

GGT2030

GROWING GAUTENG TOGETHER

Annual Report 2023/24



GAUTENG PROVINCE
HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA

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Part A

HELDERWYK
MEGA PROJECT



General Information

1. DEPARTMENT'S GENERAL INFORMATION

Physical Address:

11 Diagonal Street
Johannesburg
2001

Postal Address:

Private Bag X79
Marshalltown
2107

Telephone Number/s:

+27 011 085 2531

Fax Number:

+27 011 355 5196

Email Address:

GDHuSInfo@gauteng.gov.za

Website Address:

www.gdhs.gpg.gov.za/www.gautengonline.gpg.gov.za

2. LIST OF ABBREVIATIONS/ACRONYMS

AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
B-BBEE	Broad-Based Black Economic Empowerment
BNG	Breaking New Ground
BP	Business Plan
CIDB	Construction Industry Development Board
CoE	City of Ekurhuleni
CoJ	City of Johannesburg
CoT	City of Tshwane
CFO	Chief Financial Officer
CRU	Community Residential Units
CWIP	Capital Work-in-Progress
DoRA	Division of Revenue Act
DPSA	Department of Public Service and Administration
EHW	Employee Health and Wellness
EXCO	Executive Council
FLISP	Finance Linked Individual Subsidies
FY	Financial Year
GADA	Greater Alexandra Development Area
GAS	Gauteng Audit Services
GCR	Global City Region
GDHS	Gauteng Department of Human Settlements
GEYODI	Gender, Youth and Disabilities
GGT2030	Growing Gauteng Together 2030 Plan of Action
GPF	Gauteng Partnership Fund
GPG	Gauteng Provincial Government
GRAP	Generally Recognised Accounting Practices
GSDF	Gauteng Spatial Development Framework
HDA	Housing Development Agency
HoD	Head of Department
HSDG	Human Settlements Development Grant
HSS	Housing Subsidy System
ICT	Information and Communication Technology
IDP	Integrated Development Plan
IE	Irregular Expenditure
IFS	Interim Financial Statements
IGSDF	Intergovernmental Service Delivery Forums

ISUPG	Informal Settlements Upgrading Programme Grant
IUDF	Integrated Urban Development Framework
M&E	Monitoring and Evaluation
MEC	Member of the Executive Council
MMC	Member of Mayoral Committee
MPSA	Minister of Public Service and Administration
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
MYHDP	Multi-Year Housing Development Plan
NDoHS	National Department of Human Settlements
NDP	National Development Plan
NHBRC	National Home Builders Registration Council
NHFC	National Housing Finance Corporation
NSDF	National Spatial Development Framework
OHS	Occupational Health and Safety
PDA's	Priority Development Areas
PFMA	Public Finance Management Act
PMDS	Performance Management and Development System
PO	Purchase Order
PoE	Portfolio of Evidence
RDP	Reconstruction and Development Programme
PRT	Professional Resource Team
PWDs	People with Disabilities
RLRP	Rapid Land Release Programme
SCM	Supply Chain Management
SHRA	Social Housing Registration Authority
SHIs	Social Housing Institutions
SLAs	Service Level Agreements
SMMEs	Small Medium Micro Enterprises
SMS	Senior Management Service
SPLUMA	Spatial Planning and Land Use Management Act
TID	Technical Indicator Description
TMR	Transformation, Modernisation and Reindustrialisation
ToR	Terms of Reference
TR	Treasury Regulations
URP	Urban Renewal Programme
UISP	Upgrading of Informal Settlements Programme
USDG	Urban Settlements Development Grant

3. FOREWORD BY THE MEC

Tasneem Motara, MPL
Member of the Executive Council (MEC)
Gauteng: Human Settlements



Following a couple of years of recovery and a mini boom that was accredited to a sharp decrease in interest rates amongst other things, the housing sector experienced what some industry experts and analysts have called the most difficult year within the past decade during the year under review, which is the final year in office of the Sixth Administration in Gauteng. This was largely due to rapidly rising interest rates and the resultant pressure on households as the cost of living continued to rise to unforeseen levels.

Despite the persistent struggles that the sector faced during the year under review, the news is not all doom and gloom, with economists and sector experts predicting that things would get progressively better going forward, with the hope that interest rates would begin to go on a downward trajectory and the economy will eventually gain some momentum, ultimately having a positive effect on the housing sector.

This is the context within which we continued to implement our programmes as a department, which are geared towards ensuring that we expeditiously deliver integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods that improve the quality of life and living conditions of the people of Gauteng,

We are glad to be able to report that our multi-year strategy to turnaround the audit performance of the department finally bore fruit, with the department attaining an unqualified audit opinion, without any material misstatements. This is definitely an achievement worth celebrating as it is an indicator of notable improvements in governance and financial management within the department, further evidence of the effectiveness and efficacy of our six-pillar turnaround strategy, as previously communicated.

The department managed to exceed its targets for number of hectares of land acquired for human settlements development and for number of Breaking New Ground (BNG) houses delivered during the year under review. Although the target set for land acquisition was achieved, there remains the challenge of scarcity of land, particularly readily available serviced land, and this is a big challenge given the importance of our Ikageleng Rapid Land Release Programme for our housing delivery objectives as a department, where beneficiaries can build houses for themselves from the serviced stands that we allocate to them, helping us address the housing backlog.

We managed to successfully complete bulk infrastructure assessments for hostels around the province, including those that are owned by municipalities, with routine maintenance and environmental upkeep of hostels also provided. The township proclamation and establishment phase continue to contribute significantly to delays in the registration and issuance of title deeds to qualifying beneficiaries. Outstanding planning milestones such as service certificates, Surveyor General (SG) plans as well as irregular occupants in the targeted houses also contributed negatively to the achievement of the title deeds issuance target.

The provision of bulk infrastructure services is one of the critical bottlenecks that we must focus on and resolve as a department, in order to fast-track mega human settlements delivery. We are enhancing our beneficiary administration systems and processes, so as to ensure that we attend to the title deeds backlog and enable the department to give an important economic asset to our beneficiaries, which crucially enables them to participate more meaningfully within the mainstream economy, helping in the fight against economic exclusion and asset poverty.

Another challenge we faced, was the budget cut, which compelled the department to rearrange the allocation of funds and resulted in some planned activities not being achieved. In the 2023/24 financial year the department's Grant (HSDG) was cut by more than R500m. High levels of in-migration into the province still provide a major challenge, which contributes to the high proliferation of informal settlements.

There are still too many areas of delivery that require improvement as we seek to better position the department to deliver on its mandate to the people of Gauteng, but where there has been underperformance and failure to meet targets, we are taking corrective measures in order to ensure improved results in future, looking at re-engineering processes and systems in order to bring about a change in the performance and output of the department in the medium to long-term. We are encouraged by the positive trajectory that the department is on and are convinced that it is on the right footing when it comes to meeting its obligations to the people of Gauteng as we move to the Seventh Administration.

This quote by the late struggle stalwart Joe Slovo should continuously inspire us as we seek to improve on human settlements delivery within the province, *"We could have talked about the facts and figures of South Africa's housing problem. We could have once again looked at the massive backlog and talked about the number of new families entering the market every year. But numbers do not tell even half the story. We would have been discussing in a vacuum, divorced from the people and places we aim to serve ... Housing is a physical requirement. But it is also much more – it is a spiritual need which goes to the root of a dignified and tolerable life. It is at the core of a better life for all South Africans."*

The Department always appreciates the support from all oversight institutions, such as the Gauteng Provincial Legislature, the Standing Committee on Public Accounts (Scopa) and Auditor-General of South Africa for ensuring that the Department is held accountable to the citizens of the Gauteng Province whom we serve.

I would also wish to acknowledge the devotion and commitment shown by the staff and the senior management team in our department in continuously striving to deliver Integrated Human Settlements within Gauteng City Region. Additionally, I would like to acknowledge the municipalities, contractors, GPG Departments and all other stakeholders and partners for their tireless efforts in supporting the department to deliver on its mandate.



Tasneem Motara, MPL

Member of the Executive Council (MEC)

Gauteng Department of Human Settlements

Date: 30 August 2024

4. REPORT OF THE ACCOUNTING OFFICER

Phindile Mbanjwa
Accounting Officer
Gauteng: Human Settlements



Overview of the Operations of the Department

As we conclude the 6th Administration, we are proud of the improvements we have made as a department. Despite facing various external challenges over the past 5 fiscal years, we have made significant progress in our work. Notably, we have successfully built and delivered 43,050 houses to deserving beneficiaries from April 1, 2019, to March 31, 2024. We have also made good progress in developing serviced sites, registering title deeds, and formalizing informal settlements. All these efforts contribute to our vision of achieving “Integrated sustainable human settlements within a Smart Gauteng City Region.”

In his latest SOPA delivered on the 19th of February 2024, the Honourable Premier, Panyaza Lesufi, expressed concerns about the increasing number of informal settlements in Gauteng. He noted that there are approximately 700 recorded informal settlements in the province and that this number is still growing. The Premier also mentioned that there are plans to upgrade 68 informal settlements in the immediate future. Additionally, efforts are being made to relocate people from informal settlements to more habitable land in order to decongest these areas.

It is important to reflect on the Department’s 30-year journey of democracy, from 1994 to the present. Since 1994, we have provided a total of 1,145,001 housing opportunities, which have improved the lives of 3.5 million people in the Gauteng province. Additionally, we have generated 218,443 jobs and work opportunities through Departmental projects. Serviced stands now form part of our Rapid Land Release Programme, where beneficiaries are given land and 7 different pre-approved building plans to choose from in order to build for themselves, instead of waiting for fully subsidized housing. The serviced stands consist of water, electricity, roads, streetlights, and sewerage. “The shift in paradigm from RDP housing to mega human settlements delivery during this period has assisted the provincial government in accelerating housing delivery as well as advancing spatial and socio-economic transformation. There are currently 33 mega housing projects at various phases changing the landscape of our province.

The department has been working tirelessly to improve its performance. It has implemented different measures to ensure that it tracks its performance against targets and unblocks challenges that hinder delivery and adherence to timelines. Although the department has not yet reached its performance goals, significant progress has been made compared to the previous period. In the 2023/24 financial year, the department planned 48 targets, with 28 (58%) fully achieved and 20 (42%) not achieved. Out of the 20 targets not achieved, 4 performed between 50%-99%.

Overview of the financial results of the Department

Departmental receipts:

Departmental receipts	2023/2024			2022/2023		
	Estimate	Actual amount collected	(Over)/under collection	Estimate	Actual amount collected	(Over)/under collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-
Sale of goods and services other than capital assets	321	133	188	321	592	(270)
Transfers received						
Fines, penalties and forfeits					41	(41)
Interest, dividends and rent on land	378	19	359	378	2	376
Sale of capital assets						
Financial transactions in assets and liabilities	250	38 328	(38 078)			
Total	949	38 480	(37 531)	919	3 263	(2 344)

The Department's revenue is derived from employee parking tariffs, interest on overdue debt accounts, recoveries from previous years' expenditure and servitude rights and commissions. Revenue increased from R3.3 million in 2022/23 to R38.5 million in 2023/24, this significant increase is attributed to once off amounts on recoveries from previous financial years.

The Department received a once-off amount under financial assets and liabilities due to recovery from the previous financial year from the Department of Military Veterans amounting to R5.4 million. Furthermore, the Department processed a revenue journal of R31 million to correct the previous financial years transactions.

The Department has under collected revenue under sales of goods and services other than capital assets due to the Department paying refunds to employees that were charged parking fees, while working remotely. The Department's projected revenue is expected to grow from R991 000 in 2024/25 to R1 million in 2025/26 and further grow to R1,1 million in the outer year 2026/27 due to the Consumer Price Index (CPI).

Programme Expenditure:

Programme name	2023/2024			2022/2023		
	Final appropriation	Actual expenditure	(Over)/under expenditure	Final appropriation	Actual expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme 1: Administration	749 691	699 868	49 823	769 512	723 897	45 615
Programme 2: Housing Needs Research and Planning	22 718	18 522	4 196	21 368	16 007	5 361
Programme 3: Housing Development	4 950 587	4 594 965	355 622	5 299 571	5 291 532	8 039
Programme 4: Housing Assets and Property Management	198 828	184 563	14 265	317 288	316 311	977
Total	5 921 824	5 497 918	423 906	6 407 739	6 347 747	59 992

Programme 1: Administration

The programme is responsible for strengthening and aligning the Department's ability to deliver on its mandate. It enables the Department's business units to perform efficiently by providing corporate support through human resources, financial management, supply chain, ICT, communication, risk management and facilities management and support.

This programme caters mainly to items centralized to Corporate Services, such as lease payments for office buildings, security services, cleaning services, bursaries, telephone payments, LAN upgrades, payment for software licenses, fleet services, and legal costs.

The programme has spent R699.9 million, or 93% of the allocated budget of R749.6 million. The underspending within this programme is due to unfilled vacant posts and delays in procuring an office building for the Department. The Department is in the process of filling the vacant positions and is engaging with the Department of Infrastructure to fast-track the procurement of office space.

The programme's expenditure decreased from R723.9 million in 2022/23 to R699.9 million in 2023/24 due to budget cuts in the equitable share and the vacant positions within the Department.

Programme 2 Housing Needs, Research and Planning

The purpose of this programme is to facilitate and undertake housing delivery planning, identify housing needs, provide a regulatory framework for housing delivery, develop policy guidelines, provide provincial inputs on housing legislation and any amendments to these, develop provincial multi-year housing delivery plans, ensure alignment of housing plans with IDP's and conduct research into the demand for housing.

The programme spent R18.5 million or 82% of the allocated budget of R22.7 million, the under spending is due to remote working, as employees are claiming less traveling allowances and the Department has reduced the spending on planning consultants due to cost cutting measures.

The programmes expenditure has increased from R16 million in 2022/23 financial year to R18.5 million in 2023/24.

Programme 3 Housing Development

This programme makes up the largest share of the department's budget and expenditure, and at least 85 percent of the budget and expenditure is included in this programme.

The programme aims to establish sustainable human settlements where all citizens have access to housing and other social amenities. The programme performs the core functions of the Department which are planning, land acquisition, township establishment, delivery of housing opportunities across all housing programmes in the National Housing Code, beneficiary management and issuing of title deeds, the Mega Projects, accelerating implementation of the RLRP, supporting access to basic services, closing of Legacy Projects, completing all abandoned/incomplete/blocked projects, hostel redevelopment, upgrading of informal settlements, UISP implementation and resuscitating URPs are some of the programmes undertaken by this programme.

The budget for the programme amounted to R4.9 billion for the 2023/24 financial year, whereas actual expenditure as of the end of the financial year amounted to R4.6 billion, which is 93% of the final adjusted budget. The lower expenditure outcome is attributed to delays in construction activities due to land invasions, disruptions of projects by business forum disputes and late approval of the ISUPG business plan.

Furthermore, programme expenditures decreased from R5.3 billion in 2022/23 to R4.6 billion in 2023/24 due to budget cuts in the conditional grants.

Programme 4 Housing Assets and Property Management

The programme's purpose is to promote home ownership in historically disadvantaged communities. It coordinates, manages, and oversees the maintenance of Departmental immovable assets in the form of flats, hostels, and vacant stands to encourage and support the provision of tools and personnel to maintain immovable assets. The Department motivates, guides, and manages the provision of tenure for occupants and promotes home ownership through sectionalisation of flats. It disposes of the Department's commercial properties.

The programme spent R185 million, or 93% of the allocated budget of R198.8 million. The underspending is due to delays in municipalities' utility billing for hostels and flats. The programme's expenditure decreased from R316.3 million to R185 million due to budget cuts in conditional grants.

Virements/roll overs

A total of R197 million was processed through shifts within the programmes and R54.7 million was processed as virements between programmes. The virement was processed to cover the expenditure on interim sanitation for 64 district based informal settlements.

The Department has applied for rollovers as follows:

- Voted Funds R2.1 million
- HSDG R89.2 million
- ISUPG R144.8 million.

Fruitless and Wasteful expenditure incurred for the year amounted to R3,137 million

The breakdown is as per the below:

Details	R'000	Reason
Hlano Financial Services	1,749	Interest on late payment
SABC TV License penalties	68	Interest on late payment
Public protector beneficiaries	227	Interest on late payment
Sakhile Ezweni	1,073	Overpayment- transferred to receivables
Department of Infrastructure	20	Duplicate payment- to be recovered as an interdepartmental claim.

Strategic focus over the short to medium-term period

The provision of housing to the people of Gauteng remains one of the commitments for the Department of Human Settlements. To that extent, the creation of sustainable human settlements in Gauteng continues to be the Department's strategic focus over the short-to-medium term. In line with the TISH Commitments, the Department will continue with the work it has been undertaking in the hostels, the daily routine maintenance, especially in the 6 hostels that it owns, namely George Goch, Rethabile LTA, Denver, Jeppe, Murray & Roberts and MBA. Furthermore, the Department is looking to provide energy security in the hostels, and a considerable amount of work has already been done on this endeavour. The following are some of the benefits the hostels will reap from this endeavour: water heating, Internal common area lighting, external common area lighting and common food preparation area solutions.

The Upgrading of Informal Settlements is another programme or commitment that the Department will continue with in the short-to-medium-term. The eradication of informal settlements remains a priority for the Department; this includes the decongestion of households located in informal settlements to Mega Projects and other housing developments implemented by the Department, which boast socio-economic amenities and the requisite infrastructure. As part of upgrading informal settlements, the Department will keep conducting feasibility studies to ensure that appropriate approaches are applied in upgrading each informal settlement.

The registration of title deeds is another strategic focus area that the Department cannot afford to neglect during the short-to-medium-term. Therefore, as part of an endeavour to fast-track the title deeds registration process, the Department will continue to implement the township establishment processes. Again, it is noteworthy to mention here that more resources will be expended on other areas that pertain to the title deeds restoration, which comprises, among other things, the resolution of the ownership disputes in communities for the pre-1994 title deeds and the processing of applications for replacement of damaged/lost title deeds.

Public Private Partnerships

The Department did not have any PPP transactions for the year under review.

Discontinued key activities / activities to be discontinued

There were no discontinued activities during the year under review.

New or proposed key activities

There were no new or proposed activities.

Supply chain management

The Department did not conclude any contract for unsolicited proposals in the financial year under review. The Department has measures in place to curb irregular expenditure, such as:

- Utilisation of the probity audits for tendering processes
- Utilisation of the approved framework agreements for purposes of capital projects (construction of top structures and civil works, maintenance as well as professional engineering and other services) to ensure that service providers are readily available when these repeat services are needed.

Challenges experienced in SCM and how they were resolved

- Commitments on expired contracts - approving extension of contracts prior to expiry thereof.
- Increase in Irregular Expenditure - enhanced compliance to the procurement regulations.

Gifts and Donations received in kind from non-related parties

There were no gifts or donations received.

Exemptions and deviations received from the National Treasury

Not Applicable

Events after the reporting date

No events have been identified.

Other

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

Acknowledgement/s or Appreciation

I would like to thank the team of public servants who strive to better the lives of the people by their dedication and efforts that ultimately lead to the fulfilment of the lives of our people. These achievements are a result of the collective effort of all staff, the Management of the Department of Human Settlements and the Audit Committee and its staff. Our sincere gratitude goes to the former Member of the Executive Council (MEC), Lebogang Maile for his decisive leadership and guidance throughout the financial year.

The Department further extends its appreciation to all stakeholders for their support: the National Department of Human Settlements, Municipalities within Gauteng, Provincial Treasury, Gauteng Partnership Fund (GPF), National Housing Finance Corporation (NHFC), the Housing Development Agency (HDA), contractors and professional service providers for assisting the Department in meeting its statutory obligations.

Greatness is not achieved by chance, but by relentless dedication, unwavering belief, and the courage to push boundaries. Together, let's ignite the flame of innovation, foster collaboration, and embrace challenges as opportunities. Through perseverance and a shared vision, we will sculpt a future where excellence becomes our legacy.

Conclusion

The Department of Human Settlements has demonstrated significant progress over the past fiscal years despite facing numerous challenges. With the successful delivery of 43 050 houses over the 5-year period and the ongoing development of serviced sites and formalisation of informal settlements, the Department has made considerable strides towards achieving its vision of "Integrated sustainable human settlements within a Smart Gauteng City Region." The financial performance has shown a notable increase in revenue, primarily due to recoveries from previous financial years. Although there were instances of under-expenditure and challenges in supply chain management, the Department's strategic focus on upgrading informal settlements, enhancing title deed registration and fostering public-private partnerships remains steadfast. Moving forward, support from various stakeholders will be crucial in continuing to improve the lives of the people in Gauteng and achieve sustainable human settlements.



Ms. Phindile Mbanjwa

Accounting Officer

Gauteng Department of Human Settlements

Date: 29 August 2024

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

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

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

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

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

The Accounting Officer is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.

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

The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In my opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the financial year ended 31 March 2024.

Yours faithfully



Ms. Phindile Mbanjwa

Accounting Officer

Gauteng Department of Human Settlements

Date: 29 August 2024

6. STRATEGIC OVERVIEW

6.1 Vision

“Integrated Sustainable Human Settlements within a Smart Gauteng City Region.”

6.2 Mission

“To lead and direct the delivery of human settlements across Gauteng, and the restoration of human dignity through:

- Functional and integrated management and governance of the Department.
- The development and implementation of responsive research-based policies, legislation and strategic frameworks that enable the speedy, effective and efficient delivery of human settlements.
- Facilitating the development of spatially just, efficient, equitable, sustainable and transformed human settlements.
- Implementing an efficient and effective Beneficiary Administration and Title Deeds Programme that provides social justice through security of tenure and asset value for homeowners.
- Effective, efficient and compliant management of the Department’s housing stock/property assets.

6.3 Values

The values of the Department, which underpin its organisational culture are informed by the Batho Pele principles and remain as:

- Integrity
- Honesty
- Loyalty
- Professionalism
- Human dignity
- Service delivery
- Excellence
- Sanctioning bad and rewarding good behaviour
- Accountability
- Sound ethical standards.

7. LEGISLATIVE AND OTHER MANDATES

7.1 Legislative mandates of the GDHS

Legislation	Brief description
The Housing Act (No. 107 of 1997)	Section 2 of the Act compels all three spheres of government to prioritise the housing needs of the poor. Additionally, all three spheres of government must ensure that housing development: <ul style="list-style-type: none"> (i) provides as wide a choice of housing and tenure options as is reasonably possible; (ii) is economically, fiscally, socially and financially affordable and sustainable; is based on integrated development planning; and is administered in a (iii) transparent, accountable and equitable manner, and upholds practice of good governance (Section 2 (1) (c).
The Social Housing Act (No. 16 of 2008)	Establishes and promotes a sustainable social housing environment, defines the functions of each of the three spheres of government in respect of social housing; administers national social housing programmes including approvals and allocation of capital grants thereto; establishes the Social Housing Registration Authority (SHRA) which accredits and provides statutory recognition to Social Housing Institutions (SHIs) and advises the Minister on social housing matters: and provides for other delivery agents to undertake approved projects utilising public money.
Prevention of Illegal Eviction and Unlawful Occupation of Land Act (No. 19 of 1998 as amended)	The Act identifies the applicability of legislation in terms of categories of persons, to prohibit certain actions in respect of unlawful occupation of land, and to create offences thereto.
The Housing Consumers Protection Measures Act of 1998	This Act establishes the National Home Builders Registration Council which is a regulating body for home builders, and that registers every builder and regulates the home building industry by formulating and enforcing a Code of Conduct. Implementation of the Act is monitored continuously.
The Rental Housing Act (No. 50 of 1999)	This Act repeals the Rent Control Act of 1976 and defines government's responsibility for rental housing property. It creates mechanisms to promote the provision of rental housing and the proper functioning of the rental housing market. It facilitates sound relations between tenants and landlords by laying down general requirements for leases and principles for conflict resolution in the rental housing sector. It also provides for the establishment of Rental Housing Tribunals and defines the functions, powers and duties of such Tribunals.
The Housing Development Agency Act (No. 23 of 2008)	This Act facilitates the fast-tracking of land acquisition and housing development services for creating sustainable human settlements, and to ensure centrally coordinated planning and budgeting for housing development infrastructure.
Gauteng Land Administration Act (No. 11 of 1996)	Provides for the acquisition and disposal of land owned by the Gauteng Provincial Government.
Alienation of Land Act (No. 68 of 1981 as amended)	Regulates the alienation of land in certain circumstances.
Immoveable Assets Management Act (No. 19 of 2007)	Provides for, amongst others, a uniform framework for the management of immoveable assets that is held or used by a national or provincial department, and to ensure coordination of the use of immoveable assets with service delivery objectives of national and provincial departments.

Legislation	Brief description
Deeds Registry Act (No. 47 of 1937 as amended)	Consolidates and amends the laws relating to the registration of deeds.
Upgrading of Tenure Rights Act (No. 112 of 1991 as amended)	Provides for the upgrading and conversion into ownership of certain rights granted in respect of land.
Conversion of certain leasehold rights to Ownership Act (No. 81 of 1988 as amended)	Provides for the mechanisms on obtaining assistance to acquire registered title deeds to public rental houses.
Land Administration Act (No. 2 of 1995 as amended)	Provides for the delegation of powers and assignment of administrative laws regarding land matters to provinces and provides for the creation of uniform land legislation.
Expropriation Act (No. 63 of 1975 as amended)	Provides the Minister with the power to expropriate property for public and certain other purposes and to use the property for public purposes.
National Environment Management Act (No. 107 of 1998 as amended)	Protects ecologically viable areas representative of South Africa's biological diversity and its natural landscapes and seascapes in a system of protected areas.
Public Finance Management Act (No. 1 of 1999 as amended)	Enables public sector managers to ensure effective, efficient and prudent use of public funds for socio-economic development programmes.
Division of Revenue Act (as amended)	Provides for equitable division of national revenue among the three spheres of government for each financial year, and the responsibilities of each sphere pursuant to such division.
Promotion of Administrative Justice Act (No. 3 of 2000)	Gives effect to the constitutional right to just administrative action for any member of the public whose rights have been adversely affected, and to ensure efficient, effective and legitimate administration within all spheres of government.
Preferential Procurement Policy Framework Act (No. 5 of 2000)	Gives effect to Section 217 and provides a framework for the implementation of the procurement policy contemplated in Section 217 (2) of the Constitution.
Promotion of Access to Information Act (No. 2 of 2000)	Gives effect to the constitutional right of access to any information held by the State, and any information held by a private person that is required for the exercise or protection of any other right.
Intergovernmental Relations Framework Act (No. 13 of 2005)	Establishes a framework for national, provincial and local government to promote and facilitate intergovernmental relations, and to provide a mechanism and procedure to facilitate the settlement of intergovernmental disputes
Spatial Planning and Land Use Management Act, 16 of 2013 and its regulations	Provides a framework for inclusive, developmental, equitable and efficient spatial planning and land use management and specifies the relationship between the spatial planning and land use management system and other kinds of planning. Also address past spatial and regulatory imbalances.

7.2 Policy mandates

The policy mandates of the GDHS remain as described below. Some of the policies relevant for the implementation of the mandate of the Department, includes the following:

7.2.1 National Human Settlement Plan (commonly referred to as Breaking New Ground [BNG])

The Plan builds on the housing policy outlined in the 1994 White Paper on Housing to ensure that settlements are sustainable and habitable in line with the original goal of delivering affordable housing. The priorities are to:

- Accelerate delivery of housing within the context of sustainable human settlements;
- Ensure housing delivery as a catalyst for job creation and economic growth;
- Provide quality housing and to turn homes into assets; and
- Promote social cohesion and improve quality of life.

7.2.2 National Housing Code

The National Housing Code is a comprehensive document that sets out the overall vision for housing in South Africa and the linkages between various policy programmes. The Code was revised to align it with the BNG strategy; accommodate changes effected since 2000; and convert the programmes into flexible and less prescriptive provisions and guidelines.

7.2.3 The National Spatial Development Framework (NSDF)

The NSDF has been a key mechanism of government to reconfigure the apartheid spatial relations and implement spatial priorities in ways that meet the stated goal of providing basic services to all and to alleviate poverty and inequality. The NSDF recognises the burden of unequal and inefficient spatial arrangements placed on communities, especially the poor who, for example, must bear significant transport costs to commute long distances to and from work. Similarly, the Gauteng Employment, Growth and Development Strategy (GEGDS), and the Municipal Integrated Development Plans have been central programmes of government's response to its stated aim of growing the economy and addressing the needs of poor people.

The four principles of the NSDF are:

- Rapid economic growth that is sustained and inclusive to achieve poverty alleviation;
- Fixed investment should be focused on localities of economic growth or economic potential;
- Programmes and projects to address poverty and provision of basic services in areas where low economic potential exists; and
- Future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link with main centres.

7.2.4 The National Development Plan (NDP) 2030

The introduction to the Chapter on Human Settlements in the NDP is unambiguous. It simply states: "Where people live and work matters". The NDP further provides what can be termed key principles that must underlie the transformation of human settlements, such as:

- Human settlements must systematically change the entrenched apartheid spatial patterns that resulted in social inequality and economic inefficiencies;
- Human settlements must be responsive to the unique needs and potentials of rural and urban areas;
- Human settlement policies and legislation must realise people's constitutional right to housing;
- The delivery of housing must restructure towns and cities, strengthen livelihood prospects of households and support active citizenship and involvement in conceptual and planning processes;
- Human settlement spaces must be liveable, equitable, sustainable, resilient, efficient and support economic opportunities and social cohesion; and
- Human settlement developments must provide people with a greater choice of where to live.

