



No.0234 - 2023: Fifth Session, Sixth Legislature

GAUTENG PROVINCIAL LEGISLATURE

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

Wednesday, 14 June 2023

ANNOUNCEMENTS

none

TABLINGS

none

COMMITTEE REPORTS

1. The Chairperson of the Human Settlements Portfolio Committee, Hon. A A Ndlovana, tabled the Committee's Oversight Report on the Fourth Quarterly Performance Report of the Department of Human Settlements for the 2022/2023 financial year, as attached:

COMMITTEES QUARTER OVERSIGHT REPORT ON DEPARTMENT / ENTITY PERFORMANCE

Portfolio Committee on Human Settlements Oversight Report on the 4th Quarterly Performance for the Gauteng Department of Human Settlements for the 2022/23 Financial Year

Committee Details		Department / Entity Details	
Name of Committee	Human Settlements Portfolio Committee	Name of Department / Entity	Gauteng Department of Human Settlements
Which Financial Year	2022/23	Dept. Budget Vote Nr.	8
Which Quarter	4 th	Hon. Minister / MEC	Mr Lebogang Maile
Committee Approvals			
	Name	Date Considered by Committee	
Hon. Chairperson	Ms Alphina Ndlovana	Monday, 12 June 2023	
Adoption and Tabling			
Date of Final Adoption by Committee		Scheduled date of House Tabling	
Monday, 12 June 2023		Thursday, 15 th June 2023	

NOTES:

- When expressing monetary amounts, please use South African Rand only “R” and express the full Rand amount with no cents
- When expressing percentage, please use the “%” sign and round off to two (2) decimal places
- When analysing Department / Entity performance, please do NOT copy and paste the Department / Entity performance / budget tables. These need to be analyzed.
- In the Executive Summary, include just the strategic or high level “Snap-shots” of the required information. Details will be provided later in the report under “Programme Achievement”.

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i. ABBREVIATIONS

Abbreviation	Full Wording
Abbreviation	Full Wording
ABT	Alternative Building Technology
AFCU	Anti-Fraud and Corruption Unit
AGSA	Auditor General of South Africa
APP	Annual Performance Plan
ARA	Affordable Rental Accommodation
BCM	Budget Cycle Model
CoE	Compensation of Employees
COVAC	Committee's Oversight Accountability Framework
CRUs	Communal Rental Units
EPRE	Estimates of Provincial Expenditure
FY	Financial Year
GAS	Gauteng Audit Services
GCR	Gauteng City Region
GDHS	Gauteng Department of Human Settlements
GPG	Gauteng Provincial Government
IDPs	Integrated Development Plans
IRDP	Integrated Residential Development Programme
MEC	Member of the Executive Council
MIG	Municipal Infrastructure Grant
MHD	Mixed Housing Development
MTEF	Medium Term Expenditure Framework
MYHDP	Multi Year Housing Development Plan
NHBRC	National Home Builders Registration Council
NYDA	National Youth Development Agency
OSD	Occupational Specification Dispensation
PEBA	Programme Evaluation and Budget Analysis
PFMA	Public Finance Management Act
PWD	People with Disabilities
SMS	Senior Management Service

Abbreviation	Full Wording
SOM	Sector Oversight Model

ii. SUMMARY

ii. [Summary of the report]

Strategic Priorities

Amongst others, the strategic priorities of the Department of Human Settlements in Gauteng are to build a capable, ethical, and developmental state, to ensure economic transformation, job creation, spatial integration, human settlements and the development of local government. The Portfolio Committee noted that the Department received R6 407 738 000.00. The budget of the Department was adjusted from R6 607 739 000 000 during the second adjustment process which saw the budget of the GDHS being cut by R200 000 which was as a result of dissatisfaction on the reporting regarding performance of UISP.

The Department allocated a total of R1 899 111 000.00 in the fourth quarter and as at the end of the quarter under review, the Department managed to spend R2 640 879 000.00 which translates to an overall expenditure of 139% and the Department was supposed to spend 100% by the end of the quarter under review and has overspent its quarterly budget by 39%.

The Department's service delivery is implemented through four key programmes and allocated the budget as follows during the quarter under review: Programme 1: Administration was allocated R187 722 000 00, and the Department spent R317 472 000.00 registering an expenditure of 170%. This shows that the programme overspent by 70%. Programme 2: Housing Needs, Planning and Research was allocated R6 480 000.00 and the Department managed to spend R4 514 000.00 registering an under expenditure of 70%. The Committee should note that this programme has a history of under expenditure. Programme 3: Housing Development was allocated R1 624 946 000.00 but the Department spent R2 189 484 000.00 registering an expenditure of 135%. The programme overspent its budget by 35% and Programme 4: Housing Assets Management and Property Management was allocated R80 963 000.00 but the Department spent R129 409 000.00 registering 160% expenditure. The programme overspent its budget by 60%.

The Portfolio Committee noted that the Department in terms of the number of Breaking New Ground houses delivered, the planned target was 1 816 and this was achieved as 3 119 was realized. With regards to the number of serviced sites delivered, the planned target was 2 678 and this was achieved as 2 953 was accomplished.

About the number of approved beneficiaries allocated available housing units, the planned target was 1 500 and 2 360 approved beneficiaries were allocated to available housing units.

In relation to the number of serviced sites procured from the private sector each financial year, the planned output for the quarter under review was 860. However, 548 was achieved. In terms of Rand Value of funding facilitated for bulk infrastructure to local municipalities per financial year, the planned target was R118 658 490 000.00, and this was not achieved as R264 861 613, 39 was realised.

