation Plan	25% implementation of the approved ICT implementation Plan	50% implementation of the approved ICT implementation Plan	75% implementation of the approved ICT implementation Plan	100% implementation of the approved ICT implementation Plan

### 1.3 Sub-Programme: Financial Management

**Purpose:** To manage and facilitate the provision of financial management services.

#### Outcomes, outputs, output indicators and targets

Ref. No	Outcome	Output	Output Indicators	Audited/ Actual Performance				Annual Targets				
				2022-2023		2023-2024		2024-2025		2025-2026		MTEF Period
				2022-2023	2023-2024	2023/24	2024/25	2025/26	2026-2027	2027-2028	2028-2029	
<b>Financial Management Services</b>												
1.3.1.	Improved efficiency, governance and accountability	Report on unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings	2021/22 unqualified audit opinion with no material findings	2022/23 unqualified audit opinion with no material findings	2023/24 unqualified audit opinion with no material findings	2024/25 unqualified audit opinion with no material findings	2025/26 unqualified audit opinion with no material findings	2026/27 unqualified audit opinion with no material findings	2027/28 unqualified audit opinion with no material findings		

#### Output Indicators: Annual and Quarterly Targets

Ref. No	Output Indicator	2026/27 Annual Target			
		Q1	Q2	Q3	Q4
<b>Financial Management Services</b>					
1.3.1	Unqualified audit opinion with no material findings	No target	2025/26 unqualified audit opinion with no material findings	No target	No target

### 1.3.2 Grants Management Services

**Purpose:** To manage the administration of conditional human settlements grants.

#### Outcomes, outputs, output indicators and targets

Ref. No	Outcome	Output	Output Indicators	Audited/ Actual Performance		Annual Targets		MTEF Period		
				2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
<b>Grant Management Services</b>										
1.3.2.1	Improved efficiency, governance and accountability	Human Settlements Grants Frameworks Approved	Human Settlements Grants Frameworks Approved	Approved 2023/24 Human Settlements Grants Framework	2024/25 Human Settlements Grants Framework Approved	2025/26 Human Settlements Grants Framework Approved	2026/27 Human Settlements Grants Framework Approved	2027/28 Human Settlements Grants Frameworks Approved	2028/29 Human Settlements Grants Frameworks Approved	2029/30 Human Settlements Grants Frameworks Approved
1.3.2.2		Human Settlements Grant assessed	Number of quarterly assessments conducted on performance of Provinces human settlements grant (ISUPG)	8 quarterly assessments conducted on human settlements grants (HSDG & USDG)	8 quarterly assessments conducted on performance of both human settlements grants (HSDG and ISUPG-Provinces)	8 quarterly assessments conducted on performance of human settlements grant-Provinces ISUPG	4 quarterly assessments conducted on performance of provincial human settlements grant (ISUPG)	4 quarterly assessments conducted on performance of provincial human settlements grant (ISUPG)	4 quarterly assessments conducted on performance of provincial human settlements grant (ISUPG)	4 quarterly assessments conducted on performance of provincial human settlements grant (ISUPG)
1.3.2.3		Human Settlements Grant assessed	Number of quarterly assessments conducted on performance of Metros' human	8 quarterly financial performance analyses conducted on ISUPG	8 quarterly assessments conducted on performance of both human	4 quarterly assessments conducted on performance of human settlements	4 quarterly assessments conducted on performance of Metros' human	4 quarterly assessments conducted on performance of Metros' human	4 quarterly assessments conducted on performance of Metros' human	4 quarterly assessments conducted on performance of Metros' human

Ref. No	Outcome	Output	Output Indicators	Audited/ Actual Performance				Annual Targets			
				2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Estimated Performance
<b>Grant Management Services</b>											
1.3.2.4	Improved efficiency, governance and accountability	Allocations for designated groups assessed	settlements grant (ISUPG) Number of quarterly assessments on set aside allocations for designated groups (HSDG and USDG)	0 report on the set aside for designated groups	settlement's grants (USDG and ISUPG) 2 reports on monitoring of set aside for designated groups (USDG & HSDG)	ISUPG- Metros 4 quarterly assessments on set aside allocations for designated groups (HSDG and USDG)	grant- Metros ISUPG 4 quarterly assessments on set aside allocations for designated groups (HSDG and USDG)	settlements grant (ISUPG) 4 quarterly assessments on set aside allocations for designated groups (HSDG and USDG)	settlements grant (ISUPG) 4 quarterly assessments on set aside allocations for designated groups (HSDG and USDG)	settlements grant (ISUPG) 4 quarterly assessments on set aside allocations for designated groups (HSDG and USDG)	settlements grant (ISUPG) 4 quarterly assessments on set aside allocations for designated groups (HSDG and USDG)

### Output Indicators: Annual and Quarterly Targets

Ref. No	Output Indicator	2026/27 Annual Target				
		Q1	Q2	Q3	Q4	
<b>Grant Management Services</b>						
1.3.2.1	Human Settlements Grants Frameworks Approved	2027/28 Human Settlements Grants Frameworks Approved	No Target	No Target	Draft 2027/28 Human Settlements Grants Frameworks	2027/28 Human Settlements Grants Framework Approved.
1.3.2.2	Number of quarterly assessments conducted on performance of Provinces human settlements grants (ISUPG)	4 quarterly assessments conducted on provincial human settlements grant (ISUPG)	1 quarterly assessment (1x 4 <sup>th</sup> quarter of 2025/26 financial year) conducted on performance of provincial human settlements grant (ISUPG)	1 quarterly assessment (1x 1 <sup>st</sup> quarter of 2026/27 financial year) conducted on performance of provincial human settlements grant (ISUPG)	1 quarterly assessment (1x 2 <sup>nd</sup> quarter of 2026/27 financial year) conducted on performance of provincial human settlements grant (ISUPG)	1 quarterly assessment (1x 3 <sup>rd</sup> quarter of 2026/27 financial year) conducted on performance of provincial human settlements grant (ISUPG)

Ref. No	Output Indicator	2026/27 Annual Target	Q1	Q2	Q3	Q4
<b>Grant Management Services</b>						
<b>1.3.2.3</b>	Number of quarterly assessments conducted on performance of Metros human settlements grants (ISUPG)	4 quarterly assessments conducted on performance of Metros human settlements grants ( ISUPG)	1 quarterly assessment (1x 3 <sup>rd</sup> quarter of 2025/26 financial year) conducted on performance of Metros human settlements grant (ISUPG)	1 quarterly assessment (1x 4 <sup>th</sup> quarter of 2025/26 financial year) conducted on performance of Metros human settlements grant (ISUPG)	1 quarterly assessment (1x 1 <sup>st</sup> quarter of 2026/27 financial year) conducted on performance of Metros human settlements grant (ISUPG)	1 quarterly assessment (1x 2 <sup>nd</sup> quarter of 2026/27 financial year) conducted on performance of Metros human settlements grant (ISUPG)
<b>1.3.2.4</b>	Number of quarterly assessments on set aside allocations for designated groups (HSDG and USDG)	4 quarterly assessments on set aside allocations for designated groups (HSDG and USDG)	1 quarterly assessment on set aside allocations for designated groups (HSDG and USDG)	1 quarterly assessment on set aside allocations for designated groups (HSDG and USDG)	1 quarterly assessment on set aside allocations for designated groups (HSDG and USDG)	1 quarterly assessment on set aside allocations for designated groups (HSDG and USDG)

## **1.4 Explanation of Planned Performance over the Medium-Term Period**

### **Executive Support**

Statutory prescripts refer to laws, regulations, and official directives that the department is required to comply with in the execution of its mandate. Maintaining 100% compliance with these prescripts is critical to ensure good governance, accountability, and the avoidance of legal or financial penalties. For the medium-term period, the department's planned performance aims to achieve and sustain 100% compliance with all relevant statutory prescripts. This objective is a commitment to uphold the highest standards of legal and regulatory adherence.

The commitment to 100% statutory compliance is a cornerstone of responsible governance. Through robust systems, staff training, and ongoing monitoring, the department is positioned to meet this goal for the medium-term period. The statutory prescripts include, among others, submission of departmental performance reports on time and in line with the regulations and frameworks (Quarterly and Annual), payments of invoices within 30 days, approval of business plans, as well as Gender Responsive Planning Budget, Monitoring, Evaluation and Auditing Framework (GRPBMEAF) (Bi-Annual).

### **Information, Communication and Technology**

The Information and Communication Technology (ICT) Implementation Plan plays a pivotal role in driving departmental efficiency, service delivery, and digital transformation. Achieving 100% implementation of the approved ICT plan over the medium term (typically three to five years) is a strategic objective that underpins the realisation of both operational and developmental goals.

A structured and phased approach was adopted to ensure the comprehensive rollout of all components within the ICT Implementation Plan. The process began with a detailed needs assessment and stakeholder engagement, resulting in a plan that is both responsive and aligned to departmental priorities.

The 100% implementation of the approved ICT Implementation Plan will result in significant departmental transformation. Key outcomes included improved operational efficiency, enhanced data-driven decision making, reduced operational risks, and an elevated user experience for both staff and stakeholders. Furthermore, the department is now positioned to leverage emerging technologies and future-proof its digital capabilities.

The complete execution of the ICT Implementation Plan over the medium term stands as a testament to effective strategic planning, stakeholder engagement, and adaptive management. This achievement not only meets the immediate ICT needs but also lays a resilient foundation for sustained innovation and growth.

### **Financial Management Services**

To maintain and achieve an unqualified audit opinion with no material findings, the Department is committed to upholding the highest standards of financial management and internal control for the Medium-Term Period. The planned performance encompasses several key strategies:

- ❖ **Strengthening Internal Controls:** Robust internal control systems are continuously reviewed and enhanced to ensure effective risk management, accurate financial reporting, and compliance with laws and regulations.
- ❖ **Regular Internal Audits:** Periodic internal audits are conducted to proactively identify and address potential control weaknesses or process inefficiencies
- ❖ **Timely and Accurate Financial Reporting:** The organisation prioritises the preparation of timely, complete, and accurate financial statements to facilitate efficient audit processes and transparent reporting.
- ❖ **Management Oversight and Governance:** Senior management and audit committees provide active oversight, ensuring that corrective actions are taken promptly on any audit recommendations or past findings.
- ❖ **Compliance Monitoring:** Systems are in place to monitor ongoing compliance with relevant legislative and regulatory requirements, minimising the risk of non-compliance findings.

### **Grant Management Services**

The Medium-Term Expenditure and Revenue Framework outlines the strategic approach and monitoring mechanisms for improving the allocation and utilisation of human settlements grants in South Africa. The framework is designed to ensure transparency, accountability, and targeted support for provinces, metropolitan municipalities (metros), and designated groups. The following explanation details the planned performance assessments as approved in the framework. The chief directorate Grants management will undertake four quarterly assessments will be conducted during the medium-term period for each financial year to evaluate the performance of provincial human settlements grants. These grants include the Human Settlements Development Grant (HSDG) and the Informal Settlements Upgrading Partnership Grant (ISUPG). The purpose of these assessments is to:

- ❖ Monitor the effective and efficient utilisation of funds at the provincial level.
- ❖ Identify and address challenges in the implementation of housing and settlement projects.
- ❖ Ensure compliance with national priorities and grant conditions.
- ❖ Facilitate timely intervention and support to underperforming provinces.

Similarly, the quarterly assessment for metropolitan municipalities focuses on the Urban Settlements Development Grant (USDG) and the Informal Settlements Upgrading Partnership Grant (ISUPG). These reviews aim to:

- ❖ Track progress on urban development, housing delivery and informal settlement upgrading initiatives.
- ❖ Evaluate the alignment of metro projects with strategic urban development goals.
- ❖ Promote best practices and knowledge sharing among metros.
- ❖ Highlight areas requiring capacity building or additional resources.

The framework also emphasises inclusivity by requiring four quarterly assessments focused on set-aside allocations for designated groups within the HSDG and USDG Designated groups typically include women, youth, and persons with disabilities. These assessments serve to:

- ❖ Ensure that a fair proportion of grant funding is allocated and utilised for the benefit of designated groups.

- ❖ Monitor compliance with transformation and empowerment targets as stipulated in policy.
- ❖ Identify and mitigate barriers to participation for designated groups in the human settlements sector.
- ❖ Report on the impact of grants in advancing socio-economic transformation.

The planned quarterly assessments, as approved, are critical for driving performance, transparency, and transformation across the human settlements sector. By systematically evaluating provincial and metro performance, as well as the impact on designated groups, the framework ensures that public funds are used effectively to address South Africa's housing and settlement challenges in an inclusive and accountable manner.

### 1.5 Programme Resources Considerations. Inputs will be received this week.

Reconciling Performance Targets with the Budget and MTE

#### 1.5.1 Programme 1: Administration

Sub Programmes	Audited outcome				Adjusted Appropriation	Medium Term Expenditure Indicative Allocation		
	2022/23	2023/24	2024/25	2024/25		2026/27	2027/28	2028/29
Ministry	65,159	57,762	60,689	60,689	60,906	62,980	65,829	68,781
Departmental Management	75,561	66,040	55,391	55,391	87,286	91,436	95,743	100,036
Corporate Services	233,676	238,160	248,828	248,828	250,059	263,344	276,395	288,813
Property Management	53,226	41,409	38,317	38,317	58,446	61,123	63,887	66,752
Financial Management	54,894	60,170	59,074	59,074	76,218	80,683	83,548	87,298
<b>Total</b>	<b>482,516</b>	<b>463,541</b>	<b>462,299</b>	<b>462,299</b>	<b>532,915</b>	<b>559,566</b>	<b>585,402</b>	<b>611,680</b>

Economic Classification	Audited outcome				Adjusted Appropriation	Medium Term Expenditure Estimates Indicative		
	2022/23	2023/24	2024/25	2024/25		2026/27	2027/28	2028/29
<b>R`000</b>								
<b>Current payments</b>	<b>474,396</b>	<b>455,002</b>	<b>450,133</b>	<b>450,133</b>	<b>531,572</b>	<b>558,129</b>	<b>583,872</b>	<b>610,081</b>
Compensation of employees	221,875	231,528	223,352	223,352	258,807	274,145	286,848	299,726
Goods and services	252,493	223,474	226,781	226,781	272,765	283,984	297,024	310,355
Interest and rent on land	28	-	-	-	-	-	-	-
Transfers and subsidies	1,282	2,153	5,071	5,071	-	-	-	-
Households	1,282	2,153	5,071	5,071	-	-	-	-
Payments for capital assets	6,706	6,313	6,958	6,958	1,343	1,437	1,530	1,599
Machinery and equipment	6,706	6,313	6,958	6,958	1,343	1,437	1,530	1,599
Payments for financial assets	132	73	137	137	-	-	-	-
<b>Total</b>	<b>482,516</b>	<b>463,541</b>	<b>462,299</b>	<b>462,299</b>	<b>532,915</b>	<b>559,566</b>	<b>585,402</b>	<b>611,680</b>

This programmes' allocation grows from R532.9 million in 2025/26 to R611.6 million in 2028/29, an average increase of 2.5% over MTEF. The programmes' biggest cost drivers apart from compensation of employees, are funds provided for Internal Audit activities and special investigations, Computer Services, Office Accommodation costs and Travel and Subsistence. The programme mainly provides strategic leadership to the sector and Department as well as support to the Department.

## **2. PROGRAMME 2: INTEGRATED HUMAN SETTLEMENTS PLANNING AND DEVELOPMENT PROGRAMME**

**Purpose of the Programme:** Manage the development of policy, planning, and research towards the development of sustainable and integrated human settlements, oversee the delivery of the integrated residential development programme, provide public entity oversight, and coordinate intergovernmental partnerships with stakeholders.

<b>Branch: Research, Policy, Strategy and Planning</b>	<b>2.1 Sub-Programme: Policy Development</b>
<b>Branch: Entities Oversight, IGR Monitoring and Evaluation</b>	<b>2.2 Sub- Programme: Compliance &amp; Public Entities Oversight</b> <b>2.3 Sub-Programme: (IMS) &amp; Performance Monitoring and Evaluation</b> <b>2.4 Sub- Programme: IGR and Capacity Assembly</b>

## 2.1 Sub-Programme: Policy Development

**Purpose:** To undertake research and develop a policy that promotes spatial transformation and integration.

Ref. No	Outcome	Output	Output Indicators	Annual Targets					
				Audited/ Actual Performance		Estimated Performance	MTEF Period		
				2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
<b>Human Settlements Policy Development</b>									
2.1.1	Improved integration in human settlements planning and implementation to achieve spatial transformation and liveable neighbourhood	Rental Interventions of the Human Settlements Code	Volume of Rental interventions of the Human Settlements Code developed	New Target	New Target	Review of Housing code not finalised. There was a dependency on the approval of the white paper	Rental Interventions of the Human Settlements Code developed	Rental guidelines of the Human Settlements Code developed	Financial interventions of the Human Settlements Code developed

## Output Indicators: Annual and Quarterly Targets

Ref. No	Output Indicator	Annual				
		2026/27 Target	Q1	Q2	Q3	Q4
<b>Human Settlements Policy Development</b>						
2.1.1	Volume of Rental interventions of the Human Settlements Code developed	Rental guidelines of the Human Settlements Code developed	No Target	No Target	No Target	Rental guidelines of the Human Settlements Code developed

## 2.2 Sub Programme: Compliance & Public Entities Oversight

**Purpose:** To provide regulatory, strategic, and governance oversight of various public entities. This sub-program also oversees compliance with and performance against legislated mandates and responsibilities.

### Outcomes, Outputs, Output indicators, and Targets

Ref. No	Outcome	Output	Output Indicators	Annual Targets						
				Audited/ Actual Performance		Estimated Performance	MTEF Period			
				2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
<b>Compliance &amp; Public Entity Oversight</b>										
2.2.1	Improved integration in human settlements planning and implementation to achieve spatial transformation and liveable neighbourhood	Monitoring reports on entities' performance	Number of entities' performance monitored	4 reports on entities' performance monitored	4 reports on monitoring entities performance	6 entities' performance monitored	6 entities' performance monitored	6 entities' performance monitored	6 entities' performance monitored	6 entities' performance monitored

### Output Indicators: Annual and Quarterly Targets

Ref. No	Output Indicator	2026/27	Q1	Q2	Q3	Q4
		Annual Target				
<b>Compliance &amp; Public Entity Oversight</b>						
2.2.1	Number of entities' performance monitored	6 entities' performance monitored	6 entities' performance monitored	6 entities' performance monitored	6 entities' performance monitored	6 entities' performance monitored

### 2.3 Sub-Programme: (IMS) & Performance Monitoring and Evaluation

**Purpose:** To monitor and report on housing and human settlements programmes and projects in terms of the national housing code.