7.2.5 The Medium-Term Strategic Framework (MTSF) 2019-2024

One of the key concerns around human settlements is that the form and location of land developments, human settlement projects and informal settlement upgrades rarely respond directly to government's statements of spatial intent. Human settlement patterns remain inequitable and dysfunctional across the country, with densely settled former homeland areas and insecure tenure. Despite far-reaching efforts over the past 25 years, housing demand has increased dramatically as household size has reduced and urbanisation has accelerated. To address this, the MTSF 2019/24 focuses on three interrelated outcomes:

- Spatial transformation through multi-programme integration in priority development areas;
- Adequate housing and improved quality living environment; and
- Security of tenure.

7.2.6 The Integrated Urban Development Framework (IUDF)

The IUDF actualises the NDP's directive for an urban development policy that is mindful of increasing urbanisation across the country. According to the IUDF, more than 60% of South Africa's population live in urban areas, and it is projected that this number will increase to 71.3% by 2030 and to 80% by 2050.

The underlying aim of the IUDF is to reap the benefits of urbanisation and minimise the impacts of badly managed urbanisation through proper planning and the provision of necessary infrastructure. Urban development requires integrated and coordinated interventions across government and other sectors of society in order to develop inclusive, resilient and liveable urban settlements that serve as engines of growth. As such, the IUDF is responsive to Goal 11 of the post-2015 Sustainable Development Goals (SDGs), i.e. "making cities and human settlements inclusive, safe resilient and sustainable."

"The key outcome of the IUDF is spatial transformation" and its objective is to "ensure spatial integration, improve access to services and promote social and economic inclusion." To achieve this, the IUDF is premised on four overall strategic goals and nine inter-linked policy levers that address the structural drivers, which retains the current status quo. These goals and levers are reflected in Table 2 that follows below.

Table 2: Strategic goals and policy levers of the IUDF

IUDF overall strategic goals	IUDF policy levers
Spatial Integration	Integrated urban planning and management
Inclusion and Access	Integrated transport and mobility
Growth	Integrated sustainable human settlements
Governance	Integrated urban infrastructure
	Efficient land governance and management
	Inclusive economic development
	Empowered active communities
	Effective urban governance
	Sustainable finances

Table 2: Strategic goals and policy levers of the IUDF

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Spatial Integration	Integrated urban planning and management
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Growth	Integrated sustainable human settlements
Governance	Integrated urban infrastructure
	Efficient land governance and management
	Inclusive economic development
	Empowered active communities
	Effective urban governance
	Sustainable finances

7.2.7 The Global City Region Perspective (Gauteng 2055)

The GCR perspective seeks to promote Gauteng’s development agenda by positioning the province as a globally competitive city region. The GCR strategy also seeks to address inequality and uneven development in the province. The long-term plan to achieving this is contained in the Gauteng 2055 document.

Chapter 4, Section 4.3 of Gauteng 2055 states the following in respect human settlements in a GCR “ ...Our people live in healthy, safe spaces – supported by the nutrients for human growth, prosperity and dignity: affordable, accessible and equitable green spaces; recreational facilities, schools; clinics; shops; places of celebration and worship; places to gather; opportunities for work; networks for transit, ICT and economic infrastructure; heritage sites; and spaces in which collective creativities and dreams can be harnessed.”

The new strategic approach of the GDHS is firmly located within this policy imperative.

7.2.8 GPG’s Transformation, Modernisation and Reindustrialisation (TMR) Strategy

The 5th term of democratic governance of the Gauteng Province is fortified by its TMR Strategy which is underscored by 10 Pillars. Collectively, the pillars advocate equitable socio-economic development, good governance, and development across the continent. The main thrust of each pillar is transformation and/or modernisation and/or reindustrialisation, as is applicable.

The GDHS responds directly to four of the 10 pillars as reflected in Table 3. Even though the Department is not directly accountable for the other six pillars, it does contribute to them with specific emphasis on job creation, economic growth and development and socio-economic infrastructure.



Table 3: GPG Pillars that the GDHS responds to.

Decisive Spatial Transformation	Accelerated Social Transformation	Modernisation of Human Settlements and Urban Development	Modernisation of the Public Service
<p>The elements that relate to human settlements are:</p> <ul style="list-style-type: none"> Transforming the spaces people live in by connecting and integrating places of work and human settlements Spatial transformation and modernisation of human settlements Better and coordinated land use Management and spatial development. 	<p>The elements that relate to human settlements are:</p> <ul style="list-style-type: none"> Raising the living standards, and quality of life of all the people of Gauteng. 	<p>The key elements of this pillar are:</p> <ul style="list-style-type: none"> Development of new post- apartheid cities Integrated and sustainable human settlements that are socially and economically inclusive and promote urban green development Renewal of old towns and townships Inner-city regeneration Working together with municipalities and the private sector Implementing biometric technology Eradicating the bucket system. 	<p>The key elements that relate to GDHS are:</p> <ul style="list-style-type: none"> Changing the way institutions relate to society Serving people to be center of work Building a capable and developmental state Dealing with and eradicating corruption among public officials and public servants.
<ul style="list-style-type: none"> Creation of new integrated and sustainable human settlements and post-apartheid cities that are more connected, liveable, smart and green. 		<ul style="list-style-type: none"> Converting all hostels into family units Preventing illegal land invasion and growth of informal settlements Integrated urban planning and development. 	

7.2.9 Growing Gauteng Together (GGT) 2030

The 6th term of government ushers in the Growing Gauteng Together 2030 Plan (GGT 2030), which is what this year's Annual Performance Plan (APP) and the subsequent ones will be vigorously implementing. The GGT 2030 is about building a sustainable future for all. For the human settlements in Gauteng, it is more about changing the apartheid spatial settlement patterns by connecting housing to economic opportunities, so that people can live closer to where they work, in integrated, safer and more cohesive communities. Therefore, the Department is committed to ensuring that the implementation of its policies and programmes delivers the following results:

- The realisation of the constitutional right of people to have access to adequate housing
- The contribution to the GGT 2030 as a smart Global City Region
- The provision of security of tenure and restoration of human dignity
- The reversal of the apartheid spatial planning with spatially just, efficient, equitable and sustainable human settlements
- The enablement of people to live, work and play in the same area.

Integrated Sustainable Human Settlements within a Smart Gauteng City Region remains the vision of the Department for the 6th term of government. The key focus areas over the 2023/24 Medium-Term Expenditure Framework (MTEF) will be on the implementation and effective functioning of an integrated and holistic human settlement value chain that begins with the planning stage and ends with the issuance of title deeds to homeowners.

7.3 Institutional Policies and Strategies Governing the Five-Year planning period

The two main policy initiatives of the 6th term of government are the Gauteng Mega Projects Strategic Framework and the development of proposals to revise and amend the National Housing Code to facilitate implementation of the RLRP. The proposed amendment will focus on the inclusion of people who would not ordinarily qualify for subsidies as beneficiaries, as contemplated in the Housing Code.

7.3.1 Gauteng Mega Projects (New Towns) Strategic Framework

This framework will replace the Densification Strategic Framework and will explain the paradigm shift to the development of integrated and sustainable human settlements that (a) respond to the social and economic needs of people; (b) turns the tide against the legacy of apartheid spatial planning; (c) provide safe and secure spaces where people can live, play, relax and work in the same place; and (d) modernises our human settlements.

The framework will also give effect to the intended outcomes and objectives of the National Priority Catalytic Projects as identified by the Minister of Human Settlements. The national priority catalytic projects use different tenure options to deliver mega, high impact integrated and sustainable human settlements that clearly demonstrate spatial, social, and economic integration. The GDHS refers to these projects in Gauteng as Mega Projects.

7.3.2 Amendments to the National Housing Code: The Rapid Land Release Programme

The National Housing Code provides for the prioritisation of the Rapid Land Release Programme (RLRP) in the Serviced Stand (subsidised) cost breakdown for Municipal Engineering Services. This political priority is however targeted at the so called “missing middle” people who do not qualify for subsidies. We will be proposing amendments to the National Housing Code that gives effect to the Minister of Human Settlements authority to permit the release of serviced land to people who do not necessarily qualify for subsidies.

The proposed amendments mean that serviced sites, complete with minimum building design plans and standards that are consistent with the relevant Municipal Building Control By-Laws, together with title deeds, would be made available to people of Gauteng, who are willing and able to build for themselves. This is essentially a modification to the People’s Housing Process (PHP).

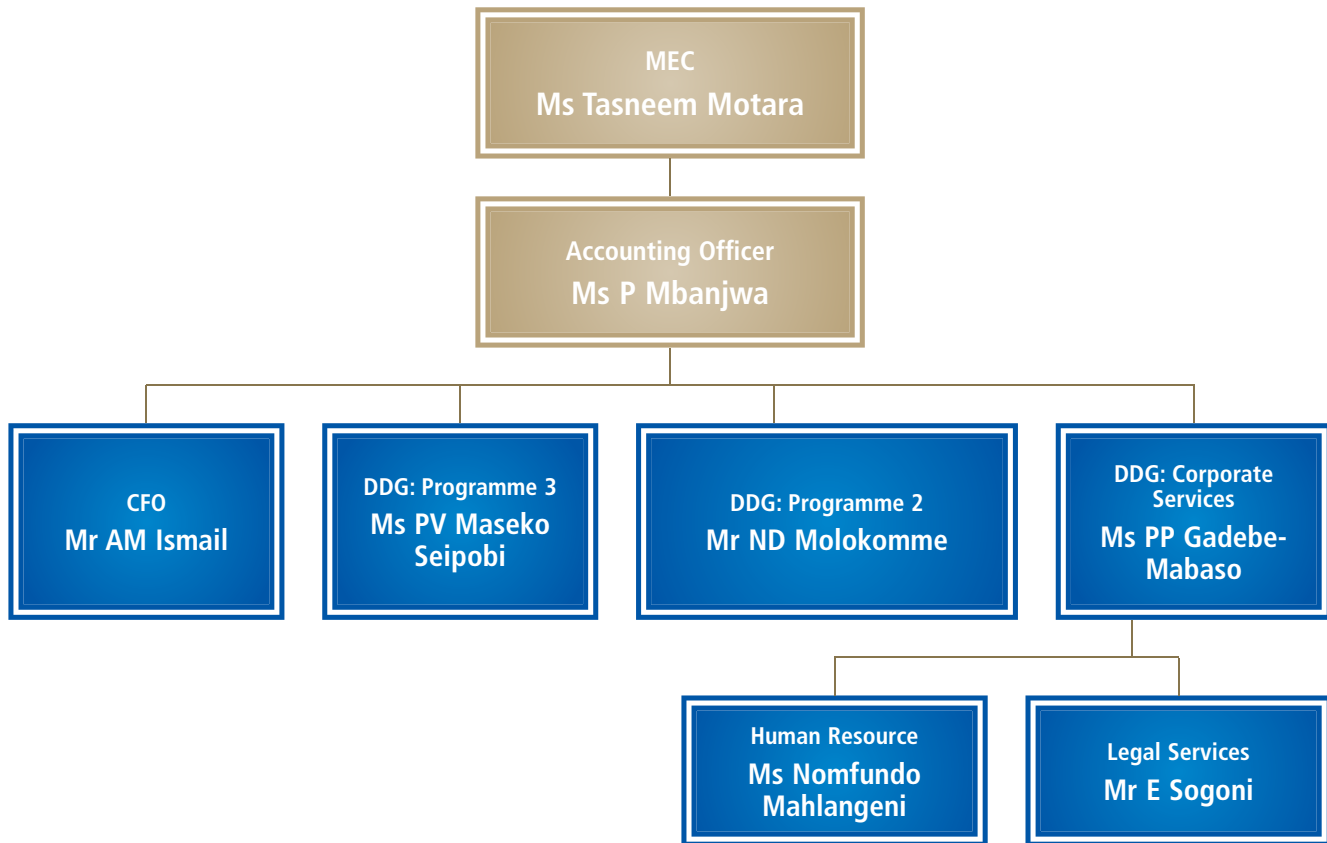
7.3.3 Other Policies, Legislation and Strategies

Other planned Legislation, Policy and Strategy initiatives for the 2023/24 financial year are reflected in the following table

Table 4: Planned Policy, Legislation and Strategy Initiatives:

Policy/strategy/ Legislation	Explanation
Policies to be reviewed	
Business Continuity Management Policy	The purpose of this policy is to identify the main threats in the Department and possible threats to business processes and establish business unit plans that ensure the continuity of business.
Gifts, Sponsorships and Hospitality Declaration Policy	The purpose of the policy is to make employees aware of acceptable and unacceptable practices concerning gifts, sponsorship and hospitality offered to them.
Cell Phone and Data Card Policy	The purpose of this policy is to standardise the management of official usage of cell phones and 3G’s in the Department.
Performance Management and Development Policy	The purpose of this policy is to monitor performance and ensure that it is managed on a continuous and consistent basis, to ensure that strategic objectives are met.
Data Backup Policy	The purpose of this policy is to strive to have a basic, regular and successful daily, weekly and monthly data and system backup.
Project Bank Policy	The Project Bank/Pipeline will serve as an inventory list of all the projects that the department intends to undertake or currently undertaking to deliver on its strategic mandate towards the delivery of sustainable integrated human settlements to the citizens of Gauteng.

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MEC

The table below indicates the entities that report to the MEC.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Gauteng Partnership Fund	Social Housing Act 2008, Housing Act 1997, Division of Revenue Act (Act No.1 of 1999 as amended) Spatial Planning and Land Use Management Act (Act No.16 of 2013 and its regulations).	R 399 034 936,44 (HSDG)	Mega projects implementation for the delivery of stands, units and external works for walk up blocks in three projects.
Gauteng Partnership Fund		R65 000 000,00 (ISUPG)	Relocation and upgrading of informal settlements. Implementation of Alternative Sanitation in Mogale and Emfuleni.
Housing Fund	Public Finance Management Act (PFMA) and their Regulations, Treasury Regulation 19.	R351 697 615,56	<ul style="list-style-type: none"> Registration of Title Deeds. Hostel refurbishment and Flats (HSDG).

Part B

CLAYVILLE
MEGA PROJECT



Performance Information

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General of South Africa (AGSA) currently performs certain audit procedures on the performance information to provide limited assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 202 to 209 of the Report of the Auditor-General, published as Part F: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The province of Gauteng still comprises the largest share of the South African population, with approximately 16.1 million people (26.6%) living in the province. KwaZulu-Natal has the second largest population, with an estimated 11.5 million people (19.1%). With a population of approximately 1.31 million people (2.2%), Northern Cape remains with the smallest share of the South African population. This large population is however accommodated in the smallest province with a geographical size of approximately 18 000 square kilometres. This is one of the reasons why the province is faced with challenges that impede service delivery. The Department remains committed to carrying out its mandate despite all the challenges faced.

The migration into the Gauteng province ultimately impacts on its infrastructure and service delivery. The challenges of migration and urbanisation continues to influence the Gauteng Department of Human Settlements (GDHS) response in creating integrated and sustainable human settlements in Gauteng as the population increases. As of 2022, South Africa's population increased and counted approximately 61.4 million inhabitants in total, of which the majority inhabited Gauteng, Kwazulu-Natal and the Western-Eastern Cape. Gauteng (including Johannesburg) is the smallest province in South Africa, however, comprises the largest share of the South African population, with approximately 16.1 million people (26.6%) living in the province. KwaZulu-Natal has the second largest population, with an estimated 11.5 million people (19.1%). With a population of approximately 1.31 million people (2.2%), Northern Cape remains with the smallest share of the South African population.

Amongst the increase in population is the growth rate among the elderly (60 years and older) which rose from 1.1% for the period 2002–2003 to 3.0% for the period 2019–2020. Vulnerabilities evident in this age group range from the need for social assistance programmes and easy access to cash transfers to food programmes and access to health care, including the need for secure and decent housing. Similarly, due to achievements in health and wellbeing, population growth rates before the COVID-19 pandemic for youth and adults were on the incline. However, the impact of the COVID-19 pandemic and resultant deaths is evident in all population age categories that reflected a decline in the rate of growth between 2020 and 2021, compared to the previous period, apart from the youth aged 15–24. The COVID-19 pandemic has significantly changed the population structure over the years, 2020–2021 specifically in the elderly, 60+ years.

Main services delivered directly to the public

The main purpose of the Department is prioritising housing needs of the poor. In addressing the housing backlog, the Department delivered 7 089 housing units which is inclusive of the completion of blocked/abandoned/incomplete housing units and subsidies disbursed through FLISP. Furthermore, the Department delivered 7 191 serviced sites, (including municipal engineering services) inclusive of sites for the Rapid Land Release Programme.

In delivering the State of the Province Address (SOPA) on the 20th of February 2023, the Premier of Gauteng, the Honourable Panyaza Lesufi, among others, prioritised informal settlements and hostels. He committed to transforming townships and informal settlements into better and respectable places. Furthermore, the Premier vowed to implement the Township Development Act to benefit all businesses in the townships. He went further committing the Gauteng Provincial Government (GPG) to the timeous lodging of zoning applications and direct collaboration with the municipalities on the delivery of the backyard dwellers projects – formalisation and upgrading of backroom properties. The Growing Gauteng Together 2030 Plan of Action (GGT2030) remains the plan of action of the entire Gauteng City Region. The Departmental priorities are aligned with the Medium-Term Strategic Framework (MTSF).

In transforming informal settlements, the Department concluded 15 social compacts with communities aimed at operationalising a functional working relationship between government, including the Department, the local municipality, and community in respect of upgrading an informal settlement. The Department also completed seven feasibility studies for upgrading of informal settlements. A total of 290 households from informal settlements were relocated to completed houses. The purpose of this relocation is to reduce population density and overcrowding within informal settlements as part of the upgrading process by relocating households to completed housing units in Mega Projects with better infrastructure and more space, while ensuring the new locations are well-connected to essential services and economic opportunities. Although there was no recorded performance during the year under review, the Department had planned to provide temporary municipal engineering services to two informal settlements. These are short-term infrastructure and basic services provided to informal settlements to improve living conditions in these areas. This includes temporary water supply solutions, temporary sanitation solutions, etc.

In improving the quality of life for the people living in hostels, the Department provided routine maintenance to the six Departmentally owned hostels in George Goch, Denver, Jeppe, LTA, Murray and Roberts and MBA. Routine maintenance pertains to the supply of daily cleaning services for common spaces (verandas, corridors, toilets, showers, court yards and open fields). These tasks are carried out in consultation with the Izinduna as key stakeholders. The Department has also conducted bulk assessment for the 58 municipality owned hostels that are found in the province. One hostel was not assessed due to access challenges.

The Department continues to work systematically in order to expedite title deeds registration and ensuring that these are handed over to our citizens as an important economic asset that they can use in order to participate more meaningfully within the mainstream economy. For the year under review, the Department registered 2 239 title deeds across the four categories.

The Department continues to implement the above initiatives applying a refreshed approach and ensuring that there is synergy in the implementation of all the over-arching policy frameworks and strategies, such as, National Development Plan, MTSE, GPG's Transformation, Modernisation and Re-industrialisation Strategy and the GGT 2030

Some of the challenges experienced

It is critical to note as well the challenges that are experienced by the Department in its quest to discharge its constitutional mandate of providing adequate shelter to the people of Gauteng, and these can be enumerated as follows:

- Un-proclaimed/unregistered townships and/or not formalised resulting in delayed processing of title deeds. Formalisation of townships remain key to unlocking the subject predicament in line with the municipal conditions of establishment. In mitigating this challenge, there needs to be an assignment of a capability/technical human resources that can be dedicated to address pending milestones of the applicable old, unregistered townships in order to enable compliance with all statutory approvals encapsulated on the township establishment requirements, such as, approved general plans, opening of township register, issuance of services clearance certificate, etc. This practice creates an additional backlog as houses cannot be immediately transferred to enable title deeds registration.
- Rapid urbanisation and migration of people, particularly from neighbouring countries and other provinces of the country have created the need for access to land for housing. The reliance of these segments of the Gauteng population on government to assist and contribute to their housing access, in the form of affordable housing ownership and rental intensifies the call for a multi-stakeholder collaboration to the housing question. It is important to note that the shortage of housing available to the low-income groups particularly for those who find themselves in areas close to economic opportunities cannot be ignored.
- The National Department of Human Settlements increased the housing subsidy effective from 1 April 2023. This increase was based on prevailing building costs as determined by the Bureau of Economic Research of Stellenbosch University. The increase also catered for additional enhancements to the house specifications. The Department welcomed this however, the increase has a negative impact on our annual targets.
- Dependencies on other spheres of government for approvals, including technical capacity of municipalities to support provincial projects under implementation.
- Multi-year contracting which enables proactive work packages, for example, on electrification of walk-ups which cannot be recorded as complete, bulk provision, approvals etc.

2.2 Service Delivery Improvement Plan

The Department has completed a Service Delivery Improvement Plan. The tables below highlight the Service Delivery Plan and the achievements to date.

Main services and standards

Main services	Beneficiaries	Current/Actual standard of service	Desired standard of service	Actual achievement
Manage and coordinate the implementation of Housing Allocation	South African Residents earning R0- R3 500	100% allocation of completed housing units to approved beneficiaries	Allocate 6 000 completed and quality assured houses	Out of the 5 513 readily available housing units, 5 053 have been allocated to the approved beneficiaries, 92% YTD cumulatively
	Approved Beneficiaries	100% allocation of completed housing units to approved beneficiaries to curb invasions	Conduct more education on step-by-step processes to beneficiaries on housing allocation	
	Persons classified as aged.	100% allocation of housing units to beneficiaries of the deceased	100% Beneficiaries of deceased approved applicants allocated houses	
	Persons classified as disabled.			
	Persons not yet benefited from Government Assistance	deceased.	allocated houses.	112 military veterans allocated houses
	Child Headed Household			
	Persons married or cohabiting and persons classified as military veterans.			

Batho Pele arrangements with beneficiaries (Consultation access, etc.)

Current/actual arrangement	Desired arrangements	Actual achievement			
Consultation Community Education ensures that the communities are informed on the Departmental policies and processes on how to access housing products and services on a quarterly basis	Community Education offers awareness sessions to the communities on housing products on monthly basis.	61 Consumer Education and Empowerment Sessions on housing Policies, programmes and 13 community outreach were held at the following areas:			
		Quarter 1	Quarter 2	Quarter 3	Quarter 4
		Community Education Workshops	Community Education Workshops	Consumer Education Workshops	Consumer Education Workshops
		Khutsong Ext. 2 & 4 Townlands Social Housing Geluksdal Elijah Barayi Block 1401 Helderwyk Fluerhof Ext. 21 & 30 Leeupoort	Vosloorus Hamanskraal Hamanskraal Jabavu Soweto Hamanskraal Clayville Orlando East Clayville Ext. 79 Clayville Ext. 80 Clayville Sokhulumi Toekomrus Consumer Education Bara	Title Deeds Consumer Education – Mabopane Social Housing Consumer Education – Marabastad Councilor’s Workshop for Eastern Region – Ekurhuleni Commemoration of Older persons/	Social Housing Consumer Education – Townlands Title Deeds Education – Rietfontein Generic Housing Education – Vosloorus Social

Current/actual arrangement	Desired arrangements	Actual achievement			
			Hospital Lefurheng First Home Finance Goudrand	special needs – Diepkloof Soweto and Subsidy Administration Consumer Education Sebokeng Zone 12 Sectional Title Consumer Education – South Hills Social Housing Consumer Education – Pimville Mabopane Block S Brickvalley Mabopane Unit CV Soshanguve A & B Soshanguve M Ext Obed Nkosi Impumelelo John Dube Kagiso Ext. 13 Sebokeng X24 Tshepiso Ext. 1 Greenspark Ext. 1	Housing Consumer Education – Town- lands – Title Deeds Education – Obed Nkosi Soshanguve Ext. 08, 09 & 10 (Tshwane) - Con- sumer Education and Title Deeds Hand Over. Boiketlong (Emfuleni) Con- sumer Education post allocation Dan Thloome (Rand West) Post Allocation Con- sumer Education Goudrand (Joburg – Con- sumer Education pre allocation Consumer Educa- tion pre allocation – Goudrand Generic Housing Community Education – Naledi Social Housing Consumer Educa- tion – Townlands Preallocation Community Education – Helderwyk Preallocation Community Education – Clayville



Current/actual arrangement	Desired arrangements	Actual achievement			
		Quarter 1	Quarter 2	Quarter 3	Quarter 4
		Community Outreach Education Soweto Outreach	Community Outreach Education Exhibition and one-on-one engagement with George Goch Hostel Residents, Exhibition and pre-event presentation at the MEC Title Deeds Handover Event Exhibition one-on-one engagement with community members of Sebokeng at Thabong Mall, Exhibition and one-on-one engagement with community members of Sebokeng at Evaton Mall	Community Outreach Education Mall Activation: Atlyn Mall	Community Outreach Education Soshanguve Ext. 1 MEC Outreach Katlehong Outreach Education Stratford MEC Event Outreach Soshanguve Ext 06 MEC Event Outreach Fluerhof MEC Event Outreach Goudrand MEC Event Outreach Daveyton Outreach Education Session
		Quarter 1 NTIRHISANO West Rand Title deeds Handover: 1284 Title deeds were handed over Khutsong Ext.1&2	Quarter 2 NTIRHISANO Sedibeng Title Deeds Handover :298 Title deeds were handed over at Savanna City	Quarter 3 NTIRHISANO Ekurhuleni Title deeds Handover: 220 Title deeds handed over at Palmridge Ext 9	Quarter 4 NTIRHISANO City of Tshwane Title deeds Handover: 555 Title deeds handed over at Soshanguve South Ext1. 583 Title deeds handed over at Soshanguve South Ext 4. Sedibeng Title Deeds Handover: 366 title deeds Handed over at Stretford Proper & Ext1:

Current/actual arrangement	Desired arrangements	Actual achievement			
		Quarter 1	Quarter 2	Quarter 3	Quarter 4
		<p>SCHOOL READINESS PROGRAMME</p> <p>MEC Maile was deployed to the following schools to check readiness: Refithilepele Primary School Makhosini Combined School Smart Kidz ECD: Soshanguve.</p>	N/A	N/A	N/A
		<p>HOSTEL STAKEHOLDER ENGAGEMENT</p> <p>MEC Maile visited the Inner-City & Diepkloof Hostel to check for the progress in terms of development & to address the challenges experienced by the community of the hostel in relation to the dilapidating state of the hostel and the urgent need for relocation and development of the hostel.</p>			
		<p>Quarter 1</p> <p>Handover of houses: Ekurhuleni Region: Helderwyk Ext. 8: 74 houses were handed over Lufhereng Ext. 5: handed over 212 houses were handed over of which 19 were for Military Veterans and 6 are for people with disabilities</p>	<p>Quarter 2</p> <p>The Rapid Response Team Community Empowerment with the support of project managers, conducted an audit for all active projects which are on the business plan: West Rand Region: Audited 11 Active Projects</p>	<p>Quarter 3</p> <p>The Rapid Response Team The MEC met with all the Ward Councillors of The Sedibeng Region to assist with challenges faced with the construction sector and service delivery matters Rapid Response Team continued to provide support</p>	<p>Quarter 4</p> <p>N/A</p>



Current/actual arrangement	Desired arrangements	Actual achievement				
			<p>Tshwane Region: Audited 8 Active Projects</p> <p>Sedibeng Region: Audited 7 Active Projects</p> <p>Ekurhuleni Region: Audited 5 Active Projects</p> <p>City of Joburg Region: Audited 4 Active Projects.</p>	<p>to project management with the Department assisting with the following: Establishment of Project Steering Committees in all Active Project</p> <p>Participate in all Project Steering Committee Meetings in each project</p> <p>Participate in all Technical Meetings in each project</p>		
		<p>UPGRADING OF INFORMAL SETTLEMENTS PROGRAMME</p> <p>This initiative is aimed at the provision of basic interim services (water and sanitation) in various informal settlements in the Gauteng province. The UISP is also used for the upgrading of the identified informal settlements to promote the dignity of the communities and formed a collaboration with the UISP Unit to offer intervention services and community stakeholder engagement.</p> <p>Currently the UISP has been communicating with the Sedibeng Region and implementation is still underway.</p>				

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
<p>Information brochures/ manuals on housing products are available at the Customer Support Centre help desk at all times, allow Walkins, one on one communication, Imbizos, Ntirhisano, Public Exhibitions.</p>	<p>Brochures, Radio stations and loud hailing techniques are used for giving information on housing products to the beneficiaries, Inclusive of social media platforms, community radio stations, media buying increased media buying, translation of brochures to different languages.</p> <p>To reach Community, national and Local TV, new media, intranet, departmental website, social media accounts, Internal and External publications, Tshumelo, HS Journal, HS Express, Facebook, Twitter, Instagram and Youtube.</p>	<p>The media coverage for the GDHS are: Radio 2000, Vaal News, Daily Sun, Sowetan, the New Age, Pretoria News, City Press, CNBC Africa, INC, ANN7, Lesedi FM, Thetha FM and Business Daily The signage for the Regional Offices has been updated</p> <p>Pamphlets and brochures to the GDHS are updated as and when the need arises for the purpose of updating the clients with the Department.</p>

Current/actual information tools	Desired information tools	Actual achievements
Copies of the Housing Subsidy System printout per project of approvals and details of rejections on Housing Subsidy are handed to the Beneficiary Regional Teams as and when the information is available. Information on Business Processes and Standard Operating Procedure is provided to the Internal user/clients.	The Housing Subsidy System and the needs register system are integrated and the update of whether the client benefited or not shows on both systems, Standardized terminology is applied on the information on Business Processes and Standard Operating Procedure, so that it can be understood across regions, e.g. Detail design, final engineering design, water and sewer alignment.	<p>The process of interfacing the Housing Subsidy System and the needs register by the National Department of Human Settlements is finalised.</p> <p>The main reason is to ensure proper reporting for planning process. The following objective of the integration were achieved. The Department is able to report on the progress of the applicant's application status;</p> <p>Application status reflects the progress of the application, as from 2016/17 financial year. Business processes developed. Consultations with stakeholders have been conducted; to ensure that business processes are aligned in detail to Standard Operating Procedures. The Business processes developed and approved are for the following Units:</p> <p>Business unit functions: Subsidy Programme Management and Administration,</p> <p>National Department of Human Settlements, have updated the Project Process Guide for Human Settlements Programmes in November 2017.</p>

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Political Izimbizo, public meetings, walk-ins and Premier's hotline.	To acknowledge and resolve all registered complaints within the specific standards and timelines which are 14 days acknowledgement and resolved within 90 days as per the Service Charter Standards.	Enhanced the existing complaints and management systems (better interface). The complaints are referred to relevant directorates, for example: Rental Tribunal and Asset Transfers in the Directorate Project Management.
Acknowledgement of complaints and queries.	Complaints and queries acknowledged within 14 days and resolved within 90 days.	<p>Complaints against the GDHS: 1 434 cases were registered and 1 345 resolved from April 2023 to March 2024 with 89 cases still pending. The GDHS resolved 94% of the cases registered.</p> <p>Hotline completed complaints: 1st Quarter – 632 2nd Quarter – 340 3rd Quarter – 380 4th Quarter – 82</p>

2.3 Organisational environment

The Department embarked on a process of reviewing its organisational structure to align with its strategic objectives. The organisational structure was concurred by the Minister of Public Service and Administration (MPSA) in June 2023 and approved by the MEC in July 2023. The implementation of the newly approved organisational structure is underway.