Regarding the Gauteng Department of Human Settlements focused policies reviewed per financial year, the Department planned to review 5 policies and this target has been achieved as 23 policies were reviewed. In terms of reviewing the Gauteng Human Settlements Spatial Master Plan, the plan was reviewed, and Gauteng Multi-year Project Pipeline/Project Bank has been updated.

ii. [Summary of the report]

With regards to the number of formalised townships per financial year, the planned target during the quarter under review was 10 and no township was formalised. On the number of integrated implementation programmes for priority development areas completed per year, the planned target was four and this was not achieved,

The Department shows that a total of 2 077 post-1994 title deeds were registered against a planned target of 3 691. This, according to the Department, is due to delay in finalization of townships formalization. Moreover, post-2014 title deeds registered, the planned target was 600 and this was not achieved. In terms of pre 1994 title deeds registered, the planned target was 41 and it was not achieved.

With regards to the percentage of residential rental housing disputes resolved by the end of the financial year, the planned target was 65% and this was not achieved as 51% was achieved. In terms of the number of ownership disputes resolved in respect of pre-1994 title deeds backlog, the planned target was 15 and this was not achieved. It is reported that slow progress was due to the postponement of hearings owing to unavailability of disputing parties.

On the number of new title deeds registered, the planned target was 500 and this was not achieved. This is because of outstanding planning to finalize transfers. The delays in respect of the issuance of Section 53 SPLUMA certificate by Merafong Municipality.

Department / Entity APP Achievement

An overall Summary of whether the Committee thinks the Department / Entity Non-Financial Performance is sound and prudent

The Department planned to achieve 47 targets across its 4 programmes during the 4th quarter 2022/23 FY; out of which 14 (30%) targets were achieved with 33 (70%) not achieved.

An analysis on whether (and if so, the extent to which) the Department / Entity Programmes / Projects are indeed achieving its Strategic Objectives / Service Delivery Outcomes for the period under review.

The Committee notes with concern that the Department has consistently been underperforming on its planned targets. The Committee continues to encourage the Department to ensure that the service delivery mandate is achieved. The Portfolio Committee is of a view that all programmes did not achieve all its planned targets.

Department / Entity Project Management

Overall Summary on management and delivery of Department / Entity Projects

The Committee noted the department has attached the list of projects for 4th quarter as per the Business Plan.

Financial Performance

An overall Summary of whether the Committee thinks the Department / Entity Financial Performance is sound and prudent

The Department received R6 407 738 000. 00. The budget of the Department was adjusted from R6 607 739 000 000 during the second adjustment process which saw the budget of the GDHS being cut by R200 000 which was as a result of dissatisfaction on the reporting regarding performance of UISP.

ii. [Summary of the report]

The Department has spent 56% of its annual allocated budget during the third quarter under review, at the end of the second quarter, the Department has spent 45% of its total allocation. During the quarter under review the Department has spent 99% of its total allocated budget.

Resolutions Management

An overall Summary of the Committee's assessment of Department / Entity Resolutions Management

The Portfolio Committee received Resolutions from the Department and still to be analysed by the Committee Researcher.

Petitions Management

An overall Summary of the Committee's assessment of Department / Entity Petitions Management

The Department did not report on this line item.

Public Engagements

An overall Summary of the Committee's assessment of Department / Entity Public Engagements

[Not applicable]

International Agreements

Overall Summary on Department / Entity implementation of relevant Internal Agreements / Treaties [Only if applicable]

[Not applicable]

GEYODI Empowerment

Overall Summary on Department / Entity achievement on actual GEYODI empowerment in communities

Preferential Procurement: 6% Women

Contractor Development (Women trained in Q3): Twenty-four (24) Women were trained.

Allocation of houses to women: Five hundred and ninety-one (591) Houses allocated to women.

Title deeds issued to women:

- Pre-1994 title deeds registered: Two hundred and thirty (230) issued with title deeds.
- Post 2014 title deeds registered: Five hundred and sixty-seven (567) issued with title deeds.
- New title deeds Registered: Seven hundred and fifty-eight (758) issued with title deeds.

ii. [Summary of the report]

Job Creation: One hundred and sixty-four (164) Women

Name of women companies awarded work in Q4:

Preferential Procurement: 11.48% Spent on youth.

Contractor Development (Youth trained in Q3): **Sixteen (16)** Youth contractors were trained.

Bursaries: 9 Bursaries awarded (non-cumulative)

Internships: **Thirty -six (36)** Youth appointed as interns (non-cumulative)

Job Creation: **Three hundred and eighty (380)** youth were afforded job opportunities.

Youth benefitted from Rapid Land Release Programme: **Zero (00)** youth benefitted from Rapid Land Release Programme

Preferential Procurement: People living with disabilities (PWDs): 0.11% Spent on PWD's

Contractor Development (PWDs trained in Q3): **Five (05)** PWD's were trained.

Allocation of houses to PWDs: **Twenty-seven (27)** PWD's were allocated houses.

Title deeds issued to PWDs: **Zero (00)** PWD's were allocated.

Job Creation: **One (01)** PWD's benefitted.