#### Outcomes, Outputs, Output indicators and Targets

Ref. No	Outcome	Output	Output Indicators	Annual Targets						
				Audited/ Actual Performance	Estimated Performance	MTEF Period				
Sector Information Management System (IMS) & Performance Monitoring and Evaluation				2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
2.3.1	Improved integration in human settlements planning and implementation to achieve spatial transformation and liveable neighbourhood	Monitoring reports on the performance of HSDG	Number of reports on monitoring the performance of HSDG	4 reports on projects monitored as per approved Business Plans	4 Reports on monitoring projects as per approved business plans (HSDG)	4 reports on monitoring the performance of HSDG	4 reports on monitoring the performance of HSDG	4 reports on monitoring the performance of HSDG	4 reports on monitoring the performance of HSDG	4 reports on monitoring the performance of HSDG
2.3.2		Monitoring reports on the performance of USDG	Number of reports on monitoring the performance of USDG	4 Reports on monitoring projects as per approved business plans (USDG)	4 Reports on monitoring projects as per approved business plans (USDG)	4 reports on monitoring the performance of USDG	4 reports on monitoring the performance of USDG	4 reports on monitoring the performance of USDG	4 reports on monitoring the performance of USDG	4 reports on monitoring the performance of USDG

**Output Indicators: Annual and Quarterly Targets**

Ref. No	Output Indicator	2026/27 Annual Target	Q1	Q2	Q3	Q4
<b>Sector Information Management System (IMS) &amp; Performance Monitoring and Evaluation</b>						
2.3.1	Number of reports on monitoring the performance of HSDG	4 reports on monitoring the performance of HSDG	1 report on monitoring the performance of HSDG	1 report on monitoring the performance of HSDG	1 report on monitoring the performance of HSDG	1 report on monitoring the performance of HSDG
2.3.2	Number of reports on monitoring the performance of USDG	4 reports on monitoring the performance of USDG	1 report on monitoring the performance of USDG	1 report on monitoring the performance of USDG	1 report on monitoring the performance of USDG	1 report on monitoring the performance of USDG

## 2.4 Sub-Programme: IGR and Capacity Assembly

**Purpose:** To improve intergovernmental coordination and provide sector-specific technical capacity to provinces and municipalities.

### Outcomes, Outputs, Output Indicators and Targets

Ref. No	Outcome	Output	Output Indicators	Annual Targets						
				Audited/ Actual Performance	Estimated Performance	MTEF Period				
				2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
<b>IGR and Strategic Partnerships</b>										
2.4.1	Improved sector coordination and integration across all levels of government	Monitoring reports on Sectoral performance	Number of reports on monitoring of sectoral performance	4 reports on Intergovernmental Relations Programmes implemented	49 intergovernmental relations programmes implemented	77 intergovernmental relations programmes implemented	4 reports on monitoring of sectoral performance	4 reports on monitoring of sectoral performance	4 reports on monitoring of sectoral performance	4 reports on monitoring of sectoral performance

### Output Indicators: Annual and Quarterly Targets

Ref. No	Output Indicator	2026/27 Annual Target	Q1	Q2	Q3	Q4
<b>IGR and Strategic Partnerships</b>						
2.4.1	Number of reports on monitoring of sectoral performance	4 reports on monitoring of sectoral performance	1 report on monitoring of sectoral performance	1 report on monitoring of sectoral performance	1 report on monitoring of sectoral performance	1 report on monitoring of sectoral performance

## **2.5 Explanation of Planned Performance over the Medium-Term Period**

### **Human Settlement Policy Development**

Human settlement policy development is key to creating an enabling environment for affordable housing and changing the housing model. Affordable housing is a key component of the human settlements policy foundation and includes provision of programmes that will yield both ownership and ownership options. The Department will focus on developing the Volumes of the Human Settlements Code. These will provide a comprehensive framework for upscaling the delivery of rental opportunities and shift towards presidential pronouncement of changing the housing model. Rental interventions target individuals and households that are unable to pursue home ownership due to financial or personal reasons. They aim to offer safe, affordable rental options within a broader housing strategy.

Key policy development activities include:

- Issuing policy advice, providing policy interpretation services ,and conducting policy advocacy
- Creating evidence-based policies to address current policy gaps.
- Consulting stakeholders like municipalities, provinces, entities, tenants, landlords, and private partners such as asset managers.
- Setting regulatory standards for rental housing and tenant protection.
- Planning phased implementation, including pilot projects and resource allocation.
- Monitoring and evaluating policy effectiveness in line with housing goals.

The Department will focus on developing guidelines for the rental interventions of the Human Settlements Code. These will assist government to have a regulated approach and contribute to increasing the quality of rental supply, strengthen legal protections, increase private sector involvement, improve living conditions, and support vulnerable groups.

### **Compliance and Public Entity Oversight**

Effective performance monitoring is crucial for ensuring that Human Settlements entities meet their strategic objectives and continuously improve. For the Medium-Term Period, the department will continue to monitor and evaluate the performance of six distinct entities, detailing the methodologies, indicators, and expected outcomes for each.

Each entity will be subjected to ongoing monitoring using dashboards and periodic performance reviews. Data will be collected from both quantitative and qualitative sources, ensuring a comprehensive view of each entity's progress. Reports will be generated for management, highlighting achievements, challenges, and corrective actions taken.

The planned performance monitoring approach for these six entities ensures a structured and transparent process, supporting informed decision-making and fostering continuous improvement across the organisation. Regular assessments and feedback loops will be maintained to adapt to changing business environments and to ensure all entities contribute effectively to the overarching strategic goals.

The Department will monitor the financial and non-financial performance of entities on a quarterly basis against the targets that were set in the approved Annual Performance Plans and related budgets. This includes the monitoring of the performance of the entities in relation to the achievement of the Medium-Term Development Plan (MTDP) objectives for the sector as well as the contribution to the economic inclusion of women, youth and persons with disabilities. Entities will be engaged through feedback letters and during Sector Performance Review sessions or similar interventions to address under-performance, where required.

### **Sector Information Management System (IMS) and Performance Monitoring and Evaluation**

During the Medium-Term Period, performance monitoring will prioritise the Human Settlements Development Grant (HSDG), the Urban Settlements Development Grant (USDG), and the overall effectiveness of various Human Settlements Programmes. This will encompass the development of detailed monitoring reports. These efforts aim to ensure that program objectives are achieved and that there is transparency and accountability in the utilisation of grants.

The monitoring and evaluation of the HSDG and the USDG is designed to ensure that these funding mechanisms are utilised effectively, ultimately fostering improved living conditions and urban growth. The monitoring of HSDG is set to evaluate the grant's effectiveness in achieving its goals, which include Access to Adequate Housing (which involves the assessment of how effectively the funds translate into improved housing conditions for beneficiaries); Sustainable Human Settlements (which deals with evaluating initiatives aimed at creating environmentally sustainable communities); Infrastructure Development (monitoring investments in essential infrastructure that supports community development).

Each report will focus on a defined reporting period (e.g., quarterly) and will include Key Performance Indicators which measure the success of the programmes. The reports will also track expenditure patterns by providing a detailed analysis of how funds are spent in relation to objectives. The challenges encountered and identification of obstacles that may hinder progress will be accompanied with proposed solutions. There will also be an outline of recommendations for improvement and strategic suggestions to enhance program outcomes.

For the USDG, monitoring is aimed at metropolitan municipalities, focusing on basic services provision, ensuring that urban residents have access to essential services such as water, sanitation, and electricity. The focus is on urban development promotion that deals with assessing the effectiveness of strategies aimed at sustainable urban growth. Monitoring activities will include progress against targets and regular assessment of how well the USDG initiatives meet pre-set goals. Impact is measured through the evaluation of the results of grant expenditure on community development. This will ensure that successful strategies are recognised and can be replicated elsewhere. Implementation bottleneck identification processes will be undertaken pinpointing areas where progress may be stalled and recommending corrective actions.

In addition, it is planned that 4 HSDG and USDG monitoring reports will be concluded annually and throughout the MTEF period. These efforts are essential to ensuring transparency, accountability, and ongoing improvement in housing and urban development services, ultimately leading to better living standards and community well-being.

### **IGR and Strategic Partnerships**

The medium-term period is a critical timeframe for assessing and guiding the performance of various sectors within the economy or organisational environment. Effective monitoring is essential to ensure that sectoral goals are aligned with priorities, resources are utilised efficiently, and corrective actions are implemented where necessary. This narrative provides an overview and explanation of the planned performance for the medium-term period, as reflected in four key reports dedicated to monitoring sectoral performance.

Planned performance for the medium term is established through a comprehensive process of setting measurable objectives, identifying key performance indicators (KPIs), and allocating resources to priority areas within each sector. The focus is on achieving both short-term results and long-term sustainability, with an emphasis on adaptability to emerging challenges and opportunities.

The reports referenced in this narrative play a pivotal role in tracking progress, identifying trends, and informing strategic decision-making. Each report provides insights into sectoral achievements, constraints, and recommendations for improvement.

The reports evaluate the economic sector's performance against planned targets for GDP growth, job creation, investment attraction, and export expansion. They outline strategies implemented to stimulate economic activity, such as fiscal incentives, infrastructure investments, and support for small and medium enterprises (SMEs). Planned performance for the medium term includes a steady increase in sectoral output, improvement in employment rates, and enhanced competitiveness in international markets.

In summary, the planned performance for the medium term across these four sectoral reports reflects a coordinated approach to monitoring, assessing, and enhancing the achievement of sectoral targets. By systematically tracking progress and addressing emerging challenges, these reports provide a solid foundation for evidence-based policy-making and resource allocation, ultimately contributing to sustainable development and improved quality of life.

## 2.6 Programme Resources Considerations.

### 2.6.1 Programme 2: Integrated Human Settlements Planning and Development

Sub Programmes	Audited outcome			Adjusted Appropriation	Medium Term Expenditure Indicative Allocation		
	2022/23	2023/24	2024/25		2026/27	2027/28	2028/29
R`000							
Management for Integrated Human Settlements Planning & Development Programme	913	2,955	3,457	4,291	4,466	4,699	4,908
Macro Sector Planning	12,623	17,006	15,648	20,249	28,453	27,592	29,889
Macro Policy and Research	35,147	48,693	40,314	63,959	58,580	60,579	63,419
Monitoring and Evaluation	37,449	49,218	51,130	92,732	100,861	105,469	109,336
Public Entity Oversight	267,533	243,649	254,591	265,997	276,747	287,791	296,736
Grant Management	21,607,883	20,850,859	22,360,549	23,399,044	17,337,068	16,693,533	16,430,153
Capacity Building and Sector Support	10,022	79,307	94	37,493	39,009	40,565	41,826
<b>Total</b>	<b>21,971,570</b>	<b>21,291,687</b>	<b>22,725,783</b>	<b>23,883,765</b>	<b>17,845,184</b>	<b>17,220,228</b>	<b>16,976,267</b>

Economic Classification	Audited outcome			Adjusted Appropriation	Medium Term Expenditure estimates Indicative		
	2022/23	2023/24	2024/25		2026/27	2027/28	2028/29
R`000							
<b>Current payments</b>	<b>95,068</b>	<b>196,142</b>	<b>109,200</b>	<b>216,190</b>	<b>231,110</b>	<b>238,660</b>	<b>249,122</b>
<i>Compensation of employees</i>	57,394	65,227	67,912	75,566	80,443	83,727	86,784
<i>Goods and services</i>	37,674	130,915	41,288	140,624	150,667	154,933	162,338
<i>Interest and rent on land</i>	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>21,875,815</b>	<b>21,094,837</b>	<b>22,615,294</b>	<b>23,665,447</b>	<b>17,613,815</b>	<b>16,981,324</b>	<b>16,726,889</b>
<i>Provinces and municipalities</i>	21,607,883	20,850,859	22,360,549	23,399,044	17,337,068	16,693,533	16,430,153
<i>Departmental agencies and accounts</i>	267,533	243,649	254,591	265,997	276,747	287,791	296,736
<i>Households</i>	399	329	154	406	-	-	-
<b>Payments for capital assets</b>	<b>687</b>	<b>698</b>	<b>1,289</b>	<b>2,128</b>	<b>259</b>	<b>244</b>	<b>256</b>

Economic Classification	Audited outcome				Adjusted Appropriation	Medium Term Expenditure estimates Indicative		
	2022/23	2023/24	2024/25	2025/26		2026/27	2027/28	2028/29
R'000								
<i>Machinery and equipment</i>	687	698	1,289	2,128	259	244	256	
<b>Payments for financial assets</b>	-	10	-	-	-	-	-	
<b>Total</b>	<b>21,971,570</b>	<b>21,291,687</b>	<b>22,725,783</b>	<b>23,883,765</b>	<b>17,845,184</b>	<b>17,220,228</b>	<b>16,976,267</b>	

## **Integrated Human Settlements.**

The development of integrated human settlements is aimed at transforming spatial housing patterns in South Africa by creating more inclusive, denser, mixed-use urban areas while striving for a more functional housing market that adequately responds to both supply and demand for all levels of affordability and needs. The Department is reviewing housing legislation and related policies to give effect to the transition from a narrow focus on housing alone to a more holistic view of human settlements.

For the period ahead, the Department will continue to review housing legislation and related policies to secure tenure, improve access to the housing market, transform spatial housing patterns, and create inclusive and mixed-use urban living spaces. The investment will be directed to support the creation of inclusive communities in declared priority development areas, as informed by integrated implementation plans that are set to be developed over the medium term.

Over the medium term, funds from grants will enable provinces and municipalities to provide a targeted 160 572 fully subsidised houses; and deliver a targeted 43 944 title deeds registered.

In collaboration with provinces and municipalities, the Department is expecting to deliver through human settlements development programmes. Provincial allocations to subsidize low-income housing through the human settlements development grant amount to R41.3 billion over the medium term, while allocations to fund associated bulk infrastructure projects in metropolitan municipalities through the urban settlements' development grant amount to R9 billion. These initiatives are budgeted for in the Integrated Human Settlements Planning and Development programme. Spending in this programme is expected to decrease from R23.8 billion in 2025/26 to R16.9 billion in 2028/29 an average annual nominal rate of -10.7 per cent over the MTEF. The decrease is due to the funding of the metro trading services which amounted to R19.7 billion over the MTEF.

## **PROGRAMME 3: INFORMAL SETTLEMENTS PROGRAMME**

**Purpose of the Programme:** Provide policy, planning and capacity support for upgrading informal settlements, and oversee implementation of the Informal Settlements Upgrading Programme in terms of Volume 4, Part 3 of the 2009 Housing Code.

**Branch: Informal Settlements Upgrading and  
Emergency Housing**

**3.1 Sub-Programme: ISU Implementation Support,  
Monitoring and Reporting**

- ❖ **ISU Implementation Support, Monitoring and Reporting**

### 3.1 Sub-Programme: ISU Implementation Support, Monitoring and Reporting

**Purpose:** To improve intergovernmental coordination and provide sector-specific technical capacity to provinces and municipalities.

#### Outcomes, Outputs, Output Indicators and Targets

Ref. No	Outcome	Output	Output Indicators	Annual Targets							
				Audited/ Actual Performance		Estimated Performance	MTEF Period				
				2022-2023	2023-2024	2024-2025	2026-2027	2027-2028	2028-2029		
<b>Informal Settlements Upgrading Implementation Support, Monitoring and Reporting</b>											
<b>3.1.1</b>	Improved integration in human settlements planning and implementation to achieve spatial transformation and liveable neighborhood	Support provided in the completion of Phase 1 of the Informal Settlements	Number of Provinces and Metros supported to complete Phase 1 of the Informal Settlements	New Target	New Target	50 informal settlements assessed	9 Provinces and 8 Metros supported to complete Phase 1 of the Informal Settlements	9 Provinces and 8 Metros supported to complete Phase 1 of the Informal Settlements	9 Provinces and 8 Metros supported to complete Phase 1 of the Informal Settlements	9 Provinces and 8 Metros supported to complete Phase 1 of the Informal Settlements	9 Provinces and 8 Metros supported to complete Phase 1 of the Informal Settlements
<b>3.1.2</b>	Improved integration in human settlements planning and implementation to achieve spatial transformation and liveable neighborhood	Support provided in the completion of Phase 2 of the Informal Settlements	Number of Provinces and Metros supported to complete Phase 2 of the Informal Settlements	New Target	New Target	9 Provinces provided with support on the implementation of ISUPG	9 Provinces and 8 Metros supported to complete Phase 2 of the Informal Settlements	9 Provinces and 8 Metros supported to complete Phase 2 of the Informal Settlements	9 Provinces and 8 Metros supported to complete Phase 2 of the Informal Settlements	9 Provinces and 8 Metros supported to complete Phase 2 of the Informal Settlements	9 Provinces and 8 Metros supported to complete Phase 2 of the Informal Settlements

Ref. No	Outcome	Output	Output Indicators	Annual Targets						
				Audited/ Actual Performance		Estimated Performance	MTEF Period			
				2022-2023	2023-2024	2024-2025	2026-2027	2027-2028	2028-2029	
<b>Informal Settlements Upgrading Implementation Support, Monitoring and Reporting</b>										
<b>3.1.3</b>	Improved integration in human settlements planning and implementation to achieve spatial transformation and liveable neighbourhood	Support provided in the upgrading of Phase 3 of the Informal Settlements	Number of Provinces and Metros supported to upgrade Phase 3 of the informal settlements	9 Provinces and 8 Metros supported for planning in the upgrading of informal settlements through the assessment of the draft Provincial Business Plans and giving feedback to provinces. However, the business	Support provided to 9 Provinces and 8 Metros in the upgrading of informal settlements with permanent engineering services	9 Provinces and 8 Metros provided with support on the implementation of ISUPG	9 Provinces and 8 Metros supported to upgrade Phase 3 of the informal settlement	9 Provinces and 8 Metros supported to upgrade Phase 3 of the informal settlements	9 Provinces and 8 Metros supported to upgrade Phase 3 of the informal settlements	9 Provinces and 8 Metros supported to upgrade Phase 3 of the informal settlements

Ref. No	Outcome	Output	Output Indicators	Annual Targets						
				Audited/ Actual Performance		Estimated Performance	MTEF Period			
				2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
<b>Informal Settlements Upgrading Implementation Support, Monitoring and Reporting</b>										
				plans were not approved						
3.1.4	Reduced impact of disasters and improved livelihoods	Disaster awareness sessions conducted	Number of disaster awareness sessions conducted	New Target	New Target	9 Provincial Emergency housing response & mitigation plans developed.	4 disaster awareness sessions conducted	4 disaster awareness sessions conducted	4 disaster awareness sessions conducted	4 disaster awareness sessions conducted

**Output Indicators: Annual and Quarterly Targets**

Ref. No	Output Indicator	Annual Target			
		Q1	Q2	Q3	Q4
<b>Informal Settlements Upgrading Implementation Support, Monitoring and Reporting</b>					
3.1.1	Number of Provinces and Metros supported to complete Phase 1 of the Informal Settlements	9 Provinces and 8 Metros supported to complete Phase 1 of the informal settlements	9 Provinces and 8 Metros supported to complete Phase 1 of the informal settlements	9 Provinces and 8 Metros supported to complete Phase 1 of the informal settlements	9 Provinces and 8 Metros supported to complete Phase 1 of the informal settlements
3.1.2	Number of Provinces and Metros supported to complete Phase 2 of the Informal Settlements	9 Provinces and 8 Metros supported to complete Phase 2 of the Informal Settlements	9 Provinces and 8 Metros supported to complete Phase 2 of the Informal Settlements	9 Provinces and 8 Metros supported to complete Phase 2 of the Informal Settlements	9 Provinces and 8 Metros supported to complete Phase 2 of the Informal Settlements

Ref. No	Output Indicator	2026/27 Annual Target	Q1	Q2	Q3	Q4
<b>Informal Settlements Upgrading Implementation Support, Monitoring and Reporting</b>						
<b>3.1.3</b>	Number of Provinces and Metros supported to upgrade Phase 3 of the informal settlements	9 Provinces and 8 Metros supported to upgrade Phase 3 of the informal settlements	9 Provinces and 8 Metros supported to upgrade Phase 3 of the informal settlements	9 Provinces and 8 Metros supported to upgrade Phase 3 of the informal settlements	9 Provinces and 8 Metros supported to upgrade Phase 3 of the informal settlements	9 Provinces and 8 Metros supported to upgrade Phase 3 of the informal settlements
<b>3.1.4</b>	Number of disaster awareness sessions conducted	4 disaster awareness sessions conducted	1 disaster awareness session conducted	1 disaster awareness session conducted	1 disaster awareness session conducted	1 disaster awareness session conducted

### **3.2 Explanation of Planned Performance over the Medium-Term Period**

The planned performance for the MTEF period 2026-2029 reflects a consistent and comprehensive approach to supporting all 9 provinces and 8 metropolitan municipalities across the three key phases of informal settlement interventions. For each of the years 2026/27, 2027/28, and 2028/29, the same level of support is projected for the completion of Phases 1 and 2, as well as the upgrading of Phase 3 of informal settlements. This demonstrates a strategic commitment to ensure that no province or metro is left behind in the national effort to improve living conditions in informal settlements.