An analysis on the re-configuration of the Infrastructure Delivery Management System (IDMS), the GCR Infrastructure Development Plan and the GGT2030 plan has been conducted with the purpose of ensuring that the Department effectively and efficiently implements the GCR Infrastructure Development Plan, GGT2030 and Sector Strategies.

The Department in an effort to improve controls and compliance, migrated physical records to the digital platform through built-in infrastructure on business processes in line with RM ISO standards.

Unavailability of the Job Evaluation System in the public service made it difficult to grade newly created and redefined jobs in the new organisational structure.

Job Evaluation benchmark exercises were conducted with other provinces and other sister departments to grade newly created and redefined jobs as directed by the Department of Public Service and Administration (DPSA).

2.4 Key policy developments and legislative changes

The National Department of Human Settlements in the process of reviewing the White Paper for Human Settlements and Consumer Housing Protection Bill.

The Department through the Policy and Research directorate developed the following policies in 2023/24 financial year:

1. Service Delivery Model Policy
2. Business Process Management and SOP Policy
3. Language Policy
4. Employment Equity Policy
5. Consequence Management on Irregular Expenditure Policy
6. Policy on Prevention and Elimination of Harassment in the Workplace
7. Cell Phone and Data Card Policy

These policies contribute to a better functioning department by creating a positive work environment, promoting responsible financial practices and improving service delivery.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The collective outputs across different programmes are responsive to the planned outcomes and intended impact as set in the Strategic Plan of the Department determined five years ago. The impact statement of the Department is as follows:

Integrated Sustainable Human Settlements that:

- realise the constitutional right of people to have access to housing;
- contribute to growing Gauteng together as a smart Global City Region;
- provide security of tenure and restores human dignity;
- reverse apartheid spatial planning with spatially transformed human settlements that enables people to live, work and play in the same area.

The four outcomes against which the Department needs to achieve towards realisation of the impact statement above, are as follows:

- Functional and integrated service delivery-oriented organisation founded on the principles of good governance and values;
- Enhanced delivery of human settlements through integrated policy, research, planning, monitoring and evaluation;
- Integrated, sustainable and spatially transformed human settlements and liveable neighbourhoods;
- Social justice through the promotion and protection of security of tenure for housing beneficiaries, tenants and owners.

The outcomes above are linked to the Medium-Term Strategic Framework (MTSF) as well as the Growing Gauteng Together (GGT2030) priorities as illustrated in the table below. Although some of the targets were not achieved, the Department has made some strides in the performance, as follows:

MTSF 2019-2024 Priorities	GGT 2030 Priorities	Departmental Strategic Outcomes	Outcome Indicator	5-year targets (March 2025)	Progress (2019/20–2023/24)
Priority 1: A Capable, Ethical and Developmental State	Priority 5: Building a capable, ethical and developmental state	Outcome 1: Functional and integrated service delivery-oriented organisation founded on the principles of good governance and values	Compliance with applicable pieces of legislation and policies that inform service delivery for the Department	The Department functions at optimal levels, delivers on its core functions and receives unqualified audit opinions consistently	<p>The Department has adopted a turnaround strategy which has recorded significant progress in improving performance. The plan looked at a variety of issues, such as, governance, financial management, programme delivery, innovation and digitalisation, integrated planning and organisational structure reviews.</p> <ul style="list-style-type: none"> • 74% (average) of prior year material misstatements addressed towards an unqualified audit opinion • An average of 95.4% of invoices were paid within 30 days of receipt of invoices for the period 2019/20 to 2023/24 • 5 approved annual Global Risk Response Action Plans updated.
		Outcome 1: Functional and integrated service delivery-oriented organisation founded on the principles of good governance and values	Institutionalisation of the Infrastructure Delivery Management System (IDMS) in the Department	Integrated and streamlined service delivery from and within the Department	Not applicable for the financial year 2023/24. However, a total of 463 employees trained on the IDMS in the MTSF period.



MTSF 2019-2024 Priorities	GGT 2030 Priorities	Departmental Strategic Outcomes	Outcome Indicator	5-year targets (March 2025)	Progress (2019/20–2023/24)
Priority 2: Economic transformation and job creation	Priority 1: Economy, jobs and infrastructure	Outcome 3: Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Percentage investment of the Department's procurement spend on local businesses	80% of the procurement spend on township -based businesses	32.26% spent on township -based businesses.
				40% of the procurement spend on the women -owned businesses	13.49% spent on the women -owned businesses.
				30% spend on youth businesses	4.8% spent on youth -owned businesses.
				5% spend on PWD -owned businesses	1.17% spent on PWD -owned businesses.
			Number of work opportunities and jobs created through the Human Settlements Development Grant and Expanded Public Works Programme	34 202 jobs and work opportunities created: 28 184 work opportunities (unskilled) 6 018 jobs (skilled)	26 674 (78%) jobs and work opportunities created: 23 420 (83%) work opportunities created (unskilled). 3 254 (54%) jobs created (skilled).
Priority 5: Spatial integration, human settlements and local government	Priority 3: Integrated human settlements, basic services and land release	Outcome 2: Enhanced delivery of human settlements through integrated policy, research, planning, monitoring and evaluation	Institutionalised planning, research and development in line with approved policies and legislation	Research-based human settlements development planning that is responsive to the needs of beneficiaries in each community and aligned to approved policies and legislation	6 Research Reports completed.
Priority 5: Spatial integration, human settlements and local government	Priority 3: Integrated human settlements, basic services and land release	Outcome 3: Integrated, sustainable and spatially transformed human settlements and liveable neighbourhoods	Number of housing opportunities delivered across all housing programmes	100 000 housing opportunities	89 261: housing opportunities delivered across all housing programmes.
				BNG housing units: 61 868	43 050 BNG housing units delivered are inclusive of 609 FLISP subsidies and 532 units under blocked projects.

MTSF 2019-2024 Priorities	GGT 2030 Priorities	Departmental Strategic Outcomes	Outcome Indicator	5-year targets (March 2025)	Progress (2019/20–2023/24)
				Serviced sites 44 905	46 211 serviced sites, inclusive of services installed in walk-up units.
				FLISP units 1 917	609 housing subsidies received by households.
				Rapid Land Release Programme (RLRP) 75 000 RLRP serviced sites (60% of the RLRP serviced sites allocated to the youth for better housing – elevated priority)	Rapid Land Release Programme (RLRP) 3 599 RLRP serviced sites delivered with 3 540 released to qualifying beneficiaries.
Priority 5: Spatial integration, human settlements and local government	Priority 3: Integrated human settlements, basic services and land release	Outcome 3: Integrated, sustainable and spatially transformed human settlements and liveable neighbourhoods	Integrated and sustainable human settlements developments through the implementation of the approved Gauteng Human Settlements Spatial Master Plan	Spatially transformed human settlements developments: Gauteng Human Settlements Spatial Master Plans developed and reviewed	Spatially transformed human settlements developments: Gauteng Human Settlements Spatial Master plan was developed and reviewed.
				Gauteng Multi-year Project Pipeline/Project Bank developed and updated	Gauteng Multi-year Project Pipeline/Project Bank was developed and updated.
				12 townships formalised	9 (75%) townships were formalised
				10 integrated implementation programmes for priority development areas (PDAs) completed	10 (100%) integrated implementation programmes for priority development areas (PDAs) completed.
				100% of land acquired during 2014-2019 within the PDAs rezoned	0% of land acquired during 2014-2019 within the PDAs rezoned. Provisional rezoning obtained for 2 of the 5 land parcels.

MTSF 2019-2024 Priorities	GGT 2030 Priorities	Departmental Strategic Outcomes	Outcome Indicator	5-year targets (March 2025)	Progress (2019/20–2023/24)
Priority 5: Spatial integration, human settlements and local government	Priority 3: Integrated human settlements, basic services and land release	Outcome 3: Integrated, sustainable and spatially transformed human settlements and liveable neighbourhoods	Completed township establishment preceding human settlement developments throughout the current term of government	All human settlement projects developed on properly established and proclaimed townships	All human settlement projects are being developed on properly established and proclaimed townships in the MTSF period.
Priority 5: Spatial integration, human settlements and local government	Priority 3: Integrated human settlements, basic services and land release	Outcome 3: Integrated, sustainable and spatially transformed human settlements and liveable neighbourhoods	Number of intervention programmes implemented for accelerated transformation of human settlements	4 Intervention programmes: Urban Renewal Programmes (4 URPs implemented: Bekkersdal, Evaton, Alexandra and Winterveldt)	Intervention programmes: Bekkersdal 1 –Contractor on site - progress to date has been recorded as 3.22km Earthworks (pipe trenches, bedding and finishing). Bekkersdal 2 - Servicing and maintenance of the stormwater infrastructure was completed. Scope: Rehabilitation of various internal infrastructure. Appointment of contractor not successful (tender was non-responsive), to be readvertised. Evaton 1 Upgrading of Evaton outfall sewer network. Planning is underway, to be completed by end of 2024/25. Evaton 2 Scope - Assessment of remaining work to complete 30 ablution structures. Planning has been finalised by PRTs. Awaiting appointment of contractor for implementation.

MTSF 2019-2024 Priorities	GGT 2030 Priorities	Departmental Strategic Outcomes	Outcome Indicator	5-year targets (March 2025)	Progress (2019/20–2023/24)
					<p>Winterveldt - Stormwater restoration infrastructure project completed. Scope - Rehabilitation of illegal dumpsites. Planning completed, process of appointing contractor to commence.</p> <p>Alexandra Scope - Upgrading of KwaNobuhle Hostel: Drawings were finalised and approved by the municipality. Social facilitation is ongoing. Planned work to be completed over a five-year period.</p> <p>Kliptown - Implemented by the City of Johannesburg - CoJ was interdicted resulting in delays in implementation.</p>
				72 informal settlements upgrading plans completed	30 informal settlements upgrading plans (with 15 assessments) completed.
				22 social compacts concluded	33 social compacts concluded.
				69 informal settlements provided with interim services	<p>Informal settlements provided with interim services specific to sanitation, as follows:</p> <p>47 in 2023/24 41 in 2022/23 54 in 2021/22 49 in 2020/21 0 in 2019/20.</p>

MTSF 2019-2024 Priorities	GGT 2030 Priorities	Departmental Strategic Outcomes	Outcome Indicator	5-year targets (March 2025)	Progress (2019/20–2023/24)
				10 informal settlements upgraded to Phase 3	0 informal settlements upgraded to Phase 3.
				<p>Hostel Re-development Programme: (elevated priorities): 6 x habitable GPG owned hostels. Major repairs to all 6 Jhb inner city hostels owned by GPG. Bulk assessment for 59 hostels that are found in the province Bulk assessment for 6 hostels owned by the Department 128 units completed in Rethabile/LTA hostel Consistent engagements with Izinduna as key stakeholders Bulk infrastructure support service (5% of the Human Settlements Development Grant allocated to needy local municipalities)</p>	<p>Hostel Re-development Programme: (elevated priorities): Major repairs ongoing in 5 hostels In 2023/24 FY, bulk infrastructure assessments were completed in 58 hostels 6 X GPG owned hostels bulk assessments completed in 2022/23 0 units completed in Rethabile/LTA hostel Consultation with Izinduna is ongoing Implementation Protocol signed between NDHS, GDHS and HDA to establish project office at HDA 6 X GPG owned hostels bulk undergone routine maintenance.</p>
Priority 5: Spatial integration, human settlements and local government	Priority 3: Integrated human settlements, basic services and land release	Outcome 4 Social justice through the promotion and protection of security of tenure for housing beneficiaries, tenants and owners	Number of title deeds issued to rightful beneficiaries	67 654 title deed registered across all categories: New: 23 403 (includes post-2014 and post-2019 title deeds) Pre-1994: 6 583 Post-1994: 37 668	30 818 title deeds registered across all categories: New title deeds: 7 727 Pre-1994: 2 771 Post-1994: 20 320. Additionally 2483 title deeds were registered but could not be recorded due to categorisation limitations as well as late receipt from conveyancers

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Purpose

This Programme focuses on providing support services (strategic management and governance, financial, corporate support – ICT, HR, communication) that enables the core function programme areas to perform their tasks efficiently and effectively.

It consists of the following sub-programmes in line with the Provincial Budget Programme Structure for the Provincial Department of Human Settlements:

- **Office of the MEC:** To provide political support to the programmes of the Department¹.
- **Corporate Services:** To provide corporate and administrative support to the programmes of the Department and has a number of Sub-sub-programmes under it.

List of institutional outcomes that contribute to the programme

Outcomes 1 & 3

Contribution of Outputs to Outcomes and Impact (Outcomes 1 & 3)

The collective outputs of Programme 1 are responsive to Outcome 1 and Outcome 3, which are “Functional, integrated management and governance of the Department” and “Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods.” They indicate the extent to which the Department has been managed and governed in compliance with applicable legislation and regulations. It also indicates the level of functionality of the Department and its commitment and contribution to integrated and holistic service delivery. Importantly, the outputs and output indicators of this Programme are the strategic enablers of service delivery by the core function programme areas and their respective outcomes, i.e., Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods, and social justice through security of tenure and asset value for beneficiaries. All the outcomes of the Department individually and collectively contribute to the impact statement of the Department.

Contribution to Women, Youth and Persons with Disabilities

The Programme’s contribution to improving the lives of women, youth and persons with disabilities is located in its supply chain management and human resource management sub-programmes. The Department strives to spend 40% of its total procurement budget for each financial year on businesses owned by women, 20% on businesses owned by youth and 5% on businesses owned by persons with disabilities. In addition to this, the Department sets a target of spending 60% of its total annual procurement budget to township suppliers, some of which have women, youth and persons with disabilities in their ownership/management or staff structures.

The Department has adopted and continues to strive to achieve the DPSA targets of 50% women employed in Senior Management Service (SMS) positions and 2% employment of persons with disabilities. These targets are not reflected as outputs in this 2022/23 APP but instead are reflected in the Annual Operational Plans of the Corporate Services Branch of the Programme.

Alignment of the outputs and their indicators to Outcomes 1 and 3

All the outputs and their respective indicators respond to the functional, the management, governance elements and the spatial transformation of the of human settlements. The combined assurance report output focuses on the management of risks that impede and/or threaten to impede the functionality, good management and governance of the entire Department and of service delivery by the core function programmes of the Department. The unqualified audit, budget spend and financial statements outputs and respective indicators focus primarily on prudent, effective and efficient financial management as the enabler of service delivery and achievement of all non-financial performance targets of the Department. The strengthened, enhanced and functional provincial level IGR output and its two indicators focus on the integrated element of the outcome. The “Achievement of all Corporate Support Services targets in Annual Operational Plan (AOP) of each financial year’s” output focuses primarily on the functionality element of the outcome due the critical services provided by the sub-programmes of the Corporate Services Branch.

¹ The Office of the MEC is not required to have output indicators and targets.

These services include ensuring the Department has the required human resource capacity to perform its work, the work of the Department is communicated to all external role-players and beneficiaries and that IT connectivity and uptime facilitates and enables speedy, effective and efficient implementation of all core and corporate services.

Performance over the MTEF period

The outputs, output indicators and targets in respect of Outcome 1 remain constant over the MTEF. However, any changes introduced to the strategic and political priorities of the Department over the MTEF period may impact on some of the outputs, indicators and targets of this Programme Area which delivers on Outcome 1.

4.1.1 Programme 1: Administration

Table 1: Report against the originally tabled Annual Performance Plan (APP)

Programme 1: Administration										
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	* Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for Revisions to the Outputs/Output Indicators/Annual Targets
1.	Functional and integrated service delivery-oriented organisation founded on the principles of good governance and values	Annual Unqualified Audit Opinion Report without material misstatements	Percentage of material misstatements of the current audit report addressed towards an unqualified audit opinion	Achieved 70% material misstatements addressed towards an unqualified audit opinion compared with 2020/21 FY audit to 2019/20 FY audit as the only one in progress was Capital Work-in-Progress (CWIP)	Target achieved 82% of prior year material misstatements addressed towards an unqualified audit opinion for the 2022/23 FY	100% of material misstatements of the current audit report addressed towards an unqualified audit opinion	-	0	None	Crafting of the annual target was amended from "100% of material misstatements of the current audit report addressed towards an unqualified audit opinion" to "100% of prior year material misstatements addressed towards achieving an unqualified audit opinion for the 2023/24 FY" to improve on measurability and usefulness.
2.	Functional and integrated service delivery-oriented organisation founded on the principles of good governance and values	Departmental procurement budget spent on Township-based businesses, Women, Youth and Persons with Disabilities	Percentage of the Departmental procurement budget spend on township-based businesses	Not achieved 2.42% (out of R1 000 538 164,94 paid, R24 238 667,39 was paid to township-based businesses)	Target not achieved 0.47%	30%	0.68%	-29.32%	The challenge with channelling the procurement or ringfencing projects to designated groups is that the Procurement Act and Regulations do not provide or allow set asides	Annual target was revised from 30% to 60% to align with provincial target.

Programme 1: Administration

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for Revisions to the Outputs/Output Indicators/Annual Targets
3.	Functional and integrated service delivery-oriented organisation founded on the principles of good governance and values	Departmental procurement budget spent on Township-based businesses, Women, Youth and Persons with Disabilities	Percentage of the Departmental procurement budget spend on persons with disabilities	Not achieved 1% (Out of R1 000 538 164,94 paid, R8 632 672,82 was paid to business owned by PWDs)	Target not achieved 0,56%	7%	0,76%	-6,24%	– hence the appointment is based on the responsiveness and compliance to the requirements of the terms of reference The challenge with channelling the procurement or ringfencing projects to designated groups is that the Procurement Act and Regulations do not provide or allow set asides – hence the appointment is based on the responsiveness and compliance to the requirements of the terms of reference	Annual target was revised from 7% to 10% to align with provincial target.

Programme 1: Administration										
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	* Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for Revisions to the Outputs/Output Indicators/Annual Targets
4.	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Job Creation and Skills Development	Number of work opportunities created through the Human Settlements Development Grant and the Expanded Public Works Programme Incentive Grant each financial year (unskilled labour)	Partially achieved 5 045 work opportunities created	Target not achieved 2 540	7 500	535	-6 965	Inadequate reporting from the contractors or developers	In the output indicator only "each financial year" was removed from the Adjusted APP. Annual target was revised from "7 500" to "6 000". The Unit is struggling with the achievement of its targets in this area, year-on-year.
5.	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Job Creation and Skills Development	Number of jobs created through the Human Settlements Development Grant per financial year (skilled labour)	Not achieved 112 jobs created	Target not achieved 110	3 500	211	-3 289	Inadequate reporting from the contractors or developers	"per financial year" was removed from the output indicator. Annual target was revised from "3 500" to "1 500". The Unit is struggling with the achievement of its targets in this area, year-on-year.

4.1.2 Programme 1: Administration

Table 2: Report against the Adjusted APP

Programme 1: Administration									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
1.1	Functional and integrated service delivery-oriented organisation founded on the principles of good governance and values	Annual Unqualified Audit Opinion Report without material misstatements	Percentage of material misstatements of the current audit report addressed towards an unqualified audit opinion	Achieved 70% material misstatements addressed towards an unqualified audit opinion compared with 2020/21 FY audit to 2019/20 FY audit as the only one in progress was CWIP.	Target achieved 82% of prior year material misstatements addressed towards an unqualified audit opinion for the 2022/23 FY	100% of prior year material misstatements of the current audit addressed towards an un-qualified audit opinion	Target achieved 100% of prior year material misstatements addressed towards an unqualified audit opinion for the 2023/24 FY	0%	None
1.2	Percentage of the Departmental procurement budget spend on Township-based businesses, Women, Youth and Other Designated Groups								
1.2 (a)	Functional and integrated service delivery-oriented organisation founded on the principles of good governance and values	Departmental procurement budget spent on Township-based businesses, Women, Youth and other designated groups	Percentage of the Departmental procurement budget spend on township-based businesses	Not achieved 2.42% (out of R1 000 538 164,94 paid, R24 238 667,39 was paid to township-based businesses)	Target not achieved 0.47%	60%	Target not achieved 0.34%	-59.66%	The challenge with channelling the procurement or ringfencing projects to designated groups is that the Procurement Act and Regulations do not provide or allow set asides – hence the appointment is based on the responsiveness and compliance to the requirements of the terms of reference.

Programme 1: Administration									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
1.2 (b)	Functional and integrated service delivery-oriented organisation founded on the principles of good governance and values	Departmental procurement budget spent on Township-based businesses, Women, Youth and other designated groups	Percentage of the Departmental procurement budget spend on Women	Not achieved 11.17% (out of R1 000 538 paid, R164,94 paid, R111 809 was paid to businesses owned by women)	Target not achieved 7.06%	40%	Target not achieved 21.73%	-18.27%	The challenge with channelling the procurement or ringfencing projects to designated groups is that the Procurement Act and Regulations do not provide or allow set asides – hence the appointment is based on the responsiveness and compliance to the requirements of the terms of reference.
1.2 (c)	Functional and integrated service delivery-oriented organisation founded on the principles of good governance and values	Departmental procurement budget spent on Township-based businesses, Women, Youth and other designated groups	Percentage of the Departmental procurement budget spend on Youth	Not achieved 3% (out of R1 000 538 paid, R164,94 paid, R28 143 was paid to businesses owned by youth)	Target not achieved 4.88%	20%	Target not achieved 11.20%	-8.8%	The challenge with channelling the procurement or ringfencing projects to designated groups is that the Procurement Act and Regulations do not provide or allow set asides – hence the appointment is based on the responsiveness and compliance to the requirements of the terms of reference.



Programme 1: Administration

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
1.2 (d)	Functional and integrated service delivery-oriented organisation founded on the principles of good governance and values	Departmental procurement budget spent on Township-based businesses, Women, Youth and other designated groups	Other designated groups (Co-operatives, Military Veterans and Persons with Disabilities)	Not achieved 1% (out of R1 000 538 164,94 paid, R8 632 672,82 was paid to businesses owned by PWDs)	Target not achieved 0.56%	10%	Target not achieved 0.65%	-9.35%	The challenge with channelling the procurement or ringfencing projects to designated groups is that the Procurement Act and Regulations do not provide or allow set asides – hence the appointment is based on the responsiveness and compliance to the requirements of the terms of reference.
1.3	Functional and integrated service delivery-oriented organisation founded on the principles of good governance and values	Invoices paid	Percentage of fully compliant invoices received paid within 30 days per financial year	Partially achieved 94% (1 884 fully compliant invoices received and 1 763 was paid within 30 days)	Target achieved 100%	100%	Target achieved 100%	0%	None
1.4	Functional and integrated service delivery-oriented organisation founded on the principles of good governance and values	Updated Global Risk Response Action Plans	Number of approved Global Risk Response Action Plans updated quarterly	Achieved 4 approved Global Risk Response Action Plans updated	Target achieved 4 updated Global Risk Response Action Plans	4 approved Global Risk Response Action Plans	Target achieved 4 Approved Global Risk Response Action Plans	0	None

Programme 1: Administration									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
1.5	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Work Opportunities created	Number of work opportunities created through the Human Settlements Development Grant and the Expanded Public Works Programme Incentive Grant each financial year (unskilled labour)	Partially achieved 5 045 work opportunities created	Target not achieved 2 540	6 000	Target not achieved 1 148	-4 852	Poor performance experienced resulted in inadequate reporting by the contractors or developers.
1.6	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Jobs created	Number of jobs created through the Human Settlements Development Grant per financial year (skilled labour)	Not achieved 112 jobs created	Target not achieved 110	1 500	Target not achieved 661	-839	Poor performance experienced resulted in inadequate reporting by the contractors or developers.



Programme 1: Administration

The programme is responsible for strengthening and aligning the Department's ability to deliver on its mandate. It enables the Department's business units to perform efficiently by providing corporate support through human resources, financial management, supply chain, ICT, communication, risk management and facilities management and support.

This Programme caters mainly for items that are centralised to Corporate Services, such as, lease payments for office buildings, security services, cleaning services, bursaries, telephone payments, LAN upgrades, payment for software licences, fleet services and legal costs.

The Programme has spent R699.9 million or 93% of the allocated budget of R749.6 million. The under spending within this Programme is as a result of unfilled vacant posts and delays in the procurement of an office building for the Department. The Department is in the process of filling the vacant positions and the Department is engaging with the Department of Infrastructure to fast track the procurement of office space.

The programmes expenditure decreased from R724 million in 2022/23 to R699.9 million in 2023/24 due to budget cuts in the equitable share and the vacant positions within the Department.

Sub-programme expenditure

Sub-programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Corporate Services	749 691	699 868	49 823	769 512	723 897	45 615
Total	749 691	699 868	49 823	769 512	723 897	45 615

Strategy to overcome areas of under performance

Below are the indicators that were not achieved during the year under review as well as strategies to address under performance:

Indicator No.	Output Indicator	Strategy to overcome areas of under performance
1.2	Percentage of the Departmental procurement budget spent on <u>Township-based business</u>. The challenge with channelling the procurement or ringfencing projects to designated groups is that the Procurement Act and Regulations do not provide or allow set asides – hence the appointment is based on the responsiveness and compliance to the requirements of the terms of reference.	The Department conducted road shows and awareness campaigns to educate designated group suppliers on doing business with the state. Different stakeholders are invited to the sessions, i.e., Construction Industry Development Board (CIDB), National Home Builders Registration Council (NHBRC), Global Economic Prospects (GEP), South African Revenue Services (SARS) and Gauteng Provincial Treasury.
1.2	Percentage of the Departmental procurement budget spent on <u>Women</u>. The challenge with channelling the procurement or ringfencing projects to designated groups is that the Procurement Act and Regulations do not provide or allow set asides – hence the appointment is based on the responsiveness and compliance to the requirements of the terms of reference.	The Department conducted road shows and awareness campaigns to educate designated group suppliers on doing business with the state. Different stakeholders are invited to the sessions, i.e., CIDB, NHBRC, GEP, SARS and GPT.
1.2	Percentage of the Departmental procurement budget spent on <u>Youth</u>. The challenge with channelling the procurement or ringfencing projects to designated groups is that the Procurement Act and Regulations do not provide or allow set asides – hence the appointment is based on the responsiveness and compliance to the requirements of the terms of reference.	The Department conducted road shows and awareness campaigns to educate designated group suppliers on doing business with the state. Different stakeholders are invited to the sessions, i.e., CIDB, NHBRC, GEP, SARS and GPT.

Indicator No.	Output Indicator	Strategy to overcome areas of under performance
1.2	<p>Percentage of the Departmental procurement budget spent on <u>other designated groups (Co-operatives, Military Veterans and Persons with Disabilities)</u>.</p> <p>The challenge with channelling the procurement or ringfencing projects to designated groups is that the Procurement Act and Regulations do not provide or allow set asides – hence the appointment is based on the responsiveness and compliance to the requirements of the terms of reference.</p>	The Department conducted road shows and awareness campaigns to educate designated group suppliers on doing business with the state. Different stakeholders are invited to the sessions, i.e., CIDB, NHBRC, GEP, SARS and GPT.
1.5	<p>Number of jobs created through the Human Settlements Development Grant per financial year (skilled labour).</p> <p>Poor performance experienced resulted in inadequate reporting by the contractors or developers.</p>	<p>The Department amended contracts to ensure that service providers adhere to the compliance issues in the projects.</p> <p>The Department has developed compliance certificates as part of checklist to monitor adherence by contractors to the terms of the contracts/reporting requirements.</p>
1.6	<p>Number of jobs created through the Human Settlements Development Grant per financial year (skilled labour).</p> <p>Poor performance experienced resulted in inadequate reporting by the contractors or developers.</p>	<p>The Department amended contracts to ensure that service providers adhere to the compliance issues in the projects.</p> <p>The Department has developed compliance certificates as part of checklist to monitor adherence by contractors to the terms of the contracts/reporting requirements.</p>

4.2 Programme 2: Housing Needs, Research and Planning

Purpose

To facilitate and undertake housing delivery planning.