Preferential Procurement: Senior Citizens

ii. [Summary of the report]
<p>Allocation of houses to Senior Citizens: One hundred and ninety (190) senior citizens were allocated houses.</p> <p>Title deeds issued to Senior Citizens: Three Hundred and Thirty (330) Title Deeds allocated to Senior Citizens.</p>
Fiduciary Compliance <i>Overall Summary on Department / Entity Compliance with fiduciary requirements</i>
The Department did not report any on this line item.
Capacitated Department / Entity <i>An overall Summary of whether the Committee thinks the Department / Entity is adequately capacitated and resourced to carry out its functions and discharge its mandates</i>
The Committee has always been of the view that lack of improvement on spending the allocated budget continuously and not achieving planned targets.
Any other Committee Focus Area (if relevant / applicable and Requirement) <i>High level summary of any other area of Department / Entity performance with respect to its Quarter Report that the Committee wishes to report on, which is not already included in any of the above Focus Areas.</i>
[Not applicable]
Summary of Committee Findings <i>High level summary of Committee findings. Broadly, which aspects do they relate to</i>
<p>The Committee continuously observes that the Department fails to spend its annual budget and never meets its planned targets. Moreover, there is 's;</p> <ol style="list-style-type: none"> 1. The Portfolio Committee noted that at the end of the quarter under review the department had overspent its quarterly budget by 39%. 2. The Portfolio Committee noted that there was no correlation between expenditure and delivery as the Department did not achieve most of their targets. 3. The Portfolio Committee noted that there were a number of jobs created through human settlements initiatives. However, details on the number and nature of jobs created were not provided to the Committee. 4. The Portfolio Committee remains concerned with the insufficient bulk infrastructure as this poses a risk to the development of houses and Mega projects. 5. The Portfolio Committee noted initiatives by the Department to empower women, youth, and people with disabilities. However, there was no detailed report on how these groups would be empowered. 6. Lack of reporting with regards to the pre 1994 title deeds registered, the planned target was 41 and it was not achieved.

ii. [Summary of the report]

Summary of Committee Recommendations

High level summary of Committee Recommendations. Broadly, which aspects do they relate to

The Committee recommends that the Department provide.

1. The Department should provide reasons for overspent expenditure of 39%.
2. The Department should submit a detailed report on why there is lack of correlation between its expenditure and performance.
3. Provide a detailed report on the number and nature of jobs that have been created through human settlements initiatives.
4. The Department should submit a progress report on ways to address the issue of insufficient bulk infrastructure.
5. The Department should submit a detailed report on how women, youth, and people with disabilities will be empowered through human settlements initiatives.
6. Provide reasons for not being able to meet a planned target of 41 1994 title deeds register.

iii. INTRODUCTION

The constitutional powers given to Provincial Legislatures in Chapter 6, Section 114 (2) of *The Constitution of the Republic of South Africa (1996)* outlines that the provincial legislature must provide for mechanisms; to ensure that all provincial executive organs of state in the province are accountable to it; and also to exercise oversight over the provincial executive authority in the province¹.

In line with the provisions of the Constitution, the Public Finance Management Act (PFMA), 1999 (*Amended by Act 29 of 1999*), is an important piece of legislation. The key objectives of this Act, among others, enable the public sector managers to: be more accountable; provide quality information on time; and to eliminate corruption and waste of public funds and misuse of assets.

¹

The Human Settlements Portfolio Committee, through the Sector Oversight Model (SOM), assesses the overall performance of the Department i.e. financial and non-financial, against set targets and expenditure patterns. SOM states that In Year Monitoring (IYM) through quarterly reports provide a Committee with the information needed to monitor effective programme implementation².

This report was developed in accordance with the Sector Oversight Model (SOM), the GPL Committees Oversight and Accountability Framework (COVAC) as part of the GPL Project on Standardization of Oversight, Accountability and Reporting in Gauteng (SOAR-GP)

iv. PROCESS FOLLOWED

- The office of the Speaker referred 4th Quarterly Performance Report of the Gauteng Department of Human Settlements for the 2022/23 financial year to the Portfolio Committee of Human Settlements for consideration and reporting.
- On Friday, 05 May 2023, the Portfolio Committee Researcher presented the analysis of the 4th Quarterly Report for the 2022/23 FY.
- On Friday, 12 May 2023, the Department presented the 4th Quarterly Report for the 2022/23 FY
- The Portfolio Committee deliberated and adopted the draft report on Monday, 12 June 2023. The report was submitted to the Proceedings Unit for tabling and consideration by the House.

1. OVERSIGHT ON DEPARTMENT / ENTITY ACHIEVEMENT OF STRATEGIC PRIORITIES

1.1 THE DETAILS ON Department / Entity achievement on relevant Strategic Priorities for the period under review]

The Performance of the department under strategic Priorities for the period under review are as follows:

Strategic Priority 1: Building a capable, ethical and developmental state:

²

1.1 THE DETAILS ON Department / Entity achievement on relevant Strategic Priorities for the period under review]

- The Department has implemented the Infrastructure Delivery Management System, and nothing was implemented during the quarter under review.

Strategic Priority 2: Economic transformation and job creation:

- 400 Youth trained in construction trades (Bricklaying, Plastering, Plumbing) and placed on-site (projects for experiential learning), and no youth was trained.
- 30% of the Departmental procurement budget spent on township-based businesses and 0,84% was spent.
- 100% of Small Medium & Micro Enterprises (SMMEs) paid within 15 days after receipt of their compliant invoices and the department is working on segregating the information. It will be report on the next financial year.
- 90 Local inclusive of township SMMEs benefitting from the decongestion and decontamination of informal settlements and No procurement done on the decongestion of informal settlements.
- 200 Qualifying incubator contractors from the Youth, Women and People with Disabilities allocated construction work and no work was allocated to incubator contractors.
- 5% of the Departmental procurement budget spent on local material suppliers based in the townships and 3%, of procurement spent on local suppliers in the township.
- 60 of youth employed temporarily as data capturers to track and monitor construction job creation, SMME performance during and post-the COVID-19 pandemic and no employment was given to youth.
- Percentage investment of the Department's procurement and the department managed to allocate 0,84% Local/Township businesses; 14,35% Women; 9,30% Youth and 0,67% People with Disabilities
- Jobs are also being created with a Total of 1 320 on Youth 904; Woman 414; and PWD 2 jobs created during the quarter under review