In addition, it is planned that 4 disaster awareness sessions will be conducted annually and throughout the MTEF period. This ongoing engagement aims to build resilience and preparedness among provincial and metro officials, further supporting sustainable human settlements. The uniform targets over the three years indicate a stable and sustained focus on both infrastructure delivery and empowerment initiatives.

### 3.3 Programme Resources Considerations.

#### 3.3.1 Programme 3: Informal Settlements Programme

Sub Programmes	Audited outcome				Adjusted Appropriation	Medium Term Expenditure Indicative Allocation		
	2022/23	2023/24	2024/25	2025/26		2026/27	2027/28	2028/29
R'000								
Management for Informal Settlements Programme	1,312	3,494	2,604	5,520	5,797	6,088	6,362	
Grant Management	8,894,648	7,993,889	8,257,511	8,049,415	6,449,969	6,740,936	7,043,536	
Capacity Building and Sector Support	18,696	16,112	15,822	71,399	74,846	78,003	81,513	
<b>Total</b>	<b>8,914,656</b>	<b>8,013,495</b>	<b>8,275,937</b>	<b>8,126,334</b>	<b>6,530,612</b>	<b>6,825,027</b>	<b>7,131,411</b>	

Economic Classification	Audited outcome				Adjusted Appropriation	Medium Term Expenditure estimates Indicative		
	2022/23	2023/24	2024/25	2025/26		2026/27	2027/28	2028/29
R'000								
<b>Current payments</b>	<b>41,563</b>	<b>110,461</b>	<b>200,455</b>	<b>302,488</b>	<b>313,353</b>	<b>322,117</b>	<b>336,577</b>	
<i>Compensation of employees</i>	33,235	36,012	35,378	49,673	50,057	51,644	53,963	
<i>Goods and services</i>	8,328	74,449	165,077	252,815	263,296	270,473	282,614	
<b>Transfers and subsidies</b>	<b>8,872,852</b>	<b>7,885,419</b>	<b>7,766,246</b>	<b>7,487,432</b>	<b>5,863,668</b>	<b>6,128,828</b>	<b>6,403,959</b>	
<i>Provinces and municipalities</i>	8,872,852	7,885,188	7,766,188	7,487,432	5,863,668	6,128,828	6,403,959	
<i>Households</i>	-	231	58	-	-	-	-	
<b>Payments for capital assets</b>	<b>241</b>	<b>17,613</b>	<b>309,236</b>	<b>336,414</b>	<b>353,591</b>	<b>374,082</b>	<b>390,875</b>	
<i>Buildings and other fixed structures</i>	-	17,409	308,350	336,260	353,432	373,916	390,702	
<i>Machinery and equipment</i>	241	204	886	154	159	166	173	
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total</b>	<b>8,914,656</b>	<b>8,013,495</b>	<b>8,275,937</b>	<b>8,126,334</b>	<b>6,530,612</b>	<b>6,825,027</b>	<b>7,131,411</b>	

## **Upgrading of Informal Settlements**

According to Statistics South Africa's 2018 general household survey, 11.7 per cent (2 million) of South African households are in informal settlements. The Department's plan to upgrade informal settlements is intended to provide security of tenure and basic services to poor and underserved households, with the prospect of state-assisted housing structures for those who meet the qualifying criteria.

The informal settlements upgrading partnership grants (with separate allocations for provinces and municipalities) were established to provide bulk infrastructure services and improve governance in response to rapid urban migration and an increase in the number of informal settlements across South Africa. Over the medium term, funds from grants will enable provinces and municipalities to provide a targeted 184 informal settlements with water, sewage disposal, stormwater disposal, solid waste removal, electricity, and roads; and deliver a targeted 99 467 stands with supporting municipal bulk infrastructure services. Allocations to the informal settlements upgrading partnership grant for provinces amount to R2.9 billion over the MTEF. Allocations to the municipal grant amount to R15.4 billion and increase at an average annual rate of 3.3 per cent, from R4.5 billion in 2024/25 to R5.3 billion in 2028/29.

## **Providing Emergency Housing**

Funds from the emergency housing grant are used during disasters to provide new building materials for destroyed homes, relocating, and providing temporary emergency accommodation and repairing partially damaged formal houses. The estimated amount to provide emergency housing support is R1.1 billion over the MTEF.

## **PROGRAMME 4: RENTAL AND SOCIAL HOUSING PROGRAMME**

**Purpose of the Programme:** Promote the provision of affordable rental housing and develop capabilities in the rental housing sector through intergovernmental collaboration and evidence-based research.

**Branch: Affordable, Rental and Social Housing**

**4.1 Sub-Programme: Rental and Social Housing**

#### 4.1 Sub-Programme: Rental and Social Housing

**Purpose:** To improve intergovernmental coordination and provide sector-specific technical capacity to provinces and municipalities.

#### Outcomes, Outputs, Output Indicators and Targets

Ref. No	Outcome	Output	Output Indicators	Annual Targets						
				Audited/ Actual Performance		Estimated Performance	MTEF Period			
				2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
<b>Rental and Housing Support</b>										
4.1.1	Improved integration in human settlements planning and implementation to achieve spatial transformation and livable neighbourhood	Implementation on support provided on the Rental Housing Programme	Percentage support provided on the implementation of Rental Housing Programme	National Rental Housing plan developed	4 reports on the monitoring of the Rental Housing programme	100% support provided on the implementation of Rental Housing Programme	100% support provided on the implementation of Rental Housing Programme	100% support provided on the implementation of Rental Housing Programme	100% support provided on the implementation of Rental Housing Programme	100% support provided on the implementation of Rental Housing Programme
4.1.2		Implementation on support provided on the CRU Programme	Percentage support provided to Provinces on the implementation of the CRU Programme	No Target	National Rental Housing plan developed	4 reports on the monitoring of the CRUs programme	100% support provided to 5 Provinces on the implementation of the CRU Programme	100% support provided to 5 Provinces on the implementation of the CRU Programme	100% support provided to 5 Provinces on the implementation of the CRU Programme	100% support provided to 5 Provinces on the implementation of the CRU Programme

**Output Indicators: Annual and Quarterly Target**

Ref. No	Output Indicator	2026/27 Annual Target	Q1	Q2	Q3	Q4
<b>Rental and Housing Support</b>						
4.1.1	Percentage support provided on the implementation of Rental Housing Programme	100% support provided on the implementation of Rental Housing Programme	100% support provided on the implementation of Rental Housing Programme	100% support provided on the implementation of Rental Housing Programme	100% support provided on the implementation of Rental Housing Programme	100% support provided on the implementation of Rental Housing Programme
4.1.2	Percentage support provided to Provinces on the implementation of the CRU Programme	100% support provided to 5 Provinces on the implementation of the CRU Programme	100% support provided to 5 Provinces on the implementation of the CRU Programme	100% support provided to 5 Provinces on the implementation of the CRU Programme	100% support provided to 5 Provinces on the implementation of the CRU Programme	100% support provided to 5 Provinces on the implementation of the CRU Programme

## 4.2 Explanation of Planned Performance over the Medium-Term Period

The planned performance over the Medium-Term Expenditure Framework (MTEF) period from 2026 to 2029 demonstrates a strong commitment to sustaining full support for key housing programmes. Across all three years, there is a clear target of achieving 100% support in the implementation of the Rental Housing Programme, ensuring continuity and stability in delivering rental housing solutions. Additionally, the consistent provision of 100% support to five provinces for the implementation of the Community Residential Units (CRU) Programme highlights a focused approach to meeting provincial housing needs and maintaining equitable service delivery throughout the period.

Consistent with the objectives outlined in Chapter 8 of the National Development Plan (NDP), the Affordable Rental Housing Programme allows for an instrument to deliver state-subsidised rental social housing opportunities in strategically located urban settings that enable a diverse set of households that are located close to social amenities. At the same time, the trajectory of building community residential units will be continued as part of the endeavour to foster an integrated family life. In so doing, we will afford low to medium income earning households an improved quality of life and thereby achieve the progressive transformation of the spatial economy.

The Department will continue to monitor the performance of the Affordable Rental Programme in the Human Settlements sector and provide preparatory support to the SHRA, NHFC and Programmes. The Department will analyse the contribution that is being made by both the Social Housing Regulatory Authority (SHRA) and the National Housing Finance Corporation (NHFC) towards the Rental Programme. The Department will then be able to identify gaps that can be addressed through programme improvement plans or similar interventions, where required.

The performance of the sector has not been sterling for several financial years. During the 2014-19 MTSF period, the sector only delivered 13 968 of the targeted 27 000, which was a delivery of about 52%. In respect of the 2019/24 MTSF period the sector delivered 13 885 of the revised planned target of 18 000 units, which is about 77%.

It should be stated that for the year ended 31 March 2025, the Social Housing Regulatory Authority (SHRA) had targeted 2 699 units to be delivered however based on the annual report the SHRA only delivered 1 364 social housing units an achievement of just above 50% for the previous financial year. The current performance for 2025/26 financial year as of 31 December 2025 (at the end of the 3<sup>rd</sup> quarter) the sector had delivered 2 116 of the planned 2025/26 financial year of 3 000 units. Based on the final draft SHRA 2026/27 annual performance plan the entity plans to deliver 2 878 units with a target of 2 879 units for 2027/28 and 2028/29 financial years respectively.

With the aforementioned initiatives the Department was confident that the 13 000 Social Rental Housing units target as contained in the 2024/29 MTDP was going to be achieved. However, with the recent budget cuts there is a possibility that the target may not be achieved. The Department will continue to monitor the delivery of units within the Restructuring Zones and other MTDP social rental housing priorities, which are 95% tenanting for social housing, 90% rental collection for social housing and 100% social rental housing units developed in restructuring zones. While the Minister approved a target of 15 000 units, having considered

the available budget at the time cabinet approved a target of 13 000 for the 2024/29 period. The indicative CCG allocation for MTEF period (2026/27 to 2028/29) is R2 579 106 000.00.

In terms of the CRU programme, the provincial delivery at the end of 2019/24 MTSF period was 2 772 Community Residential Units of the targeted 5 000 units, which translated to over 55% achievement. The 2019/24 MTSF target, was, however not achieved.

There are no targeted units for the CRU programme in the 2024/29 MTDP, however, the Department has appointed a service provider to assess and recommend areas in the programme that needs improvement. This endeavour is intended to promote an enabling environment for the growth and development of the CRU programme and the low-income rental sector.

The Rental Housing Tribunals will also be supported and monitored with the view of resolving disputes between tenants and landlords efficiently, protecting the viability of the rental housing sector and giving effect to the Rental Housing Act of 1999. It must be confirmed that as of the end of quarter three of the 2024/25 financial year, eight (8) out of nine (9) Provincial Rental Housing Tribunals were fully functioned. The Department, with the support of all Provinces, led the process of developing Draft Rental Housing Regulations, which will pave the way for the promulgation of the Rental Housing Act, as amended in 2014

### 4.3 Programme Resources Considerations.

#### 4.3.1 Programme 4: Rental and Social Housing

Sub Programmes	Audited outcome				Adjusted Appropriation	Medium-Term Expenditure Indicative Allocation		
	2022/23	2023/24	2024/25	2025/26		2026/27	2027/28	2028/29
R`000								
Management for Rental and Social Housing Programme	3,224	3,137	3,697	4,805	5,067	5,342	5,582	
Public Entity Oversight	887,416	897,654	864,090	902,282	943,430	986,093	1,030,361	
Capacity Building and Sector Support	16,254	10,791	10,168	60,888	64,778	67,042	70,046	
<b>Total</b>	<b>906,894</b>	<b>911,582</b>	<b>877,955</b>	<b>967,975</b>	<b>1,013,275</b>	<b>1,058,477</b>	<b>1,105,989</b>	

Economic Classification	Audited outcome				Adjusted Appropriation	Medium Term Expenditure estimates Indicative		
	2022/23	2023/24	2024/25	2025/26		2026/27	2027/28	2028/29
R`000								
<b>Current payments</b>	<b>19,127</b>	<b>13,726</b>	<b>13,309</b>	<b>65,600</b>	<b>69,744</b>	<b>72,278</b>	<b>75,518</b>	
<i>Compensation of employees</i>	10,599	8,773	10,648	16,444	17,426	16,693	17,442	
<i>Goods and services</i>	8,528	4,953	2,661	49,156	52,318	55,585	58,076	
<b>Transfers and subsidies</b>	<b>887,733</b>	<b>897,654</b>	<b>864,339</b>	<b>902,282</b>	<b>943,430</b>	<b>986,093</b>	<b>1,030,361</b>	
<i>Departmental agencies and accounts</i>	887,416	897,654	864,090	902,282	943,430	986,093	1,030,361	
<i>Households</i>	317	-	249	-	-	-	-	
<b>Payments for capital assets</b>	<b>34</b>	<b>174</b>	<b>307</b>	<b>93</b>	<b>101</b>	<b>106</b>	<b>110</b>	
<i>Machinery and equipment</i>	34	174	307	93	101	106	110	
<b>Payments for financial assets</b>	<b>-</b>	<b>28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total</b>	<b>906,894</b>	<b>911,582</b>	<b>877,955</b>	<b>967,975</b>	<b>1,013,275</b>	<b>1,058,477</b>	<b>1,105,989</b>	

## **Rental and Social Housing**

The Department is committed to providing rental and social housing to support the affordable housing market, which requires flexibility in tenure in a dynamic and changing economic environment. To support this objective, spending in the Rental and Social Housing programme is expected to reach R2.9 billion over the MTEF.

To accelerate the delivery of well-located, affordable rental and social housing, the Department plans to provide capital subsidies to accredited social housing institutions through the Social Housing Regulatory Authority to lower the cost of construction for developers and the cost of occupation for tenants.

To improve the functioning of the rental housing market, the sector expects to provide affordable rental units and community residential units. Spending in this programme is expected to increase at an average annual rate of 2 per cent, from R902.2 million in 2025/24 to R1 billion in 2028/29.

## **PROGRAMME 5: AFFORDABLE HOUSING PROGRAMME**

**Purpose of the Programme:** Facilitate the provision of affordable housing finance, monitor market trends, and develop research and policies that respond to demand. Oversee housing finance entities that report to the Minister.