This programme supports the effective and efficient delivery of all housing programmes through:

- Needs-based human settlement development focused research
- Research-based policies, legislations and strategies for the Gauteng Department of Human Settlements
- Development of provincial multi-year housing delivery plans: To properly plan provincial multi-year strategic housing plans by October each year.

The sub-programmes under this programme are funded through various sources, including the following: Human Settlements Development Grant and Provincial Equitable Share.

This programme consists of the following sub-programmes in line with the Provincial Budget Programme Structure for the Provincial Departments of Human Settlements:

- Administration: To provide administrative and/or transversal services.
- Policy: To develop and review the policies, strategies and policy guidelines for Gauteng Department of Human Settlements.
- Planning: To develop the provincial Multi-Year Housing Development Plans and project pipelines in co-operation with municipalities.
- Research: To conduct research on sustainable human settlements.

List of institutional outcomes that contribute to the programme

Contribution of Outputs to Outcomes and Impact (Outcomes 2 & 3)

The collective outputs of Programme 2 speak to Outcomes 2 and 3 which are: “Enhanced delivery of human settlements through integrated policy, research, planning and monitoring and evaluation” and “Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods.” They indicate the extent to which (a) the Department has created an enabling policy and legislative environment for the delivery of human settlements, (b) the Department has incorporated the political priorities of the 6th term of governance in its plans, and (c) the Department is succeeding in implementing its plans and thereby delivering on its mandate and achieving its stated impact and outcomes. As in the case of Programme 1, the outputs and output indicators of this Programme are critical strategic enablers of service delivery by the core function programme areas and their respective outcomes, i.e., integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods, and social justice through security of tenure and asset value for beneficiaries. All the outcomes of the Department individually and collectively contribute to the impact statement of the Department.

Contribution to Women, Youth and Persons with Disabilities

This Programme does not make any direct quantitative contribution to improving the lives of women, youth, and persons with disabilities. However, the Programme may make a qualitative contribution in terms of any research it conducts and/or policies/legislation or strategies it develops on ensuring and increasing access to housing opportunities by these prioritised marginalised sectors. The Programme, through its strategy sub-programme can also contribute to ensuring that these priority marginalised sectors are taken into account by the Department at a planning stage and reflected as beneficiaries. The monitoring, evaluation and reporting sub-programme of this Programme plays an important role of reporting on the Department’s achievements in respect of improving the lives of women, youth and persons with disabilities.

Alignment of the outputs and their indicators to Outcomes 2 and 3

Two of the Programme’s outputs, i.e., “Human Settlements delivery focused Research Reports” and “Provincial Human Settlement focused policies, legislation and strategies” are aligned to the responsive needs-based research, policies, legislation, strategic frameworks elements of Outcome 2. The “Compliant and politically aligned five-year Strategic and Annual Performance Plans” output responds to the analysis driven strategic annual planning element, and the two reports related outputs are aligned to the reporting element of Outcome 2. Of these latter 2 outputs, the Department of Planning, Monitoring and Evaluation (DPME) Quarterly Performance Report is a legislated requirement. The quarterly reports on area-based and household interventions and trends in the full subsidy and gap markets is a new output reflected in the Medium-Term Strategic Priorities (MTSF) for the human settlements sector. Through Outcome 3, the Department addresses issues of integrated planning and transforming the past spatial patterns to ensure that people are closer to socio-economic amenities. It will also ensure alignment of local government Integrated Development Plans in terms of the provision of bulk infrastructure, township establishment approvals, etc.

Performance over the MTEF period

The targets of one research report and two policies for the 2022/23 and 2023/24 financial years should be read as indicative because both targets deal with needs-based matters and contexts which may change. For example, the housing delivery process may identify new additional research and/or policy and/or legislation and/or strategy that is required. The targets of the said outputs may also change over the MTEF period due to changes in budget allocations and/or reprioritisation processes. In terms of spatial transformation, the Department has developed the Gauteng Human Settlements Spatial Master Plan and it has been approved and is reviewed annually.

4.2.1 Programme 2: Housing Needs, Research and Planning

Table 1: Report against the originally tabled Annual Performance Plan (APP)

Programme 2: Housing Needs, Research and Planning									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Revisions to the Output/ Output indicators/ Annual Targets
Research									
1.	Enhanced delivery of human settlements through integrated policy, research, planning and monitoring and evaluation	Human Settlements Research Reports	Number of Human Settlements Research Reports completed "per financial year"	Not achieved 0 research reports completed	Not achieved 0 first draft research reports developed	1 research report completed.	-	-1	The target was planned for the last quarter of the FY "per financial" year was removed from the output indicator.
Policy									
2.	Enhanced delivery of human settlements through integrated policy, research, planning and monitoring and evaluation	Provincial Human Settlement policies developed	Number of Provincial Human Settlements policies developed	Not achieved 0 policies developed. However, the following were developed: 1. Policy Review Committee Charter 2. Policy Protocol 5.	Target achieved 2 policies developed	1 policy developed	-	-1	The target was planned for the last quarter of the FY Indicator was revised "Provincial" was replace by "Gauteng" to improve on usefulness and reliability.

Programme 2: Housing Needs, Research and Planning

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	* Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Output/ Output indicators/ Annual Targets
3.	Enhanced delivery of human settlements through integrated policy, research, planning and monitoring and evaluation	Provincial Human Settlement policies reviewed	Number of Provincial Human Settlements policies reviewed	<p>Achieved 18 Policies Reviewed:</p> <ol style="list-style-type: none"> 1. Abscondment Policy 2. Acting Policy 3. Leave Policy 4. Special Leave Policy 5. Resettlement Policy 6. Secondment Policy 7. Exit Protocol Policy 8. Sports and Recreation Policy 9. Recruitment Policy 10. Working Time Policy 11. Retention Policy 12. Performance Management and Development Policy 13. Network Storage Policy 14. Provision and Management of ICT Assets Policy 15. Parking Policy 16. Buildings and Facilities Management Policy 17. Records Management Policy 18. Workplace Wellness Management Policy 	<p>Target achieved 23 policies reviewed</p>	1 policy reviewed	1 policy reviewed	0	The policy review was anticipated for completion during the 4th quarter. However, the process was completed during the 2 nd quarter due to effective collaboration between the policy owner and the Policy and Research Business Unit	Annual target was revised/ adjusted due to increase demand of policies to be reviewed. Indicator was revised "Provincial" was replace by "Gauteng" to improve on usefulness and reliability.

Programme 2: Housing Needs, Research and Planning										
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	* Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Output/ Output indicators/ Annual Targets
Planning										
4.	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Reviewed Gauteng Human Settlements Spatial Master Plans	Number of Gauteng Human Settlements Spatial Master Plans Reviewed	Achieved 1 Gauteng Human Settlements Spatial Master Plan reviewed	Target achieved 1 Gauteng Human Settlements Spatial Master Plan reviewed	1	-	-1	The target was planned for the last quarter of the FY	The output indicator was removed from the Adjusted APP. The Gauteng Human Settlements Spatial Master Plan will be reviewed again in 2025/26 financial year.



Programme 2: Housing Needs, Research and Planning

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	* Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Output/ Output indicators/ Annual Targets
5.	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Updated Gauteng Multi-year Project Pipeline/ Project Bank	Number of Gauteng Multi-year Project Pipeline/Project Bank updated	Achieved 1 Gauteng Multi-year Project Pipeline/ Project Bank updated	Target achieved 1 Gauteng Multi-year Project Pipeline/ Project Bank updated	1	-	-1	The target was planned for the last quarter of the FY	The output indicator revised from "Number of Gauteng Multi-year Project Pipeline/ Project Bank updated per financial year" to "Project pipeline updated annually" indicator reviewed to improve on measurability and usefulness.
6.	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Townships established to enable issuance of title deeds	Number of formalised townships	Not achieved 0 formalised townships	Target not achieved 0	10	-	-10	The target was planned for the last quarter of the FY	The output indicator was removed from the Adjusted APP and moved to the Annual Operational Plan as it was deemed operational.

4.2.2 Programme 2: Housing Needs, Research and Planning

Table 2: Report against the Adjusted Annual Performance Plan

Programme 2: Housing Needs, Research and Planning									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
Research									
2.1	Enhanced delivery of human settlements through integrated policy, research, planning and monitoring and evaluation	Human Settlement policies developed	Number of Human Settlements Research Reports completed per financial year	Not achieved 0 research reports completed	Not achieved 0 first draft research reports developed	1 research report completed	Target achieved 3 research reports completed	+2	The Department had to address additional policy gaps within the Department. Research had to be conducted before embarking on policy development to ensure that the developed policies are evidence-based. Research reports completed included: 1. Assessing the benefits and challenges of informal backyard rentals in Gauteng; 2. Challenges of eradicating urban slums in Gauteng: a moving target; 3. Quality management of RDP housing construction in Gauteng.

Programme 2: Housing Needs, Research and Planning

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
Policy									
2.2	Enhanced delivery of human settlements through integrated policy, research, planning and monitoring and evaluation	Provincial Human Settlement policies developed	Number of Gauteng Department of Human Settlements policies developed	Not achieved 0 policies developed. However, the following were developed: 1. Policy Review Committee Charter 2. Policy Protocol	Target achieved 2 policies developed	1 Policy developed	Target achieved 7 policies developed	+6	The over achievement was due to additional requests received from the implementing business units. Policies developed included: 1. Academic Research Policy; 2. Language Policy; 3. Consequence Management on Irregular Expenditure; 4. Policy on Prevention and Elimination of Harassment in the Workplace; 5. Service Delivery Model Policy; 6. Business Process Management and Standard Operating Procedures Policy; 7. Employment Equity Policy.

Programme 2: Housing Needs, Research and Planning									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
2.3	Enhanced delivery of human settlements through integrated policy, research, planning and monitoring and evaluation	Provincial Human Settlement policies reviewed	Number of Gauteng Department of Human Settlements policies reviewed	<p>Achieved 18 policies reviewed</p> <ol style="list-style-type: none"> 1. Abscondment Policy 2. Acting Policy 3. Leave Policy 4. Special Leave Policy 5. Resettlement Policy 6. Secondment Policy 7. Exit Protocol Policy 8. Sports and Recreation Policy 9. Recruitment Policy 10. Working Time Policy 11. Retention Policy 12. Performance Management and Development Policy 13. Network Storage Policy 14. Provision and Management of ICT Assets Policy 15. Parking Policy 16. Buildings and Facilities Management Policy 17. Records Management Policy 18. Workplace Wellness Management Policy 	<p>Target achieved 23 policies reviewed</p>	5 policies reviewed	<p>Target achieved 9 policies reviewed</p>	+4	<p>The over achievement was due to additional requests received from the implementing business units. Policies reviewed included:</p> <ol style="list-style-type: none"> 1. Business Continuity Management Policy; 2. Gifts, Sponsorship and Hospitality Declaration Policy; 3. ICT Data Backup Policy; 4. ICT Information Security Policy; 5. Performance Management Development System Policy (Level 4-12); 6. Immovable Inventory Register Policy; 7. Policy on Compliance Management; 8. Procurement Policy; 9. Cellphone and Data Card Policy;

Programme 2: Housing Needs, Research and Planning

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
Planning									
2.4	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Updated Project Pipeline	Project pipeline updated annually	Achieved 1 Gauteng Multi-year Project Pipeline/ Project Bank updated	Target achieved 1 Gauteng Multi-year Project Pipeline/ Project Bank updated	1	Target achieved 1	0	None
2.5	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Integrated Implementation programmes for Priority Development Areas (PDAs)	Number of integrated implementation programmes for Priority Development Areas (PDAs) completed per year	New indicator	Target not achieved 0	10	Target achieved 10	0	None
2.6	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Investment of the total Human Settlements allocation in PDAs	Percentage of investment of the total Human Settlements allocation in PDAs	New indicator	Target not achieved 18.07%	32%	Target achieved 32.36%	+0.36%	The over-expenditure was due to exceeded targets in some projects which are multi-year in nature.

Programme 2: Housing Needs, Research and Planning									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
Planning									
2.7	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Land acquired during 2014-2019 falling within the PDAs rezoned	Percentage of land acquired during 2014-2019 within the PDAs rezoned	New indicator	Target not achieved 0	40%	Target not achieved 0%	-40%	Pending approval of rezoning applications for the Evaton West properties by the Emfuleni Local Municipality due to an outstanding amendment of the General Plans (GPs), however, provisional rezoning approval was obtained.



Programme 2: Linking performance with budgets

The purpose of this Programme is to facilitate and undertake housing delivery planning, identify housing needs, provide a regulatory framework for housing delivery, develop policy guidelines, provide provincial inputs on housing legislation and any amendments to these, develop provincial multi-year housing delivery plans, ensure alignment of housing plans with IDPs and conduct research into the demand for housing.

The Programme spent R18.5 million or 82% of the allocated budget of R22.7 million, the under spending is due to remote working as employees are claiming less traveling allowances and the Department has reduced the spending on planning consultants due to cost cutting measures.

The Programmes expenditure has increased from R16 million in 2022/23 financial year to R18.5 million in 2023/24.

Budget allocated to Development Planning was never fully utilised and unspent money was made available to other programmes during the budget adjustment. However, the Unit was able to spend on Professional Resource Teams (PRTs) who made sure that critical planning milestones towards the approval of new townships establishment applications were achieved. Furthermore, well-located land and serviced stands were procured for future human settlements development.

Policy

In the 2023/24 financial year, the Department focused on internal improvements by developing and implementing several key policies. These policies addressed crucial areas such as fostering a respectful work environment through a Harassment Prevention Policy, ensuring responsible financial management with a policy on consequence management for irregular spending, and streamlining service delivery through a clearly defined service delivery model. Notably, the Department achieved these improvements without incurring additional development costs, demonstrating a commitment to efficiency.

Research

The Department also conducted three research studies in the financial year (2023/24). These studies were conducted in-house, and therefore, there were no financial implications on the development of the studies themselves. However, there were financial costs associated with hosting a research forum where the findings of the studies were presented to stakeholders.

Research themes are as follows:

Challenges of eradicating urban slums/informal settlements in Gauteng: a moving target: This study investigated the challenges of eliminating informal settlements in Gauteng, South Africa. It further explored reasons behind their persistence, such as limited housing options and social factors, and examined the settlements' characteristics like living conditions and demographics.

Quality management of RDP housing construction in Gauteng: This research investigated the effectiveness of quality control measures currently in place, by examining practices, identifying existing issues with construction quality and proposing recommendations for improvement. The goal is to ensure RDP housing meets building standards and offers safe and long-lasting homes for residents.

Assessing the benefits and challenges of informal backyard rental housing in Gauteng, South Africa: The study explored the pros and cons of renting out extra living spaces on properties. It examined affordability, income generation and potential community benefits, while acknowledging challenges like overcrowding, unclear rights and safety concerns.

The research studies were subsequently approved by the Head of Department (HoD) and are now available on the Department's intranet for public viewing.

Sub-programme expenditure

Sub-programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	11 039	12 644	26	11 785	10 505	1 280
Policy	6 946	3 084	2 231	4 777	2 908	1 869
Planning	4 733	2 794	1 939	4 806	2 594	2 212
Total	22 718	18 522	4 196	21 368	16 007	5 361

Strategy to overcome areas of under performance

Below are the indicators that were not achieved during the year under review as well as strategies to address under performance:

Indicator No.	Output Indicator	Strategy to overcome areas of under performance
2.7	<p>Percentage of land acquired during 2014- 2019 within the PDAs rezoned.</p> <p>Pending approval of rezoning applications for the Evaton West properties by the Emfuleni Local Municipality due to outstanding amendment of the General Plans (GPs), however, provisional rezoning approval was obtained.</p>	<p>The process of surveying the erven in the Evaton West properties and amendment of the GPs have commenced.</p> <p>The target will be achieved in the 2024/25 FY.</p>

4.3 Programme 3: Housing Development

Purpose

To provide individual subsidies and housing opportunities to beneficiaries in accordance with the Housing Policy.

This Programme represents the mandate and thus the core function of the Department. It consists of the following sub-programmes:

- **Administration:** The purpose of the sub-programme is to provide the administrative support services
- **Financial Interventions:** The purpose is to provide immediate access to housing opportunities creating an enabling environment and providing implementation support
- **Incremental Interventions:** The purpose is to facilitate access to housing opportunities through a phased process.
- **Social and Rental Interventions:** To facilitate access to rental housing opportunities, supporting urban restructuring and integration.

The following diagram summarises the Department's housing planning and housing delivery value chain. Although represented sequentially, some elements of the value chain can be implemented simultaneously.

Diagram: Housing Development/Human Settlements Development Value Chain



List of institutional outcomes that contribute to the Programme

Contribution of Outputs to Outcomes and Impact

The collective outputs of Programme 3 are responsive to Outcomes 3 and 4, i.e., “Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods” (Outcome 3), and “Social justice through security of tenure and asset value for beneficiaries” (Outcome 4). While all the outcomes of the Department individually and collectively contribute to the impact statement of the Department, this Programme and the outcomes it responds to represents the core functions the Department performs to deliver on its mandate and achieve the impact stated in the Department's Strategic Plan. The housing opportunity outputs of this Programme are the tangible deliverables for all the critical elements of the impact statement which is:

“Integrated Sustainable Human Settlements that:

- realise the constitutional right of people to have access to housing;
- contribute to the Growing Gauteng Together as a smart Global City Region;
- provide security of tenure and restores human dignity;
- reverse apartheid spatial planning with spatially transformed human settlements that enable people to live, work and play in the same area”.

Contribution to Women, Youth and Persons with Disabilities

The Programme's contribution to improving the lives of women, youth and persons with disabilities lies in the:

- delivery of housing opportunities to women, youth and persons with disabilities who are qualifying beneficiaries;
- the youth and labourers' skills development programme;
- the job creation through the EPWP Incentive Grant and the HSDG.

It must be noted that in the past, the Department did not disaggregate its housing delivery data in terms of women, youth and person with disabilities beneficiaries.

The nature of the Department's service delivery also dictates that such disaggregation targets cannot be forecast, nor can the Department set quotas for these marginalised sectors until it has done in-depth research into the housing needs of these sectors and the numbers of possible qualifying beneficiaries. Accurate information on these marginalised sectors as beneficiaries can realistically only be analysed and reported on after title deeds have been issued to the rightful homeowners which is the last stage of the construction value chain.

Alignment of the outputs and their indicators to Outcomes 3 and 4

The outputs and their respective indicators in this Programme respond to Outcome 3 ("Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods") specifically and are listed under the following sub-headings in the measurement tables:

- Development planning
- Land acquisition and RLRP
- Township establishment
- Bulk infrastructure support services
- Priority development areas
- Financial Interventions
- Social housing
- Hostel redevelopment
- Urban Renewal Programme (URP)
- Upgrading of Informal Settlements Programme (UISP)
- Mega Legacy and Blocked Projects, Blocked and abandoned etc.

All the outputs and indicators on beneficiary management and title deeds are responsive to Outcome 4 ("Social justice through security of tenure and asset value for beneficiaries").

Performance over the MTEF period

The outputs, output indicators and targets in respect of Outcomes 3 and 4 changes over the MTEF. The reason for this that the number of housing opportunities the Department can deliver is dependent on the amount of the HSDG it receives each financial year, and the housing programmes that are prioritised i.r.o. HSDG spend. Other factors that impact on the targets in particular is the commitment of contractors and developers to complete their projects on time, the extent to which external role- players such as the municipalities delivering the required bulk infrastructure and registering/proclaiming townships timeously, the availability of land suitable for human settlement developments, etc.

Any changes introduced to the strategic and political priorities of the Department over the MTEF period may also impact on some of the outputs, indicators and targets of this Programme area which delivers on Outcomes 3 and 4.

4.3.1 Programme 3: Housing Development

Table 1: Report against the Originally Tabled Annual Performance Plan

Programme 3: Housing Development										
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
Financial Interventions										
Finance-Linked Individual Subsidy Programme										
1.	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Households that received subsidies through Finance Linked Individual Subsidy Programme (FLISP)	Number of households that received subsidies through FLISP	Not achieved 0 households received subsidies through FLISP	Not achieved 0	0	-	0	None	Annual target was revised as the target was determined by the number of applicants from the relevant projects/s.

Programme 3: Housing Development

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
Incremental Interventions										
Land Acquisition										
2.	Integrated, sustainable, spatially transformed human settlements and liveable neighbour-hoods	Land acquired for human settlements development	Number of hectares of well-located land acquired for human settlements development	Not achieved 485,1452ha (103,9391ha Allandale and 180,3969ha Cullinan (not well located), 15.27ha Palmridge Ext 125.15ha Chris Hani Ext 4-7, 60.3892ha Palmridge Ext 14, 15, 16, 17, 34 & 35) was acquired. It must be noted that Palmridge and Chris Hani were acquired as an offtake for Rapid Land Release purposes.	Target not achieved 275,8533 ha	200 ha	-	-200ha	The target was planned for the last quarter of the FY.	Output indicators revised to improve on measurability and usefulness.

Programme 3: Housing Development										
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	* Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
				Over and above, an offer to purchase was noted for Westonia Borwa, Dan Tlome, Elijah Barayi, Greenhills Land compensation Afrivillage						
Rapid Land Release Programme (RLRP)										
3.	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Serviced erven released to beneficiaries as per the Land Release Programme	Percentage of serviced erven released to beneficiaries as per the Rapid Land Release Programme	New indicator	New indicator	100%	0%	-100%	There were no serviced erven made available to beneficiaries during the 2nd quarter as the full servicing of the 2 870 partially serviced stands that were acquired in the previous FY was underway	Indicator has been revised to accommodate 60% target for allocation to Youth as pronounced by the Premier.



Programme 3: Housing Development

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
4.	Integrated, sustainable, spatially transformed human settlements and liveable neighbour-hoods	Serviced erven procured from the private sector	Number of serviced erven procured from the private sector	Not achieved 1 392 serviced erven procured from the private sector	Target not achieved 548	1 497	-	-1 497	The target was planned for the last quarter of the FY	Indicator was reviewed/ rephrased to improve on measurability and usefulness.
Bulk Infrastructure Support Services										
5.	Integrated, sustainable, spatially transformed human settlements and liveable neighbour-hoods	Bulk Infrastructure funding allocated to local municipalities	Rand value of Bulk Infrastructure funding allocated to local municipalities	R 134 023 226,00 Rand value of funding facilitated for bulk infrastructure.	Not achieved R329 861 614,39	R336 291 750	R 24 901 784,25	-R311 389 965,75	Montrose – Work had not commenced on site due to delayed signing of addendum, because of slow response from the developer Western Mega – Non-completion of the project due to vandalism Mamello – Contractor off-site due to unfavorable working conditions pertaining to denial of access to site	Annual target was revised due to budget adjustment (in alignment with BP target).

Programme 3: Housing Development										
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	* Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
Hostel Redevelopment										
6.	Integrated, sustainable, spatially transformed human settlements and liveable neighbour-hoods	Bulk infrastructure assessment of hostels	Number of hostels with completed bulk infrastructure assessment	New indicator	New indicator	59	58	-1	59 hostels with completed bulk infrastructure assessments were planned for the 1st quarter and bulk infrastructure assessments were completed in 58 hostels during the 2nd quarter, Bulk infrastructure assessment will not be completed in 1 hostel due to challenges pertinent to gaining access to the subject hostel.	Target was revised due to challenges pertinent to gaining access to the subject hostel.



Programme 3: Housing Development

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
7.	Integrated, sustainable, spatially transformed human settlements and liveable neighbour-hoods	Detailed planning completed for inner city hostel precinct development	Number of detailed planning milestones completed for JHB inner city hostel precinct development	New Indicator	New Indicator	4	0	-4	Delays by the Department in timeously consulting with Gauteng Department of Agriculture and Rural Reform (GDARD) regarding the planned deliverables, timeframes before target setting	Output indicators were removed from the Adjusted APP
8.	Integrated, sustainable, spatially transformed human settlements and liveable neighbour-hoods	Major repairs completed in the JHB inner-city hostels	Number of hostels with completed major repairs	New indicator	New indicator	6	-	-6	The target was planned for the last quarter of the FY.	Output indicator was removed from the Adjusted APP because it was clear that the output indicator was not ready for implementation.
9.	Integrated, sustainable, spatially transformed human settlements and liveable neighbour-hoods	Routine maintenance and environmental upkeep of hostels provided	Number of hostels provided with routine maintenance and environmental upkeep	New Indicator	New Indicator	6	6	0	None	Output indicator was revised to improve on measurability and usefulness.

Programme 3: Housing Development										
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for the Outputs/ Output indicators/ Annual Targets
Urban Renewal Programme (URP)										
10.	Integrated, sustainable, spatially transformed human settlements and liveable neighbour-hoods	Identified projects implemented in the URP areas	Number of identified projects implemented in the URP areas per financial year	<p>Partially achieved 3</p> <p>Evaton: Sewer Outflow Network Upgrade Project.</p> <p>Bekkersdal: Storm water and waste management maintenance infrastructure.</p> <p>Alexandra: Infrastructure assessment, public transport and traffic in Alexandra Township, Social Facilitations and Urban De-signed and Architecture.</p>	<p>Target not achieved 0</p>	<p>7 URP Projects Implemented</p> <p>Alexandra: Implementation of key milestones of the Greater Alexandra Development Area (GADA):</p> <ul style="list-style-type: none"> • KwaNobuhle Hostel Redevelopment (Design approvals) • Social Facilitation • Title deeds registration in support of SOI option 1 	0	-7	<p>Alexandra: Implementation of key milestones of the GADA:</p> <p>KwaNobuhle Hostel Redevelopment (design approvals): Design approvals were approved by City of Johannesburg (CoJ), however, could not be reported as an achievement due to outstanding monthly progress reports</p>	<p>Output indicator was removed in the Adjusted APP and the following indicators were included under URP:</p> <ul style="list-style-type: none"> • Number of GADA • Plan Projects completed • Number of Bekkersdal URP Projects completed • to improve on measurability and usefulness.

Programme 3: Housing Development

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
						<p>Evaton 1: Phase 3 Sewer network outflow upgrade</p> <p>Evaton 2: Ablution and sanitation – completion of 30 outstanding facilities</p> <p>Bekkersdal 1: Sewer network upgrade completion</p> <p>Bekkersdal 2: Rehabilitation of various internal infrastructure</p>			<p>Social facilitation: Ongoing</p> <p>Title deeds registration in support of SOI option 1: Title deeds registration put on hold until physical verification is concluded</p> <p>Evaton 1: Stage 2 (concept design) completed</p> <p>Emfuleni Local Municipality (ELM) decided to take over the implementation of the project; delays encountered in obtaining municipal approval to continue with the project</p>	

Programme 3: Housing Development										
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
									<p>Evaton 2: Stage 4 design documentation stage tender documentation is complete. Memo for contractor appointment was approved</p> <p>Bekkersdal 1: Contractor was appointed, and site establishment was underway</p> <p>Bekkersdal 2: Memo for contractor appointment was approved</p>	



Programme 3: Housing Development

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
11.	Integrated, sustainable, spatially transformed human settlements and liveable neighbour-hoods	Informal settlements provided with interim support services	Number of informal settlements provided with interim sanitation services per financial year	Not achieved 0 However, 54 informal settlements received interim support services specific to sanitation services	Target not achieved 41	65	24	-41	Additionally, 29 informal settlements were serviced, however, could not be recorded due to various reasons ranging from: • Not having met the standard of being serviced per month • 1 informal settlement not reflected on PRT reports	Output indicator was removed from the Adjusted APP because no funds were approved under the Informal Settlements Upgrading Partnership Grant 2023/24 Business Plan.

Programme 3: Housing Development										
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	* Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
									<ul style="list-style-type: none"> PRT reports for 4 informal settlements not adhering to the ratio of 1 toilet per 4 house-holds Inaccuracies on the service sheets Incorrect project classification: Portion 83 & 90 is video settlement's property description and not an informal settlement as per the Business Plan (BP) 	



Programme 3: Housing Development

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
12.	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Informal settlements upgraded to Phase 2	Number of informal settlements upgraded to Phase 2	Partially achieved 9 Category A & B1 informal settlements currently receiving Phase 2 upgrading	Target not achieved 0	25	-	-25	Additional 4 informal settlements were serviced less than 8 times as services were provided on an ad hoc basis, which is below the predetermined service delivery standard set out on the TID	Indicator was revised/ rephrased to improve on measurability, usefulness and also to align with UISPG framework.
13.	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Informal settlements upgraded to Phase 3 of the Upgrading of Informal Settlements Programme (UISP)	Number of informal settlements upgraded to Phase 3 of the Upgrading of Informal Settlements Programme	New indicator	Target not achieved 0	3	-	-3	The target was planned for the last quarter of the FY	Annual target was removed due to inadequate readiness/ alignment with the UISPG BP.

Programme 3: Housing Development										
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
Mega and Blocked Projects										
14.	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Top structures for incomplete/ abandoned/ blocked housing projects completed	Number of top structures completed i.r.o. incomplete/ abandoned/ blocked housing projects	Not achieved 0 top structures completed i.r.o. incomplete/ abandoned/ blocked housing projects. However, for Phase 1, the process of a procurement of a PRT was completed	Target not achieved 357	843	43	-800	2022/23 FY 7 blocked projects that delivered outputs were not categorised as blocked projects on the approved BP	Annual target was revised to align with the adjusted BP (budget adjustment).