Strategic Priority 5: Spatial integration, human settlements and local government

- The Department was supposed to release 100 000 Release opportunities on serviced sites owned by the state serviced and nothing was released on serviced sites.
- Out of 30 958 Mega Projects housing units, the Department managed to complete 3119 Mega Projects housing units completed.
- On the planned target of 34 713 Mega Projects serviced stands and 2953 Mega Projects serviced stands developed
- 22 518 Housing units delivered through the Legacy Projects and 707 Housing units delivered through the Legacy Projects.
- 11 055 Serviced sites delivered through the Legacy Projects by 2024/25 and 0 Serviced legacy sites delivered.
- 38 informal settlements upgraded in the West Rand and Sedibeng, (across all corridors) in accordance with the Upgrading of Informal Settlements and 0 informal settlements upgraded.
- 75 444 New title deeds as part of the commitment to clear the title deeds backlog by 2024/25 and 0 Post – 2014 title deeds were issued..

2 OVERSIGHT ON DEPARTMENT / ENTITY ACHIEVEMENT OF APP TARGETS

2 [THE DETAILS ON DEPARTMENT / ENTITY APP PERFORMANCE]
Number of APP targets relevant for this Quarter
47
Number of APP targets for this Quarter that have been achieved during this Quarter
14
Percentage of APP targets for this Quarter that have been achieved during this Quarter
30%
Percentage of APP achievement for the previous Quarter (for Comparison)
27%
Main areas in the APP that have experienced non-achievement or over achievement during this Quarter
<p>The Committee noted that all the programmes have underspent their annual and quarterly allocations.</p> <ul style="list-style-type: none"> ● Programme 1: Administration: registering an expenditure of 170%. This shows that the programme overspent by 70%. ● Programme 2: Housing Needs, Planning and Research: registering an under expenditure of 70%. The Committee should note that this programme has a history of under expenditure. ● Programme 3: Housing Development: registering an expenditure of 135%. The programme overspent its budget by 35%. ● Programme 4: Housing Assets Management and Property Management: registering 160% expenditure. The programme overspent its budget by 60%.
Main reasons provided by the Department / Entity for non-achievement or over achievement of its APP during this Quarter
The Department as at the end of the fourth quarter has a remainder of R 67 812 000.00. There are targets that have not been achieved during the quarter under review. The Portfolio Committee noted that underperforming on all planned targets in all programmes . It is still not clear what is causing the Department not to achieve this target as reasons for deviation vary from quarter to quarter.
Measures in place (with timeframes) to correct the deviation in targets for this Quarter and to prevent recurrence of such or similar deviation
<p>The Department reported that the following mitigating measures will be implemented to achieve planned targets:</p> <ul style="list-style-type: none"> ● The department has set up measures of intervention to be able to obtain information from projects regarding the subcontracting expenditure. This includes enforcement by department to ensure that developers are reporting on designated sector expenditure. Project Managers have started submitting reports on various projects on subcontracting and the department since analysed the received information. Intensive measures will be implemented in the next FY to enable compliance. ● The department has set up measures of intervention to be able to obtain information from projects regarding the subcontracting expenditure. This includes enforcement by department to ensure that developers are reporting on designated sector expenditure. Project Managers have started submitting reports on

2 [THE DETAILS ON DEPARTMENT / ENTITY APP PERFORMANCE]

various projects on subcontracting and the department since analysed the received information. Intensive measures will be implemented in the next FY to enable compliance.

- The department has set up measures of intervention to be able to obtain information from projects regarding the subcontracting expenditure. This includes enforcement by department to ensure that developers are reporting on designated sector expenditure. Project Managers have started submitting reports on various projects on subcontracting and the department since analysed the received information. Intensive measures will be implemented in the next FY to enable compliance.
- The department has set up measures of intervention to be able to obtain information from projects regarding the subcontracting expenditure. This includes enforcement by department to ensure that developers are reporting on designated sector expenditure. Project Managers have started submitting reports on various projects on subcontracting and the department since analysed the received information. Intensive measures will be implemented in the next FY to enable compliance.
- The unavailability of the tools of trade was resolved by sharing amongst the permanent staff members and the seconded data captures.
- Letters of non-compliance have been sent out to contractors asking them to re-submit performance information that supports the job creation numbers they submitted to the Department.
- Intensive measures will be implemented in the next FY to enable compliance.

The Committee acknowledged the mechanism that have been put in place to ensure targets are achieved in the next quarter.

A summarized analysis on the Department / Entity performance per Programme for the period under review

PROGRAMME 1: ADMINISTRATION

1.1 SUB-PROGRAMME OFFICE OF THE HOD

In terms of percentage of material misstatements of the current audit report addressed towards an unqualified audit opinion, the Department had planned target of 40% and this has been achieved as 82% was realized.

The Department did not achieve its target on procurement budget that targets township-based businesses as 0,84% was achieved against a planned target of 30%.

In relation to the percentage of procurement budget that targets businesses owned by women, the Department did not achieve its target of 40% and managed to achieve 14.35%. With regards to the 20% of procurement budget that targets businesses owned by youth, 9,30% was paid to businesses owned by youth.

About the percentage of procurement budget that targets businesses owned by PwDs, 0,67% was achieved against a planned target of 5%.

The Department achieved its target on percentage of invoices paid within 30 days of receipt. They reported that 100% of the invoices received were paid within 30 days of receipt.

1.2 SUB-PROGRAMME: WORK OPPORTUNITIES: EXPANDED PUBLIC WORKS PROGRAMME AND HUMAN SETTLEMENTS DEVELOPMENT GRANT

2 [THE DETAILS ON DEPARTMENT / ENTITY APP PERFORMANCE]

In relation to the Departmental Global Risk Register and corresponding Global Risk Response Action Plan (RAP) have been updated.