**Branch:** Affordable, Rental and Social Housing

**5.1 Sub-Programme Transversal programmes and projects**

**5.2 Sub-Programme Affordable Housing**

## 5.1 Programme: Capacity Building and Sector Support

**Purpose:** To improve intergovernmental coordination and provide sector-specific technical capacity to provinces and municipalities

### Outcomes, Outputs, Output Indicators, and Targets

Ref.No	Outcome	Output	Output Indicators	Annual Targets						
				Audited/ Actual Performance		Estimated Performance	MTEF Period			
				2022-2023	2023-2024	2024-2025	2026-2027	2027-2028	2028-2029	
<b>Transversal Programmes and Projects</b>										
5.1.1	Improved integration in human settlements planning and implementation to achieve spatial transformation and liveable neighbourhood	Support provided towards registration of title deeds	Percentage support provided to provincial departments towards the registration of title deeds	4 Quarterly Reports on title deeds registered were completed; however, some of the provinces did not submit the performance information	4 quarterly reports on monitoring title deeds registered.	100% support provided to provincial departments towards the registration of title deeds	100% support provided to provincial departments towards the registration of title deeds	100% support provided to provincial departments towards the registration of title deeds	100% support provided to provincial departments towards the registration of title deeds	100% support provided to provincial departments towards the registration of title deeds
5.1.2		Support provided in the completion of housing units	Percentage support provided to provinces in the completion of housing units	No target	4 reports on monitoring the delivery of BNG units	100% support provided to provinces in the delivery of BNG units	100% support provided to provinces in the completion of housing units	100% support provided to provinces in the completion of housing units	100% support provided to provinces in the completion of housing units	100% support provided to provinces in the completion of housing units

Ref.No	Outcome	Output	Output Indicators	Annual Targets					MTEF Period	
				Audited/ Actual Performance		Estimated Performance	2026-2027	2027-2028		2028-2029
				2022-2023	2023-2024					
<b>Transversal Programmes and Projects</b>										
5.1.3	Improved integration in human settlements planning and implementation to achieve spatial transformation and liveable neighbourhood	Support provided in the completion of serviced sites	Percentage support provided to provinces and metros in the completion of serviced sites	No target	4 reports on monitoring the delivery of Serviced sites	100% support provided to provinces and metros in the delivery of serviced sites	100% support provided to provinces and metros in the completion of serviced sites	100% support provided to provinces and metros in the completion of serviced sites	100% support provided to provinces and metros in the completion of serviced sites	
5.1.4		Report on unblocked projects	Number of reports on monitoring the unblocked projects	No target	4 reports on monitoring the blocked projects	No Target	4 Reports on monitoring the unblocked projects	4 Reports on monitoring the unblocked projects	4 Reports on monitoring the unblocked projects	
5.1.5		Support provided in the disbursement of subsidies (FHF)	Percentage support provided in the disbursement of subsidies (FHF)	No Target	4 reports on monitoring of households that received financial assistance through FHF (FLISP)	100% support provided in the implementation of First Home Finance	100% support provided in the disbursement of subsidies (FHF)	100% support provided in the disbursement of subsidies (FHF)	100% support provided in the disbursement of subsidies (FHF)	

Ref.No	Outcome	Output	Output Indicators	Annual Targets				MTEF Period		
				Audited/ Actual Performance		Estimated Performance	2026-2027		2027-2028	2028-2029
				2022-2023	2023-2024					
<b>Transversal Programmes and Projects</b>										
5.1.6	Support provided in the eradication of uninhabitable mud houses	Percentage support provided to seven (7) Provinces in the eradication of uninhabitable mud houses	No Target	No Target	No Target (FHF) programme	4 reports on monitoring the eradication of uninhabitable mud houses	100% support provided to seven (7) Provinces in the eradication of uninhabitable mud houses	100% support provided to seven (7) Provinces in the eradication of uninhabitable mud houses		

### Output Indicators, Annual and Quarterly Targets

Ref.No	Output Indicator	2026/2027 Annual Target	Q1	Q2	Q3	Q4
<b>Transversal Programmes and Projects</b>						
5.1.1	Percentage support provided to provincial Departments towards the registration of title deeds	100% support provided to Provincial Departments towards the registration of title deeds	100% support provided to provincial departments towards the registration of title deeds	100% support provided to provincial departments towards the registration of title deeds	100% support provided to provincial departments towards the registration of title deeds	100% support provided to provincial departments towards the registration of title deeds
5.1.2	Percentage support provided to provinces in the completion of housing units	100% support provided to provinces in the completion of housing units	100% support provided to provinces in the completion of housing units	100% support provided to provinces in the completion of housing units	100% support provided to provinces in the completion of housing units	100% support provided to provinces in the completion of housing units
5.1.3	Percentage support provided to provinces and metros in the completion of serviced sites	100% support provided to provinces and metros in the completion of serviced sites	100% support provided to provinces and metros in the completion of serviced sites	100% support provided to provinces and metros in the completion of serviced sites	100% support provided to provinces and metros in the completion of serviced sites	100% support provided to provinces and metros in the completion of serviced sites
5.1.4	Number of Reports on monitoring the unblocked projects	4 Reports on monitoring the unblocked projects	1 Report on monitoring the unblocked projects	1 Report on monitoring the unblocked projects	1 Report on monitoring the unblocked projects	1 Report on monitoring the unblocked projects
5.1.5	Percentage support provided in the disbursement of subsidies (FHF)	100% support provided in the disbursement of subsidies (FHF)	100% support provided in the disbursement of subsidies (FHF)	100% support provided in the disbursement of subsidies (FHF)	100% support provided in the disbursement of subsidies (FHF)	100% support provided in the disbursement of subsidies (FHF)

Ref.No	Output Indicator	2026/2027 Annual Target	Q1	Q2	Q3	Q4
<b>Transversal Programmes and Projects</b>						
5.1.6	Percentage support provided to seven (7) Provinces in the eradication of uninhabitable mud houses	100% support provided to seven (7) Provinces in the eradication of uninhabitable mud houses	100% support provided to seven (7) Provinces in the eradication of uninhabitable mud houses	100% support provided to seven (7) Provinces in the eradication of uninhabitable mud houses	100% support provided to seven (7) Provinces in the eradication of uninhabitable mud houses	100% support provided to seven (7) Provinces in the eradication of uninhabitable mud houses

## **5.2 Explanation of Planned Performance over the Medium-Term Period**

For the Medium-Term Period covering 2026-2027, 2027-2028, and 2028-2029, the focus remains on advancing key outputs and outcomes as outlined in the previous year, with a continued emphasis on improving the integration of human settlements planning and implementation. The strategic aim is to drive spatial transformation and foster the development of liveable neighbourhoods. To achieve this, concerted efforts will be directed towards supporting provincial departments and ensuring transparency and accountability in tracking the progress of title deed registrations.

Consistent support will be provided to all provincial departments in critical areas. This includes creating a conducive environment to enable the registration of title deeds, housing units, and serviced sites are completed as planned by provinces and metros, and optimal operation of all projects through monitoring of unblocked projects. Additionally, there will be continuous assessment of FHF to ascertain if allocated subsidies are disbursed and challenges are resolved by the department, if any. Continuous efforts will be put in place to enable the eradication of uninhabitable mud houses in the seven identified provinces. These measures are designed to assist the provinces in achieving their set performance targets each year, promoting efficiency and accountability in service delivery.

### 5.3. Programme Resources Considerations.

#### 5.3.1. Programme 5: Affordable Housing

Sub Programmes	Audited outcome				Adjusted Appropriation	Medium Term Expenditure Indicative Allocation		
	2022/23	2023/24	2024/25	2025/26		2026/27	2027/28	2028/29
<b>R' 000</b>								
Management Affordable Housing Programme	2 793	4 706	2 696	4 409	4 645	4 904	5 170	
Public entity oversight	489 552	508 585	486 500	439 174	458 191	478 278	500 375	
Capacity building and sector support	47 174	68 578	57 422	93 851	96 829	100 913	104 832	
<b>Total</b>	<b>539 519</b>	<b>581 869</b>	<b>546 618</b>	<b>537 434</b>	<b>559 665</b>	<b>584 095</b>	<b>610 377</b>	

Economic Classification	Audited outcome				Adjusted Appropriation	Medium Term Expenditure estimates Indicative		
	2022/23	2023/24	2024/25	2025/26		2026/27	2027/28	2028/29
<b>R' 000</b>								
<b>Current payments</b>	<b>77,245</b>	<b>61,686</b>	<b>58,336</b>	<b>88,719</b>	<b>92,684</b>	<b>97,657</b>	<b>102,040</b>	
Compensation of employees	47,707	48,262	46,071	55,789	55,548	58,837	61,478	
Goods and services	29,538	13,424	12,265	32,930	37,136	38,820	40,562	
<b>Transfers and subsidies</b>	<b>504,062</b>	<b>484,245</b>	<b>448,480</b>	<b>470,734</b>	<b>491,195</b>	<b>512,502</b>	<b>535,508</b>	
Departmental agencies and accounts	497,538	474,450	421,880	440,260	460,241	481,053	502,648	
Foreign governments and international organisations	4,120	3,877	22,190	24,498	24,704	24,916	26,034	
Households	2,404	5,918	4,410	5,976	6,250	6,533	6,826	
<b>Payments for capital assets</b>	<b>520</b>	<b>540</b>	<b>796</b>	<b>212</b>	<b>216</b>	<b>218</b>	<b>228</b>	
Machinery and equipment	520	540	796	212	216	218	228	
<b>Payments for financial assets</b>	<b>42</b>	<b>147</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total</b>	<b>581,869</b>	<b>546,618</b>	<b>507,612</b>	<b>559,665</b>	<b>584,095</b>	<b>610,377</b>	<b>637,776</b>	

## **Affordable Housing**

The provision of affordable housing is an important aspect of supporting the housing market. As household incomes have increased over time, many have found themselves in a position where they earn too much to qualify for a full housing subsidy but too little to qualify for a mortgage loan that matches income-related housing supply. The Department is working to enhance affordable housing finance programmes to assist this growing segment by providing lump-sum deposits to qualifying beneficiaries to lower their monthly repayments. Funding for this priority area is in the Affordable Housing programme. Over the 2025 MTEF R1.7 billion has been allocated to achieve the objectives of the Programme. R1.3 billion of the R1.7 billion is allocated to the National Housing Finance Corporation for the implementation and administration of the Finance Linked Individual Subsidy Programme over the 2025 MTEF.

The Affordable Housing programme provides housing finance for households who earn too much to qualify for a full housing subsidy but too little to qualify for a mortgage loan. Spending in the Affordable Housing programme is expected to increase by 4.2% from R559.6 million in 2025/26 to R610.3 million in 2027/28.

## 6. Programme Resources Consideration

### 6.1 Expenditure Estimates

Programmes	Audited outcome				Adjusted Appropriation	Medium-Term Expenditure Indicative Allocation		
	2021/22	2022/23	2023/24	2024/25		2025/26	2026/27	2027/28
<b>R' 000</b>								
Administration	416 749	482 516	463 541	538 378	532 915	559 566	585 402	
Integrated Human Settlements Planning and Development	21 179 706	21 971 570	21 291 687	22 796 437	23 855 908	24 630 138	24 808 864	
Informal Settlements	7 972 666	8 914 656	8 013 495	8 884 222	8 126 334	6 530 612	6 825 027	
Rental and Social Housing	850 892	906 894	911 582	923 915	967 975	1 013 275	1 058 477	
Affordable Housing	539 519	581 869	546 618	537 434	559 665	584 095	610 377	
<b>Total</b>	<b>30 959 532</b>	<b>32 857 505</b>	<b>31 226 923</b>	<b>33 680 386</b>	<b>34 042 797</b>	<b>33 317 686</b>	<b>33 888 147</b>	

Economic Classification	Audited outcome				Adjusted Appropriation	Medium Term Expenditure estimates Indicative		
	2021/22	2022/23	2023/24	2024/25		2025/26	2026/27	2027/28
<b>R' 000</b>								
<b>Current payments</b>	<b>678 987</b>	<b>707 399</b>	<b>837 017</b>	<b>1 125 358</b>	<b>1 178 134</b>	<b>1 233 401</b>	<b>1 285 555</b>	
Compensation of employees	359 297	370 810	389 802	433 287	456 279	477 245	498 830	
Goods and services	319 687	336 561	447 215	692 071	721 855	756 156	786 725	
Interest and rent on land	3	28	-	-	-	-	-	
<b>Transfers and subsidies</b>	<b>30 272 455</b>	<b>32 141 744</b>	<b>30 364 308</b>	<b>31 700 216</b>	<b>32 526 352</b>	<b>31 728 681</b>	<b>32 226 386</b>	
Provinces and municipalities	28 719 361	30 480 735	28 736 047	30 126 737	30 887 339	30 015 873	30 437 028	
Departmental agencies and accounts	1 545 332	1 652 487	1 615 753	1 540 561	1 608 539	1 681 854	1 757 909	
Higher education institutions	-	-	-	-	-	-	-	
Foreign governments and international organisations	2 168	4 120	3 877	23 305	24 498	24 704	24 916	
Public corporations and private enterprises	-	-	-	-	-	-	-	
Non-profit institutions	-	-	-	-	-	-	-	
Households	5 594	4 402	8 631	9 613	5 976	6 250	6 533	

Economic Classification	Audited outcome			Adjusted Appropriation	Medium Term Expenditure estimates Indicative		
	2021/22	2022/23	2023/24		2024/25	2025/26	2026/27
<b>R'000</b>							
<b>Payments for capital assets</b>	<b>7 576</b>	<b>8 188</b>	<b>25 338</b>	<b>854 812</b>	<b>338 311</b>	<b>355 604</b>	<b>376 206</b>
<i>Buildings and other fixed structures</i>	-	-	17 409	843 710	336 260	353 432	373 916
<i>Machinery and equipment</i>	7 472	8 188	7 929	11 102	2 051	2 172	2 290
<i>Software and other intangible assets</i>	104	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>514</b>	<b>174</b>	<b>260</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>30 959 532</b>	<b>32 857 505</b>	<b>31 226 923</b>	<b>33 680 386</b>	<b>34 042 797</b>	<b>33 317 686</b>	<b>33 888 147</b>

**Table 1: Budget Allocation for the Programme and Sub-Programmes, as Per the Estimated National Expenditure (ENE).**

### **Relating Expenditure Trends to Outcome-Oriented Goals**

Over the medium term, the department will focus on building integrated communities, increasing access to adequate housing and improving security of tenure, upgrading informal settlements, and providing temporary shelter for people affected by disasters such as fires and floods. Funding for these measures is provided mainly through the key grants: the *human settlements development grant*, the *urban settlements development grant*, the *informal settlements upgrading partnership grant* for municipalities and the *informal settlements upgrading partnership grant* for provinces.

Over the medium term, the Department's allocation stagnant, with expenditure expected to increase at an average annual nominal rate of 0.2 per cent, from R34 billion in 2025/26 to R33.8 billion in 2027/28. An estimated 90 per cent of the department's budget of R101.2 billion over the MTEF period is allocated as transfers and subsidies to provinces and municipalities through these grants. Total expenditure is set to increase at an average annual rate of 0.2 per cent, from R33.7 billion in 2024/25 to R33.9 billion in 2027/2028. This marginal rate of increase is mainly driven by a decrease in transfers to the *informal settlements upgrading partnership grant* for provinces in the 2024 Budget. The department has adjusted some of its performance targets downwards in line with the projected low medium-term growth, while also considering the rising costs of delivering human settlements projects.

## 7. Key Risks.

Outcomes	Key Risks	Risk Description	Risk Mitigations
<p>Improved service delivery at local government</p>	<p>Financial performance of grants not monitored effectively and efficiently</p>	<p>Utilisation and performance of Conditional Grants funds not adequately monitored in line with DoRA prescripts and grants frameworks provisions</p>	<p><b>Provinces:</b></p> <ul style="list-style-type: none"> <li>• Engage Provinces on analysis findings of reported monthly and quarterly performance as per submitted DoRA reports</li> <li>• Engage Provinces with incorrect submitted reports to address identified challenges</li> <li>• Collaborate with the Departmental IGR Unit to ensure that Provinces report and account for performance of funds transferred to other organs of state during quarterly performance reviews</li> <li>• Alert Management through EMT, MINTOP and MINMEC Reports of Provinces in need of performance support and management intervention.</li> <li>• Participate in joint performance monitoring exercises with other units within the Department (M&amp;E, Planning, Policy, etc)</li> <li>• Conduct annual grant framework workshops with Provinces.</li> <li>• Undertake performance and compliance engagements with Province wherein a need is identified and or so requested by Provinces.</li> <li>• Undertake adhoc tasked expenditure verification of reported financial performance in the Provinces.</li> </ul> <p><b>Metropolitan Municipalities:</b></p> <ul style="list-style-type: none"> <li>• Present the outcome of the project verification visits to Metros and present such to MinMec as requested</li> <li>• Have one on one engagement with National Treasury regarding the annual financial year grant frameworks</li> <li>• Conduct annual grant framework workshops with Metros.</li> <li>• Undertake performance and compliance engagements with Metros wherein a need is identified and or so requested by Metros.</li> </ul>

Outcomes	Key Risks	Risk Description	Risk Mitigations
			<ul style="list-style-type: none"> <li>• Conduct annual rollover application workshops/sessions with Metros, relevant Provincial Treasuries and SALGA.</li> <li>• Undertake adhoc tasked expenditure verification of reported financial performance in the Metros.</li> </ul> <p><b>How:</b></p> <ul style="list-style-type: none"> <li>• Regular project verification visits by National Department through Project Managers (Joint performance verification visits).</li> <li>• Report analysis and follow up with the IGR unit regarding the implementation of resolutions pertaining to the transfers of the grants to other State Organs</li> </ul> <p><b>Why:</b></p> <p>To ensure the correct utilisation of the grants and also existence of the reported projects and progress on these projects as reported.</p> <ul style="list-style-type: none"> <li>• To ensure that grant funds were utilised as per approved business plans as well as compliance to DoRA for transferred funds</li> <li>• To avail implementation support measures to Provinces and Metros</li> </ul>
A capable and professional public service	Ageing ICT Infrastructure(Switches, network - cabling, routers, cabinets)	Ageing ICT infrastructure poses a threat to business continuity as it becomes more prone to unexpected failures and disruptions.	<p><b>Implement Technology Infrastructure Refresh (servers, switches, cabling upgrade, bandwidth upgrade and storage).</b></p> <p><b>How:</b></p> <ul style="list-style-type: none"> <li>• Conduct a comprehensive assessment of the current IT infrastructure, including software, network, and security components</li> <li>• Identify outdated systems, potential bottlenecks, security vulnerabilities, and areas where technology is no longer meeting business requirements.</li> </ul> <p>Determine the budget(through OEM consultations) required for the technology refresh, considering costs associated with hardware, software licenses, professional services, and potential downtime.</p>

Outcomes	Key Risks	Risk Description	Risk Mitigations
			<ul style="list-style-type: none"> <li>As per SCM processes, select vendors for hardware and software components based on their reliability, compatibility, and the ability to meet organizational requirements.</li> </ul> <p><b>Why:</b></p> <ul style="list-style-type: none"> <li>Refreshing IT infrastructure helps ensure reliability and availability, reducing the likelihood of disruptions to business operations</li> </ul> <p><b>Strengthen cybersecurity measures by implementing the latest security protocols</b></p> <p><b>How:</b></p> <ul style="list-style-type: none"> <li>Implement continuous monitoring tools to detect and respond to security incidents in real-time. Monitor logs, network traffic, and user activities to identify anomalies and potential threats(Implementation of the firewall)</li> </ul> <p><b>Why:</b></p> <ul style="list-style-type: none"> <li>Implementing these measures can significantly enhance the departments cybersecurity posture and reduce the risk of cyber incidents</li> </ul> <p><b>Conduct assessment of existing ICT Infrastructure to identify performance bottlenecks</b></p> <p><b>How:</b></p> <ul style="list-style-type: none"> <li>Deploy monitoring tools to gather real-time data on system performance.</li> <li>Examine network traffic patterns to identify potential bottlenecks. Look for congestion points, high traffic volumes, and any abnormal network behavior.</li> </ul> <p><b>Why:</b></p> <ul style="list-style-type: none"> <li>This will provide valuable insights into the health, performance, and security of an organization's ICT infrastructure.</li> <li>To enable ICT to have proactive management, efficient troubleshooting, and the optimization of network resources to support business operations.</li> </ul> <p><b>Migrate services that are ready for cloud to reduce reliance on on-premises infrastructure.</b></p>

Outcomes	Key Risks	Risk Description	Risk Mitigations
			<p><b>How:</b></p> <ul style="list-style-type: none"> <li>• Identify and document all on-premise services, applications, and dependencies.</li> <li>• Assess the readiness of each service for migration, considering factors like data sensitivity, compliance requirements, and technical dependencies.</li> <li>• Plan and execute the migration of data to the cloud, ensuring minimal downtime and data integrity</li> </ul> <p><b>Why:</b></p> <ul style="list-style-type: none"> <li>• Migration of some of the on-premise services to the cloud will reduce down time and increase productivity</li> </ul>
Increased access to adequate housing through various programmes	Inability to upgrade informal settlements to Permanent Infrastructure.	Informal settlements not upgraded to Permanent Infrastructure.	<p><b>How:</b></p> <ul style="list-style-type: none"> <li>• Conduct quarterly site visits for permanent infrastructure projects at the Provinces &amp; Metros</li> </ul> <p><b>Why:</b></p> <p>To monitor progress made by the Provinces &amp; Metros against the Business Plans</p> <p><b>Review the site visit monitoring reports</b></p> <p><b>How:</b></p> <ul style="list-style-type: none"> <li>• Using the same progress report template by the regional managers</li> </ul> <p><b>Why:</b></p> <ul style="list-style-type: none"> <li>• To ensure alignment in project monitoring reporting by the regional managers</li> </ul> <p><b>Collaborating with National disaster management centres</b></p> <p><b>How:</b></p> <ul style="list-style-type: none"> <li>• To have easy access to Provincial Disaster Management centers</li> </ul>
	Inability to respond to disasters timeously	Inability to assist victims who lost houses due to natural disasters and related incidents	