Programme 3: Housing Development

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
15.	Integrated, sustainable, spatially transformed human settlements and liveable neighbour-hoods	Breaking New Ground (BNG) houses delivered	Number of Breaking New Ground (BNG) houses delivered	Target not achieved 7 293 BNG houses (Mega houses: 6 157 Legacy houses: 1 136)	Target not achieved 6 625 BNG houses (Mega houses: 5 339 Legacy houses: 1 286)	7 502	1 811	-5 691	Tinasonke Ext. 4 and Etwatwa Ext. 4, 12-14 - A new contractor had to be appointed following poor performance by the previous contractor Helderwyk Ext. 8 - De-layed payments caused by late approval of geotechnical variation Drieziek Ext. 4 – Delay in appointment of PRT Sebokeng Ext 28 - Work stoppages by the community	Annual target was revised to align with the adjusted BP (budget adjustment).

Programme 3: Housing Development										
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	* Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
16.	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Serviced sites delivered	Number of serviced sites delivered	Achieved 2 960 Legacy Projects stands serviced 8 639 Mega Projects stands serviced	Target not achieved 1 753 (Mega sites: 1 753 Legacy sites: 0)	5 667	95	-5 572	AG recommendation or approach on reporting serviced walk-up units post conclusion of the planning processes for the current FY negatively impacted yield on the planned outputs **Delivery excludes the serviced walk-up units/ internal reticulation of walk-up units which reduces the delivery by 791 for the 1st quarter and 913 for the 2nd quarter	Annual target was revised to align with the adjusted BP (budget adjustment).



Programme 3: Housing Development

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
Quality Assurance										
17.	Integrated, sustainable, spatially transformed human settlements and liveable neighbour-hoods	Enrolled subsidy housing projects with the National Home Builders Registration Council (NHBR)	Number of subsidy housing projects enrolled with the National Home Builder Registration Council (NHBR)	Not achieved 12 subsidy housing projects enrolled by the Department with the NHBR	Target not achieved 8	8	7	-1	Improved collaboration and communication of enrolment requirements with NHBR	Annual target was revised to align with the adjusted BP (budget adjustment).

4.3.2 Programme 3: Housing Development

Table 2: Report against the Adjusted Annual Performance Plan

Programme 3: Housing Development									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
Financial Interventions									
Finance-Linked Individual Subsidy Programme									
3.1	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Households that received the Finance Linked Individual Subsidy (FLISP)	Number of households that received subsidies through FLISP	Not achieved 0 households received subsidies through FLISP	Target not achieved 0	11	Target achieved 17	+6	The over delivery was as a result of the target being demand driven.
Incremental Interventions									
Land Acquisition									
3.2	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Land acquired for human settlements development	Number of hectares of land acquired for human settlements development	Not achieved 485,1452ha (103,9391ha Allandale and 180,3969ha Cullinan (not well located), 15.27ha Palmridge Ext 125.15ha Chris Hani Ext 4-7, 60.3892ha Palmridge Ext 14, 15, 16, 17, 34 & 35) was acquired	Target not achieved 275,8533 ha	200 ha	Target achieved 609,7715 ha	+409,7715	The over achievement occurred due to the finalisation of conveyancing processes for Nootgedacht 176-IR land parcels taking place in the current FY, for which sale agreements were signed in the previous FY.

Programme 3: Housing Development

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
				It must be noted that Palmridge and Chris Hani were acquired as an offtake for Rapid Land Release purposes. Over and above, an offer to purchase was noted for Westonaria for Borwa, Dan Tlome, Elijah Baray, Greenhills Land compensation Afrivillage					
Rapid Land Release Programme (RLRP)									
3.3	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Serviced erven procured for the Rapid Land Release Programme (RLRP)	Number of serviced erven procured for the RLRP	Not achieved 2 079 serviced erven handed over to beneficiaries	Target not achieved 745	1 497	Target not achieved 1 441	-56	The under achievement was due to the delays in the issuance of section 53 certificates and confirmation of full services by the municipalities for the stands procured for RLRP (Elijah Baray). <i>Additional to the 1 257 serviced erven procured for RLRP reported in the 3rd and 4th quarter, 184 stands from Impumelelo Ext. 4 were fully serviced in the 3rd quarter.</i>

Programme 3: Housing Development									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
3.4 (1)	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Serviced erven released to beneficiaries as per the RLRP: 100%	Percentage of serviced erven released to beneficiaries as per the RLRP: Youth	New indicator	New indicator	60%	Target Not achieved 25.75%	-34.25%	<p>As the performance was received in the 4th quarter, the 184 could not be recorded in the 4th quarter since the achievement was from the previous quarter. The output of 184 was therefore included in the annual output, resulting in the 1 441 overall achievement.</p> <p>Most beneficiaries approved for allocation of serviced erven under the RLRP failed to show up on the allocation date. The qualification criterion has also added on the difficulties of attaining 60% youth allocation noting the economic and unemployment rate amongst the youth.</p>



Programme 3: Housing Development

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
3.4 (2)	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Serviced erven released to beneficiaries as per the RLRP: 100%	Percentage of serviced erven released to beneficiaries as per the RLRP: Other	New indicator	New indicator	40%	Target Not achieved 23.94%	-16.06%	Most beneficiaries approved for allocation of serviced erven under the RLRP failed to show up on the allocation date.
Bulk Infrastructure Support Services									
3.5	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Bulk infrastructure funding allocated to local municipalities	Rand value of bulk infrastructure funding allocated to local municipalities	Achieved R134 023 226,00 Rand value of funding facilitated for bulk infrastructure	Target not achieved R329 861 614,39	R121 859 600,75	Target achieved R132 519 423,62	-R10 659 822,87	The annual over achievement was a result of a claim for the work done in Lethabong that was submitted during 2022/23 FY but paid in the current FY.
Distressed Mining Towns Communities Programmes									
3.6	Integrated sustainable, spatially transformed human settlements and liveable neighbourhoods	Mining Towns grant transferred	Distressed Mining Towns Grant transferred to local municipalities	New indicator	New indicator	R132 000 000,00	Target achieved R132 000 000	0	None

Programme 3: Housing Development									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	** Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
Hostel Redevelopment									
3.7	Integrated sustainable, spatially transformed human settlements and liveable neighbour hoods	Bulk infrastructure assessment of hostels	Number of hostels with completed bulk infrastructure assessment	New indicator	New indicator	58	Target achieved 58	0	None
3.8	Integrated sustainable, spatially transformed human settlements and liveable neighbour hoods	Routine maintenance and environmental upkeep of hostels provided	Number of hostels provided with routine maintenance	New indicator	New indicator	6	Target achieved 6	0	None



Programme 3: Housing Development

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
Urban Renewal Programme (URP)									
3.9	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Greater Alexandra Development Area (GADA) Plan projects completed	Number of GADA plan projects completed	<p>Partially achieved 3</p> <p>Evaton: Sewer Outflow Network Upgrade Project.</p> <p>Bekkersdal: Storm water and waste management maintenance infrastructure.</p> <p>Alexandra: Infrastructure assessment, public transport and traffic in Alexandra Township, Social Facilitations and urban designed and architecture</p>	<p>Target not achieved 0</p>	<p>2: KwaNobuhle Hostel Redevelopment (design approvals)</p> <p>Social Facilitation: (1 x community/ stakeholder engagement)</p>	<p>Target achieved 2: KwaNobuhle Hostel Redevelopment (design approvals)</p> <p>Social Facilitation: (1 x community/ stakeholder engagement)</p>	0	None
3.10	Integrated sustainable, spatially transformed human settlements and liveable neighbourhoods	Bekkersdal URP projects completed	Number of Bekkersdal Urban Renewal Programme Projects completed	New indicator	New indicator	<p>1: [2km Earthworks (Pipe trenches, bedding, and finishing)]</p>	<p>Target achieved 1: [3.22km Earthworks (pipe trenches, bedding, and finishing)]</p>	<p>0: [1.22km Earthworks (pipe trenches, bedding, and finishing)]</p>	<p>The exceeded target was owing to the project's multi-year nature, with a scope of work spanning a total of 25.2km. Budget implications are still within the contracted amount and contractor programme of works.</p>

Programme 3: Housing Development									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
Upgrading of Informal Settlements Programme (UISP)									
3.11	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Informal settlements upgrading plans completed	Number of informal settlements upgrading plans completed	Not achieved 0 approved individual informal settlements upgrading plans prepared in terms of the NUSP	Target achieved 20	10	Target achieved 10	0	None
3.12	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Informal settlements upgraded to Phase 3	Number of informal settlements upgraded to Phase 3 of the Upgrading of Informal Settlements Programme (UISP)	New indicator	Target not achieved 0	1	Target not achieved 0	-1	The Council approved the project and authorised the municipality to enter into a trilateral agreement in March 2024, following a lengthy municipal technical approval process.
3.13	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Social compacts completed with communities	Number of social compacts concluded with communities	New indicator	Target not achieved 18	15	Target achieved 15	0	None



Programme 3: Housing Development

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
3.14	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Feasibility studies completed for upgrading informal settlements	Number of feasibility studies completed for upgrading of informal settlements	New indicator	New indicator	7	Target achieved 7	0	None
3.15	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Informal settlements benefitted from temporary municipal engineering services	Number of informal settlements benefitted from temporary municipal engineering services	New indicator	New indicator	2	Target not achieved 0	-2	The Council approved the project and authorised the municipality to enter into the trilateral agreement in March 2024, following a lengthy municipal technical approval process.
3.16	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Layout plans approved for informal settlements upgrading	Number of layout plans approved for informal settlements upgrading	New indicator	New indicator	1	Target not achieved 0	-1	The achievement of the planned output was hindered by the pending revision of the proposed layout plan to incorporate the existing municipal electrical layout plan as requested by the municipality.

Programme 3: Housing Development									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	** Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
3.17	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Households in informal settlements relocated to completed units in Mega Projects	Number of households in informal settlements relocated to completed units in Mega Projects	New indicator	New indicator	200	Target achieved 290	+90	The over achievement was attributed to the inclusion of the Devon informal settlement, one of the three informal settlements added to the adjusted Business Plan; designated for relocation to the Impumelelo and Obed Mthombeni Mega Projects.
Mega & Blocked Projects									
3.18	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Top structures completed in blocked housing projects	Number of top structures completed i.r.o. incomplete/abandoned/blocked housing projects	Not achieved 0 top structures completed i.r.o. incomplete/abandoned/blocked housing projects. However, for Phase 1, the process of the procurement of a PRT was completed	Target not achieved 357	631	Target not achieved 175	-456	The process of appointment of the contractor for implementation of the incomplete houses was underway. Most projects were not ready for implementation.
3.19	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Breaking New Ground (BNG) houses delivered	Number of BNG houses delivered	Target not achieved 7 293 BNG houses (Mega houses 6 157 (Legacy houses: 1 136)	Target not achieved 6 625 BNG houses (Mega houses: 5 339 Legacy houses: 1 286)	6 810	Target achieved 6 897	+87	Overachievement was due to Obed Mthombeni, Impumelelo, Elijah Barayi and Western Mega – as these projects are multi-year projects with project scope continuing beyond the current FY.

Programme 3: Housing Development

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
3.20	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Serviced sites	Number of serviced sites delivered	Achieved 2 960 Legacy Projects stands serviced. 8 639 Mega Projects stands serviced	Target achieved 1 753 (Mega sites: 1 753 Legacy sites: 0)	957	Target achieved 981	+24	Overachievement was due to exceeded targets from the Obed Mthombeni project – as this is a multi-year project with project scope continuing beyond the current FY.
3.21	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Stands with municipal engineering services installed	Number of stands with municipal engineering services installed	New indicator	New indicator	256	Target achieved 256	0	None The performance of 510 services has since been reported under the serviced sites indicator, following the full servicing of the sites with water, sewer, roads and stormwater.

Programme 3: Housing Development									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	** Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
3.22	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Municipal Engineering Services installed	Municipal Engineering Services installed for planned walk-up units	New indicator	New indicator	4 303	Target achieved 4 513	+210	Overachievement was due to exceeded targets from the Obed Mthombeni project – as this is a multi-year project with project scope continuing beyond the current FY. <i>Following the APP adjustment, which led to the inclusion of an indicator on municipal engineering services installed for planned walk-up units, the Department reconciled all outputs relating to the subject indicator. A total of 1 928 serviced walk-up units, reported under serviced sites indicator during the 1st two quarters of the FY, were moved to the Municipal Engineering Services installed for planned walk-up unit's indicator.</i>



Programme 3: Housing Development

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
Beneficiary Management									
3.23	Social justice through the promotion and protection of security of tenure for housing beneficiaries, tenants and owners	Quality assured housing units allocated to approved beneficiaries	Percentage of quality assured housing units allocated to approved beneficiaries	Partially achieved 3 844 beneficiaries allocated available housing units	Target not achieved 5 775	100%	Target not achieved 91,66%	-8,34%	The underperformance was partly due to the non-appearance of some beneficiaries scheduled for allocation. Out of the 5 513 readily available housing units, 5 053 have been allocated to the approved beneficiaries.
Quality Assurance									
3.24	Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods	Subsidy housing projects enrolled with the National Home Builders Registration Council (NHBC)	Number of subsidy housing projects enrolled with the NHBC	Not achieved 12 subsidy housing projects enrolled by the Department with the NHBC	Target not achieved 8	13	Target achieved 14	+1	The exceeded targets was due to improved collaboration between the Department and NHBC.

Programme 3: Linking performance with budgets

This Programme makes up the largest share of the Department's budget and expenditure, at least 85% of the budget and expenditure is within this Programme.

The purpose of the Programme is to establish sustainable human settlements where all citizens have access to housing and other social amenities. The programme performs the core functions of the Department which are land acquisition, delivery of housing opportunities across different housing programmes in the National Housing Code, beneficiary management the Mega Projects, accelerating implementation of the RLRP, supporting access to basic services, closing of Legacy Projects, completing all abandoned/incomplete/blocked projects, hostel redevelopment, upgrading of informal settlements, UISP implementation and resuscitating URPs are some of the programmes undertaken by this Programme.

The budget for the programme amounted to R4.9 billion for the 2023/24 financial year, whereas actual expenditure as at end of the financial year amounted to R4.6 billion that is 93% of the final adjusted budget. The lower expenditure outcome is attributed to delays in construction activities due to land invasions, disruptions of projects by business forum disputes and late approval of the ISUPG business plan. Furthermore, the programmes expenditure has decreased from 5.3 billion in 2022/23 to R4.6 billion 2023/24 due to budget cuts in the conditional grants.

In the 2023/24 financial year, targets were achieved on the delivery of serviced stands and units. However, it should be noted that infrastructure projects are implemented on a milestone basis and payable as work in progress which some may have not reached practical completion at the end of the financial year to be reported as achieved in line with the set targets. Invariably, expenditure would have been incurred against completed work-in-progress milestones prior to practical completion and may account for an estimated 60%-80% or more of project budget, informed by the payment milestone structure applicable for planning and implementation.

There has been a gradual improvement over the last financial year for the Urban Renewal Programme (URP) having achieved 99% expenditure against the 2023/24 FY budget allocated. This multi-year programme concluded mainly on planning and pre-construction deliverables in the Evaton, Alexandra and Winterveld nodes, with one project in the Bekkersdal node progressing to implementation.

The upgrading of informal settlements involved significant interventions across various phases of the process aimed at integrating these settlements into the urban framework. Achievements in the 2023/24 financial year played a crucial role in this endeavour. % expenditure against the 2023/24 Informal Settlements Upgrading Partnership Grant (ISUPG) budget was achieved with crucial milestones of the programme being achieved, such as, Conclusion of social compacts between informal settlements, municipalities and the GDHS. Phase 2 planning is currently underway, resulting in the completion of upgrading plans and feasibility studies for several settlements. During this phase, rudimentary basic services were provided to informal settlements.

Through the Informal Settlements Upgrading Partnership Grant (ISUPG), funding for Mega Projects facilitated the relocation of 290 households from three informal settlements to newly constructed housing units. Additionally, the Department identified informal settlements for the implementation of alternative sanitation projects, which is a multi-year project.

Budget allocated to Development Planning was never fully utilised and unspent money was made available to other programmes during the budget adjustment. However, the unit was able to spend on PRTs that ensured that critical planning milestones towards the approval of new townships establishment applications were achieved. Furthermore, well-located land and serviced stands were procured for future human settlements development.

The Hostels Redevelopment Programme successfully accomplished its objectives by completing 58 bulk infrastructure assessments of hostels and providing routine maintenance and environmental upkeep in the six Johannesburg inner city hostels. The adjusted and reprioritised budget for the programme was R414 million, with the majority, amounting to R305 million (73%), expended to achieving the aforementioned outputs. The remaining funds were primarily utilised for ongoing major repairs in five of the six Johannesburg inner city hostels and the assessment of the top three required emergency maintenance interventions in the 59 hostels.

On blocked projects, department conducted and completed structural assessments on blocked and abandoned housing units after which 5 269 houses were recommended for construction. Procurement processes are underway for the appointment of Turnkey developer for the implementation of 5 269 houses. Although assessment of blocked houses does not form part of the APP planned targets, expenditure for assessment was incurred, over and above the expenditure for completion of 175 blocked houses as reported under performance information.

Sub-programme expenditure

Sub-programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	446 633	438 799	7 834	187 712	187 505	207
Financial Interventions	118 661	104 053	14 608	311 057	311 058	(1)
Incremental Interventions	4 385 293	4 052 113	333 180	4 800 802	4 792 969	7 833
Total	4 950 587	4 594 965	355 622	5 299 571	5 291 532	8 039

Strategy to overcome areas of under performance

Below are the indicators that were not achieved during the year under review as well as strategies to address under performance:

Indicator No.	Output Indicator	Strategy to overcome areas of under performance
3.3	<p>Number of serviced erven procured for the RLRP</p> <p>The under achievement was due to the delays in the issuance of Section 53 certificates and confirmation of full services by the municipalities for the stands procured for RLRP (Elijah Barayi).</p> <p><i>Additional to the 1 257 serviced erven procured for RLRP reported in the 3rd and 4th quarters, 184 stands from Impumelelo Ext. 4 were fully serviced in the 3rd quarter. As the performance was received in the 4th quarter, the 184 could not be recorded in the 4th quarter since the achievement was from the previous quarter. The output of 184 was therefore included in the annual output, resulting in the 1 441 overall achievement.</i></p>	<p>Together with affected municipalities, the Department will work on quicker turn-around times with respect to fully servicing of the acquired land parcels for RLRP.</p>
3.4	<p>Percentage of serviced erven released to beneficiaries as per the Rapid Land Release Programme: 100% - Youth</p> <p>Most beneficiaries approved for allocation of serviced erven under the RLRP failed to show up on the allocation date.</p> <p>The qualification criterion has also added onto the difficulties of attaining 60% youth allocation, noting the economic and unemployment rate amongst the youth.</p>	<p>Targeted RLRP subsidy awareness drive will be heightened.</p> <p>The Department to consider having an excess list to cover the beneficiaries who do not show up.</p> <p>RLRP Steering Committee will be monitoring the progress on all acquired land portions.</p> <p>The missed target will be carried over and allocated in the 2024/25 FY.</p>
3.4	<p>Percentage of serviced erven released to beneficiaries as per the Rapid Land Release Programme: 100% - Other</p> <p>Most beneficiaries approved for allocation of serviced erven under the RLRP failed to show up on the allocation date.</p>	<p>RLRP Steering Committee will be monitoring the progress on all acquired land portions.</p> <p>The Department to consider having an excess list to cover the beneficiaries who do not show up.</p> <p>Targeted RLRP subsidy awareness drives will be heightened.</p> <p>The missed target will be carried over and allocated in the 2024/25 FY.</p>

Indicator No.	Output Indicator	Strategy to overcome areas of under performance
3.12	<p>Number of informal settlements upgraded to Phase 3 of the Upgrading of Informal Settlements Programme (UISP)</p> <p>The Council approved the project and authorised the municipality to enter into the trilateral agreement in March 2024, following lengthy municipal technical approval processes.</p>	<p>The project has been approved by the municipality and council resolution received. Legal has since certified the agreement.</p> <p>The target will be implemented and achieved in the 2024/25 FY.</p>
3.15	<p>Number of informal settlements benefitted from temporary municipal engineering services.</p> <p>The Council approved the project and authorised the municipality to enter into the trilateral agreement in March 2024, following lengthy municipal technical approval processes.</p>	<p>The project has been approved by the municipality and council resolution received. Legal has since certified the agreement.</p> <p>The target will be implemented and achieved in the 2024/25 FY.</p>
3.16	<p>Number of layout plans approved for informal settlements upgrading.</p> <p>The achievement of the planned output was hindered by the pending revision of the proposed layout plan to incorporate the existing municipal electrical layout plan as requested by the municipality.</p>	<p>The proposed layout plan to be finalised upon receipt of the revised electrical layout plan from the Rand West Municipality.</p> <p>The Department to follow-up with the municipality.</p> <p>The target will be implemented in the next financial year.</p>
3.18	<p>Number of top structures completed i.r.o. incomplete/abandoned/blocked housing projects.</p> <p>The process of appointment of the contractor for implementation of the incomplete houses was underway. Most projects were not ready for implementation.</p>	<p>The Department to fast track the finalisation of SCM/contractual issues.</p> <p>The projects will be implemented in the next financial year, once the contractor is appointed.</p>
3.23	<p>Percentage of quality assured housing units allocated to approved beneficiaries.</p> <p>The underperformance was partly due to the non-appearance of some beneficiaries scheduled for allocation.</p> <p>Out of the 5 513 readily available housing units, 5 053 were allocated to the approved beneficiaries.</p>	<p>The Department to consider having an excess list to cover the beneficiaries who do not show up.</p>



4.4 Programme 4: Housing Asset and Property Management

Purpose

To provide for the effective management of housing.

This Programme is responsible for the effective, efficient and compliant management of the Department's property assets/ housing stock through:

- The maintenance of flats not yet transferred and vacant stands
- The management of common public areas and spaces, including boundary walls in BNG walk-ups
- Facilitating dispute resolution arising from claims of housing ownership.

This Programme consists of the following sub-programmes in line with the Budget Programme Structure for the Provincial Department of Human Settlements.

- **Administration:** To provide administrative support
- **Sale and Transfer of Housing Properties:** To provide for the sale and transfer of rental stock
- **Devolution of Housing Properties:** To facilitate the devolution of housing assets
- **Housing Properties Management:** To provide for the maintenance of housing properties, the transfer of ownership.

List of institutional outcomes contribute to the programme

Contribution to Outcomes and Impact

The collective outputs of Programme 4 are responsive to Outcome 4. They indicate the extent to which the Department is managing, maintaining and transferring its property assets in compliance with applicable legislation and regulations. It also indicates the Department's management of rental disputes through the Gauteng Rental Housing Tribunal.

Importantly, the following outputs and output indicators contribute to the following strategic priorities:

- The transfer of property units (land, flats and buildings) contributes to the delivery of housing opportunities
- The resolving of rental disputes contributes to strengthening consumer protection.

All the outcomes of the Department individually and collectively contribute to the impact statement of the Department.

Contribution to Women, Youth and Persons with Disabilities

The Programme's contribution to improving the lives of women, youth and persons with disabilities will be applicable in relation to transfers of property, once the process is concluded and the Programme disaggregates its data i.r.o. women, youth and persons with disabilities. It will also be applicable in relation to rental housing disputes resolved when the data is disaggregated in terms of the three priority marginalised sectors.

Alignment of the outputs and their indicators to Outcome 4

These outputs deal with the maintenance of flats, the remedial construction/sectionalisation/transfer of flats, updating of the Inventory Management Register, the transfer of commercial properties and the devolution of properties to municipalities and eligible individual beneficiaries.

The housing and rental housing disputes resolved outputs contribute to the management of rental disputes element of the outcome.

Performance over the MTEF period

The targets for this Programme vary due to the possibility that, for example, the number of properties the Department has to maintain may change over time. The targets i.r.o. rental disputes are indicative targets based on past performance. The Programme has no control at all over the number of households and/or landlords and tenants may find themselves in dispute and registering their disputes for resolution with ADARDI or the Gauteng Rental Housing Tribunal. This is important to note because the performance of these indicators and targets may record underperformance or overperformance at a point in time.

4.4.1 Programme 4: Housing Asset Management and Property Management

Table 1: Report against the originally tabled Annual Performance Plan (APP)

Programme 4: Housing Asset Management and Property Management										
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2022/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	* Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for Revisions to the Outputs/ Output indicators/ Annual Targets
Sale and transfer of Housing Properties										
1.	Social justice through the promotion and protection of security of tenure for housing beneficiaries, tenants and owners	Property transfers completed	Percentage of property transfers completed per financial year	Achieved 171.5% (targets of 123 against 211); 63 properties devolved to CoJ 26 properties transferred to individual beneficiaries, 122 flats (units) transferred. 0 commercial properties transferred	Target achieved 329%	90%	0%	-90%	Pending issuance of Regulation 38 Certificate by the municipality Conveyancers were awaiting purchase orders	Annual target was revised due to the delays in the processes related to the transfer of properties at municipal level.
2.	Social justice through the promotion and protection of security of tenure for housing beneficiaries, tenants and owners	Beneficiaries/ occupants confirmed as legitimate in registered townships	Number of occupants confirmed as legitimate in registered townships	Not achieved 801 beneficiaries confirmed as legitimate in registered townships in respect of pre-and post-1994 title deeds backlog (DORA)	Target not achieved 1 308	19 891	0	-19 891	Resumption of work by the physical verification PRTs can only happen once public participation has been concluded PRTs not allowed to resume work before all Social Facilitation matters have been resolved	The output indicator was considered operational and thus moved to the Annual Operational Plan.

Programme 4: Housing Asset Management and Property Management

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2022/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for Revisions to the Outputs/ Output indicators/ Annual Targets
3.	Social justice through the promotion and protection of security of tenure for housing beneficiaries, tenants and owners	Title deeds registered pre-1994	Number of pre-1994 title deeds registered	Not achieved 666 pre-1994 title deeds registered	Target not achieved 18	1 200	0	-1 200	The appointment of a new panel of conveyancers has recently been finalised. Progress may not be immediately recognisable. **32 reported, however, municipal files/category confirmation was outstanding	Annual target was revised to align with the adjusted BP.
4.	Social justice through the promotion and protection of security of tenure for housing beneficiaries, tenants and owners	Title deeds registered post-1994	Number of post-1994 title deeds registered	Partially achieved 5 128 post-1994 title deeds registered	Target not achieved 3 089	13 168	1 392	-11 776	The appointment of a new panel of conveyancers has recently been finalised. Progress may not be immediately recognisable	Annual target was revised to align with the adjusted BP
5.	Social justice through the promotion and protection of security of tenure for housing beneficiaries, tenants and owners	Title deeds registered post-2014	Number of post-2014 title deeds registered	Achieved 3 195 post-2014 title deeds registered	Target achieved 1 825	2 100	0	-2 100	None.	Annual target was revised to align with the adjusted BP.

Programme 4: Housing Asset Management and Property Management										
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2022/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	* Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for Revisions to the Outputs/ Output indicators/ Annual Targets
6	Social justice through the promotion and protection of security of tenure for housing beneficiaries, tenants and owners	New title deeds registered	Number of new title deeds registered	New indicator	Target not achieved 0	1 000	0	-1 000	None	Annual target was revised to align with the adjusted BP.
Devolution of Housing Properties										
7.	Social justice through the promotion and protection of security of tenure for housing beneficiaries, tenants and owners	Ownership disputes resolved	Number of ownership disputes resolved in respect of pre-1994 title deeds backlog	Not achieved 1 ownership dispute resolved in respect of pre-1994 title deeds backlog (DORA)	Not achieved 0	196	7	-189	Postponement of cases due to factors such as unavailability of legal representatives and witnesses	Annual target was revised to align with the adjusted BP.



4.4.2 Programme 4: Housing Asset Management and Property Management

Table 2: Report against the Adjusted Annual Performance Plan

Programme 4: Housing Asset Management and Property Management									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	** Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
Sale and Transfer of Housing Properties									
4.1.	Social justice through the promotion and protection of security of tenure for housing beneficiaries, tenants and owners	Property transfers completed	Percentage of property transfers completed per financial year	Achieved 171.5% (targets of 123 against 211): 63 properties devolved to CoJ 26 properties transferred to individual beneficiaries 122 flats (units) transferred 0 commercial properties transferred	Target achieved 329%	20%	Target achieved 40.50%	+20.50%	The target was exceeded due to the municipality accepting list for devolution after consistent follow-ups, leading to adjustments and the conveyancer expedited the devolution as well as transfers to the beneficiaries.
4.2	Social justice through the promotion and protection of security of tenure for housing beneficiaries, tenants and owners	Pre-1994 title deeds registered	Number of pre-1994 title deeds registered	Not achieved 666 pre-1994 title deeds registered	Target not achieved 18	500	Target not achieved 146	-354	The arrangement for issuing Purchase Orders to law firms started this financial year. Since it was a new practice, there were challenges which resulted in implementation delays. ** 15 title deeds were registered in the previous FY.

Programme 4: Housing Asset Management and Property Management									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	** Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
4.3	Social justice through the promotion and protection of security of tenure for housing beneficiaries, tenants and owners	Post-1994 title deeds registered	Number of post-1994 title deeds registered	Partially achieved 5 128 post-1994 title deeds registered	Target not achieved 3 089	6 209	Target not achieved 2 088	-4 121	The arrangement for issuing Purchase Orders to law firms started this financial year. Since it was a new practice, there were challenges which resulted in implementation delays. Additionally, 1 103 title deed registrations from the previous FYs were reported.
4.4	Social justice through the promotion and protection of security of tenure for housing beneficiaries, tenants and owners	Post-2014 title deeds registered	Number of post-2014 title deeds registered	Achieved 3 195 post-2014 title deeds registered	Target achieved 1 825	800	Target not achieved 33	-767	The performance was dependent on the delivery expected from turnkey projects which did not deliver outputs, pending issuance of Section 53 Certificates by the municipality. ** Additionally, 1 title deed registration from the previous FYs was reported.
4.5	Social justice through the promotion and protection of security of tenure for housing beneficiaries, tenants and owners	New title deeds registered	Number of new title deeds registered	New indicator	Target not achieved 0	10	Target not achieved 0	-10	The performance was dependent on the delivery expected from turnkey projects which did not deliver outputs, pending issuance of Section 53 Certificates by the municipality. ** Additionally, 877 title deed registrations from the previous FYs were reported.