Regarding the number of work opportunities created through EPWP incentive grant (Unskilled Labour), 1 195 jobs were created against a planned target of 750.

On the number of work opportunities created through the Human Settlements Development Grant (Skilled and unskilled labour), the Department had a planned target of 700, and no work opportunities were created as at the end of the quarter under review.

The Portfolio Committee noted that there was no target planned out for the number of departmental employees trained on the Infrastructure Delivery Management System (IDMS) per financial year however, 78 employees were trained. In terms of the approved organizational structure of the Department by the DPSA, this target was not planned for in the quarter under review and the organizational structure of the department was not approved.

Regarding ***Aspiration 6 of the African Agenda 2063: An Africa whose development is people-driven, relying on the potential of African people, especially its women and youth, and caring for children***, the Department is responding through its target on the ***number of companies participating in Incubator Programme per annum***. The revised annual target is 30% women-owned companies, 10% youth-owned companies and 5% people with disabilities (PwDs)-owned companies. The Department is making progress especially on its target of procuring local supplies as this target is always achieved and, in some cases, over-achieved.

PROGRAMME 2: PLANNING, POLICY AND RESEARCH

The Gauteng Department of Human Settlements policies developed per financial year, the planned target was 1 and this target has been achieved as 2 policies were developed. In terms of focused policies reviewed per financial year, the Department planned to review 5 policies and this target has been achieved as 23 policies were reviewed. Furthermore, on the Gauteng Human Settlements Spatial Master Plan, the plan was reviewed and Gauteng Multi-year Project Pipeline/Project Bank has been updated.

In relation to the number of formalised townships per financial year, the planned target during the quarter under review was 10 and no township was formalised. With regard to the number of integrated implementation programmes for priority development areas completed per year, the planned target was four and this was not achieved.

The target for the 3rd quarter was 2 and it was not achieved, this was the case even in the first and second quarters. However, it was reported that the target will be realised by the end of the financial year.

With regards to the percentage of investment of the total Human Settlements allocation in Priority Development Areas (PDA), the planned target for the quarter under review was 40% and this was not achieved as 20,54% was realised. For the third quarter, the planned target was 40% and it was not achieved. For the second quarter, the planned target was 40% and it was not, the planned target for the first quarter was 20% but it was not achieved. The Department has stated that majority of the budget goes to Mega projects that are not within the PDAs. The Department is still providing the same reason for non-achievement meaning that the target needs to be adjusted as clearly, they will never be realised.

In relation to the percentage of land acquired during 2014-2019 within the PDAs rezoned, the planned target was 40% and this was not achieved. No land was acquired during the 2014-2019 within the PDAs rezoned. There were 5 land parcels not yet rezoned.

2 [THE DETAILS ON DEPARTMENT / ENTITY APP PERFORMANCE]

PROGRAMME 3: HOUSING DELIVERY

SUB-PROGRAMME: RAPID LAND RELEASE PROGRAMME

FINANCIAL INTERVENTION

On the number of households that received subsidies through Finance Linked Individual Subsidy Programme (FLISP), the planned target for the quarter under review was 10 and this was not achieved. The annual target is 20 and it has not been achieved. The implementation protocol with NHFC was not yet concluded. For the whole 2022/23 FY FLISP has not yielded any results.

INCREMENTAL INTERVENTIONS

On the number of hectares of well-located land acquired for development of housing opportunities, the planned output for the quarter under review was 530 ha and this was not achieved as 275, 8533 ha were acquired.

SUB-PROGRAMME: RAPID LAND RELEASE PROGRAMME

With regards to the number of serviced erven handed over to beneficiaries per financial year, the planned target for the quarter under review was 1 250 and this was not achieved as only 369 was realised. It is reported that challenges experienced were resultant from poor response to the advert by landowners/developers to the request to avail service stands, and that the Department has assigned HDA and GPF to engage on off-take agreements where serviced sites opportunity exists, and this has a potential of speeding up the uptake of this programme.

In relation to the number of serviced sites procured from the private sector each financial year, the planned output for the quarter under review was 860. However, 548 was achieved. This is the same number that was reported in the third quarter even though there was no planned target then. The annual target is 860, the exact number that has been planned for in the fourth quarter.

Bulk Infrastructure Support Services

In terms of Rand Value of funding facilitated for bulk infrastructure to local municipalities per financial year, the planned target was R118 658 490 000.00, and this was not achieved as R264 861 613, 39 was realised. The expropriated servitude was part of the private farm portion that would have enabled the transfer of funds if planned works had been possible to execute. On several occasions, the contractor was denied access and there was no alternative route but to access site via the farm. The overall expenditure constituted R182 675 971 000.00 (bulk infrastructure) and R147 185 642,50 000.00 (mining towns).

SUB-PROGRAMME HOSTEL REDEVELOPMENT

In relation to the number of units completed in hostel re-development projects per financial year, the planned output for the quarter under review was 28 and this was not achieved as no units were completed. It is reported that the process of appointing the contractor was underway.

About the number of JHB inner city hostels with completed bulk infrastructure assessment, the planned output for the quarter under review was 6 and this was achieved.

SUB-PROGRAMME URBAN RENEWAL PROJECTS

2 [THE DETAILS ON DEPARTMENT / ENTITY APP PERFORMANCE]

On the number of identified projects implemented in URP areas (Evaton (x2), Winterveld (x1) and Bekkersdal (X2), Alexandra (x1)), the planned target was 7 and this target was not achieved.