Outcomes	Key Risks	Risk Description	Risk Mitigations
Increased access to adequate housing through various programmes	Limited knowledge and understanding of housing policies and programmes in the sector	Inability to ensure adequate understanding of policies and programmes in provinces, municipalities, and entities to implement integrated sustainable human settlements development	<p><b>Why:</b></p> <ul style="list-style-type: none"> <li>For seamless alignment of the work conducted by National in the provincial space.</li> </ul> <p><b>Provide policy interpretation and guidance to implementers (including other sector partners) Host policy advocacy sessions, Host Bi-Annual National Policy Task Team sessions (1st and 3rd Quarter of a financial year)</b></p> <p><b>How:</b></p> <ul style="list-style-type: none"> <li>Schedule discussions with relevant stakeholders to discuss housing and human settlements policies and programmes in order to improve understanding thereof in the sector</li> </ul> <p><b>Why:</b></p> <ul style="list-style-type: none"> <li>Towards improvement in the understanding of policies and programmes for effective implementation</li> </ul>
Reduced poverty and improved livelihoods	Recurring title deeds backlog	A growing title deed backlog refers to an increase in the number of land users that have no land records, thus contributing to lack of economic transformation.	<p><b>Provide capacity support to Provinces and Municipalities to unlock the title deeds processes</b></p> <p><b>How:</b></p> <ul style="list-style-type: none"> <li>By requesting exemptions from Department of Land Reform and Rural Development as well Department of Forestry, Fisheries and Environment to waive NEMA and SPLUMA conditions.</li> </ul> <p><b>Why:</b></p> <ul style="list-style-type: none"> <li>To allow Provinces and Municipalities to proceed with title deed processes on areas or projects where beneficiaries have already been settled</li> </ul> <p><b>How:</b></p> <ul style="list-style-type: none"> <li>By partnering with Operation Vulindlela for the transfer of 78 000 state owned properties to beneficiaries in Metros.</li> </ul> <p><b>Why:</b></p> <ul style="list-style-type: none"> <li>To increase the number of title deeds issued to beneficiaries, therefore reduce the title backlog.</li> </ul>

## 8. Public Entities.

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget (R thousand)
<p><b>Community Schemes Ombud Services (CSOS)</b></p>	<p>The CSOS was established in June 2011 in terms of the Community Schemes Ombud Service Act, 2011 (Act No. 9 of 2011). The mandate of the CSOS is to develop and provide dispute resolution for community schemes; provide training for conciliators, adjudicators and other employees of CSOS; regulate, monitor and control the quality of schemes' governance documentation; and take custody of, preserve and provide public access electronically or by other means to schemes' governance documentation.</p>	<ul style="list-style-type: none"> <li>• 40% of annual CSOS procurement spend, targeted at businesses owned women</li> <li>• 18% of annual procurement spend targeted at businesses owned by youth and persons with disability</li> <li>• 100% registration of community schemes that submitted valid scheme registration documents</li> <li>• 78% of annually registered schemes compliant</li> <li>• 90% of disputes conciliated within 45 working days</li> <li>• 90% of disputes adjudicated within 90 working days</li> <li>• 95% of adjudication orders quality assured within 7 working days.</li> <li>• 28 training sessions conducted for adjudicators and conciliators.</li> <li>• 100 training and education sessions conducted for schemes executives and owners.</li> <li>• 120 stakeholder information sessions conducted.</li> <li>• 100% of the Advocacy Plan implemented</li> <li>• 95% of community schemes' requests for Executive Managing Agents awarded to previously disadvantaged individuals.</li> </ul>	<p>R419,034 (Self-funding)</p>
<p><b>National Housing Finance Corporation (NHFC)</b></p>	<p>The NHFC was established in 1996 in terms of the Companies Act, 1973 (Act No. 61 of 1973). The NHFC was established in 1996 as a Development Finance Institution, with the principal mandate of broadening and deepening access to affordable housing finance for low-to-middle income South African households. Additionally, the NHFC has been assigned by the Department to implement the First Home Finance (FHF) Programme.</p>	<ul style="list-style-type: none"> <li>• 40% of annual entity procurement spend, targeted at businesses owned by women</li> <li>• 17% of annual entity procurement spend, targeted at businesses owned by youth and persons with disabilities</li> <li>• R62 million approved for Social Housing Finance</li> <li>• 11 358 FHF subsidy applications approved.</li> <li>• R1.2 billion value of disbursements FHF grants</li> <li>• 9 231 FHF Subsidies disbursed.</li> </ul>	<p>FHF Programme: – Operational Grant: R22,362 – Subsidy Grant: R437,879</p>

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget (R thousand)
<p><b>Social Housing Regulatory Authority (SHRA)</b></p>	<p>The SHRA was established in August 2010 in terms of the Social Housing Act, 2008 (Act No. 16 of 2008). The mandate of the SHRA is to regulate the social housing sector; support the restructuring of urban spaces through social housing investments; promote the development and awareness of social housing; ensure accreditation of SHIs and ensure sustainable and regulated disbursements of the Consolidated Capital Grant to accredited Social Housing Institutions.</p>	<ul style="list-style-type: none"> <li>• R3 billion leveraged from the private sector.</li> <li>• R483 million consolidated disbursements for affordable housing products.</li> <li>• R1 093 billion consolidated affordable housing products approved.</li> <li>• R534 million disbursements targeted towards designated groups.</li> <li>• R679 million targeted towards black owned entities.</li> <li>• 20 developers supported to achieve approval of project development finance for their projects.</li> <li>• 40% of annual SHRA procurement spend, targeted at businesses owned by women.</li> <li>• 17% of annual SHRA procurement spend, targeted at businesses owned by youth, and persons with disabilities.</li> <li>• 4 700 subsidised housing units' tenancy audits conducted.</li> <li>• 24 compliance Monitoring Inspections conducted.</li> <li>• 15 building condition audits conducted.</li> <li>• 12 fully accredited institutions.</li> <li>• 10 SHIs and SHI applicants supported through IIG interventions.</li> <li>• 5 Social Housing Projects supported through IIG interventions</li> <li>• 2 600 social rental housing units completed in restructuring zones.</li> <li>• 2 800 social housing units tenanted.</li> <li>• 80% of CCG awarded to previously disadvantaged enterprises</li> <li>• 80% of CCG awarded to previously disadvantaged enterprises</li> <li>• 35% spent by grant recipients on main contractors and professional teams that are from the designated groups.</li> <li>• 6 500 job opportunities created through projects implemented.</li> </ul>	<p>Operational Grant: R83,431            Institutional Investment Grant: R26,972            Consolidated Capital Grant: R833,027</p>

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget (R thousand)
<p><b>Housing Development Agency (HDA)</b></p>	<p>The HDA was established in 2008 in terms of the Housing Development Agency Act, 2008 (Act No. 16 of 2008) and began operations in April 2009.</p> <p>The mandate of the HDA is to develop a development plan to be approved by the Minister in consultation with the relevant authorities in the provinces and municipalities; develop strategic plans with regard to the identification and acquisition of state, privately and communal owned land which is suitable for residential and community development; prepare necessary documentation for consideration and approval by the relevant authorities as may be required in terms of any other applicable law; monitor progress of the development of land and landed property acquired for the purposes of creating sustainable human settlements; enhance the capacity of organs of state including skills transfer to enable them to meet the demand for housing delivery; ensure that there is collaboration and intergovernmental and integrated alignment for housing development services; identify, acquire, hold, develop and release state, privately and communal owned land for residential and community development; undertake such project management services as may be necessary, including assistance relating to approvals required for housing development; contract with any organ of state for the purpose of acquiring available land for residential housing and community development for the creation of sustainable human settlements; assist organs of state in dealing with housing developments that have not been</p>	<ul style="list-style-type: none"> <li>• 40% of annual HDA procurement spend, per financial year, targeted at businesses owned by women.</li> <li>• 18% of annual HDA procurement spend, per financial year, targeted at businesses owned by youth.</li> <li>• 2% of annual HDA procurement spend, per financial year, targeted at businesses owned by persons with disabilities.</li> <li>• 2506 jobs created through HDA implemented Projects</li> <li>• 3 integrated implementation programmes for PDAs completed per year</li> <li>• 1 000 of hectares of well-located land acquired within PDAs</li> <li>• 1000 hectares of land rezoned for human settlements development</li> <li>• 71 informal settlements supported for upgrading to Phase 3.</li> <li>• 76 of HS Projects managed by the HDA</li> <li>• 690 asbestos roofs replaced i.r.o. project managed by the HDA</li> <li>• 1 bankable Project completed</li> <li>• 1 Property prepared for rezoning</li> <li>• 1 135 title deeds registered.</li> </ul>	<p>Operational Grant: R278,183</p>

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget (R thousand)
	<p>completed within the anticipated project period; assist organs of state with the upgrading of informal settlements; and assist organs of state in respect of emergency housing solutions.</p>		
<p><b>National Home Builders Registration Council (NHBRC)</b></p>	<p>The NHBRC was established in 1998 in terms of the Housing Consumers Protection Measures Act, 1998 (Act No. 95 of 1998), as amended.</p> <p>The mandate of the NHBRC is to protect the interests of housing consumers by ensuring that quality houses are built; to regulate the home building industry by enforcing ethical and technical norms and standards; to promote innovative technology in the housing sector and promote compliance and capacity building of home builders (builder training and development). The entity is also tasked to support the housing sector with geotechnical engineering services and forensic engineering investigations, litigation and advisory services. The NHBRC achieves its mandate through registrations, enrolments, inspections, training, warranties and dispute resolution.</p>	<ul style="list-style-type: none"> <li>• 40% procurement spent - women.</li> <li>• 26% of annual procurement spent – youth, persons with disabilities and military veterans.</li> <li>• 3,600 homebuilders registered.</li> <li>• 14 000 homebuilder registrations renewed.</li> <li>• 27 000 homes inspected - non-subsidy.</li> <li>• 24 000 homes inspected - subsidy.</li> <li>• 90% of suspendable matters suspended.</li> <li>• 100% of prosecutable matters set down for hearing.</li> <li>• 100% disputes resolved.</li> <li>• 7 500 homebuilders trained.</li> <li>• 800 technical professionals trained.</li> <li>• 700 artisans trained.</li> <li>• 100% of enrolment applications approved – subsidy.</li> <li>• 100% of enrolment applications approved – subsidy projects.</li> <li>• 100% of enrolment applications approved – non-subsidy.</li> <li>• One 3D printing house constructed.</li> </ul>	<p>R962,492 (Self-funding)</p>
<p><b>Property Practitioners Regulatory Authority</b></p>	<p>The Property Practitioners Regulatory Authority (PPRA) was established in terms of the Property Practitioners Act, 2019 (Act No. 22 of 2019), with the commencement date of 1 February 2022.</p> <p>The mandate of the PPRA is to regulate the conduct of property practitioners in dealing with the consumers;</p>	<ul style="list-style-type: none"> <li>• 40% of annual PPRA procurement spend, targeted at businesses owned by women</li> <li>• 18% of annual PPRA procurement spend, targeted at businesses owned by youth and persons with disabilities</li> <li>• 95% of consumer queries resolved within 90 days</li> <li>• 100% complaint new registrations processed against those received within 30 days.</li> </ul>	<p>R115,514 (Self-funding)</p>

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget (R thousand)
	<p>regulate the conduct of property practitioners in so far as marketing, managing, financing, letting, renting, hiring, sale and purchase of property are concerned; regulate and ensure that there is compliance with the provisions of the Act; ensure that the consumers are protected from undesirable and sanctionable practices as set out in section 62 and section 63 of the Act; regulate any other conduct which falls within the ambit of the Act in as far as property practitioners and consumers in this market are concerned; provide for the education, training and development of property practitioners and candidate property practitioners; educate and inform consumers about their rights as set out in section 69 of the Act; and implement measures to ensure that the property sector is transformed as set out in Chapter 4 of the Act.</p>	<ul style="list-style-type: none"> <li>• 500 PPA Inspections conducted per annum</li> <li>• 2 250 property practitioners awarded professional designations (across all categories)</li> <li>• 100% of all property practitioners who have completed their PDP</li> <li>• 2 approved transformation agenda items researched</li> <li>• 530 full status black women supported through the implementation of the Principalisation Programme.</li> <li>• 35 SMMEs owned by historically disadvantaged groups placed through the incubation programme.</li> <li>• 700 candidate practitioners placed with property industry host employers through "One Learner-One Property Practitioner" programme</li> <li>• 100% of fully compliant claims paid within 90 days of lodgement.</li> </ul>	

## **9. Infrastructure projects. See Annexure**

## **10. Public-Private Partnerships**

Entering into Public Private Partnerships (PPPs) is no longer optional but has become a main requisite for making sustainable human settlements possible. A number of investors are helping to drive capital towards sustainable, innovative building technologies and construction methods that are contributing to zero carbon emissions and green technologies. This has been challenging for the Department to navigate. As a result, the Department intends to collaborate with the National Treasury in planning for PPPs over the MTEF period.

## PART D: TECHNICAL INDICATOR DESCRIPTIONS (TIDs)

### PROGRAMME 1: ADMINISTRATION

#### 1.1 Sub-Programme: Executive Support

Indicator Title	1.1.1 Percentage compliance with statutory prescripts
<b>Definition</b>	<p>The indicator measures the level of compliance by the department to key corporate governance requirements, as outlined in legislation and other corporate governance guidelines/ regulations (PFMA, Treasury Regulations and Planning and Reporting Guidelines &amp; GRPBMEAF).</p> <p>Statutory prescripts refers to the mandatory rules, requirements, and procedures established by legislation (acts of parliament or law) that must be followed. These are legally binding directives that often define the timeframe or conditions under which a legal right can be exercised, a duty performed, or a claim brought.</p>
<b>Source of data</b>	<p>Department, provinces, municipalities, human settlements entities, sector Departments, Parliament and other stakeholders compliance reports</p> <p>Previous annual reports Approved Departmental plans Departmental performance reports Branch performance reports Government priorities MTDP</p>
<b>Method of calculation/Assessment</b>	Number of statutory requirements complied with divide by Total number of statutory compliance requirements multiply by 100
<b>Means of Verification</b>	<ul style="list-style-type: none"> <li>• Quarterly Departmental performance reports as per DPME Guidelines</li> <li>• Annual Performance Report (first draft) (end May) as per DPME Guidelines</li> <li>• Departmental Annual Report (end September) as per DPME Guidelines</li> <li>• Quarterly report on invoices paid within 30 days as per Treasury Guidelines</li> <li>• Bi-Annual Report on GRPBMEAF (Q2 &amp; Q4)</li> <li>• Approved business plans submitted to National Treasury               <ul style="list-style-type: none"> <li>○ The final Provincial HSDG, ISUPG business plans (Quarter 1)</li> <li>○ The final Metros USDG and ISUPG business plans (Quarter 2)</li> </ul> </li> </ul>
<b>Assumptions</b>	<p>On-time submissions to meet planning and reporting timelines</p> <p>Annual performance plans and quarterly reports are submitted on time and the information contained therein is reliable</p>
<b>Disaggregation of beneficiaries (where applicable)</b>	Not Applicable
<b>Spatial transformation (where applicable)</b>	Not Applicable
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Quarterly

<b>Indicator Title</b>	1.1.1 Percentage compliance with statutory prescripts
<b>Desired performance</b>	100% compliance with statutory tabling and prescripts
<b>Indicator responsibility</b>	Chief Director : Executive Support Programme Manager: Research, Policy, Strategy and Planning Programme Manager: Chief Financial Office

### Sub-Programme: ICT and Records Management

<b>Indicator title</b>	1.2.1 Percentage implementation of the approved ICT Implementation Plan
<b>Definition</b>	<p>The indicator measures the implementation of the three (3) year ICT plan as prescribed in the Public Service Corporate Governance of Information and Communication Technology Policy Framework.</p> <p>The three-year (3) ICT plan will have annual targets from 2025/26 to 2027/28. Performance will be measured against targets planned to be achieved in 2026/27 financial year. The plan outlines activities with timelines for implementation of the following ICT initiatives towards digitalizing Human Settlements sector as outlined in the 2025-2030 departmental Strategic Plan:</p> <ul style="list-style-type: none"> <li>• Implementation of the National Digital Human Settlements Management System (NDHSMS).</li> <li>• Cloud adoption, ICT infrastructure modernisation, and enhanced cybersecurity.</li> <li>• Automation of internal administrative business processes.</li> </ul>
<b>Source of data</b>	Approved ICT plan Status report on the functionality of the ICT governance structures SITA reports Footprint reports
<b>Method of calculation/ assessment</b>	Total number of activities achieved divided by the total number of planned activities multiply by 100.
<b>Means of Verification</b>	Approved three (3) year ICT Implementation Plan (Quarter 1) Quarterly reports on the implementation of the approved ICT implementation plan
<b>Assumptions</b>	Approved SLA Annexures SITA Approved ICT Budget Functional governance structures 90% availability of SITA infrastructure
<b>Disaggregation of Beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative (year to date)

<b>Indicator title</b>	1.2.1 Percentage implementation of the approved ICT Implementation Plan
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	100% implementation of the 2026/27 deliverables in the approved ICT Implementation Plan
<b>Indicator responsibility</b>	Programme Manager: Corporate Services

### 1.3 Sub-Programme : Financial Management

#### Financial Management Services

<b>Indicator title</b>	1.3.1 Unqualified audit opinion with no material findings
<b>Definition</b>	<p>The indicator measures processes, systems and controls implemented by the Department to ensure that an audit opinion with no material findings is achieved.</p> <p>Unqualified audit opinion indicates that financial statements are free from material misstatements and are generally credible.</p> <p>No material findings means an auditor found no significant errors, omissions, or non-compliance issues that would mislead users of financial statements or performance reports. It indicates that financial records are accurate, performance is reported fairly, and regulations are followed in all material respects, usually resulting in a "clean audit"</p>
<b>Source of data</b>	Annual financial statements, documented business processes/ standard operating procedures (SOPs), annual audit plan and risk management plan, Internal Audit Report, Annual Performance Report, and previous AG Report
<b>Method of calculation/ assessment</b>	Qualitative: Report on unqualified audit opinion with no material findings
<b>Means of Verification</b>	AGSA audit report (Q2)
<b>Assumptions</b>	Adequate budget approved. Approved Annual Financial Statements
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not Applicable
<b>Spatial transformation (where applicable)</b>	Not Applicable
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Annual