Programme 4: Housing Asset Management and Property Management

No.	Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for Deviations
Devolution of Housing Properties									
4.6	Social justice through the promotion and protection of security of tenure for housing beneficiaries, tenants and owners	Rental housing disputes resolved	Percentage of residential rental housing disputes resolved	Achieved 73% disputes resolved (received 1 710 cases and resolved 1 248)	Target achieved 66%	70%	Target achieved 74%	+4	The target was demand-driven, more cases were received during the course of the financial year.
4.7	Social justice through the promotion and protection of security of tenure for housing beneficiaries, tenants and owners	Ownership disputes resolved	Number of ownership disputes resolved in respect of pre-1994 title deeds backlog	Not achieved 1 ownership dispute resolved in respect of pre-1994 title deeds backlog (DoRA)	Target not achieved 3	105	Target not achieved 94	-11	Postponements of adjudication cases and delayed payment of adjudicators.

Programme 4: Linking performance with budgets

The purpose of the Programme is to promote home ownership in historically disadvantaged communities. It coordinates, manages and oversees the maintenance of Departmental immovable assets in the form of flats, hostels, and vacant stands to encourage and support the provision of tools and personnel to maintain immovable assets. The Department motivates, guides and manages the provision of tenure for occupants and promotes home ownership through sectionalisation of flats. It disposes of the Department's commercial properties.

The Programme spent R184.6 million or 93% of the allocated budget of R198.8 million. The underspending is due to delays in the billing of utilities for hostels and flats by municipalities. The Programme's expenditure decreased from R316 million to R184.6 million due to budget cuts in conditional grants.

On the output regarding the transfers of properties to municipalities and beneficiaries:

The reason for overachieving is primarily based on the fact that the target was reduced to 20% early on in the financial year. It was reduced because there were no conveyancers, and there was uncertainty about when the new panel of conveyancers would be appointed. When the new panel was appointed, regular weekly meetings were held with them to ensure that the process ran smoothly, and any hiccups were addressed timeously. There are no financial implications for overachievement as the transfers are cost based, meaning payment is made per transfer registered at the Deeds Office, as per the SLA. No extra payment is made if more transfers are registered than what was anticipated.

The title deeds restoration programme comprises of eight output indicators of which three are reported in the APP whilst the remaining five are captured in the Annual Operational Plan. The allocated budget for 2023/24 financial year was exhausted and there was an over expenditure due to township formalisation milestones that had to be addressed to enable opening of township registers and registration of title deeds, thereafter. However, application for shifting of funds was applied for and accordingly approved.

Sub-programme expenditure

Sub-programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	38 438	37 172	1 266	35 258	34 444	814
Sale and Transfer of Housing Properties	50 000	50 000	-	122 599	122 599	-
Housing Properties Maintenance	110 390	97 391	12 999	159 431	159 268	163
Total	198 828	184 563	14 265	317 288	316 311	977

Strategy to overcome areas of under performance

Below are the indicators that were not achieved during the year under review as well as strategies to address under performance:

Indicator No.	Output Indicator	Strategy to overcome areas of under performance
4.2	<p>Number of pre-1994 title deeds registered.</p> <p>The arrangement for issuing Purchase Orders to law firms started this financial year. Since it was a new practice, there were challenges which resulted in implementation delays.</p> <p><i>**15 title deeds were registered in the previous FY.</i></p>	<p>The glitches around the issuing of Purchase Orders have since been addressed.</p> <p>Strict monitoring of appointed conveyancers to deliver targets through bi-weekly one-on-one progress meetings, considering the delayed allocation of instructions to conveyancers as at the end of the 3rd quarter of 2023.</p> <p>The Department endeavours to improve performance in the next financial year.</p>
4.3	<p>Number of post-1994 title deeds registered.</p> <p>The arrangement for issuing Purchase Orders to law firms started this financial year. Since it was a new practice, there were challenges which resulted in implementation delays.</p> <p>Additionally, 1 103 title deed registrations from the previous FYs were reported.</p>	<p>The glitches around the issuing of Purchase Orders have since been addressed.</p> <p>Strict monitoring of appointed conveyancers to deliver targets through bi-weekly one-on-one progress meetings in light of the delayed allocation of instructions to conveyancers as at the end of the 3rd quarter of 2023.</p> <p>The Department endeavours to improve performance in the next financial year.</p>
4.4	<p>Number of post-2014 title deeds registered.</p> <p>The performance was dependent on the delivery expected from turnkey projects which did not deliver outputs pending issuance of Section 53 Certificates by the municipality.</p> <p><i>**Additionally, 1 title deed registration from the previous FYs was reported.</i></p>	<p>Further engagements with the municipalities and developers.</p> <p>Compliance with the conditions of establishment by the developers.</p> <p>The Department endeavours to improve performance in the next financial year.</p>
4.5	<p>Number of new title deeds registered.</p> <p>The performance was dependent on the delivery expected from turnkey projects which did not deliver outputs pending issuance of Section 53 Certificates by the municipality.</p> <p><i>**Additionally, 877 title deed registrations from the previous FYs were reported.</i></p>	<p>Further engagements with the municipalities and developers.</p> <p>Compliance with the conditions of establishment by the developers.</p> <p>The Department endeavours to improve performance in the next financial year.</p>
4.7	<p>Number of ownership disputes resolved in respect of pre-1994 title deeds backlog.</p> <p>Postponements of adjudication cases and delayed payment of adjudicators</p>	<p>Put in place strict measures to adhere to set court dates. Only allow limited postponements (no more than two) for valid reasons.</p> <p>The Department endeavours to improve performance in the next financial year.</p>

5. PERFORMANCE IN RELATION TO STANDARDISED OUTPUTS AND OUTPUT INDICATORS FOR SECTORS WITH CONCURRENT FUNCTIONS

The following are standardised sector indicators not reflected in the Adjusted 2023/24 Annual Performance Plan (APP):

- Number of rental social housing units delivered; and
- Number of Community Residential Units (CRUs) delivered.

The Department is no longer implementing the CRUs, whilst the social housing projects are implemented by Social Housing Registration Authority (SHRA). Exemptions on both indicators, CRU and SHRA was requested and granted by the National Department of Human Settlements.

6. TRANSFER PAYMENTS

6.1 Transfer payments to public entities

Name of Public Entity	Key outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
Gauteng Partnership Fund (HSDG)	Mega projects implementation for the delivery of stands, units and external works for walk up blocks in three projects	R399 034 936,44	R350 504 642,04	Funds transferred for 4 projects only because the 5th project, Montrose was halted due to poor performance of the developer and project handed over to legal services. Targets increased for 3 projects, but no budget transferred to the GPF. GPF used the budget from 2022/23 to pay for increased targets. The entity delivered 400 stands and 1 583 unit.
Housing Development Agency	Workstreams Coordination & Programme Management Social Facilitation - community/ stakeholder engagement conducted Development Plans - Alex Core Development Framework Relocation Strategy - Alex Core Relocation Strategy/Plan Blocked Projects - Support Implementation Eviction Order & partial completion of Feasibility Studies (104 units)	R35 430 211,02	R25 722 028,02	Funds transferred for Implementation of the Greater Alexandra Development Area (GADA). Outstanding balance is from OPSCAP allocation for positions/posts not yet filled. Achievements include the followings: <ul style="list-style-type: none"> • Workstreams Coordination and Programme Management • Social Facilitation - community/ stakeholder • Development Plans - Alex Core Development Framework • Relocation Strategy - Alex Core Relocation Strategy/Plan • Blocked Projects - Support Implementation Eviction Order and partial completion of Feasibility Studies (104 units).
Gauteng Partnership Fund (ISUPG)	Implementation of Alternative Sanitation in Mogale and Emfuleni	R65 000 000,00	R8 299 883,00	Pilot project to be implemented over 3 years. Portion 11 Honingklip Installation
Total		R499 465 147,46	R384 526 553,00	

6.2 Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2023 to 31 March 2024.

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the Dept. comply with 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Mogale	Municipality	Installation of water line and construction of water reservoir Construction 500 units, Water Reservoir and Road and Stormwater	Yes	R129 700 500,00	R53 784 829	LERATONG: Installation of water line and construction of water reservoir - progress onsite at 77% TARLTON/BRICKVALE: Construction 500 units, water reservoir and road and stormwater - Progress onsite at 21% Inclement weather affected the delivery of material. Slow progress by the contractor
Merafong	Municipality	Bulk electricity outfall sewer water and sewer water & sewer services rehabilitation of sinkholes	Yes	R52 000 000,00	R5 523 392	KOKOSI EXT 6: Sewer - progress on site- 0% KHUTSONG: Electrification -progress onsite-0% KHUTSONG: Bulk water - progress onsite at 0% KHUTSONG Sink Hole Rehabilitation - progress on site-0% FOCHVILLE: Outfall sewer - progress on site at 0%. Delays in the approval of new designs by council. Sewer spillage causing more delays
Randwest	Municipality	Bulk sewer line services	Yes	R30 000 000,00	R11 799 993	MOHLAKENG PELZVALE: Bulk sewer line services - progress onsite at 0%. Project was stopped due to disputes of the local beneficiaries and there is underground water accumulating the bedding.
City of Tshwane (ISUPG)	Municipality	Relocation and procurement of rudimentary water, sanitation and waste management services	Yes	R83 000 000,00	R33 000 000	There were delays resulting from serious destruction of land by illegal sand mining
City of Johannesburg	Municipality	-	Yes	R0	R0	-
City of Ekurhuleni	Municipality	-	Yes	R0	R0	-
Total				R294 700 500,00	R0	

The table below reflects the transfer payments which were budgeted for in the period 1 April 2023 to 31 March 2024, but no transfer payments were made

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
City of Tshwane (ISUPG)	Transfer of Funds	R83 980 000,00	R83 000 000,00	The balance of R980 000 for ISUPG is because of funds not being made available on the BP.

7. CONDITIONAL GRANTS

7.1 Conditional grants and earmarked funds paid

The section is not applicable to the Department.

7.2 Conditional grants and earmarked funds received

The table below detail/s the conditional grants and earmarked funds received by the department:

Conditional Grant 1: EPWP

Department who transferred the grant	National Department of Public Works
Purpose of the grant	The EPWP is one element within a broader government strategy to reduce poverty through the alleviation and reduction of unemployment. Department of Public Works and Infrastructure enter into the EPWP Integrated Grant Agreements with the Department to incentivise and maximise EPWP contribution towards job creation.
Expected outputs of the grant	Skilled = 1 500 Unskilled = 6 000
Actual outputs achieved	Skilled = 661 Unskilled = 1 148
Amount per amended DORA	R9 962 000
Amount received (R'000 (R'000))	R9 962 000
Reasons if amount as per DORA not received	All transfers were received
Amount spent by the department	R9 799 133
Reasons for the funds unspent by the entity	-
Reasons for deviations on performance	Poor performance experienced was resultant from inadequate reporting by the contractors or developers.
Measures taken to improve	The Department amended contracts to ensure that service providers adhere to the compliance issues in the projects. The Department has developed compliance certificates as part of check list to monitor adherence by contractors to the terms of the contracts/ reporting requirements.
Monitoring mechanism by the transferring department	Performance monitoring on monthly and quarterly basis.

Conditional Grant 2: Human Settlements Development Grant

Department who transferred the grant	National Department of Human Settlements
Purpose of the grant	The creation of sustainable human settlements
Expected outputs of the grant	Breaking New Ground (BNG) Houses delivered = 6 810 Served Sites = 957 Installation of municipal engineering services = 256 Installation of Engineering Services for planned walk-up units = 4 303
Actual outputs achieved	Breaking New Ground (BNG) Houses delivered = 6 897 Served Sites = 981 Installation of municipal engineering services = 256 Installation of Engineering Services for planned walk-up units = 4 513
Amount per amended DORA	R3 606 187 000
Amount transferred (R'000)	R3 606 187 000
Reasons if amount as per DORA not transferred	-
Amount spent by the Department	R3 448 025 105
Reasons for the funds unspent by the entity	-
Reasons for deviations on performance	None
Measures taken to improve	None
Monitoring mechanism by the transferring department	Close monitoring on monthly and quarterly basis.

Conditional Grant 3: Upgrading of Informal Settlements Programme (UISP)

Department who transferred the grant	National Department of Human Settlements
Purpose of the grant	To provide funding to facilitate a programmatic and inclusive approach to upgrading of Informal Settlements
Expected outputs of the grant	Upgrading plans to Phase 3 = 1 Upgrading plans = 10 Social compacts concluded with communities = 15 Feasibility studies = 7 Relocation and provision of rudimentary services = 1 Informal Settlement Relocation of Households to completed housing units in Mega Projects with Bulk Infrastructure funded under ISUPG = 200
Actual outputs achieved	Upgrading plans to Phase 3 = 0 Upgrading plans = 10 Social compacts concluded with communities = 15 Feasibility studies 7 Relocated (50%) households and provision of rudimentary services = 1 Informal Settlement Relocation of Households to completed housing units in Mega Projects with Bulk Infrastructure funded under ISUPG = 290
Amount per amended DORA	R1 088 276
Amount received (R'000)	R1 088 276
Reasons if amount as per DORA not received	-
Amount spent by the Department	R885 810 146
Reasons for the funds unspent by the entity	Some of the work undertaken was completed after the payment cut off period, as a result claims were submitted as part of the roll over to be paid in the next financial year
Reasons for deviations on performance	Phase 3 upgrading of informal settlements, the Council approved the project and authorized the municipality to enter into the trilateral agreement in March 2024, following lengthy municipal technical approval processes.
Measures taken to improve	Target for Phase 3 upgrading of informal settlements will be implemented and achieved in the 2024/25 FY.
Monitoring mechanism by the transferring department	Close monitoring on monthly and quarterly basis.

8. DONOR FUNDS

8.1 Donor Funds Received

There are no donor funds received.

9. CAPITAL INVESTMENT

9.1 Capital investment, maintenance and asset management plan

The Department do not have capital investment.

Infrastructure projects which have been completed in the current year and the progress in comparison to what was planned at the beginning of the year.

There are no projects reported as complete as projects move through phases and are not necessarily complete.

Progress made on implementing the immovable asset management plan.

Maintenance

Repairs to the flats were done as part of the day-to-day maintenance. Procurement processes for the refurbishment of three flat complexes were initiated and should be completed in the 2024/25 FY.

Asset disposal

Two additional flat complexes were sectionalised to enable transfer to beneficiaries, thus bringing the total number of sectionalised complexes to six out of the nine planned for sectionalisation.

Plans to close down or down-grade any current facilities.

Disposal of flats

The Department is in the process of disposing the flats to the occupants. Sectionalised flats are being transferred to approved beneficiaries. Thus far, a total of 322 flats have been transferred.

Disposal of land

The Department is in the process of disposing its land to municipalities and/or beneficiaries. For the period under review, 28 out of 138 transfers to individual beneficiaries were completed and 41 out of 197 properties were devolved to municipalities. In total, 69 out of 335 properties have been transferred, whilst the remaining have been lodged at the Deeds Office and awaiting registration.

Progress made on the maintenance of infrastructure.

Unplanned maintenance of the flats and vacant land (grass cutting) were being done on an “as and when needed” basis. Faults were logged, assessed by inspectors and work orders created and approved and these work orders were allocated to contractors from the panel of maintenance contractors. For the period under review, 206 faults were logged of which 58 were allocated to contractors. A total of 28 of these have been successfully completed. The rate of progress was not according to plan due to contractors declining work, or slow progress in finalising work. All declined work is being reallocated to willing contractors.

The Department has appointed two contractors to do routine cleaning and environmental upkeep for the period of three years starting from December 2022. Routine cleaning has been happening on a daily basis since the start of this contact. Also, the Department has appointed the contractor to undertake major repairs in the five hostels. This included repairs to structural damages on walls, water and sewer infrastructure, etc.

Developments relating to the above that are expected to impact on the Department’s current expenditure.

The budget for maintenance was allocated and used for all the work done. For hostels, currently the Department has a budget to implement these interventions for the next mid-term.

Major maintenance projects that have been undertaken during the period under review.

There were no major maintenance projects undertaken for the period under review. It was anticipated that three projects would have started in the year, but they did not, as the tender process did not yield any successful bidders. These projects, for the remedial construction of the Southfork flats situated in Lenasia, the Dallas and Harlem flats situated in Eldorado Park will be carried over into the 2024/25 FY. Asset condition assessments were done and Bills of Quantities were completed in the year under review for Goud flats, Kersiedorp row houses, Double Alphabet flats, Westgate flats, Silwer flats and Diamond flats.

The Department has appointed the contractor to undertake major repairs in the five hostels. This included repairs to structural damages on walls, water and sewer infrastructure, etc.

Progress made in addressing the maintenance backlog during the period under review, for example, has the backlog grown or become smaller.

Allocation of work to contractors continues and the maintenance backlog is being addressed and reduced. The rate of progress was not according to plan due to contractors declining work, or slow progress in finalising work. All declined work is being reallocated to willing contractors.

There have been noticeable delays in the rolling out of the major repairs project. This can be attributed to a number of issues, including lack of financial capacity of the contractor and the delays by the Department to pay claims made by the contractor on the work that they have done.

Progress made on implementing the movable asset management plan.

Acquisitions, safeguarding, disposal, and management of the entire life of assets have been implemented as per the Departmental Asset Management Policy.

Details as to how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft:

The Head of the Department approved the recommendation for the disposal of assets due to poor condition and not utilised, the asset register has been updated.

The Head of the Department approved the recommendation to write off 348 Temporary Residence Units at the Hostel due to being poor in condition and demolished and the TRU register has been updated.

All assets reported as theft and loss remained in the asset register until the investigation is concluded and disclosed as assets under investigation in the asset disclosure note.

Measures taken to ensure that the Department's asset register remained up to date during the period under review:

Implementation of Asset Management Policy that has been enforced.

Assets are bar-coded immediately on arrival to ensure a unique identification of each asset.

Monthly reconciliation has been conducted between the asset register and general ledger monthly submission of Sec 40 reports (monthly reconciliations) to the Provincial Treasury for review. An Annual Physical Asset Verification that has been conducted to ensure a complete and accurate register.

The current state of the Department's capital assets, for example, what percentage is in good, fair or bad condition:

All moveable assets are being subjected to physical verification to confirm condition, existence and the following is the percentage of the condition of moveable assets as per the asset register, excluding assets reported as theft and loss:

Condition	Number of Assets	Percentage
Good	1 261	17%
Fair	5 641	74%
Poor	716	9%
Total	7 618	100%

Infrastructure projects:

Infrastructure projects	2023/2024			2022/2023		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ Under Expenditure R'000
New and replacement assets	2 751 903	2 649 036	102 467	3 613 481	3 712 002	98 521
Existing infrastructure assets:	1 848 041	1 567 979	280 062	1 640 110	1 749 227	(109 117)
• Upgrades and additions	1 692 263	1 393 327	298 936	1 369 164	1 347 047	22 117
• Rehabilitation renovations and refurbishments	45 388	39 794	5 594	152 726	291 303	(138 577)
• Maintenance and repairs	110 390	134 858	(24 468)	118 220	110 877	7 343
Non-infrastructure	104 480	129 445	(24 965)	213 315	128 265	85 050
Infrastructure transfer:	-	-	-	-	-	-
• Current	-	-	-	-	-	-
• Capital	-	-	-	-	-	-
Total	4 704 424	4 346 460	357 964	5 466 906	5 589 494	(122 588)



Part C

DAN TLOOME
MEGA PROJECT



Governance

1. INTRODUCTION

Commitment by the Department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users want assurance that the Department has good governance structures in place to effectively, efficiently and economically utilise the state resources, which is funded by the tax payer.

2. RISK MANAGEMENT

The Department has the approved Risk management Policy and Strategy. The Risk Management Policy provides a framework within which management can operate to enforce the pro-active Enterprise Risk Management processes and to inculcate the risk management culture throughout the Department of Human Settlements, to further ensure that risk management efforts are optimised, the Department has further defined its risk appetite and tolerance statement which is supported by a combine assurance model with the three lines of defence.

RISK ASSESSMENT IS CONDUCTED AS FOLLOWS:		
Type	Detail	Frequency
Strategic Risk	The possibility that unforeseen threats or opportunities may render the GDHS's strategy ineffective or that events or circumstances may occur which could hinder the ability of the GDHS to implement its strategy and successfully deliver on its mandate	Annually
Operational Risk	The possibility that internal or external events and circumstances can have a disruptive impact on the reliability, continuity, quality and efficiency of the GDHS's operations or its entire assets	Monthly/Annually
Project Risk	The possibility that internal or external events and circumstances can have a disruptive impact in the completion of projects	Annually
Emerging	To cater for unforeseen events or occurrences	Occasionally

The Department has a functional Risk Management Committee which sits quarterly to review progress status on the mitigating measures implemented by risk owners to ensure effectiveness in the achievement of the strategic objectives of the Department.

The members are appointed by the Accounting Officer on the annual basis and the Independent Chairperson is appointed to advise the Accounting Officer on salient matters and emerging risks that might trigger huge risks for the Department.

The Audit Committee analyse and reviews the Top 10 risks and emerging risks of the Department on the quarterly basis and advises management, Accounting Officer and the executive on how to improve the internal control weakness in the implementation of risk management processes.

The Combine Assurance Model championed by the Combined Assurance Committee has assisted the Department in an improvement in the internal control environment. Some of the internal controls have improved from inadequate not effective to an adequate and effective level of assurance. This has led the Department in getting a Risk Maturity level 3.9 for 2023/24.

The other contribution to the 3.9 Maturity rating as extracted from the Risk Management Committee Evaluation Report by Gauteng Treasury commended the Department on having a Strong Independent Risk Management Chairperson who directs and adds value to the risk management meetings.

Other contributing factor to the 3.9 Maturity rating is that there were minimal matters of concerns and emerging risks escalated by the RMC Chairperson quarterly to the Accounting Officer and the Audit Committee.

3. FRAUD AND CORRUPTION

The Department has an approved Fraud Prevention Plan. The Fraud Prevention Plan was reviewed to incorporate the provisions of the National Treasury Instruction Note No.3 of 2016/2017 on Prevention and Combating of Abuse in the Supply Chain Management System and the Public Service Regulations 2016.

3.1 The table below represents progress made in implementing various components of the Fraud Prevention Plan

Fraud Prevention Plan Components	Progress
A. Ethics, Awareness and Prevention/Code of conduct for public sector employees B. Combating fraud and corruption C. Oversight, Transparency and Accountability D. Policies and Procedures E. Investigation F. Fraud Detection G. Reporting and Monitoring H. Communication I. Fraud Risk Assessment	<ul style="list-style-type: none"> • 11 workshops were conducted to promote the Code of Conduct during the reporting year. • The following policies, strategy and plans were approved and implemented: <ol style="list-style-type: none"> a) Financial Disclosure and Declaration of Financial Interest Policy b) Gifts, Sponsorship and Hospitality Declaration Policy c) Policy on Conducting Business with an Organ of State and Remunerative Work Outside the Public Service d) Whistle Blowing Policy, e) Strategic Framework on Anti-Fraud, Anti-Corruption and Ethics Management f) Fraud Prevention and Ethics Implementation Plan g) Loss Management Policy h) Ethics Charter. • Investigation: 16 cases were received, 17 cases finalised during the reporting year. Cases finalised include cases that were received in the previous financial years. • 4 Awareness Campaigns were conducted as follows: Ethics Awareness Week, Public Service Month, International Fraud Awareness Week and International Anti-Corruption Day. • Fraud Risk Assessment and Ethics Risk Assessment was conducted, control measures in place to mitigate the risks, Action Plan developed to address the residual risks.

3.2 Mechanisms in place to report fraud and corruption and how these operate e.g.: Whistle blowing - The need for officials to make confidential disclosures about suspected fraud and corruption.

Officials and members of the public have at their disposal the following mechanisms to make a confidential disclosure or to report allegations of fraud, corruption and unethical conduct:

- National Anti-Corruption Hotline-0800 701 701
- They can report directly to the Anti-Fraud and Corruption Unit, physical address and contact details:

11 Diagonal Street, Newtown
 5th Floor
 Ethics helpdesk: EthicsDHS@gauteng.gov.za

3.3 How these cases are reported and what action is taken

Cases can be reported by email, walk-in cases from members of the public at the various Regional Customer Support Centres, referrals from the Office of the Head of Department, referral from officials of the Department. We also received cases from the National Anti-Corruption Hotline, cases from the Office of the Public Protector.

3.4 How will allegations of fraud and corruption be dealt with by the Department?

The action taken by the Department will depend on the nature of the complaint (allegation of fraud and corruption).

The complaint raised will be screened and evaluated and may subsequently:

- Be investigated internally or
- Be referred to another law enforcement agency like South African Police Service (SAPS).

Any fraud and corruption committed by an employee or any other person will be pursued by thorough investigation and to the full extent of the law, including (where appropriate) consideration of:

- a. In case of employees, taking disciplinary action within a reasonable period of time after the incident;
- b. Instituting civil action to recover losses;
- c. Initiating criminal prosecution by reporting the matter to the SAPS or any other relevant law enforcement agency; and
- d. Any other appropriate and legal remedy available.

The Department will ensure that losses or damages suffered by the Department as a result of all reported acts committed or omitted by an employee or any other person are recovered from such an employee or other person if he or she is found to be liable for such losses.

The Anti-Fraud and Corruption Unit will, upon receiving a report on allegations of fraud and corruption, respond in writing to the person who submitted the report:

- Acknowledging that the concern has been received;
- Indicating how the matter will be dealt with and by whom;
- Giving an estimate of how long it will take to provide a final response.

The Department accepts that the people, including employees who reported the alleged fraud need to be assured that the matter has been properly addressed. Thus, subject to legal constraints, information about outcomes of any investigation will be disseminated on a “need to know” basis.

4. MINIMISING CONFLICT OF INTEREST

The Ethics Management Sub-Directorate, a Sub-Directorate within the Anti-Fraud and Corruption Unit, manages conflict of interest and gives support and advice to employees and management to identifying, avoiding and managing conflict of interest risk and how to minimise conflict of interest. Awareness Campaigns and workshops were conducted to raise awareness on sources of conflict of interest, how to avoid conflict of interest, policies governing officials’ conduct in relation to conflict of interest.

Conflict of interest arises when the public duties and private interests of a public official, in which the public official has private interests (directly or indirectly) which could improperly influence the performance of his/her official duties and responsibilities.

The conflict of interest can be actual, potential and perceived, such must be promptly managed to ensure that such conflict does not actualise to an extent whereby employees’ personal interest are, or appear to be, divergent from their obligation to the Department and its mission.

If not managed properly, this can undermine the legitimacy and objectivity of the employee’s decisions, actions and conclusions thereby affecting negatively the goals of the Department.

The Ethics Management Sub-Directorate implements three mandatory programmes which are designed to proactively identify and manage conflict of interest:

- The first programme is financial disclosure by all Senior Managers and other designated employees, such as, officials appointed on Occupational Special Dispensation (OSD) levels i.e. Chief Construction Programme Managers, Deputy Directors, Assistant Directors, all officials within the Supply Chain Management Directorate and all officials in Directorates dealing with Finance.
- The second being the Remunerative Work Outside the Public Service, which requires that before an employee can undertake any form of employment outside public service, prior approval must be sought from the Member of Executive Council. The third being the Declaration of Gifts, the Code of Conduct provides that an employee shall

not receive or accept any gift from any person in the course and scope of his or her employment, other than from a family member, to the cumulative value of R500 per year, unless prior approval is obtained from the relevant Executive Authority. We have observed that Senior Managers who are offered gifts are setting the tone at the top by declining the gifts offered to them. This can be attributed to the awareness campaigns and workshops to promote the Code of Conduct.

- Further to that, the Department has the following approved policies which are meant to minimise the conflict of interest, the Gift and Hospitality Policy, Financial Disclosure and Declaration of Interest Policy and the Policy on Conducting Business with an Organ of State and Remunerative Work Outside Public Service.

In case where conflict of interest has been identified, the Ethics Officer will conduct an investigation and prepare a report for the attention of the HoD and recommend what corrective action is required to address the conflict of interest.

5. CODE OF CONDUCT

The Department applies the Public Service Code of Conduct as found in the Public Service Regulations, 2016. Workshops are conducted to promote the Code of Conduct so that all officials of the Department adhere to the Code of Conduct.

The Public Service Code of Conduct exists in order to give practical effect to the relevant constitutional provisions relating to the Public Service, all employees are expected to comply with the Code of Conduct of the Department.

The Code of Conduct is a guideline to employees as to what is expected of them from an ethical point of view, both in their individual conduct and in their relationship with others.

Our education and awareness campaigns throughout the Department educate employees on the Code of Conduct, specifically providing guidelines to employees with regard to their relationship with the legislature, executive, other employees, the public and the management. Also, our education and awareness programmes focus on encouraging employees to perform their duties diligently, and must at all times avoid conflict of interest, the expectation on their conduct both in personal and private lives and most importantly to seek advice through the ethics help desk in situations of uncertainty.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Department as an employer considers its employees as its most valuable asset and undertakes to safeguard them by providing and maintaining a working environment that is safe and healthy. In ensuring a safe and well-being environment, employees have to work closely together with the employer in minimising any risk.