SUB-PROGRAMME-UISP INFORMAL SETTLEMENTS

In terms of the number of informal settlements receiving interim services support (category A, B1, B2 and C), the planned target was 69 and the target was not achieved. A total of 40 informal settlements received interim sanitation services. With regards to the number of informal settlements receiving phase 2 upgrading, the planned target during the quarter under review was 25 and this was not achieved.

With regards to the number of approved individual informal settlements upgrading plans prepared in terms of the National Upgrading Support Programme (NUSP), the planned target was 5 and no approved individual informal settlements upgrading plans have been prepared. According to the Department, the annual target was achieved in quarter 2.

In terms of the number of social compacts concluded with communities outlining their role in the upgrading process, the planned target for the quarter under review was 2 however, 4 social compacts were achieved. Social compacts were not signed by the Emfuleni municipality due to a moratorium put against new development (informal settlements provided with sewer or sanitation infrastructure).

In relation to the number of households benefited from interim water services, the planned target was 43 000. This was not achieved as no households benefited from interim water services. The Department was in the process of concluding procurement processes, this was the case even in the previous quarter.

Concerning the number of informal settlements upgraded to phase 3 of the upgrading of informal settlements programme (UISP), the planned target was 1 and this was not achieved. It is reported that the Department was not ready to implement phase 3 as planning work was underway under phase 2.

SUB-PROGRAMME BLOCKED PROJECTS

On the number of socio-economic amenities delivered in human settlements, the planned was 1 taxi rank and 1 small business (SMME) facility. This target has not been achieved. In relation to the number of top structures completed, incomplete/abandoned/blocked housing projects, the planned target for the quarter under review was 350 and this was not achieved as 109 housing units were realized.

Beneficiary management

In terms of the number of Breaking New Ground houses delivered, the planned target was 1 816 and this was achieved as 3 119 was realized. With regard to the number of serviced sites delivered, the planned target was 2 678 and this was achieved as 2 953 was accomplished. On the number of approved beneficiaries allocated available housing units, the planned target was 1 500 and 2 360 approved beneficiaries were allocated to available housing units.

Quality assurance

Regarding the percentage of subsidy housing projects enrolled with the National Home Builder Registration Council (NHBRC), the planned target for the quarter under review was 0 and this was achieved as 5 projects were enrolled.

2 [THE DETAILS ON DEPARTMENT / ENTITY APP PERFORMANCE]

Agenda 2063, Aspiration 1 on goal 3 states that “**Cities and other settlements are hubs of cultural and economic activities, with modernized infrastructure, and people have access to affordable and decent housing including housing finance together will all the necessities of life such as, water, sanitation, energy, public transport and ICT**”, the report states that for the FY under review, the Department had targets that are responding to the aspirations of the African Agenda 2063, NDP and SDGs. The Department is making progress in achieving the aspirations of the Africa Agenda even though the non-achievement of targets puts a damper on the strides that the Department is making. The inception of the Mega Projects, the disbursement of subsidies under the FLISP programme to name a few are indication that the Department is heading towards achieving the agenda 2063, NDP and SDGs.

PROGRAMME 4: ASSET MANAGEMENT

Sale and transfer of housing properties: non-standardized

In relation to the percentage of property transfers completed per financial year, was achieved as there is 323% of properties that were transferred against a planned target of 90%.

The Portfolio Committee noted that the number of occupants confirmed as legitimate in registered townships, there was no planned target for the quarter under review, this was the case even in the third quarter. The annual target is 30 000 and during the second quarter, the planned target was 18 000 and this was not achieved. According to the Department, this was because of unavailability of occupants for verification during visitation by fieldworkers. During the quarter under review, the Department has reported that the task order has expired. There is also an issue of unavailability of the ward councilors to act as facilitators in the physical verification process.

Sale and transfer of housing properties: standardized sector output indicators

The Portfolio Committee noted that a total of 2 077 post-1994 title deeds were registered against a planned target of 3 691. This, according to the Department, is due to delay in finalization of townships formalization. Furthermore, post-2014 title deeds registered, the planned target was 600 and this was not achieved.

With regards to the percentage of residential rental housing disputes resolved by the end of the financial year, the planned target was 65% and this was not achieved as 51% was achieved.

In terms of the number of ownership disputes resolved in respect of pre-1994 title deeds backlog, the planned target was 15 and this was not achieved. It is reported that slow progress was due to the postponement of hearings owing to unavailability of disputing parties. Regarding pre 1994 title deeds registered, the planned target was 41 and it was not achieved.

In relation to the number of new title deeds registered, the planned target was 500 and this was not achieved. This is because of outstanding planning to finalize transfers. The delays are in respect of the issuance of Section 53 SPLUMA certificate by Merafong Municipality.

There were none unplanned or emerging priorities reported for the quarter.

Summarized information on how the Department / Entity maintains portfolios of evidence to verify its reported performance information

2 [THE DETAILS ON DEPARTMENT / ENTITY APP PERFORMANCE]

The information collated from business is verified against the reported data and stored electronically in a G-drive

3 OVERSIGHT ON DEPARTMENT / ENTITY PROJECT MANAGEMENT**3 THE DETAILS ON [DEPARTMENT / ENTITY PROJECT MANAGEMENT]**

The Department submitted a project for the 4th quarter as per the Business Plan.