<b>Indicator title</b>	1.3.1 Unqualified audit opinion with no material findings
<b>Desired performance</b>	Financial statements free from material errors and misstatements
<b>Indicator responsibility</b>	Programme Manager: Chief Financial Office

### Grant Management Services

<b>Indicator title</b>	1.3.2.1 Human Settlements Grants Frameworks Approved
<b>Definition</b>	<p>The indicator measures the approval of the Human Settlements Grants Frameworks.</p> <p>The annual Human Settlements Grants Frameworks provide guidelines, enhance efficiency, and correct interpretation of conditions, stakeholder responsibilities, and utilization of the conditional grants, as administered by the National Department and utilised by Provincial Departments and Metropolitan Municipalities.</p> <p>All the Human Settlements Grant frameworks are reviewed annually from the previous financial year, in consultation with all sector stakeholders.</p> <p>The National Department incorporates all agreed proposals for new additions and amendments to the Frameworks i.r.o. grants outputs, conditions, and stakeholder responsibilities into the final draft frameworks, which are signed off by the Director-General and submitted to National Treasury for final consideration, approval and gazetting.</p>
<b>Source of Data</b>	Review inputs into the frameworks will be collected from internal stakeholders, National Treasury, Provinces, and Metropolitan Municipalities
<b>Method of Calculation/ Assessment</b>	Qualitative: Approved Human Settlements Grants Framework
<b>Means of Verification</b>	<p>Draft Human Settlements Grant Frameworks signed off by Director-General and submitted to National Treasury (Q3)</p> <p>Human Settlements Grant Frameworks approved and gazetted by National Treasury (Q4)</p>
<b>Assumptions</b>	<p>Non-submission of new or additional inputs implies acceptance of existing contents of current grant frameworks.</p> <p>The National Treasury will approve and gazette the Human Settlements Grant Frameworks as per drafts submitted by the Department</p>
<b>Disaggregation of Beneficiaries (Where applicable)</b>	Not Applicable
<b>Spatial Transformation (Where applicable)</b>	Not Applicable
<b>Calculation type</b>	Cumulative (year-to-date)
<b>Reporting Cycle</b>	Bi-annual

<b>Indicator title</b>	1.3.2.1 Human Settlements Grants Frameworks Approved
<b>Desired Performance</b>	Human Settlement Grants frameworks approved by National Treasury
<b>Indicator Responsibility</b>	Programme Manager: Chief Finance Office

<b>Indicator title</b>	1.3.2.2 Number of quarterly assessments conducted on performance of Provinces human settlements grant (HSDG)
<b>Definition</b>	<p>The indicator measures the assessments conducted on performance of human settlements grant.</p> <p>This grant has as its purpose the provision of funding for the progressive realisation of access to adequate housing through the creation of sustainable and integrated human settlements</p> <p>The Division of Revenue Act obliges Provinces to submit their mandatory monthly and quarterly reports to the National Department on prescribed dates, on performance of allocated and transferred ISUPG funds</p> <p>Provinces' reports are analysed in order to assess the reported financial performance information and further collated for reporting to National Treasury.</p>
<b>Source of data</b>	Data on Provinces' grants' financial performance information is collected from their submitted monthly and quarterly reports, which are analysed against annual targets in their approved Business Plans
<b>Method of Calculation/ Assessment</b>	Simple count
<b>Means of Verification</b>	<p>Assessments report of Provinces' financial Performance information on HSDG funds based on allocated grants.</p> <ul style="list-style-type: none"> <li>• Q1: (4th quarter of 2025/26 financial year) quarterly performance assessment conducted on Provinces' HSDG</li> <li>• Q2: (1st quarter of 2026/27 financial year) quarterly performance assessment conducted on Provinces' HSDG</li> <li>• Q3: (2nd quarter of 2026/27 financial year) quarterly performance assessment conducted on Provinces' HSDG</li> <li>• Q4: (3rd quarter of 2026/27 financial year) quarterly performance assessment conducted on Provinces' HSDG</li> </ul>
<b>Assumptions</b>	Provinces' compliance with timeous submission of mandatory monthly and quarterly reports signed by their respective Accounting Officers (Provincial HODs and CFO's), reflecting accurate and reliable financial and non-financial performance information of their allocated & transferred grants' funds.
<b>Disaggregation of beneficiaries (where applicable)</b>	Not Applicable

<b>Indicator title</b>	1.3.2.2 Number of quarterly assessments conducted on performance of Provinces human settlements grant (HSDG)
<b>Spatial transformation (where applicable)</b>	Not Applicable
<b>Calculation type</b>	Cumulative (year-end)
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Optimal expenditure on all grant allocations in line with DORA requirements
<b>Indicator responsibility</b>	Programme Manager: Chief Finance Office

<b>Indicator title</b>	1.3.2.3 Number of quarterly assessments conducted on performance of Provinces human settlements grant (ISUPG)
<b>Definition</b>	<p>The indicator measures the assessments conducted on performance of human settlements grant.</p> <p>This grant has as its purpose the provision of funding to facilitate a programmatic and inclusive approach to upgrading informal settlements</p> <p>The Division of Revenue Act obliges Provinces to submit their mandatory monthly and quarterly reports to the National Department on prescribed dates, on performance of allocated and transferred ISUPG funds</p> <p>Provinces' reports are analysed in order to assess the reported financial performance information and further collated for reporting to National Treasury.</p>
<b>Source of data</b>	Data on Provinces' grants' financial performance information is collected from their submitted monthly and quarterly reports, which are analysed against annual targets in their approved Business Plans
<b>Method of Calculation/ Assessment</b>	Simple count
<b>Means of verification</b>	<p>Assessments report of Provinces' financial Performance information on ISUPG funds based on allocated grants.</p> <ul style="list-style-type: none"> <li>• Q1: (4th quarter of 2025/26 financial year) quarterly performance assessment conducted on Provinces' ISUPG</li> <li>• Q2: (1st quarter of 2026/27 financial year) quarterly performance assessment conducted on Provinces' ISUPG</li> <li>• Q3: (2nd quarter of 2026/27 financial year) quarterly performance assessment conducted on Provinces' ISUPG</li> <li>• Q4: (3rd quarter of 2026/27 financial year) quarterly performance assessment conducted on Provinces' ISUPG</li> </ul>
<b>Assumptions</b>	Provinces' compliance with timeous submission of mandatory monthly and quarterly reports signed by their respective Accounting Officers (Provincial HODs and CFO's),

<b>Indicator title</b>	1.3.2.3 Number of quarterly assessments conducted on performance of Provinces human settlements grant (ISUPG)
	reflecting accurate and reliable financial and non-financial performance information of their allocated & transferred grants' funds.
<b>Disaggregation of beneficiaries (where applicable)</b>	Not Applicable
<b>Spatial transformation (where applicable)</b>	Not Applicable
<b>Calculation type</b>	Cumulative (year-end)
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Optimal expenditure on all grant allocations in line with DORA requirements
<b>Indicator responsibility</b>	Programme Manager: Chief Finance Office

<b>Indicator Title</b>	1.3.2.3 Number of quarterly assessments conducted on performance of Metros human settlements grant (ISUPG)
<b>Definition</b>	<p>The indicator measures the assessments conducted on performance of human settlements grant.</p> <p>This grant has as its purpose the provision of funding to facilitate a programmatic, inclusive and municipality-wide approach to the upgrading of informal settlements.</p> <p>The Division of Revenue Act obliges Metropolitan Municipalities' to submit their mandatory monthly and quarterly reports to the National Department on prescribed dates, on performance of allocated and transferred ISUPG funds. Metros' reports are analysed in order to assess the reported financial performance information, and further collated for reporting to National Treasury</p>
<b>Source of data</b>	Data on Metros' grants' financial performance information is collected from their submitted monthly and quarterly reports, which are analysed against annual targets in their approved Business Plans
<b>Method of calculation/ Assessment</b>	Simple count
<b>Means of verification</b>	<p>Assessments report on Metros' Performance of ISUPG funds, entailing the expenditure based on the allocated grants.</p> <ul style="list-style-type: none"> <li>• Q1: (3rd quarter of 2025/26 financial year) quarterly financial performance assessment conducted on Metros' ISUPG</li> <li>• Q2: (4th quarter of 2025/26 financial year) quarterly financial performance assessment conducted on Metros' ISUPG</li> <li>• Q3: (1st quarter of 2026/27 financial year) quarterly financial performance assessment conducted on Metros' ISUPG</li> </ul>

<b>Indicator Title</b>	1.3.2.3 Number of quarterly assessments conducted on performance of Metros human settlements grant (ISUPG)
	<ul style="list-style-type: none"> <li>Q4: (2nd quarter of 2026/27 financial year) quarterly financial performance assessment conducted on Metros' ISUPG)</li> </ul>
<b>Assumptions</b>	Metropolitan Municipalities' compliance with timeous submission of mandatory monthly and quarterly reports signed by their respective Accounting Officers or duly delegated officials, reflecting accurate and reliable financial and non-financial performance information of their allocated & transferred grants' funds.
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not Applicable
<b>Spatial Transformation (Where applicable)</b>	Not Applicable
<b>Calculation type</b>	Cumulative (year-end)
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Optimal expenditure on grants allocations in line with Division of Revenue Act (DORA) requirements
<b>Indicator responsibility</b>	Programme Manager: Chief Finance Office

<b>Indicator title</b>	1.3.2.4 Number of quarterly assessments on set aside allocations for designated groups (HSDG and USDG)
<b>Definition</b>	<p>The indicator measures the assessments conducted on the allocation of the set side of HSDG and USDG annual allocations to companies owned by designated/ vulnerable groups (Women, Youth, and People with Disabilities).</p> <p>Provinces and Metros must on a quarterly basis, submit their quarterly Preferential Procurement Policy Framework Act (PPPFA) reports.</p> <p>The assessment process includes:</p> <ul style="list-style-type: none"> <li>Analysis of Provinces submitted quarterly PPPFA reports to ascertain the actual amounts of HS grants/ budgets allocated by Provinces and Metros to companies owned by women, youth and people with disabilities, and if they have allocated grant funds to designated groups against HSDG and USDG allocations.</li> <li>A further verification of these companies against the Central Supplier Database (CSD) to ascertain their designated status.</li> <li>In case Provinces/ Metros did not submit their performance information, National Department will issue the non-compliance letter, with their performance reported as zero for that quarter.</li> </ul> <p>An assessment report will be deemed complete when it has been compiled and formally signed off by the Deputy Director General: Chief Financial Officer</p>

<b>Indicator title</b>	1.3.2.4 Number of quarterly assessments on set aside allocations for designated groups (HSDG and USDG)
<b>Source of data</b>	Annual Grants allocation per Province; National Treasury Central Supplier Database (CSD); Provinces' submitted PPPFA Reports
<b>Method of Calculation/ Assessment</b>	Simple count
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Quarterly assessment report on the set aside allocations for designated groups (HSDG and USDG), entailing actual grants amounts allocated by Provinces and Metros to companies d by women, youth and people with disabilities.</li> <li>• Central Supplier Database</li> <li>• Listing of companies owned by Designated Groups awarded projects under the HSDG and USDG (PPPFA)</li> </ul>
<b>Assumptions</b>	<p>Provinces and Metros will submit their PPPFA quarterly reports on time, to enable accurate analysis and reporting, together with all other mandatory supporting documentation.</p> <p>Availability of accurate reports and performance information from Provinces and Metros</p>
<b>Disaggregation of beneficiaries (Where applicable)</b>	Companies owned by Women, Youth, and Persons with Disabilities
<b>Spatial transformation (Where applicable)</b>	Not Applicable
<b>Calculation type</b>	Cumulative (year-end)
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Provinces and Metros having allocated grants set aside for the designated groups (HSDG and USDG)
<b>Indicator responsibility</b>	Programme Manager: Chief Finance Office

## PROGRAMME 2: INTEGRATED HUMAN SETTLEMENTS PLANNING AND DEVELOPMENT PROGRAMME

### 2.1 Sub-Programme: Policy Development

Indicator title	2.1.1 Volume of Rental Interventions of the Human Settlements Code developed
<p><b>Definition</b></p>	<p>The indicator measures volume (chapter) of the Human Settlements Code that outlining rental interventions and will encompass guidelines for the programmes developed for future inclusion into the Human Settlements Code.</p> <p>The volume of Rental Interventions entails structured programs or policies such as social housing programme - which are designed to help vulnerable households access, afford, and maintain rental housing units. These may include a combination of measures like financial subsidies (e.g., capital and demand instruments), norms and standards for rental to address size, quality, technical requirements, and other legal measures required to improve housing and create functional and affordable housing.</p> <p>The current Housing Code contains 6 volumes, namely: overview of all programmes, technical details incl. norms and standards for rental, rental, incremental, financial, and rural interventions. Rental interventions are policy tools intended to bridge the gap between housing demand and supply, particularly for vulnerable populations. These are a combination of financial assistance, regulation, and support services to ensure that rental housing is not only affordable but also safe and secure. In South Africa, they are central to housing policy, particularly in addressing urban inequality and informal rental markets.</p> <p>The policies have to be developed and are to have provide for a detailed step-by-step process which will create an enabling environment for the implementation of demand-side and capital subsidies, together with the accompanying process flow. The White Paper for Human Settlements comprises of a detailed section on rental which recognises both public and private rental, in line with the rental amendment Act of 2014. The finalisation of the Rental guidelines of the Human Settlements Code will be determined by stakeholder consultations and final approval of the Director General.</p>
<p><b>Source of data</b></p>	<ul style="list-style-type: none"> <li>• White Paper for Human Settlements</li> <li>• Policy foundation on housing and human settlements</li> <li>• Housing Code Programmes</li> <li>• Programme of the Entities</li> <li>• Macro policies of sector departments</li> <li>• Ten-year review of the NDP</li> <li>• Evaluation reports</li> <li>• Expenditure reports</li> <li>• Research reports.</li> <li>• SEIAS reports</li> <li>• Implementation Guidelines</li> <li>• Provincial Reports</li> <li>• Annual reports</li> </ul>

<b>Indicator title</b>	<b>2.1.1 Volume of Rental Interventions of the Human Settlements Code developed</b>
<b>Method of calculation or assessment</b>	Qualitative (as per the Standard Operating Procedure framework)
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Report on stakeholder engagements approved by the DDG.</li> <li>• Submission containing Rental guidelines of the Human Settlements Code detailing the work done and contents of the rental document approved by the DG.</li> </ul>
<b>Assumptions</b>	There will be sufficient resources to enable drafting and development of rental guidelines of the human settlements Code
<b>Disaggregation of beneficiaries (where applicable)</b>	The programmes to be developed will highlight the role of women, youth, persons with disabilities, child-headed households, victims of the truth and reconciliation commission, restitution programme, and military veterans.
<b>Spatial Transformation (where applicable)</b>	The implementation of rental interventions addressed spatial transformation as the rental units will be constructed in designated areas that are deemed to be in need of rental.
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Annual
<b>Desired performance</b>	The Rental guidelines of the Human Settlements Code developed
<b>Indicator responsibility</b>	Programme Manager: Research Policy, Strategy and Planning and Affordable Rental and Social Housing

## 2.2 Sub-Programme: Public Entity Oversight

### Compliance & Public Entity Oversight

<b>Indicator Title</b>	<b>2.2.1 Number of entities' performance monitored</b>
<b>Definition</b>	<p>The indicator monitors the performance and governance compliance of the 6 human settlements entities. The human settlements entities are:</p> <ul style="list-style-type: none"> <li>• Community Schemes Ombud Service</li> <li>• Property Practitioners Regulatory Authority</li> <li>• Housing Development Agency</li> <li>• National Home Builders Registration Council</li> <li>• National Housing Finance Corporation and</li> <li>• Social Housing Regulatory Authority.</li> </ul> <p>The monitoring of performance will entail an analysis of the financial and non-financial performance information as would be duly provided for in the entities' quarterly performance. The analysis report will identify challenges and provide recommendations.</p> <p>In case an entity/entities did not submit its performance information, National Department will issue the non-compliance letter.</p>

<b>Indicator Title</b>	<b>2.2.1 Number of entities' performance monitored</b>
	A monitoring report will be deemed complete when it has been compiled and formally signed off by the Director-General.
<b>Source of data</b>	The Sources of data are: MTDP priorities APP of the entities Quarterly reports of the entities
<b>Method of calculation / Assessment</b>	Simple count of entities monitored
<b>Means of verification</b>	Report on the performance of entities based on financial, non-financial information, and governance compliance information. The report will outline: <ul style="list-style-type: none"> <li>• Performance of the entities against Annual Performance Plan targets (Q1-Q4)</li> <li>• Performance against MTDP targets (Q1-Q4)</li> <li>• Performance of the entities against the budget (Q1-Q4)</li> </ul>
<b>Assumptions</b>	Cooperation from internal stakeholders and the public entities Accurate reporting of non-financial and financial performance by entities Approved entities' performance reports
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not Applicable
<b>Spatial Transformation (where applicable)</b>	Not Applicable
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Efficiency and effectiveness of entities' performance
<b>Indicator responsibility</b>	Programme Manager: Entities Oversight, IGR, Monitoring & Evaluation

### 2.3 Sub-Programme: Monitoring and Evaluation

#### Sector Information Management System (IMS) & Performance Monitoring and Evaluation

<b>Indicator Title</b>	<b>2.3.1 Number of reports on monitoring the performance of HSDG</b>
<b>Definition</b>	The indicator measures the number of monitoring reports produced on the performance of HSDG-funded projects implemented by Provinces during the reporting period.  Monitoring entails the following: <ul style="list-style-type: none"> <li>• Analysing projects under implementation that incurred expenditure during the quarter.</li> </ul>

Indicator Title	2.3.1 Number of reports on monitoring the performance of HSDG
	<ul style="list-style-type: none"> <li>• Verifying reported performance using available data sources (approved Business Plans and sector data system: HSS); and</li> <li>• Consolidating findings into a single monitoring report for the quarter.</li> </ul> <p>A monitoring report will be deemed complete when it has been compiled and formally signed off by the Deputy Director General: Entities Oversight, IGR, Monitoring and Evaluation.</p>
Source of data	<ul style="list-style-type: none"> <li>• Provincial quarterly HSDG performance reports</li> <li>• Approved Provincial Business Plans</li> <li>• Housing Subsidy System (HSS)</li> </ul>
Method of calculation / Assessment	Simple count.
Means of verification	HSDG monitoring report. Housing Subsidy System (HSS)
Assumptions	Provinces submit quarterly HSDG reports within prescribed reporting timeframes to enable consolidation and reporting.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting cycle	Quarterly
Desired performance	Optimal HSDG performance on grants allocations in line with DORA requirements
Indicator responsibility	Programme Manager: Entities Oversight, IGR, Monitoring and Evaluation

Indicator title	2.3.2 Number of reports on monitoring the performance of USDG
Definition	<p>The indicator measures the number of monitoring reports produced on the performance of USDG-funded projects implemented by Metropolitan Municipalities during the reporting period.</p> <p>Monitoring entails the following:</p> <ul style="list-style-type: none"> <li>• Analysing projects under implementation that incurred expenditure during the quarter;</li> <li>• Verifying reported performance using available data sources (approved Business Plans and Metropolitan Municipalities' quarterly performance reports);</li> </ul>