A total of 78 employees of the Department were trained in Occupational Health and Safety (OHS) related programmes. The OHS Committee was established as an oversight structure to monitor compliance on procedures and protocols. The Committee will continue to collaborate with relevant departments to facilitate the programme and ensure that compliance is maintained.

7. PORTFOLIO COMMITTEES

7.1 The dates of the meeting:

No	Subject	Dates of the Meeting
1.	Presentation on the Budget Vote 8 for 2023/24 FY	12/05/2023
1. (b)	Presentation on the 4 th Quarter Performance Report 2022/23 FY	12/05/2023
2.	Presentation on the 4 th Quarter Financial Performance Report 2022/23 FY	30/05/2023
3.	Presentation on the Outstanding Topics	25/07/2023
4.	Presentation on Focussed Intervention Study (FIS)– Upgrading of Informal Settlements and Implementation of Hostels	22/08/2023
5.	Presentation on 1 st Quarter Performance Report 2023/24 FY	22/08/2023
6.	Presentation on the 2 nd Quarter Financial Performance 2023/24 FY	07/11/2023
7.	Presentation on Annual Performance Report 2022/23 FY	09/11/2023
8.	Presentation on 2 nd Quarter Performance Report 2023/24 FY	16/11/2022
9.	Presentation on 3 rd Quarter Financial Performance Report 2023/24 FY (in progress)	23/02/2024
10.	Presentation 3 rd Quarter Performance Report 2023/2024 FY (in progress)	01/03/2024

7.2 Matters raised by the Portfolio Committee and how has the Department addressed these matters:

1. Presentation on budget Vote 8 for the 2023/24 FY

Programmes 3:

The Department should provide a rationale behind a huge decrease of budget on Category A and category B and what will happen to the projects that are already running in those municipalities, furthermore, if this is not going to affect service delivery.

Johannesburg's lack of transfer is due to no proof in work done, projects not being implemented. The Department did not transfer the project (i.e. Lufhereng) back and it is running it. City of Ekurhuleni could not prove the work done and could also not account for funds transferred, and still failed to submit redemptions. Funds for the City of Tshwane were transferred in line with the gazette, however there is R12.5 million that could not be transferred as there has not been any execution. Money was rolled over and they still failed to utilise it, and monies should be paid back to the Department.

In terms of the West Rand, Rand West and Mogale City funds were transferred in line with the projects that are to be implemented.

The Department should submit a plan indicating how the 21 082 title deeds will be distributed along with the list of municipalities that will benefit from this distribution.

Based on the readiness of townships, the Business Plan and Annual Performance Plan captured the total target for title deeds registration for 2023/24 financial year as 17 468. The spread of title deeds registration, as captured in the Business Plan, is outlined in the table below.

Category	Pre-1994	Post-1994	Post-2014	Post 2019	Total
Tshwane	120	4 993	0	0	5 113
Ekurhuleni	327	4 321	0	0	4 648
Johannesburg	492	0	0	0	492
West Rand	148	1 914	1 750	0	3 812
Sedibeng	113	1 940	350	1 000	3 403
Total	1 200	13 168	2 100	1 000	17 468

The Department should indicate how much funds will be transferred to HDA, what kind of work they will be doing to support the Department as well as their role.

For Greater Alexandra Development Area: R70 million is planned to be transferred for 2023/24 FY. Funding agreement with detailed deliverables was signed.

The Department should provide reasons for a decrease of funding for GPF and if this is not going to affect service delivery.

The reasons in the decrease in the budget allocation for Gauteng Partnership Fund (GPF) are:

- Number of projects with stands and units ready for construction of units informed the allocation
- Some projects are currently installing bulk in preparation for new phases.
- One project is pending the final court order decision to unlock the projects for construction of units.
- The pending release of Section 82 Certificates by the municipality to unlock units for construction. This will not hamper service delivery.

The Department should provide a detailed plan on how they monitor support to municipalities to ensure that NHBRC does not approve poor workmanship by contractors.

The Department firstly enrolls house, to be built in municipalities with the National Home Builders Registration Council (NHBRC) to ensure that the houses receive the NHBRC warrantee cover. Once construction starts, the Department invites NHBRC to the sites and ensures that the National Home Builders Registration Council is present during construction to ensure that workmanship is in accordance with the building regulations. The NHBRC would not approve poor workmanship as their mandate is to ensure that there is good workmanship in house construction. One of their responsibilities is to train and advise builders on the correct construction procedures.

The Department should provide monitoring and evaluation quarterly reports on the progress on how planned targets are achieved and the budget is spent on planned projects.

The Department consistently submits and presents all financial and non-financial performance reports signed by the Accounting Officer and the Executive Authority on a quarterly basis which is then subjected to the relevant legislature portfolio committee in compliance to Treasury Regulations 5.3.1, 29.3.1 and 30.2.1 in an endeavour to facilitate effective performance monitoring, evaluation and corrective actions.

1 (b). Presentation on the 4th Quarterly Performance the 2022/23 Financial Year

The Department should provide reasons for overspent expenditure of 39%.

The significant expenditure was realised in the Quarter 4 due to transfers made in Quarter 4 for procurement of land. In addition, there was a huge number of invoices processed in Quarter 4 due to the influx of claims submitted by supplier in the mist of the financial year-end. The over expenditure of 39% is against the projected budget for Quarter 4, while changes in business operations or priorities lead to actual expenditure exceeding the projected figures.

The Department should submit a detailed report on why there is lack of correlation between its expenditure and performance.

The expenditure might not match performance due to transfers to municipalities and deliverable are not realised within the period under review.

Provide a detailed report on the number and nature of jobs that have been created through Human Settlements initiatives.

A detailed list entails the number and the nature of jobs that have been created by the Department was submitted to the Portfolio Committee for further management.

The Department should submit a progress report on ways to address the issue of insufficient bulk infrastructure.

The Department was in engagement with municipalities on bulk limitations to utilise the maximum of 5% from the Human Settlements Development Grant (HSDG) and the Mining Towns allocations annually to support bulk in Sedibeng and the West Rand. Furthermore, the informal settlements budget is also utilised to support bulk where qualifying informal settlement households will be allocated on completion of units. It should be noted that the Metros receive an Urban Settlement Development Grant (USDG),

The Department should submit a detailed report on how women, youth and people with disabilities will be empowered through Human Settlements initiatives

Rolling out of Compliance Workshop to Women, Youth and People with disabilities sub-contractors and labourers across all projects to address challenges onsite and improve compliance:

- Compliance workshops focus on:
 - » Department of Labour - Compliance, Legislations, i.e., Unemployment Insurance Fund (UIF), Compensation for Occupational Injuries and Diseases Act (COIDA), Basic Conditions of Employment Act 1997
 - » South African Revenue Service (SARS) – Tax Compliance
 - » National Home Builders Registration Council (NHBRC) – Housing Regulations and Standards
 - » CIDB – Building Regulations
 - » Gauteng Provincial Treasury - Information on Gauteng Provincial Government (GPG) Business Opportunities, registration on the Central Supplier Database, evaluation methodology and how to tender
 - » National Housing Finance Corporation (NHFC), Small Enterprise Financial Agency (SEFA) and Gauteng Enterprise Propeller (GEP) – Funding-/start-up capital

Skill Development Programmes targeting Small Medium Micro Enterprise (SMMEs) and labourer’s prioritising women, youth and people with disabilities.

- a. Technical trades
 - i. Construction Standards and Best Building Practice National Home Builders Registration Council (NHBRC)
 - ii. Bricklaying
 - iii. Plastering
 - iv. Carpentry
 - v. Painting
 - vi. Plumbing
- b. Business Skills
 - i. Construction Management
 - ii. Project Management
 - iii. Finance for non-finance managers
 - iv. Contracting
- Building and Civil Construction Short skills training, targeting youth includes:
 - a. Verify compliance to safety, health and environmental requirements in the workplace
 - b. Read and interpret construction drawings and specifications
 - c. Set out, excavate and cast concrete strip foundations and building foundation walling
 - d. Build masonry superstructures using concrete hollow units (including simulations)
 - e. Plaster walls and screed a floor and steps (including simulations)
 - f. Apply screeds to a concrete floor (including simulations)

Provide reasons for not being able to meet a planned target of 41 pre-1994 title deeds register.

4th Quarter Targets for Title Deeds:

Output	4th Quarter		Reasons for Deviation
	Planned	Achieved	
Pre-1994	41	0	Some of the properties that were targeted for transfer were being disputed. The surviving family members in the issue of estates of the deceased had to get Letters of Executorship which could not be obtained because of financial implications. 131 title deeds were not reported as the category could not be confirmed due to submitted portfolio of evidence in the form of municipality permits was not legible .

Output	4th Quarter		Reasons for Deviation
	Planned	Achieved	
Post-1994	3 691	2 077	There were delays in signing Power of Attorney (POA) by some local authorities. Memorandum of Understanding (MoU) detailing expected turnaround times has been signed between the Gauteng Department of Human Settlement's (GDHS) HoD and municipality Housing/Human Settlements HoD. However, such delays are still experienced, resulting in meetings being constantly held with identified local authorities. Rejection of draft deeds by the Deed Offices largely due to outstanding prerequisites for title deeds registration e.g., outstanding Section 113 Certificates, amended surveyor general plans. The Gauteng Department of Human Settlement is working closely with municipalities on the issuance and filing of Section 113 Certificates. The GDHS's Development Planning Unit is working on the backlog of outstanding township establishment milestones to enable or unlock title deeds registration.
Post-2014	600	0	<ul style="list-style-type: none"> There was an overachievement in the first and second quarters which covers the non-achievement for the 4th quarter. Overall, for the year, 1 825 title deeds were registered against the target of 1662.
Post-2019	500	0	<ul style="list-style-type: none"> The target was not achieved due to outstanding township establishment milestones in the identified project. The Department is working with the respective municipality to ensure compliance with the outstanding milestones.
Total	4 832	2 077	

2. Presentation of the 4th Quarter Financial Performance Report for the 2022/23 FY

That the Department submit a report explaining the rationale for the effecting transfers and subsidies to municipalities and entities towards the end of the financial year and not realising the requisite expenditure levels.

With regards to municipalities, it is an issue of time difference. In transferring we communicate with municipalities and align the payment schedule. The Municipal Finance Management Act (MFMA) and Public Finance Management Act (PFMA) have a different financial year which will result in us rolling over. The municipality will realise the expenditure as this should be in line with the spending trend and implementation; transfer will be done with certification that the previous amount transferred is tracked back to the previous transfer to ensure value for money. It should not be seen as a transfer towards the end of financial year as due diligence is critical, prior to funds being released to avoid Unemployment Insurance Fund (UIF).

That the Department submit a report explaining the discrepancies in the performance outputs, whereby the former is not commensurate with the expenditure levels.

Based on the transfers made to relevant functionaries/implementing agents, translation into non-financial inputs had not yet been fully yielded. However, some outputs were realised with some paid for as part of work-in-progress with the rest being tracked and envisaged to be leveraged in the 2023/24 financial year. Implementing agents are obligated to deliver on the outputs agreed upon as per the signed and agreed upon non-financial outputs linked to the financial resources transferred. There are also court orders that were operationalised/implemented.

3. Presentation on the outstanding topics

Programmes 3:

That the Department submit a report explaining the rationale for the effecting transfers and subsidies to municipalities and entities towards the end of the financial year and not realising the requisite expenditure levels.

The Department for the 2022/23 Financial Year, made the following transfers towards the year-end:

- Gauteng Partnership Fund (GPF) – **Relocation of Informal Settlements, Informal Settlement Upgrading Programme Grant (ISUPG)** - R68 656 312-00
- Housing Development Agency (HDA) **Interim Services Informal Settlement Upgrading Programme Grant (ISUPG)** – R150 000 000-00
- Gauteng Partnership Fund (GPF) – **Rapid Land Release Programme, Human Settlement Development Grant (HSDG)** - R520 668 921,53

- **Gauteng Partnership Fund (GPF)** – R68 million - The Gauteng Partnership Fund was appointed by the Department to assist in the implementation and management of service providers in the Upgrading Informal Settlement Programme (UISP). Informal settlements planning had progressed to the stage where there are approved layout plans on which the informal settlements communities can be relocated to and/or re-blocked on. The GPF had finalised the appointment of contractors for this work in January 2023 and the Department could then transfer these funds to the GPF as they had already committed with contractors.

Housing Development Agency (HDA) – R150 million - The Housing Development Agency was appointed to provide provision of interim services to 72 identified informal settlements. The HDA had exhausted all the funds for these services and required a top-up for these services. These funds were transferred to augment the requisite budget needed for these services. All funds were spent before the financial year-end.

GPF – R520 million – The Gauteng Department of Human Settlements appointed the GPF as the Implementation Agent responsible to facilitate a process to acquire serviced stands on behalf of the Department. It is important to note that the process of tender and procurement started in October of 2022 by GPF for the Rapid Land Release Programme (RLRP) deliverable. The GPF had also finalised the negotiations with the developers and were ready to sign the Land Sale Agreements in January 2023. The project would yield 2 870 fully serviced stands that will be allocated to qualifying beneficiaries of the RLRP.

That the Department submit a report explaining the discrepancies in the performance outputs, whereby the former is not commensurate with the expenditure levels.

Housing Development

The Department did not meet most of its set targets due to the nature of projects being implemented. There are instances where expenditure was incurred, however, there were no full outputs realised.

Expenditure of the Grant supported delivery on the various areas that contribute to fulfilling the mandate of the Department especially in the key priority areas. The servicing of stands with water and sewer is one area where performance exceeded the planned targets. Out of a planned 8 019 stands to be serviced, a total of 8 095 stands were serviced. These included serviced stand where Breaking New Ground (BNG) housing units would be built on but also stands for release to qualifying beneficiaries. However, the Department had to reduce the number of serviced sites reported from 8 095 to 1 753 sites due to technicalities in the Technical Indicator Description (TID) that emanated from an audit finding, hence the reported achievement is significantly lower than the actual achievement. A total of 6 342 serviced walk-up units (high rise buildings) was reduced from the reported achievement of 8 095, expenditure was however incurred on the reduced 6 342.

Expenditure also went towards the construction of housing units where complete units were achieved and allocated to qualifying beneficiaries. In addition to completed units, there was a lot of work-in-progress construction milestones that was recorded and paid for which had not reached the complete house stage, thus could not be reported. This work-in-progress accounted for expenditure incurred where there were no outputs recorded but milestone payments, namely: foundations, wall plates, roofs and percentage claims for servicing of sites.

Furthermore, to support house construction, the expenditure also went towards bulk infrastructure upgrades. Bulk infrastructure upgrades were undertaken in the district municipalities with the West Rand benefitting from the Mining Towns allocation of the grant and Sedibeng benefitting from part of the 5% allowable bulk allocation. Additionally, the Department funded implementing agencies to procure land for housing development and/or informal settlements relocations.

The grant assisted with the new provincial priority of visible investments in Townships, Informal Settlements and Hostels (TISH). At adjustment, additional funds were spent on work towards hostels assessments for upgrading. Lastly, during the year, the Department received requests from municipalities to assist them with urgent matters like the extension of interim services and the relocation of families from informal settlements to more secure land where basic services would be provided.

With respect to land acquisition and the Rapid Land Release Programme (RLRP), the Department works in collaboration with the Housing Development Agency (HDA) and the Gauteng Partnership Fund (GPF) to assist in procuring sites for construction and release to beneficiaries for self-build. During the year under review, the Department made transfers to the HDA and GPF for off-take agreements.

Housing Asset Management

In confirming occupants of housing units as legitimate in registered townships, out of 9 917 physical verifications conducted by the Department, only 1 308 were reported as legitimate occupants while the Department incurred related expenses. All the physical verifications could not be recorded as part of achievements because the indicator measures only the legitimate occupants. The disjuncture between the physical verifications and legitimate confirmation paints a gloomy picture when assessing the actual indicator achievement and the actual expenditure. The disjuncture is due to interpretation of the Technical Indicator Description (TID) where an understanding is that performance is measured by the number of confirmed Housing Subsidy System (HSS) approved beneficiaries. However, the HSS status is only determined after all houses in the projects have been visited by the service providers to come up with the resultant analyses. The performance figure was then captured as only HSS approved beneficiaries.

The Department registered a further 501 pre-1994 title deeds, however, these could not be confirmed under the pre-1994 category as municipal permits or certificate were not legible. Therefore, these title deeds were not reported as part of achievements under this category, but these were disclosed under reasons for deviation. Furthermore, a total of 728 title deeds were registered by the Deeds Office in prior years but received by the Department during the financial year under review from conveyancers, but these were not recorded in the performance table as well. The expenditure was, however, incurred during the year under review.

In transferring properties to beneficiaries, the Department overachieved the set target by transferring 329% properties against a target of 90%. This was due to the finalisation of requests from the previous financial year. In some instances, one request will have many properties that had to be transferred. There was no over expenditure implications on the over achievement as funds were sourced from the title deeds budget. The said budget had enough funds to accommodate the over performance.

4. Presentation on the upgrade informal settlements and the implementation on hostel

On hostel redevelopment programme:

The Department should involve law enforcement agencies to remove the Zama-Zamas in Denver hostel.

A meeting with the Department of Community Safety will be held to discuss the way forward.

The Department should communicate with Izindunas' and hostel residents to discuss the urgency of removal of shacks to enable work (roof replacement and windows) to commence.

A meeting with Izindunas' is scheduled to take place by the 31 October 2023 to discuss this and other matters that have the potential of derailing the project.

The Department should provide a report on when the 400 incomplete units will be completed.

The Department seeks clarity on 400 incomplete units.

The Department should provide a detailed report on the budget allocation towards upgrading of hostels.

Currently the Department is undertaking budget and business plan adjustments due to normal processes of the budgeting cycle as well as responding to the budget cuts that have been imposed on the Department by National Treasury and National Department of Human Settlements. It will be only after these processes are finalised that there will be clarity on the final budget for the hostel redevelopment programme.

The Department should ensure that the City of Joburg submits a report on measures that will be put in place to address the repair of electricity in George Goch as well as a plan to ensure that residents do pay for services.

While there should be collaboration between Gauteng Department of Human Settlement (GDHS) and City of Johannesburg (CoJ), the CoJ remains an independent sphere of government with its own governance structure. The Provincial Legislature is better placed to hold the CoJ accountable for the work that it is supposed to deliver.

On Informal Settlement Upgrading Programme:

The Department and GPF should submit a breakdown of how much is spent on chemical toilets and water tanks in the two informal settlements.

- Mamello – 188 chemical toilets spending on average R286 087.12 per month.
- Piels Farm – 104 chemical toilets spending on average R158 260.96 per month.

- Kwa-Brown (honeysuckers) – spending on average R68 400.00 per month.
- Midvaal Local Municipality provides water tank services. The Department is in the process of procuring water tanks to improve the reach for water provision.

The Department should submit a signed Business Plan on the three informal settlements.

Piels Farm, Mamello and Kwa-Brown are part of the signed business Informal Settlement Upgrading Programme Grant (ISUPG) plan 2023/24. There is no individual (BP) for informal settlements, rather, social compacts/upgrading plans.

The Department should provide a report stipulating the number of people hired for this project.

The provision of chemical toilets is provided at a ratio of one chemical toilet per four households. In terms of the servicing of the chemical toilets, one person is employed to clean 50 toilets per informal settlement twice a week.

The Department should ensure that toilets are outside the yards to allow excess to other people sharing and the cleaning of honey suckers.

The local municipality, and community stakeholders are responsible for this function. We encourage access, however, on the ground, the listed stakeholders ensure implementation.

The Department should indicate how they intend to assist the community with maintenance of grass cutting, grading of roads and illegal dumping.

Response

Grass cutting, illegal dumping and refuse removal is a function of the Midvaal Local Municipality. Grading is implemented during in-situ relocations or upgrading.

The Department should submit reasons on how Kwa-Brown got to be categorised as an informal settlement.

Kwa-Brown was submitted by Midvaal Municipality as an informal settlement, which required interim services, due to their existing common sanitation challenges linked to leaking of septic tanks. Furthermore, the definition of informal settlement is as per the 2009 National Housing Code's Informal Settlement Upgrading Programme which identifies informal settlements on the following characteristics:

- Illegality and informality
- Inappropriate locations
- Restricted public and private sector investment
- Poverty and vulnerability
- Social stress

Following various debates between national/province; it was resolved that the informal settlement does meet the definition, and as such, is eligible to receive the Informal Settlement Upgrading Programme Grant (ISUPG) support. However, the municipality does not have development rights over this property.

Provide a clear plan on when people from Piels Farm will be relocated.

Response:

Relocation of Piels Farm is dependent on the identification and acquisition of land which is with a 10km radius of their location. The suitable land must have basic amenities, such as schools, transportation and primary health care facilities, however, private landowners have been approached by the Housing Development Agency (HDA) (appointed for land acquisition by the Department) which have been found not to be suitable.

The Department continues with further investigations of suitable land through the appointed of the allocated Professional Resource Teams (PRT) for Piels Farm to relocate the households.

5. Presentation on the 1st Quarter Performance Report 2023/24 FY

Provide the Portfolio Committee with a detailed plan for the non-achievement of targets on Programme 4 and what measures will be used to achieve this target in the next quarter.

The response is referring to non-achievement for the 1st and 2nd quarters of 2023/24 financial year:

Reason for Non-Achievement	Measures To Be Taken
Delayed finalisation of the appointment and contracting of the legal firms which included creation of Purchase Orders.	The Purchase Orders have been created and the Department is in the process of issuing instructions to the legal firms in the established panel. 4 400 properties have been identified for instructions where it has been determined that the occupants are the same as the ones approved for housing subsidies. At the same time, physical verification is being conducted in various townships and the results will produce more properties for instruction to legal firms.

Provide a detailed report on how it will align all its Departmental targets with its expenditure, and how the service delivery mandate will be achieved.

The Department tracks expenditure through the planned outputs emanating from the Business Plan (Human Settlement Development Grant (HSDG) and Informal Settlement Upgrading Programme Grant (ISUPG) outputs which translate into the Annual Performance Plan (APP) outputs. This is directly linked to the achieved non-financial outputs, claims and resultant expenditures which the relevant process owners could manage (which then translates to reports).

Provide a report on what the research is all about and what is the Department aiming to achieve out of the research proposal.

Research Study Topic:

Challenges of eradicating urban slums in Gauteng: A moving target.

Large slums have become a prominent feature in cities in developing countries and the Gauteng province in South Africa is one of the most affected areas. Chapter 8 of the National Development Plan 2050 (Transforming Human Settlements) aims to eliminate poverty traps in rural areas, urban townships, workers isolated on the peripheries of cities controlled by slumlord and high crime incidences.

For this research, slums squatter camps, informal dwelling/settlements are used interchangeably.

What the research study is all about?

The purpose of this research study is to analyse the challenges of growing informal settlements/slums in the outskirts of cities in the Gauteng province, South Africa. Aims to understand challenges slums or squatter camps which are brought to cities, and how the livelihoods of people who live in these areas and surrounding areas are being affected.

The Department aims to:

- Understand the causes of increasing slum areas in the Gauteng metropolitan areas.
- Investigate programmes that both the public and private sector have put in place to eradicate or upgrade slum areas to be better suitable for better living conditions.
- To draft policies that are evidence-based to address the challenges of informality and overcrowding in developing countries like South Africa.

The Department should provide plans and measures in place to achieve the planned target to Informal Settlements Upgrading Partnership Grant during this year under review.

Output - Informal Settlements upgraded to Phase 2 and 3

There are three targets for Upgrading of Informal Settlement Programme (UISP) in the Annual Performance Plan (APP), namely:

- (i) number of informal settlements receiving interim services
- (ii) number of informal settlements upgraded to Phase 2
- (iii) number of informal settlements upgraded to Phase 3.

Plans for each Annual Performance Plan area:

- (i) Number of informal settlements provided with interim sanitation: The target of 65 was revised down during the adjustment period to accommodate informal settlements that will not require sanitation, i.e., Pienaarspoort (budget transferred to City of Tshwane), etc.

Furthermore, technical indicators were revised to incorporate the reporting delays as the portfolio of evidence is only submitted on the last day of the month.

- (ii) Number of informal settlements upgraded to Phase 2: The target in the current year is 25 informal settlements upgraded to Phase 2. The target will be achieved in the current year as the technical indicators were revised to define outcomes within Phase 2 for each informal settlement.

Furthermore, the Gauteng Partnership Fund was appointed to fast track the appointment of the Professional Resource Teams to conclude planning works to meet Phase 2 requirements.

- (iii) Number of informal settlements upgraded to Phase 3: The target for this outcome in the current financial year is three informal settlements upgraded to Phase 3. During the adjustment period, the Department introduced new informal settlements which are at advanced planning/completed planning milestones. One of the informal settlements was proclaimed as a township. Installation of municipal engineering services remained outstanding. The GPF has a panel in place and was tasked with this process.

Furthermore, alternative sanitation is at an advanced stage which will contribute to Phase 3 outcomes. Lastly, the Professional Resource Team that will be appointed by the Gauteng Partnership Fund will fast track opening of township registers and finalisation of the engineering designs.

The Department should submit a report on which areas were the 405 employed people deployed to and what were their roles.

The 405 reported are unskilled labour that perform various duties that require no specific skills onsite.

Ekurhuleni Region:

- Clayville – 54
- Tsakane Ext. 22 – 11
- Helderwyk Ext. 28 - 09

Joburg region: Six Inner City Hostels:

- Denver – 27
- George Goch – 26
- Jeppe – 34
- LTA – 12
- MBA – 14
- Murray & Roberts – 21

Sedibeng:

- Obed Mothombeni – 38
- Impumelelo – 46 Westrand
- Elijah Barayi – 39
- Affrivillage – 34
- Western Mega - 40

The Gauteng Partnership Fund should submit the expenditure report for the quarter under review.

SUMMARY OF BUDGET vs ACTUAL EXPENDITURE				
Classification	Budget (R)	Actual Exp (R)	Available Budget (R)	% Spending
Compensation of Employees	69 027 113	13 670 713	55 356 401	20%
Goods & Services	43 882 646	7 647 813	36 234 833	17%
Capital Expenditure	7 449 240	1 060 482	6 388 758	14%
Total	120 358 999	22 379 008	97 979 992	19%

The Gauteng Partnership Fund spent R22.3 million on its approved operational budget of R120.4 million representing a percentage spending of 19%. The projected year-to-date spending was 25%, resulting in underspending of 6%.

The Gauteng Partnership Fund should provide a detailed plan on control measures to curb underspending.

The Gauteng Partnership Fund has accelerated its procurement spending to ensure that it improves its operational budget spending, further, the Gauteng Partnership Fund has filled critical vacant positions. This will ultimately increase the spending in line with the approved operational budget.

6. Presentation on the 2nd Quarter Financial Performance Report for the 2023/24 FY

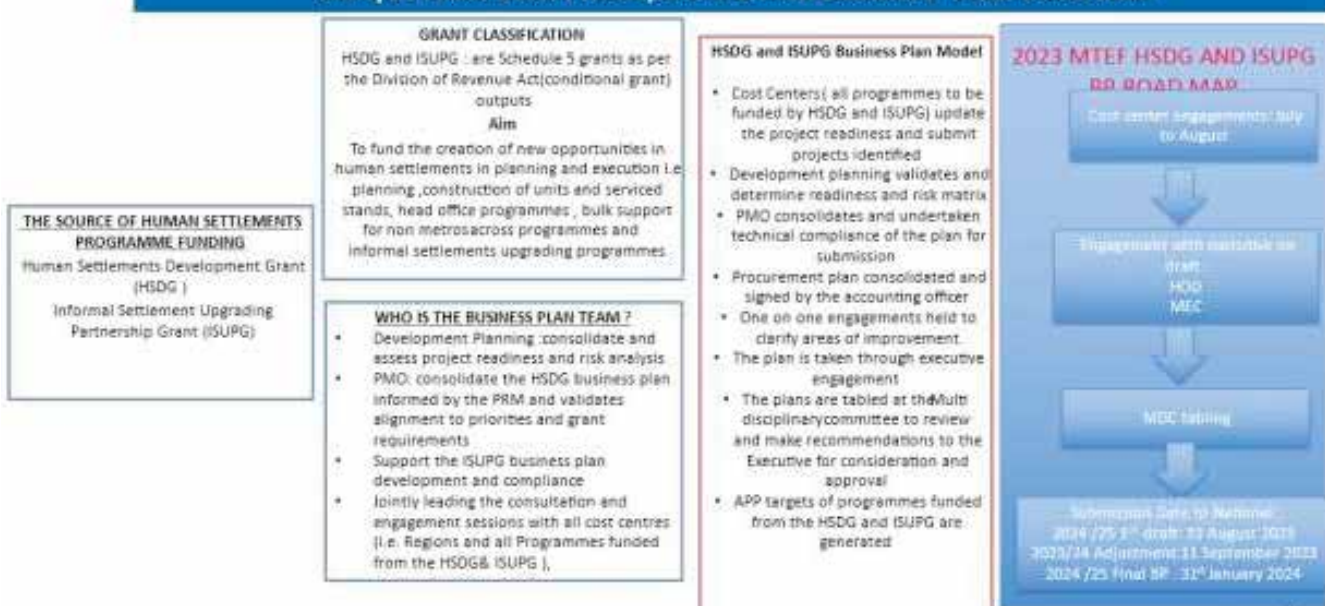
That the Department should develop and submit an integrated plan involving all stakeholders in the delivery of human settlements to circumvent delays in the endorsement of Business Plans impacting on its expenditure. Response:

The Department on an annual basis develops a road map for both grants utilised, the Human Settlements Development Grant (HSDG) and the Upgrading of Informal Settlements Grant (UISPG) as outlined below. This plan indicates the activities that will be undertaken and timelines, including engagements with the various teams/stakeholders on any new developments to be considered.