4 OVERSIGHT ON DEPARTMENT / ENTITY FINANCIAL PERFORMANCE**4 THE DETAILS ON DEPARTMENT / ENTITY FINANCIAL PERFORMANCE**

Actual amount (in Rands) allocated to the Department / Entity as budget for this entire Financial Year

R6 407 739 000.00

Actual amount projected by the Department / Entity to be spent only during the Q under review

R1 899 111 000.00

Actual amount (in Rands) spent by the Department / Entity only during the Q under review

R2 640 879 000.00

Total actual amount (in Rands) spent by the Department / Entity (Year to Date), i.e. from the beginning of this FY to the end of this Q under review

R6 339 739 000.00

Percentage (% of total budget allocation) of budget expenditure for this Q under Review only

139%

Percentage (% of total budget allocation) of budget expenditure (Year to Date), i.e. from the beginning of this FY to the end of this Q under review

99%

An analysis of how the % budget expenditure compares with the % APP achievement

Budget expenditure is at 139% at the end of the quarter under review and APP achievement is at 99%

If there was over / under spending of greater than 3% of projection, what were the main challenges that led to the over / under spending

The department spent 99% at the end of the quarter. The Portfolio Committee noted that the Department is over-targeting; however, they are unable to achieve their targets.

4 THE DETAILS ON DEPARTMENT / ENTITY FINANCIAL PERFORMANCE
Mitigating measures by the Department / Entity to remedy over / under expenditure
The Department did not report on this line item.
The Department / Entity's achievement with respect to GEYODI responsive budgeting / procurement for the period under review
The Department did not manage to achieve its procurement target for designated groups as follows: <ul style="list-style-type: none"> • 1435% Women • 9,30% Youth • 0,67% People with Disabilities
The Department / Entity's achievement with respect to township economy / SMME / local procurement for the period under review
<ul style="list-style-type: none"> • 0,84% Local/Township businesses • 1435% Women • 9,30% Youth • 0,67% People with Disabilities
A summary for the period under review with respect to payment of service providers within 15-30 days
The Department achieved its target on percentage of invoices paid within 30 days of receipt. They reported that 100% of the invoices received were paid within 30 days of receipt.
A summary for the period under review with respect to fruitless, wasteful and irregular expenditure
Fruitless and wasteful expenditure: The Department did not report on this line item.
A summary for the period under review with respect to efficiency / value for money in all SCM / procurement processes
The Department report did not report on this line item.
A summary for the period under review with respect to reduction of fraud and corruption in all SCM / procurement processes
None reported
A summary for the period under review with respect to ongoing clean audits
None reporting for the quarter under review
A summary for the period under review with respect to spending on conditional grants (where applicable)
The Department did not report on this line item.
Program / Sub Programme level financial performance

4 THE DETAILS ON DEPARTMENT / ENTITY FINANCIAL PERFORMANCE

- **Programme 1: Administration** was allocated **R187 722 000 00**, and the Department spent **R317 472 000. 00** registering an expenditure of 170%. This shows that the programme overspent by 70%.
- **Programme 2: Housing Needs, Planning and Research** was allocated **R6 480 000. 00** and the Department managed to spend **R4 514 000. 00** registering an under expenditure of 70%. The Committee should note that this programme has a history of under expenditure.
- **Programme 3: Housing Development** was allocated **R1 624 946 000. 00** but the Department spent **R2 189 484 000. 00** registering an expenditure of 135%. The programme overspent its budget by 35%.
- **Programme 4: Housing Assets Management and Property Management** was allocated **R80 963 000. 00** but the Department spent **R129 409 000. 00** registering 160% expenditure. The programme overspent its budget by 60%.

5 OVERSIGHT ON DEPARTMENT / ENTITY RESOLUTIONS AND PETITIONS MANAGEMENT

5.1 THE DETAILS ON DEPARTMENT / ENTITY RESOLUTIONS MANAGEMENT

How many Responses / Actions to Resolutions were due by the Department / Entity during the Quarter under review	With respect to any and all Resolutions that were due in the Quarter under review, how many Resolutions have been successfully responded to by the Department / Entity
11 Resolutions were due during the quarter under review	All 11 resolutions were received and the Committee Researcher still to analyse them.
What is the Committees perception of the Quality and Timeliness of Department / Entity responses to Committee Resolutions	
The Department is encouraged to continue improving on unachieved plans	
With respect to the Resolutions / Action due during the Quarter under review but still overdue, what reasons have been provided by the Department / Entity [with mitigating measures to submission]	
Resolutions were all submitted in the quarter under review	

5.2 THE DETAILS ON DEPARTMENT / ENTITY PETITIONS MANAGEMENT

How many Responses / Actions to Petitions due by the Department / Entity during the Quarter under review	With respect to any and all Petitions that were due in the Quarter under review, how many Petitions have been successfully responded to by the Department / Entity
A total of 25 petitions were received and 07 not yet responded to.	18 petitions were responded to and submitted back to GPL.
What is the Committees perception of the Quality and Timeliness of Department / Entity responses to referred Petitions	
Not stipulated	
With respect to the Petitions / Action due during the Quarter under review but not yet responded to by the Department / Entity, what reasons have been provided by the Department / Entity [with mitigating measures to submission]	
No reasons provided	

6 OVERSIGHT ON DEPARTMENT / ENTITY PUBLIC ENGAGEMENT

6. THE DETAILS ON DEPARTMENT / ENTITY PUBLIC ENGAGEMENTS
The steps / measures the Department / Entity has taken to meaningfully involve the public / stakeholders in the course of its work / service delivery, during the period under review
The Department did not report to this line item.
Summary of Public Education programmes of the Department / Entity during the period under review
The Department did not report to this line item.
Feedback sessions conducted by the Department / Entity during the period under review
The Department did not report to this line item.