Indicator title	2.3.2 Number of reports on monitoring the performance of USDG
	<ul style="list-style-type: none"> <li>Consolidating the analysis into a single monitoring report for the quarter.</li> </ul> <p>A monitoring report will be deemed complete when it has been compiled and formally signed off by the Deputy Director General: Entities Oversight, IGR, Monitoring and Evaluation.</p>
Source of data	<ul style="list-style-type: none"> <li>Metropolitan Municipalities' quarterly USDG performance reports</li> <li>Approved Metropolitan Municipalities' Business Plans</li> </ul>
Method of calculation/ assessment	Simple count
Means of verification	USDG monitoring report. Metropolitan Municipalities quarterly USDG reports
Assumptions	Metropolitan Municipalities submit quarterly USDG reports within prescribed timeframes to enable consolidation and reporting.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting cycle	Quarterly
Desired performance	Optimal USDG performance on grants allocations in line with DORA requirements
Indicator responsibility	Programme Manager: Entities Oversight, IGR, Monitoring and Evaluation

## 2.4 Sub Programme: Capacity Building and Sector Support

### IGR and Strategic Partnerships

Indicator Title	2.4.1 Number of reports on monitoring of sectoral performance
Definition	<p>The indicator measures the monitoring reports on sectoral performance.</p> <p>The monitoring of performance entails the financial and non-financial data across the sector, namely provinces, municipal metros and entities. This process integrates financial oversight, performance verification, and intergovernmental coordination to ensure accountability, early identification of risks, and implementation of corrective measures. Monitoring is conducted through:</p> <ul style="list-style-type: none"> <li>Financial performance monitoring: quarterly expenditure reports, grant spending, revenue performance and analysis of under- or over-expenditure trends.</li> </ul>

<b>Indicator Title</b>	<b>2.4.1 Number of reports on monitoring of sectoral performance</b>
	<ul style="list-style-type: none"> <li>• Non-financial performance: quarterly performance report, progress against Annual Performance Plans (APPs)</li> </ul> <p>A monitoring report will be deemed complete when it has been compiled and formally signed off by the Deputy Director General: Entities Oversight, IGR, Monitoring and Evaluation.</p>
<b>Source of data</b>	Quarterly Reports from provinces, municipal metros, and entities. DORA reports
<b>Method of calculation/ Assessment</b>	Simple count
<b>Means of Verification</b>	Monitoring report on sectoral performance
<b>Assumptions</b>	Roles and responsibilities of national, provincial, and local governments are understood by relevant stakeholders All stakeholders are committed to intergovernmental cooperation IGR coordination reduces duplication, overlapping mandates and resource allocation
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not Applicable
<b>Spatial Transformation (where applicable)</b>	Not Applicable
<b>Calculation type</b>	Cumulative (year-end)
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	To bolster sound inter- governmental cooperation and stakeholder relations within the sector and to support programme implementation to enhance service delivery
<b>Indicator responsibility</b>	Programme Manager: Entities Oversight, IGR, Monitoring and Evaluation

## PROGRAMME 3: INFORMAL SETTLEMENTS UPGRADING PROGRAMME

### 3.1 Sub Programme: Capacity Building and Sector Support

#### Informal Settlements Upgrading Implementation Support, Monitoring and Reporting

Indicator title	3.1.1 Number of Provinces and Metros supported to complete Phase 1 of the Informal Settlements
<b>Definition</b>	<p>The indicator measures the number of Provinces and Metros supported to complete Phase 1 of the Informal Settlements upgrading as per approved projects in the business plans. Phase 1 is an early-stage assessment conducted before a full feasibility study or detailed project planning.</p> <p>Completed refers to the achievement of milestones outlined below:</p> <ul style="list-style-type: none"> <li>• Pre-feasibility Studies: initial evaluation study</li> <li>• Community social compacts - formal agreements or understanding between various stakeholders within the community and government.</li> </ul> <p><b>NB:</b> The number of provinces and metros to be supported for phase 1 will be determined by approved projects in the business plans.</p> <p>The Department monitors implementation progress against planned targets as outlined in the approved projects in the business plans.</p> <p>Support will entail the following:</p> <ul style="list-style-type: none"> <li>• Monitoring performance of projects implementation through one of the following: <ul style="list-style-type: none"> <li>○ Desktop assessment</li> <li>○ Site visit</li> <li>○ Project Meeting</li> </ul> </li> <li>• Technical assistance: Guidance on project implementation through: <ul style="list-style-type: none"> <li>○ Quarterly meetings</li> </ul> </li> </ul>
<b>Source of data</b>	<p>The primary information used is a Deeds search to determine the land ownership, conduct a geotechnical investigation to check the suitability of soil for development, the impact of the project on the environment.</p> <p>Data collected from the municipality regarding the availability of various services related to the project, such as Bulk Water, Sewer, Electricity and Road connections are also important data required.</p>
<b>Method of calculation</b>	<p>Simple count of Provinces and Metropolitan municipalities budgeted for Phase 1 and supported to complete Phase 1 of the Informal Settlements Programme.</p>
<b>Means of verification</b>	<p>Report on support will include:</p> <ul style="list-style-type: none"> <li>• Monitoring performance of projects implementation (Q1- Q4)</li> <li>• Technical assistance: Guidance on project implementation through quarterly meetings (Q1- Q4)</li> </ul>
<b>Assumptions</b>	<p>All provinces and municipalities understand the UISP in the National Housing Code, All provinces and municipalities would implement the informal settlements upgrading accordingly, All provinces and municipalities would be directed by the approved business plans,</p>

<b>Indicator title</b>	<b>3.1.1 Number of Provinces and Metros supported to complete Phase 1 of the Informal Settlements</b>
	All service providers appointed would submit progress reports on the feasibility studies conducted (assessment and categorisation) of informal settlements in Phase 1 of the National Housing Code, All provinces and municipalities have the capacity to implement the programme and The DHS would have the required capacity and capabilities to track progress on upgrading.
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	It is inherent in the informal settlements upgrading programme that spatial transformation issues are addressed. Thus, the principles espoused in SPLUMA guide the upgrading of informal settlements.
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Informal settlements completed Phase 1 of the National Housing Code.
<b>Indicator responsibility</b>	Programme Manager: Informal Settlement Upgrading and Emergency Housing

<b>Indicator title</b>	<b>3.1.2 Number of Provinces and Metros supported to complete Phase 2 of the Informal Settlements</b>
<b>Definition</b>	<p>The indicator measures the number of Provinces and Metros of informal settlements supported to complete Phase 2 of the National Housing Code as per approved projects in the business plan. Phase 2 refers to the process of transforming an informal settlement characterised by illegality, insecure tenure, through a formalisation process, which occurs “through a legislated land development planning process, as provided for in the Spatial Planning and Land Use Management Act (SPLUMA), after which land ownership can be conferred through individual title.</p> <p>The informal settlements will be deemed completed to Phase 2 when:</p> <ul style="list-style-type: none"> <li>• Feasibility studies - an assessment conducted to evaluate a proposed project's practicality and potential success.</li> <li>• Detailed Land Development planning - the comprehensive process of designing land for a specific use, for human settlements.</li> </ul> <p><b>NB:</b> The number of provinces and metros to be supported for phase 2 will be determined by approved projects in the business plans.</p> <p>The Department monitors implementation progress against planned targets as outlined in the approved projects in the business plans.</p> <p>Support will entail the following:</p> <ul style="list-style-type: none"> <li>• Monitoring performance of projects implementation through one of the following:</li> </ul>

<b>Indicator title</b>	<b>3.1.2 Number of Provinces and Metros supported to complete Phase 2 of the Informal Settlements</b>
	<ul style="list-style-type: none"> <li>○ Desktop assessment</li> <li>○ Site visit</li> <li>○ Project Meeting</li> <li>● Technical assistance: Guidance on project implementation through: <ul style="list-style-type: none"> <li>○ Quarterly meetings</li> </ul> </li> </ul>
<b>Source of data</b>	<p>The primary information used is a Deeds search to determine the land ownership, conduct a geotechnical investigation to check the suitability of soil for development, the impact of the project on the environment.</p> <p>Data collected from the municipality regarding the availability of various services related to the project, such as Bulk Water, Sewer, Electricity and Road connections are also important data required.</p>
<b>Method of calculation</b>	Simple count of Provinces and Metropolitan municipalities budgeted for Phase 2 and supported to complete Phase 2 of the Informal Settlements Programme.
<b>Means of verification</b>	<p>Report on support will include:</p> <ul style="list-style-type: none"> <li>● Monitoring performance of projects implementation (Q1- Q4)</li> <li>● Technical assistance: Guidance on project implementation through quarterly meetings (Q1-Q4)</li> </ul>
<b>Assumptions</b>	<p>All provinces and metros understand the UISP in the National Housing Code</p> <p>All provinces and metros would implement the informal settlements upgrading accordingly</p> <p>All provinces and metros would be directed by the approved business plans</p> <p>All provinces and metros would submit progress reports on informal settlements in Phase 2 of the National Housing Code.</p> <p>All provinces and metros have the capacity to implement the programme</p> <p>The DHS would have the required capacity and capabilities to track progress on upgrading</p>
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	It is inherent in the informal settlements upgrading programme that spatial transformation issues are addressed. Thus, the principles espoused in SPLUMA guide the upgrading of informal settlements.
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Informal settlements completed to Phase 2 of the National Housing Code.
<b>Indicator responsibility</b>	Programme Manager: Informal Settlement Upgrading and Emergency Housing

<b>Indicator title</b>	<b>3.1.3 Number of Provinces and Metros supported to upgrade Phase 3 of the informal settlements</b>
<b>Definition</b>	<p>The indicator measures the number of Provinces and Metros of informal settlements supported to upgrade Phase 3 of the National Housing Code as per approved projects in the business plan.</p> <p>Upgrading in phase 3 refers to the installation of permanent municipal engineering services, bulk infrastructure, and socio-economic amenities.</p>

<b>Indicator title</b>	<b>3.1.3 Number of Provinces and Metros supported to upgrade Phase 3 of the informal settlements</b>
	<p><b>NB:</b> The number of provinces and metros to be supported for phase 3 will be determined by approved projects in the business plans.</p> <p>The Department monitors implementation progress against planned targets as outlined in the approved projects in the business plans.</p> <p>Support will entail the following:</p> <ul style="list-style-type: none"> <li>• Monitoring performance of projects implementation through one of the following: <ul style="list-style-type: none"> <li>○ Desktop assessment</li> <li>○ Site visit</li> <li>○ Project Meeting</li> </ul> </li> <li>• Technical assistance: Guidance on project implementation through: Quarterly meetings</li> </ul>
<b>Source of data</b>	<p>The primary information used is a Deeds search to determine the land ownership, conduct a geotechnical investigation to check the suitability of soil for development, the impact of the project on the environment.</p> <p>Data collected from the municipality regarding the availability of various services related to the project, such as Bulk Water, Sewer, Electricity and Road connections are also important data required.</p>
<b>Method of calculation</b>	Simple count of Provinces and Metropolitan municipalities budgeted for Phase 3 and supported to complete Phase 3 of the Informal Settlements Programme.
<b>Means of verification</b>	<p>Report on support will include:</p> <ul style="list-style-type: none"> <li>• Monitoring performance of projects implementation (Q1- Q4)</li> <li>• Technical assistance: Guidance on project implementation through quarterly meetings (Q1- Q4)</li> </ul>
<b>Assumptions</b>	<p>All provinces and metros understand the UISP in the National Housing Code</p> <p>All provinces and metros would implement the informal settlements upgrading accordingly</p> <p>All provinces and metros would be directed by the approved business plans</p> <p>All provinces and metros would submit progress reports on informal settlements in Phase 3 of the National Housing Code.</p> <p>All provinces and metros have the capacity to implement the programme</p> <p>The DHS would have the required capacity and capabilities to track progress on upgrading</p>
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	It is inherent in the informal settlements upgrading programme that spatial transformation issues are addressed. Thus, the principles espoused in SPLUMA guide the upgrading of informal settlements.
<b>Calculation type</b>	Non-Cumulative

<b>Indicator title</b>	3.1.3 Number of Provinces and Metros supported to upgrade Phase 3 of the informal settlements
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Informal settlements upgraded to Phase 3 of the National Housing Code.
<b>Indicator responsibility</b>	Deputy Director-General: Informal Settlement Upgrading and Emergency Housing

<b>Indicator title</b>	3.1.4 Number of disaster awareness sessions conducted
<b>Definition</b>	<p>The indicator measures the disaster awareness sessions that will be conducted in 4 provinces, namely</p> <p>Gauteng North-West Mpumalanga Western Cape</p> <p>The Disaster Management Act No. 57 of 2002 defines:</p> <p>Disaster is a progressive or sudden, widespread or localised, natural or human-caused occurrence which causes or threatens to cause:</p> <ul style="list-style-type: none"> <li>• Death, injury, or disease.</li> <li>• Damage to property, infrastructure or the environment.</li> <li>• Disruption of the life of a community.</li> </ul> <p>The Disaster Awareness Sessions on fire &amp; floods prevention will be conducted in the above-mentioned provinces. They will be deemed conducted after the DDG: Informal Settlements &amp; Emergency Housing signs-off the report on awareness sessions held.</p>
<b>Source of data</b>	<p>Provincial and Municipal Spatial Development Frameworks.</p> <p>Provincial and Municipal Disaster Management Plans.</p> <p>Disaster Management Act 57 of 2002.</p> <p>Emergency Housing Guidelines</p>
<b>Method of calculation</b>	Simple count
<b>Means of verification</b>	<p>Quarterly Reports, which include the following:</p> <ul style="list-style-type: none"> <li>• Disaster awareness sessions conducted (include as attachment to the report: Agenda, and attendance registers ) (Q1-Q4).</li> </ul>
<b>Assumptions</b>	<p>All provinces/municipalities understand the Emergency Housing Programme as stated in the National Housing Code of 2009 and in the Emergency Housing Guidelines.</p> <p>All provinces, Municipalities and disaster centres would cooperate with the Emergency Housing Unit to provide temporary emergency housing relief to affected households.</p> <p>All provinces and municipalities understand the revised funding model that was effected from the 1st of April 2023.</p>

<b>Indicator title</b>	<b>3.1.4 Number of disaster awareness sessions conducted</b>
	The DHS would have the required capacity and capabilities to verify the number of households impacted by a disaster, procure relevant goods and services, monitor the progress of the emergency housing interventions, and compile close-out reports thereof.
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	The disaster awareness sessions will enable vulnerable communities, provinces and municipalities to enhance their spatial development frameworks by factoring in the disaster management component in their Human Settlements Integrated Development Plans. The applicable legislative prescripts will be the Disaster Management Act No. 57 of 2002 and the Spatial Planning and Land use Management Act No. 16 of 2013.
<b>Calculation type</b>	Cumulative year-end
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Awareness raised about prevalent disasters
<b>Indicator responsibility</b>	Programme Manager: Informal Settlement Upgrading and Emergency Housing

## PROGRAMME 4: RENTAL AND SOCIAL HOUSING PROGRAMME

### 4.1 Sub-Programme: Capacity Building and Sector Support

#### Rental and Housing Support

Indicator Title	4.1.1 Percentage support provided on the implementation of Rental Housing Programme
<b>Definition</b>	<p>This indicator measures the percentage support provided on the implementation of the National Rental Housing programme to SHRA and the 9 Provinces, as defined in the Housing Code, 2009, the Rental Housing Act and Social Housing Act.</p> <p>Support activities include the following:</p> <ul style="list-style-type: none"> <li>• Performance monitoring of Social Housing Programme</li> <li>• Coordination of the National Rental Housing Task Team (NRHTT) meetings</li> <li>• Process Restructuring Zones (RZs) in line with the approved SOP</li> <li>• Performance monitoring of SHRA</li> <li>• Provide implementation support</li> </ul>
<b>Source of data</b>	<p>SHRA Quarterly and Annual Reports            NHFC Quarterly and Annual Reports            Reports on private-sector rental            Provincial Rental Housing Strategies            Social Housing Act            Social Housing Regulations            Programme Evaluation Reports            Research Reports</p>
<b>Method of Calculation /Assessment</b>	<p>Total number of activities achieved divided by the total number of planned activities multiply by 100</p>
<b>Means of verification</b>	<p>Quarterly report on the implementation support provided to SHRA will entail the following support:</p> <ul style="list-style-type: none"> <li>• Status of Social Housing Programme during period under review including the planned 5-year target of 15 000 completed units (Q1- Q4)</li> <li>• Assessment of 95% of the existing social rental housing stock tenanted (Q1-Q4)</li> <li>• Assessment of 90% of collection rate in tenanted Social Rental housing as monitored by the SHRA (Q1-Q4)</li> <li>• Restructuring Zones applications processed in line with the approved Standard Operation Procedure (Q1-Q4)</li> <li>• Monitoring of provinces through Provinces Steering Committees (PSCs) held in the quarter (Q1-Q4)</li> <li>• Monitoring of provinces through Meetings of the National Rental Housing Task Team (NRHTT) (Q1 - Q4)</li> </ul>
<b>Assumptions</b>	<p>The availability of information at provincial and municipal levels, cooperation of the SHRA, NHFC, provinces, municipalities, and all other relevant stakeholders (including institutions processing rental records), availability of credible HSS reports, and rental housing tribunals being adequately capacitated</p>

<b>Indicator Title</b>	4.1.1 Percentage support provided on the implementation of Rental Housing Programme
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (Where applicable)</b>	The programme seeks to ensure that housing beneficiaries that need rental accommodation are provided with affordable rental housing and social housing units in targeted areas (areas within PSHDA, RZs, economic hubs allowing access to economic opportunities and social amenities) thus contributing to spatial transformation
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Rental Housing Programme supported
<b>Indicator responsibility</b>	Programme Manager: Affordable, Rental and Social Housing

<b>Indicator Title</b>	4.1.2 Percentage support provided to Provinces on the implementation of the CRU Programme
<b>Definition</b>	<p>The indicator measures the percentage support provided to 5 provinces in implementing the Community Residential Units Programme (CRU). The CRU programme targets low-income individuals and households who are unable to enter the formal private rental and social housing market.</p> <p>Community Residential Units are built as a resolution to address specific historical problems relating to public housing stock and for the provision of new rental accommodation in conjunction and complementary to other rental programmes of the National Department and the activity of the private sector. The programme supports the transition of individuals and households from informal and inadequate housing into formal housing markets.</p> <p>Provinces implementing CRUs are  Mpumalanga.  Northwest.  KwaZulu-Natal  Free State  Limpopo</p> <p>Support activities include the following:</p> <ul style="list-style-type: none"> <li>• Providing implementation support to 5 Provinces on the CRU programme as per their approved business plans.</li> <li>• Conducting one project site visit in one province per quarter.</li> </ul>
<b>Source of data</b>	Reports on the implementation support provided on the CRU programme.
<b>Method of Calculation /Assessment</b>	Total number of activities achieved divided by the total number of planned activities multiply by 100