7 OVERSIGHT ON INTERNATIONAL TREATISE / AGREEMENTS

7. DETAILS ON IMPLEMENTATION OF INTERNATIONAL AGREEMENTS / TREATIES
[Not applicable]

8 OVERSIGHT ON DEPARTMENT / ENTITY GEYODI EMPOWERMENT

8. DETAILS ON DEPARTMENT / ENTITY GEYODI EMPOWERMENT
The Department did not achieve its target on procurement budget that targets township-based businesses as 0,84% was achieved against a planned target of 30%. In relation to the percentage of procurement budget that targets businesses owned by women, the Department did not achieve its target of 40% and managed to achieve 14.35%. Regarding 20% of procurement budget that targets businesses owned by youth, 9,30% was paid to businesses owned by youth. About the percentage of procurement budget that targets businesses owned by PwDs, 0,67% was achieved against a planned target of 5%.

9 OVERSIGHT ON DEPARTMENT / ENTITY COMPLIANCE WITH FIDUCIARY REQUIREMENTS

9. [DETAILS ON DEPARTMENT / ENTITY COMPLIANCE WITH FIDUCIARY REQUIREMENTS]	
GPL	The 4 th Quarterly Report for Vote 8 was submitted to the GPL for further processing
Auditor General (AGSA)	Total number of AGSA Requests for Information received from AGSA during this Quarter: 31 Total number of AGSA Requests for Information due during this Quarter: 31 Total number of AGSA Requests for Information responded to and submitted back to AGSA during this Quarter: 31
Public Service Commission (PSC)	Total number of PSC Requests for Information received from the PSC during this Quarter: One (1) Total number of PSC Requests for Information due during this Quarter: None Total number of PSC Requests for Information responded to and submitted back to the PSC during this Quarter due end of the quarter: One (1)
Compliance with relevant fiduciary Legislation [e.g. PFMA]	Compliant

10 OVERSIGHT ON A CAPACITATED PUBLIC SERVICE

10. THE DETAILS ON A CAPACITATED DEPARTMENT / ENTITY	
Detailed information on the current vacancies (at all staff levels)	
OD	
Current vacancy rate	
OD	
Current acting positions (at all Staff levels)	
02	
Terminations during the period under review	
17 (04 resignations, 09 contract expiry, Dismissal 01 and Retirements 03)	
New appointments during the period under review	
09 (04 fixed appointments and 05 contract appointments)	
Detailed information on the GEYODI / HDI empowerment for the period under review	
The Department did not report on this line item.	
Detailed information on any suspensions for the period under review	
2 (01 precautionary suspension and 01 suspension without salary)	

11 OVERSIGHT ON ANY OTHER COMMITTEE FOCUS AREA

11. THE DETAILS ON ANY OTHER COMMITTEE FOCUS AREA [Only if relevant and applicable]
<i>Any other area of Department / Entity performance with respect to its Quarter Report that the Committee wishes to report on, which is not already included in any of the above Focus Areas.</i>
N/A

12 COMMITTEE FINDINGS / CONCERNS

12. DETAILED COMMITTEE FINDINGS / CONCERNS (on each specific Focus Area analysed above)
1. The Portfolio Committee noted that at the end of the quarter under review the department has overspent its quarterly budget by 39%.
2. The Portfolio Committee noted that there is no correlation between expenditure and delivery as the Department did not achieve most of their targets.
3. The Portfolio Committee noted that there was a number of jobs created through human settlements initiatives. However, details on the number and nature of jobs created was not provided to the Committee.
4. The Portfolio Committee remains concerned with the insufficient bulk infrastructure as this poses a risk to the development of houses and Mega projects.
5. The Portfolio Committee noted initiatives by the Department to empower women, youth, and people with disabilities. However, there was no detailed report on how these groups would be empowered.
6. Lack of reporting with regards to the pre 1994 title deeds registered, the planned target was 41 and it was not achieved.

13 COMMITTEE RECOMMENDATIONS

13 [DETAILED COMMITTEE RECOMMENDATIONS]			
Based on the information set out herein-above as well as the Committee Concerns, the Committee therefore recommends as follows:			
Ref Number	Recommendation	Type of response expected	Due Date

13 [DETAILED COMMITTEE RECOMMENDATIONS]			
HS/Q4PR/ 001	The Department should provide reasons for overspent expenditure of 39%.	Written Response should be forwarded to the GPL on the resolution as adopted by the House	31/07/2023
HS/Q4PR/ 002	The Department should submit a detailed report on why there is lack of correlation between its expenditure and performance.	Written Response should be forwarded to the GPL on the resolution as adopted by the House	31/07/2023
HS/Q4PR/ 003	Provide a detailed report on the number and nature of jobs that have been created through human settlements initiatives.	Written Response should be forwarded to the GPL on the resolution as adopted by the House	31/07/2023
HS/Q4PR/ 004	The Department should submit a progress report on ways to address the issue of insufficient bulk infrastructure.	Written Response should be forwarded to the GPL on the resolution as adopted by the House	31/07/2023
HS/Q4PR/ 005	The Department should submit a detailed report on how women, youth, and people with disabilities will be empowered through human settlements initiatives	Written Response should be forwarded to the GPL on the resolution as adopted by the House	31/07/2023
HS/Q4PR/ 006	Provide reasons for not being able to meet a planned target of 41 1994 title deeds register.	Written Response should be forwarded to the GPL on the resolution as adopted by the House	31/07/2023

14 ACKNOWLEDGEMENTS

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The Chairperson further wishes to acknowledge and express her gratitude to the Honourable Members of the Portfolio Committee on Human Settlements Ms R Mogale; Mr G Schneemann; Mr T. Munyai; Mr M Cirola; Mr E Du Plessis; Mr B. Dhlamini; and Ms K Tong.

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15 ADOPTION

In terms of Rule 117 (2)(c) read together with 164, the Human Settlements Portfolio Committee presents the Oversight Report on the 4th Quarterly Performance of the Gauteng Department of Human Settlements for the 2022/23 financial year and proposed recommends its adoption.