<b>Indicator Title</b>	<b>4.1.2 Percentage support provided to Provinces on the implementation of the CRU Programme</b>
<b>Means of verification</b>	Report on support will include: <ul style="list-style-type: none"> <li>• CRU Reference Group (include as attachment to the report: Agenda, and attendance registers (Q1-Q4).</li> <li>• Intervention support to one project in one province in a quarter (Q1-Q4).</li> <li>• One project site visit in one province per quarter (Q1-Q4).</li> <li>• Progress on projects under implementation (Q1-Q4).</li> </ul>
<b>Assumptions</b>	Co-operation between the National and Provincial Departments of Human Settlements. Timeous availability of relevant information.
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (Where applicable)</b>	CRU will create opportunities for local economic growth, job creation and training and may bring other interested private sector role-players to the housing development process.
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Implementation of the CRU programme supported.
<b>Indicator responsibility</b>	Programme Manager: Affordable, Rental and Social Housing

## PROGRAMME 5: AFFORDABLE HOUSING PROGRAMME

### 5.1 Sub-Programme: Capacity Building and Sector Support

#### Transversal programmes and Projects

Indicator Title	5.1.1 Percentage support provided to provincial departments towards the registration of title deeds
<b>Definition</b>	<p>The indicator measures the percentage of support provided to nine provinces in the registration of title deeds. Registration refers to the legal process that prescribes the transfer of ownership in terms of the Deeds Registries Act 47 of 1937.</p> <p>Support activities include the following:</p> <ul style="list-style-type: none"> <li>• Planning support: assist provinces in ensuring that their business plans' targets are aligned to the MTDP targets</li> <li>• Implementation support: Identify challenges and provide recommendations.</li> <li>• Monitoring progress: performance figures of the title deeds registered</li> </ul>
<b>Source of data</b>	<p>Provincial Title Deeds Business Plans Deeds Registry-based records The Business plans assessment report Quarterly reports on the support provided to provincial departments towards the delivery of business plan outputs</p>
<b>Method of calculation/assessment</b>	Total number of activities achieved divided by the total number of planned activities multiply by 100
<b>Means of verification</b>	<p>Report on support will include:</p> <ul style="list-style-type: none"> <li>• Planning support: assist provinces in ensuring that their business plans' targets are aligned to the MTDP targets. (Q4)</li> <li>• Implementation support: identify challenges and provide recommendations. (Q1-Q4)</li> <li>• Monitoring progress: performance of the title deeds registered (Q1-Q4)</li> </ul>
<b>Assumptions</b>	<p>Co-operation between the national and provincial department Timeous availability of relevant information</p>
<b>Disaggregation of beneficiaries (where applicable)</b>	Not Applicable
<b>Spatial transformation (Where applicable)</b>	Not Applicable
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	All state-provided homes, where applicable, are transferred to the rightful beneficiaries
<b>Indicator responsibility</b>	Programme Manager: Affordable, Rental and Social Housing

## Affordable Housing

<b>Indicator Title</b>	5.1.2 Percentage support provided to provinces in the completion of housing units
<b>Definition</b>	<p>The indicator measures the percentage of support provided to nine provinces in the completion of housing units.</p> <p>A completed Housing Unit is a permanent residential structure provided by means of the housing subsidy at a minimum of 40 square meters of gross floor area. Each house, as a minimum, must be designed in line with the minimum requirements as per the Housing Code.</p> <p>Support activities include the following:</p> <ul style="list-style-type: none"> <li>• Analysis of provincial performance figures</li> <li>• Technical assistance: Guidance on project implementation through the National Steering Committee Meetings.</li> <li>• Recovery implementation plan on the selected three poor-performing provinces from the previous quarter report.</li> </ul>
<b>Source of data</b>	<p>Provincial Business Plans, DORA report (National) Housing Subsidy System report (HSS) District project managers</p>
<b>Method of Calculation /Assessment</b>	Total number of activities achieved divided by the total number of planned activities multiply by 100
<b>Means of verification</b>	<p>Report on support will include:</p> <ul style="list-style-type: none"> <li>• Analysis of provincial performance (Q1 - Q4)</li> <li>• Technical assistance provided (include as attachment to the report: Agenda, minutes, and attendance registers for Steering Committee meetings) (Q2 &amp; Q4)</li> <li>• Recovery implementation plan on the selected three poor-performing provinces from the previous quarter report (Q1 &amp; Q3)</li> </ul>
<b>Assumptions</b>	<p>Availability of project plan, budget, and human resource Co-operation between the national and provincial department Timeous availability of relevant information</p>
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (Where applicable)</b>	The housing units will create opportunities for local economic growth, job creation and training and may bring other interested private-sector role-players to the housing development process.
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Adequate support is provided to ensure that housing units are delivered
<b>Indicator responsibility</b>	Programme Manager: Affordable, Rental and Social Housing

<b>Indicator Title</b>	5.1.3 Percentage support provided to provinces and metros in the completion of serviced sites
<b>Definition</b>	<p>The indicator measures percentage of support provided to nine provinces and eight metros in the completion of serviced sites targeted by the Provincial Departments of Human Settlements and Metros utilising HSDG, USDG and ISUPG.</p> <p>A serviced site refers to a stand/ Erf/ plot with infrastructure for water, sanitation, stormwater, and road. A serviced site is considered completed when all the above elements are achieved.</p> <p>Support activities include the following:</p> <ul style="list-style-type: none"> <li>• Analysis of provinces and metros' performance figures</li> <li>• Technical assistance: Guidance on project implementation through the National Steering Committee Meetings.</li> <li>• Recovery implementation plan on the selected three poor-performing provinces and metropolitan municipality from the previous quarter report.</li> </ul>
<b>Source of data</b>	<p>Business Plans, Dora Reports Housing Subsidy System report (HSS) Resolution register of projects approved. Project implementation plan (PIP)</p>
<b>Method of Calculation /Assessment</b>	Total number of activities achieved divided by the total number of planned activities multiply by 100
<b>Means of verification</b>	<p>Report on support will include:</p> <ul style="list-style-type: none"> <li>• Analysis of provinces and metros' performance (Q1 - Q4)</li> <li>• Technical assistance provided (include as attachment to the report: Agenda, minutes, and attendance registers for Steering Committee meetings) (Q2 &amp; Q4)</li> <li>• Recovery implementation plan on the selected three poor-performing provinces and metropolitan municipality from the previous quarter report (Q1 &amp; Q3)</li> </ul>
<b>Assumptions</b>	<p>Availability of project plan, budget, and human resource Co-operation between the national and provincial department Timeous availability of relevant information</p>
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (Where applicable)</b>	The serviced sites will create opportunities for local economic growth, job creation and training and may bring other interested private-sector role-players to the housing development process.
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Adequate support is provided to ensure completion of serviced site
<b>Indicator responsibility</b>	Programme Manager: Affordable, Rental and Social Housing

Indicator Title	5.1.4 Number of Reports on monitoring the unblocked projects
<b>Definition</b>	<p>The indicator measures the number of monitoring reports produced on the unblocked projects.</p> <p>A monitoring report on unblocked projects will be deemed complete when signed off by the Deputy Director-General.</p> <p>The department strives to unblock projects that have been stagnant for more than 12 months, which are categorised as blocked projects, to maximise the delivery of both serviced sites and housing units. Blocked projects are projects that have not incurred expenditure for a minimum period of 12 months and have already started on the ground with approved beneficiaries. Monitoring will entail the analysis of provincial unblocked projects (figures)</p>
<b>Source of data</b>	<p>Provincial Business Plans, DORA report (National) Housing Subsidy System (HSS)</p>
<b>Method of Calculation /Assessment</b>	Simple count
<b>Means of verification</b>	<p>Report on monitoring will include:</p> <ul style="list-style-type: none"> <li>The analysis of provincial unblocked projects (figures ) (Q1-Q4)</li> </ul>
<b>Assumptions</b>	<p>Availability of project plan, budget, and human resource Co-operation between the national and provincial department Timeous availability of relevant information</p>
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (Where applicable)</b>	The unblocked projects include both serviced sites and housing units that create opportunities for local economic growth, job creation and training and may bring other interested private-sector role-players to the housing development process.
<b>Calculation type</b>	Cumulative Year-End
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Adequate support provided to unblock all blocked projects
<b>Indicator responsibility</b>	Programme Manager: Affordable, Rental and Social Housing

Indicator Title	5.1.5 Percentage support provided in the disbursement of subsidies (FHF)
<b>Definition</b>	<p>The indicator measures the percentage of support provided in the implementation of First Home Finance (FHF) programme where subsidies are disbursed for the purchase/building of housing units/sites to approved beneficiaries. The subsidy Programme is available to qualifying beneficiaries in the affordable housing market. The government will provide a once-off subsidy contribution, which is a non-refundable amount, and depending on households' income earning between R3 501 – R22 000 gross income per month.</p> <p>The National Department is expected to support NHFC and 9 provinces in the implementation of FHF Support activities include the following:</p> <ul style="list-style-type: none"> <li>• Analysis of the provincial business plans to assess prevalence of FHF targets</li> <li>• Assessment of subsidies disbursed through the analysis of the performance reports from provinces</li> <li>• Assessment of subsidies disbursed through the analysis of the performance reports from NHFC</li> </ul>
<b>Source of data</b>	Provincial Departments of Human Settlements quarterly reports, NHFC quarterly reports NHFC's FHF implementation plan Approved Provincial Business Plans
<b>Method of Calculation /Assessment</b>	Total number of activities achieved divided by the total number of planned activities multiply by 100
<b>Means of verification</b>	Report on support will include: <ul style="list-style-type: none"> <li>• Assessment of business plans (Q1-Q4)</li> <li>• Assessment of subsidies disbursed through the analysis of the performance reports from provinces (Q1-Q4)</li> <li>• Assessment of subsidies disbursed through the analysis of the performance reports from NHFC (Q1-Q4)</li> </ul>
<b>Assumptions</b>	Reliable reports from NHFC and provinces Co-operation between the national and provincial department Timeous availability of relevant information
<b>Disaggregation of beneficiaries (Where applicable)</b>	Not Applicable
<b>spatial transformation (Where applicable)</b>	FHF will create opportunities for local economic growth, job creation and training and may bring other interested private-sector role-players to the housing development process.
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	FHF subsidies disbursed to qualifying beneficiaries.
<b>Indicator responsibility</b>	Programme Manager: Affordable, Rental and Social Housing

<b>Indicator Title</b>	<b>5.1.6 Percentage support provided to seven (7) Provinces in the eradication of uninhabitable mud houses</b>
<b>Definition</b>	<p>The indicator measures the level of implementation support to provinces (excluding Gauteng and Western Cape) in the eradication of uninhabitable mud houses.</p> <p>Uninhabitable mud houses are houses made up of mud and are not conducive for people to live in.</p> <p>Monitoring will entail the following activities:</p> <ul style="list-style-type: none"> <li>• Analysis of performance figures of eradicated mud houses</li> <li>• Technical assistance: Guidance on project implementation through the National Steering Committee Meetings</li> </ul>
<b>Source of data</b>	<p>Provincial Business Plans DoRA report (National) Housing Subsidy System report (HSS)</p>
<b>Method of calculation/assessment</b>	Total number of activities achieved divided by the total number of planned activities multiply by 100
<b>Means of verification</b>	<p>Report on support will include:</p> <ul style="list-style-type: none"> <li>• Performance figures of eradicated mud houses (Q1-Q4)</li> <li>• Technical assistance: Guidance on project implementation through the National Steering Committee Meetings (Q2 &amp; Q4)</li> </ul>
<b>Assumptions</b>	Seven (7) Provinces to plan and budget for the eradication of uninhabitable mud houses/structures
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	Replacing mud houses with durable formal structures to restore the dignity and improve the quality of life of the communities
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	The successful eradication of uninhabitable mud houses
<b>Indicator responsibility</b>	Programme Manager: Affordable, Rental and Social Housing

## ANNEXURES TO THE ANNUAL PERFORMANCE PLAN

### Annexure A: Amendments to the Strategic Plan

There were no amendments to the Departmental strategic plan. The Department did not plan for evaluation studies in the 2026-27 Financial year.

### Annexure B: Conditional Grants.

Name of Grant	Purpose	Outputs	Current Annual Budget (R thousands)	Period of Grant
Human Settlements Development Grant	<ul style="list-style-type: none"> <li>To provide funding for the progressive realisation of access to adequate housing through the creation of sustainable and integrated human settlements</li> </ul>	<ul style="list-style-type: none"> <li>Number of residential units delivered in relevant housing programmes</li> <li>Number of serviced sites delivered in relevant housing programmes</li> <li>Number of informal settlements upgraded in situ and/or relocated</li> <li>Number of subsidies disbursed through First Home Finance</li> <li>Number of title deeds registered to beneficiaries</li> <li>Hectares of well-located land acquired and rezoned for development of housing opportunities</li> <li>Number of socio-economic amenities delivered in human settlements</li> <li>Number of integrated residential development projects registered on housing subsidy system, planned and approved, funded and implemented</li> <li>Number of township registers opened in respect of pre and post 1994 title deeds backlog</li> <li>Number of beneficiaries confirmed as legitimate in registered townships in respect of pre and post 1994 title deeds backlog</li> </ul>	13 258 003	This is a long-term grant as the government must assist the poor with the provision of human settlements in terms of the Constitution

Name of Grant	Purpose	Outputs	Current Annual Budget (R thousands)	Period of Grant
	<ul style="list-style-type: none"> <li>Number of township establishments registered and declared</li> <li>Number of ownership disputes logged and resolved in respect of pre and post 1994 title deeds backlog</li> <li>Number of implementation programmes for priority housing development areas</li> </ul>			
<b>Urban Settlements Development Grant</b>	<ul style="list-style-type: none"> <li>To supplement the capital revenues of metropolitan municipalities in order to implement infrastructure projects that promote equitable, integrated, productive, inclusive and sustainable urban development</li> </ul>	<ul style="list-style-type: none"> <li>The following outputs should be funded by the grant to support the improvement of the overall built environment: <ul style="list-style-type: none"> <li>increased annual investment in renewal (rehabilitation and/or replacement) and expansion in municipal bulk and distribution infrastructure</li> <li>increase in the provision of access to municipal bulk and link infrastructure, connector services and reticulations</li> <li>increase in access to public and socio-economic amenities</li> <li>construction/provision of internal engineering services, including backyards and densification overlay zones</li> <li>hectares of land already acquired as approved by the National Department of Human Settlements and rezoned for provision for subsidised housing, or mixed-use developments in support of approved human settlements and other urban developments</li> <li>number of inner-city buildings renovated/refurbished</li> </ul> </li> </ul>	<b>4 079 065</b>	This grant continues until 2028/29, subject to review

Name of Grant	Purpose	Outputs	Current Annual Budget (R thousands)	Period of Grant
<p><b>Informal Settlements Upgrading Partnership Grant (Provinces)</b></p>	<ul style="list-style-type: none"> <li>To provide funding to facilitate a programmatic and inclusive approach to upgrading informal settlements</li> </ul>	<p>The grant shall fund the outputs defined in phases 1 – 3 of the Upgrading of Informal Settlements Programme (UISP) in the National Housing Code of 2009 (National Housing Code):</p> <p><b>Social Facilitation:</b></p> <ul style="list-style-type: none"> <li>Number of informal settlements where social facilitation was conducted (from project initiation to implementation)</li> </ul> <p><b>Phase 1</b></p> <ul style="list-style-type: none"> <li>Number of prefeasibility studies conducted</li> <li>Number of informal settlements re-blocked</li> </ul> <p><b>Phase 2</b></p> <ul style="list-style-type: none"> <li>Hectares of land acquired</li> <li>Number of informal settlements benefiting from rudimentary services/interim municipal engineering services and/or any alternative technology</li> <li>Number of engineering designs: water, sewer, roads and storm water drainage concluded</li> <li>Number of layout plans approved</li> </ul> <p><b>Phase 3</b></p> <ul style="list-style-type: none"> <li>Number of settlements provided with permanent municipal engineering services and/or any other alternative engineering services</li> <li>Number of informal settlements supplied with bulk infrastructure projects</li> <li>Number of serviced sites developed</li> <li>Number of social and economic amenities. The specific types of amenities must only be provided in collaboration with the municipality and the community</li> <li>Number of title deeds registered</li> <li>Number of township establishments registered</li> </ul>	<p><b>1 925 053</b></p>	<p>This grant will continue until 2028/29, subject to review</p>

Name of Grant	Purpose	Outputs	Current Annual Budget (R thousands)	Period of Grant
<b>Informal Settlements Upgrading Partnership Grant (Metros)</b>	<ul style="list-style-type: none"> <li>The creation of sustainable and integrated human settlements that enable improved quality of household life</li> </ul>	<p>The grant shall fund the outputs defined in Phases 1 – 3 of the Upgrading of Informal Settlements Programme (UISP) in the National Housing Code of 2009</p> <p><b>Social Facilitation:</b></p> <ul style="list-style-type: none"> <li>Number of informal settlements where community compacts were conducted</li> </ul> <p><b>Phase 1</b></p> <ul style="list-style-type: none"> <li>Number of pre-feasibility studies conducted</li> <li>Number of informal settlements re-blocked</li> </ul> <p><b>Phase 2</b></p> <ul style="list-style-type: none"> <li>Hectares of land acquired as approved by the National Department as the Transferring Officer</li> <li>Number of informal settlements benefiting from rudimentary services/interim municipal engineering services and/or any alternative technology</li> <li>Number of engineering designs: water, sewer, roads and storm water drainage concluded</li> <li>Number of layout plans approved</li> </ul> <p><b>Phase 3</b></p> <ul style="list-style-type: none"> <li>Number of settlements provided with permanent municipal engineering services and/or any other alternative engineering services</li> <li>Number of informal settlements supplied with bulk infrastructure projects/services</li> <li>Number of serviced sites developed</li> <li>Number of socioeconomic amenities delivered</li> <li>Number of sites transferred to end users</li> <li>Number of township establishments registered</li> </ul>	<b>4 717 316</b>	This grant will continue until 2028/29, subject to review

### Annexure C: Consolidated Indicators and Provincial Breakdowns

Institution	Output Indicator	Annual Target	Data Source
NHFC & Provinces	Number of subsidies disbursed through FHF	2 244	NHFC
	Number of housing units completed	36 884	
Provinces	Number of serviced sites completed	19 393	Provinces
	Number of Informal Settlements completed in Phase 1	21	
	Number of Informal Settlements completed in Phase 2	53	
	Number of Informal Settlements upgraded in Phase 3	79	
	Number of title deeds registered	26 917	

\*\* Draft figures for Mpumalanga, KwaZulu Natal and Free State were used since their final APPs were not available at the time of finalising this document.

### Annexure D: NSDF and District Development Model