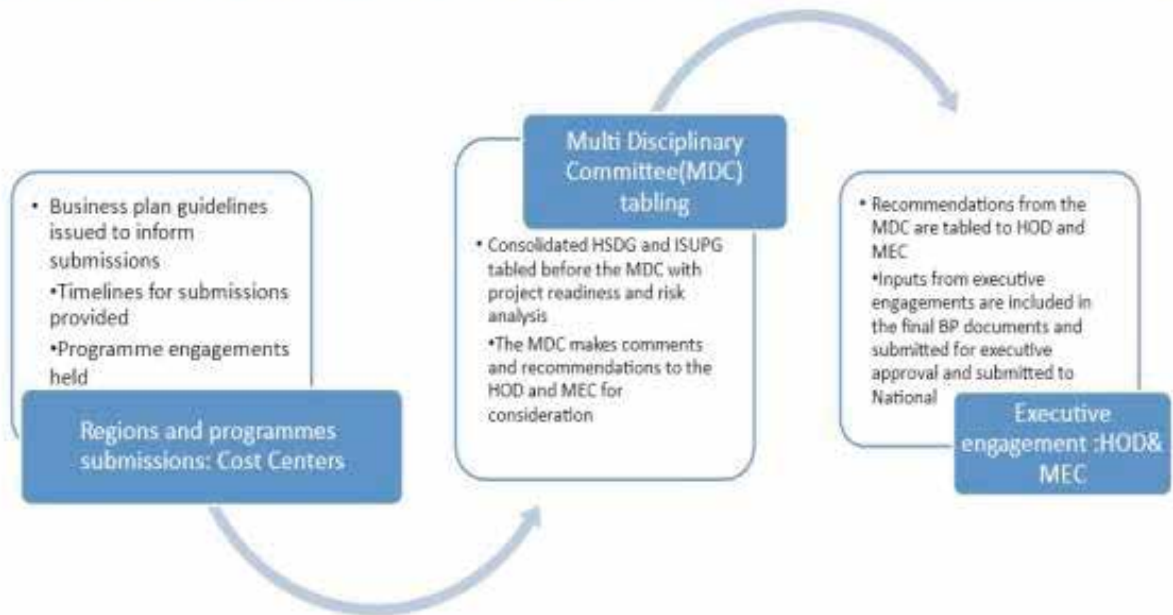


Growing Gauteng Together

2023/24 FINAL DRAFT HSDG, ISUPG & PRM BUSINESS PLAN ROAD MAP



HSDG AND ISUPG BUSINESS PLAN PROCESS



7. Presentation on the Annual Performance Report for the 2022/23 FY

The Department should submit a report on the number of houses completed and incomplete for the 2022/23 FY taking into account the expenditure of 99% against delivery of 15%. Furthermore, the Department should state the measures it will employ to enable better performance in the next financial year to achieve planned targets.

The performance of the Department on the number of houses completed and incomplete (work-in-progress) for the 2022/23 FY is summarised in the table below:

Region	WIP Closing Balances as 31 March 2023			Housing Opportunities	
	Foundation	Wall Plate	Roof/90%	Housing units	Serviced Sites (including walk-up units)
Johannesburg	1 096	994	6	1 074	570
Tshwane	659	797	600	515	0
Ekurhuleni	1 489	1 525	507	1 341	0
Sedibeng	1 277	1 314	479	1 801	3 515
West Rand	976	341	397	270	0
PMO	2 088	1 786	566	1 981	4 010
Head Office (RLRP)	0	0	0	0	548
Total	7 585	6 757	2 555	6 982	8 643

The Department, at business planning stage, would ensure that projects that are planned for construction have achieved all planning milestones including Supply Chain Management (SCM) processes. This would enable the early starting of projects. Contractor performance monitoring has been intensified with more regular site visits and meetings with project managers/developers to track construction and contractors/developers' performance.

The Department should submit a detailed report on expenditure against delivery and a waiting list within the province.

Table showing expenditure against delivery:

2022/23 FY	Amount Transferred	Amount Spent	Project/Purpose of Transfer	Progress to Date
Gauteng Partnership Fund (GPF)	R 1 564 184 106,69 (R74 158 576) - management fees (R 6 854 003)- Previous years management fees owed *R1 483 171 527 – Actual Transfers from the Department 2022/23 FY	Mega - 702 729 224 of (UISP) Upgrading Informal Settlement Programme – R1 112 000 Rapid Land Release Programme (RLRP) - R495 875 163	From the R1 483 171 527 transfers: Mega – R921 909 400 Upgrading of Informal Settlement Programme (UISP) – R65 386 964 Rapid land 163 – R495 75	The Gauteng Partnership Fund (GPF) delivered 4 010 sites and 2 098 units. For Upgrading of Informal Settlement Programme the Gauteng Partnership Fund has completed 139 re-blockings and is expected to finalise 110 re-blocking of structures in Quarter 4 of the 2023/24 financial year. In terms of alternative sanitation, designs are at municipalities for approval for the five piloted sites, approvals expected in Quarter 4, site establishments to commence once approvals are granted. For the Rapid Land Release Programme, the Gauteng Partnership Fund acquired 287 partially serviced stands. To date, 227 stands have been completed and transferred to beneficiaries. Services installations are ongoing on the remainder of the projects, expected completion of all projects by end of the 3 rd Quarter 2024/25.
Gauteng Partnership Fund (GPF)	R333 813 944	R399 651 764,87 (Mega Projects)	Mega Projects: 400 stands and 1 223 units	Stand: 0 (@54% WIP) Units: 1 153
Housing Development Agency (HDA)	R627 018 968,52	R625 755 966,15	<ul style="list-style-type: none"> Upgrading of Informal Settlement KwaZenzele Ext. 1 Alexandra Renewal Programme Purchase of Land Parcels for the Rapid Land Release Programme 	69 settlements serviced with sanitation. Construction of the 16 units and rectification of services (water and sewer) for 345 units. 99% of planned deliverables achieved. Acquisition of Edelweiss Ext. 4 & 5 for R8 998 560.00 . Acquisition for Ptn 23 farm Rietspruit for R5 073 780.95. Acquisition of properties in Midvaal Local Municipality.

2022/23 FY	Amount Transferred	Amount Spent	Project/Purpose of Transfer	Progress to Date
Merafong	R77 540 565 was transferred <u>Khutsong Projects</u> Electrification R5m <ul style="list-style-type: none"> Roads R13 434 905 Bulk Water R30m Kokosi Ext. 7 Wastewater Treatment plant R29 105 660 	R4 520 221,32 R2 252 644,07 R18 526 591,25 R26 252 644,07	<u>Khutsong Projects</u> Electrification R5m <ul style="list-style-type: none"> Road R13 434 905 Bulk Water R30M <u>Kokosi Ext. 7</u> Wastewater Treatment Plant R29.1M	Works completed. Signed certificate outstanding. Overall progress is at 68%.
Mogale City	R100 038 223 was transferred. Leratong R30m Tarlton R70 038 224	R29 856 779,50 R49 017 005,48	Construction of water reservoir Construction of water reservoir and construction of 281 Top Structure	Overall progress to date is 67.20%. Overall progress is at 32%.
Rand West	R271 300 00 was transfer Westrand R98 300 000 Dan Tloome R38 300 000 <ul style="list-style-type: none"> Mohlakeng/Pelzvale R60m 	R26 636 925,32 R59 857 204,08	Bulk Sewer Pipelines Bulk Sewer Pipelines	Overall progress is at 90%. Overall progress is at 43%.
City of Tshwane	R22 573 542,00	R0,00	Construction of housing units in following projects: Olievenhoutbosch x 60: 39 units Garankuwa Ext. 10: 44 units Mabopane Ext. 1: 58 units	00 houses constructed. Gauteng Provincial Treasury (GPT) has since rejected City of Tshwane's request for rollover of funds due to poor performance and project readiness.
Ekurhuleni	R 0,00			
Total	R 2 585 114 841,21			

Waiting list

Gauteng	1 298 185
City of Johannesburg Metropolitan	491 784
City of Tshwane Metropolitan	229 251
Ekurhuleni Metropolitan	341 570
Emfuleni Local Municipality	86 348
Lesedi Local Municipality	25 738
Merafong City Local Municipality	19 966
Midvaal Local Municipality	12 175
Mogale City Local Municipality	50 563
Randfontein Local Municipality	23 457
Westonaria Local Municipality	17 333

The Department should provide plans on how they intend on responding to the Auditor-General's findings and implementing its recommendations.

- a. An Action Plan is developed and key management commitment is obtained from the process owners on all findings raised.
- b. Root causes are identified for all finding raised and assessment of the implementation date is done to determine if it is reasonable to close the findings. If not, an extension would be sought from the Audit Committee.
- c. Gauteng Audit Service also assists in doing a follow-up audit.
- d. The Audit Committee also provides oversight on the implementation or improvement on a quarterly basis.
- e. Follow-up with process owners and reporting is done on a bi-weekly basis. Portfolio of evidence is requested and verified before a finding is closed.

The Department should prioritise creating job opportunities and supporting Gender, Youth and Disabilities (GEYODI) owned businesses as unemployment is a major problem not only in the province but also in the country as a whole.

The Department of Human Settlements commits that job creation remains a priority in all the Departmental projects. It further implements the Contractor Development Programme to capacitate the emerging contractors, including businesses owned by women, youth and people with disabilities.

Through this programme, the Department responds to the development of emerging construction companies to become sustainable businesses in the industry. The programme targets women, youth and people with disabilities to address skills and facilitate a knowledge transfer process through training interventions as informed by skills assessments that identify gaps to inform mentorship planning interventions.

The Department should provide measures in place to achieve the percentage of land acquired during 2014-2019 within the Priority Development Areas (PDAs) rezoned. Furthermore, they should also provide areas falling under PDAs before setting targets to avoid poor planning.

The Department is in the process of inviting turnkey developers for all land parcels acquired to complete all town planning milestones and constructions. The Departmental process was finalised, and the terms of reference were being finalised.

Between 2014-2019, the Department acquired 11 land parcels falling within PDAs of which six properties (Brakpan North Ext. 12, Reiger Park Ext. 9, Olievenhoutbosch Ext. 36, Brickvale, Evaton Beverley Hills, Eagle's Nest) were zoned residential. Five properties required rezoning and two (Evaton West 737 and Evaton West 992 stands) out of five are zoned residential. The remaining three (Lethabong, Olievenhoutbosch 389 Jr and Unitas Park Ext. 16) will form part of the ones that will be availed to turnkey developers.

The Department should provide plans to ensure that completed units are allocated to beneficiaries. For oversight purposes, they should submit a detailed report on how many housing projects were completed, not allocated and specify the municipalities.

Malibongwe Ridge Project

- **568** units were built, electricity was installed.
- **568** beneficiaries were approved in 2018.
- **Challenges:** the units could not be allocated due to some units that were vandalised, thus, affecting the supply of water to units:
- Developer left site without proper handing over of the units. Units were pre-allocated and keys were handed over to approved beneficiaries in December 2023 without occupation to safeguard their own units.

Jabulani Parcel K Project

- **705** Reconstruction and Development Programme (RDP) Walk-ups/Breaking New Ground (BNG) units.
- **705** were beneficiaries approved in 202.
- **Challenges:** Electricity to the units not installed:
- Units were not handed over.
- Plan for 2024: units would be pre-allocated and keys hand-over to approved beneficiaries without occupation to safeguard their own units against invasion.

Goudrand Ext. 4 project

- **570** units were built, and electricity was installed.
- **570** beneficiaries were approved in 2022.
- **Challenges:** Insufficient water pressure for the units:
- No handover of units to approved beneficiaries yet.
- Allocation date would be confirmed.

The Department should provide steps taken to resolve the issue of electricity.

Municipalities are responsible for electricity in collaboration with Eskom/Department of Minerals and Energy (DMRE). To this end, for the Malibongwe Ridge and Jabulani Parcel K projects, the City of Joburg in partnership with Eskom has installed the electricity. Malibongwe Ridge electrification was completed in November 2023. In Jabulani Parcel K, the city together with Eskom was finalising the approvals for the installation of electricity.

For projects linked to informal settlements in the local municipalities, electrification was being undertaken by the municipalities under the Department of Minerals and Energy (DMRE) programmes, including the Upgrade of Informal Settlements Grant, noting that these projects are the permanent housing for the informal settlements.

The Department should make a concerted effort in considering people with disabilities for employment, empowerment opportunities and work with community organisations that cater for PWDs in this regard.

The Department developed the Employment Equity (EE) Preferential Priority List to guide the recruitment process during shortlisting and interviews. In addition to the above, an Affirmative Action Plan was also developed. The purpose of the plan is to provide guidance on timeframes, steps to be taken in partnering with recruitment agencies to achieve and maintain the set target for employment of persons with disabilities. The plan was being consulted on.

8. Presentation on the 2nd Quarter Performance Report for 2023/24 FY

The Department needs to indicate where it got the additional amount of R147 455 000 which they spend.

The variance of R147m for Programme 1

The Department accessed most of its equitable share from Programme 1 to assist with the payment towards sanitation services. The cumulative expenditure for Programme 1 for the year at the end of Quarter 2 is 68%. This shows that the Department will not overspend on Programme 1.

The Department should provide the name of the hostel and indicate if they held the community engagement with the said hostel regarding the work that they want to undertake.

The name of the hostel is Teachers' Centre in Carletonville. Engagements with community were undertaken regarding the work that the Department will be undertaking. As this is the municipal hostel, it will benefit from the Top 3 Emergency Repairs while assessments and bill of quantities are being finalised.

The Department should provide timeframes on when the contractor will be appointed to complete all the abandoned projects in Gauteng.

The Bid Adjudication Committee meeting held on 23 January 2024 recommended for the approval of the appointment of the contractor for the construction of 657 blocked projects.

The Department should submit a plan on how this target will be met by the end of the FY. (The Rapid Land Release Programme).

The Annual target of 1 497 stands will be achieved by March 2024. To date, 227 stands were completed and handed over for allocations on 6 December 2023 from the Wilbotsdal Ext. 7 project in Rand West. The remainder of stands will be achieved from the following projects:

- Impumelelo Ext. 4 (450 stands) – estimated completion date is end of January 2024. Installation of electrical reticulation is underway. A total of 184 stands are fully serviced. The remaining 266 stands will be completed by end of January 2024.
- Obed Nkosi (764 stands) – estimated handover date is January 2024. A total of 764 stands were completed in Dec 2023 and waiting for a Section 82 Certificate from the municipality.

- Palmridge Ext. 39 (311 stands) – estimated completion date is March 2024. Servicing of all stands is underway. The Department is in the process of transferring funds to the developer to conclude on the sale of land.
- Elijah Barayi Ext. 2 (597 stands) – estimated completion date is March 2024. A total of 346 of 597 are fully serviced now.

The Department should furnish the Committee with measures taken with regard to the slow performing contractors.

The Department receives monthly performance reports from all contractors and developers. Where there is slow and no performance, the Project Management Officer (PMO) intervenes with the contractor to identify the issues and assist where possible. If the contractors continue to fail, a letter is issued, and they are placed on terms with the risk of termination of contract.

The Department should provide reasons for non-achievement on the percentage of property transfers.

The target for the year would be achieved by the end of the fourth quarter as work allocation to conveyancers were done during the 3rd Quarter for the transfer of 194 properties to be completed, and conveyancers are already working on the instructions, with the majority of the properties already lodged at the Deeds Office.

The Department should provide reasons for non-achievement on the pre-1994 title deeds registered.

The Department had allocated instructions to the newly appointed panel of attorneys in line with the approved Purchase Orders (POs). The actual performance against issued Purchase Orders would be realised by the end of the 4th Quarter as conveyancing remains a lengthy process. Although it takes a while for actual production to happen (registration of title deeds), the attorneys have committed to fast-tracking the conveyancing process.

9. Presentation on 3rd Quarter Financial Performance Report 2023/2024 FY

That the Department should provide a report advancing cogent reason for under expenditure on its infrastructure budget and how such under expenditure impacts on its objective of building sustainable communities and giving communities access to affordable housing.

The under expenditure was because of slow implementation of projects due to but not limited to the following reasons:

- Poor performance by the contractors in Montrose and Tamboville. The Department has issued warning letters to the contractors.
- Delay in appointment of the contractor in Etwatwa Ext. 4, 12, 13 & 14 and Drieziek Ext. 4. The contractor was appointed in the 2nd Quarter in Drieziek Ext. 4 and 3rd Quarter in Etwatwa Ext. 4, 12, 13 & 14.
- Project was behind schedule due to community unrest, which led to stoppages on service delivery on site in Goudrand Ext. 4. Contractor committed to work on weekends to catch up on the implementation programme.
- Poor performance by the contractor in Lady Selbourne. The Department has issued a warning letter to the contractor.
- Poor performance by the contractor in Westonaria Borwa. The subcontractors have increased their teams on site.
- Poor performance by the contractor in Mamelodi Ext. 6. Task team convened to fast-track work on site.
- Etwatwa Ext. 9 & 10 - House plans approval remained outstanding due to non-availability of Dolomitic Stability Report. Housing plan approvals will be requested once dolomitic study reports are received.

The Department has set up and put catch-up measures in place to improve performance. This has resulted in over achievement in the delivery of BNG housing projects and installation of Municipal Engineering Services installed for walk-up units as at the end of the financial year.

That the Department should provide a detailed plan highlighting how it will circumvent the continuous late approval of conditional grants Business Plans, which have dire consequences on service delivery.

The Department will continue to adhere to submission timelines as the per the Humans Settlements Development Grant and Informal Settlements Upgrading Grant and follow up on pending approvals with the National Department of Human Settlements.

10. Presentation 3rd Quarter Performance Report 2023/2024 FY

The Department should indicate names of informal settlements receiving interim services support and in which municipalities will be benefiting from the additional funding of R160 million.

Item No	Service Provider Name	Municipality	Informal Settlement	Type of Unit	Qty of Units	Households Served
1.	Ubuciko Nekhono Services	Midvaal	Sicelo Shiceka	Non-Flush	619	2 476
2.	Velani Goods & Services	Emfuleni	Boiketlong	Non-Flush	617	2 468
3.	Okuhle Kahle Trading and Projects (Pty) Ltd	Midvaal	Sicelo Shiceka	Non-Flush	431	
		Emfuleni	Boiketlong	Non-Flush	186	744
4.	Damaris	Emfuleni	Rustervaal	Non-Flush	248	992
		Emfuleni	Rustervaal	Non-flush	55	220
		Emfuleni	Rustervaal	Flush toilet	312	1 248
5.	Dinga	Emfuleni	Boiketlong	Non-flush	197	788
		Mogale City	Smokedown	Non-flush	147	588
		Mogale City	Seroba	Flush	131	524
		Mogale City	Rietfontein 189 IQ	Non-flush	36	144
		Mogale City	Portion 615 & 616	Non-flush	103	412
6.	Selby Construction	Rand West City	Zenzele	Non-flush	614	2 456
7.	Theuwedi	Mogale City	Pangoville	Non-flush	614	2 456
8.	Leloba Bright	Mogale City	Smokedown	Flush	216	864
		Mogale City	Portion 64, Steenekoppies 153 IQ	Flush	368	1 472
		Mogale City	Portion 6/311, Vlakplaats 160 IQ	Non-flush	29	116
9.	Brightwave Building & Renovations	Mogale City	Portion 79 Rietvlei	Non-flush	9	36
		Mogale City	Rietfontein 189 IQ	Non-flush	5	20
		Mogale City	Oriental Hills	Non-flush	237	948
		Mogale City	Portion 83 & 90	Non-flush	359	1436
		Mogale City	Portion 83 & 90	Non-flush	359	1436
10.	TPT Trading	Midvaal	Boitumelo	Non-flush	49	196
		Midvaal	Kromdraai	Non-flush	19	76
		Midvaal	Mamello	Non-flush	188	752
		Midvaal	Piels Farm	Non-flush	104	416
		Midvaal	Put Put	Non-flush	120	480
		Midvaal	Skansdam	Non-flush	11	44
		Emfuleni	Westside Park	Non-flush	94	376
		Emfuleni	Tshepiso North	Non-flush	24	96
		Midvaal	Skansdam	Non-flush	11	44
		Emfuleni	Westside Park	Non-flush	94	376
11.	TTTB	Rand West City	Siyahlala	Non-flush	51	204

Item No	Service Provider Name	Municipality	Informal Settlement	Type of Unit	Qty of Units	Households Served
		Rand West City	Thusanang	Non-flush	186	744
		Mogale City	Portion 45 Gamohale	Non-flush	77	308
		Mogale City	Pangoville	Non-flush	274	1 096
		Mogale City	Vaalbank - Rietfontein Portion 82	Non-flush	20	80
12.	La Mosekedile	Rand West City	Zenzele	Non-flush	33	132
		Rand West City	Siyahlala	Non-flush	114	456
		Emfuleni	Sharpville	Non-flush	86	344
		Emfuleni	Polomiet	Non-flush	159	636
		Emfuleni	Soul City	Non-flush	45	180
		Emfuleni	France Informal Settlement	Non-flush	17	68
		Emfuleni	Chris Hani (Bophelong)	Non-flush	125	500
		Merafong	Blyvoor	Flush toilet	28	112
13.	Comfort Loos	Emfuleni	Rustervaal	Non-flush	2	8
		Emfuleni	Bophelong (Stalin)	Non-flush	15	60
		Emfuleni	Tshepiso North	Non-flush	112	448
		Emfuleni	Bophelong (Chris Hani)	Non-flush	147	588
		Emfuleni	Tshepiso North	Non-flush	48	192
		Emfuleni	New Village	Non-flush	36	144
		Emfuleni	Sebokeng Unit 17	Non-flush	39	156
		Emfuleni	Sebokeng Unit 17	Non-flush	14	56
		Emfuleni	Cape Gate	Non-flush	52	208
		Emfuleni	Sonderwater	Non-flush	92	368
		Emfuleni	Hlalakwabafileyo	Non-flush	42	168
14.	Mupo Washu	Emfuleni	Sonderwater Under Pylons	Non-flush	135	540
		Emfuleni	Kanana K11	Flush toilet	1	4
		Emfuleni	Boitumelo	Non-flush	449	1 796
15.	DIM Projects	Mogale City	Soul City - Ward 28	Flush	50	200
		Mogale City	Soul City - Ward 16	Non-flush	528	2 112
		Mogale City	Weltevreden	Non-flush	5	20
16.	Thandululo	Mogale City	Thabong	Flush	17	68
		Mogale City	Video Settlements	Non-flush	168	672
		Mogale City	Pikoko	Non-flush	194	776
		Merafong	Mohaleshoek	Flush toilet	86	344
		Rand West	Baipei	Flush toilet	82	328

Item No	Service Provider Name	Municipality	Informal Settlement	Type of Unit	Qty of Units	Households Served
17.	Molaba	Emfuleni	Rustervaal	Non-flush	80	320
		Emfuleni	Small Farm	Flush toilet	44	176
		Emfuleni	Sonderwater Under Pylons	Non-flush	60	240
		Emfuleni	Kanana K11	Non-flush	70	280
		Emfuleni	N1 Offramp	Non-flush	52	208
		Emfuleni	Sebokeng Zone 7	Flush toilet	53	212
		Mogale City	Weltevreden	Non-flush	7	28
		Mogale City	Pikoko	Flush	50	200
		Mogale City	Portion 6/311, Vlakplaats 160 IQ	Non-flush	15	60
		West Rand	Jabulani	Flush toilet	34	136
18.	Somhlolo	Mogale City	Rietfontein 189 IQ	Non-flush	18	72
		Mogale City	Makhulugama	Non-flush	13	52
		Merafong	Wedela	Non-flush	15	60
		Rand West	Bundu Inn	Non-flush	37	148
		Rand West	Bundu Inn	Non-flush	49	196
					10 268	

The Department should submit a report on the actual GEYODI empowerment in communities in supporting businesses owned by previously marginalised people.

The aim of the Contractor Development Programme is to capacitate the emerging contractors including businesses owned by women, youth and people with disabilities. Through this programme, the Department responds to the development of emerging construction companies to become sustainable businesses in the industry. The programme targets women, youth and people with disabilities to address skills and facilitate a knowledge transfer process through training interventions as informed by skills assessments that identify gaps to inform mentorship planning interventions.

Provide reasons for non-achievement on a planned target of formalising 38 informal settlements upgraded in the West Rand and Sedibeng in accordance with the Upgrading of Informal Settlements.

Upgrading of Informal Settlements is an incremental process aimed at ensuring that resources are allocated according to the state of readiness of informal settlements.

The Department planned to upgrade one informal settlement to Phase 3 and 25 informal settlements in Phase 2, and the balance of informal settlements continues to receive Phase 1 upgrading.

Provide reasons for not implementing projects/interventions in URP areas (Bekkersdal, Kliptown, Winterveldt, Alexandra and Evaton).

The Department has implemented various projects/interventions in the Bekkersdal, Winterveld, Alexandra and Evaton areas over the financial years. Kliptown projects/interventions are implemented by CoJ.

8. SCOPA RESOLUTION

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
4.1	Significant uncertainty relating to contingent liabilities	That the Department must provide the Committee with a report detailing the effectiveness of the Litigation Reduction Plan by 30 April 2024.	<p>SCOPA RESOLUTIONS – VOTE</p> <p>The Department has completed the establishment of a panel of attorneys to assist with the capacity challenges in the Office of the State Attorney (27 lawyers were appointed to the panel of Legal Practitioners).</p> <p>To expedite the finalisation of the litigation matters, the Department had appointed four legal firms from the Department's panel to undertake a review of the litigation matters with financial implications. Each law firm was allocated five matters each. A final review report is expected on or before the end of the financial year (31 March 2024).</p> <p>The Department is further exploring the Alternative Dispute Resolution mechanism to effectively reduce the litigation matters against the Department. To date, about five matters were referred to arbitration in terms of the expedited Arbitration Foundation of South Africa (AFSA) rules. All these matters are before AFSA and the processes are at an advance stage.</p> <p>About 2 two matters are under mediation and mediators were appointed to assist with the mediation. It is anticipated that the mediation will be completed before the end of the financial year.</p> <p>The following matters were withdrawn after a successful negotiation with the Plaintiffs: -</p> <ul style="list-style-type: none"> • Makgotamishe Building Projects // MEC for Human Settlements to the value of R50 119 615.98. • ABSA Property Development (Pty) Ltd // MEC for Human Settlements to the value of R9 904 755. <p>The Department has been advised to litigate on all other matters where there is reasonable prospect of successfully defending those matters.</p> <p>The Department is also negotiating with the service providers at the point it receives a Letter of Demand for a possible settlement of the matter, instead of waiting for the matter to reach the litigation stage.</p>	Yes

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
SCOPA RESOLUTIONS – VOTE				
4.2	Re-statement of corresponding figures	That the Department must provide the Committee with a report detailing the effectiveness of the measures put in place to minimise the restatement of corresponding figures by 30 April 2024.	The Department has implemented different levels of reviews from the Director, CFO, PAG's office on the Interim Financial Statements (IFS)/Annual Financial Statements (AFS). These statements are submitted quarterly to the Office of the Accountant General and reviews are provided for correction where necessary. These reviews comments assist the Department in ensuring the AFS is free from any material misstatements. Further, the Department analyses the expenditure report and the processing journals, where necessary, prior to year-end to prevent restatements of opening balances. The Department also submits monthly Section 40 reports which assists when preparing the IFS.	Yes
4.3	Annual Financial Statements	That the Department must provide the Committee with a report detailing the impact of the management review of Annual Financial Statements and the technical assistance by Gauteng Provincial Treasury by 30 April 2024.	The Department is in regular consultation with the PAG's office. All review comments raised were addressed and added value in improving the quality of the financial statements. There was training provided on the MCS updates which will assist the Department with the application/interpretation of the standard to ensure compliance.	Yes
		That the Department should develop and implement an effective system for the monitoring of the budget and expenditure process and provide the Committee with a report by 30 April 2024.	<ul style="list-style-type: none"> The Department compiles weekly and monthly reports to monitor expenditure and to ensure that it does not incur overspending or unauthorised expenditure. The reports constitute the In-Year Monitoring reports, DORA reports, Infrastructure Reporting Model reports, which are discussed weekly and monthly in programme management, Senior Management and Executive Management Teams meetings. To ensure that the expenditure is aligned to the targeted objective, the Department performs monthly reconciliation to address any misallocation and performs budget maintenance through the virement and shifting of funds during the adjustment budget period. These reports are therefore signed off by the Chief Financial Officer. To ensure that procurement is aligned to the budget and expenditure is monitored, all Purchase Orders are given clear allocations and are confirmed by the budget office to ensure budget availability before any procurement of goods and service is concluded. The process is done through the confirmation of budget on all SCM Bid Committees submission and fund certificates are issued for goods and services to ensure budget availability. 	Yes

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)																																																												
4.4	Irregular expenditure	That the Department should provide the Committee with a report about the condonation of the irregular expenditure amounting to approximately R1.4 billion by 30 April 2024 and a quarterly progress report continuing up until finalisation thereof.	<p>Condonation of irregular expenditure approved and updated on the irregular expenditure register for the current year, is listed as follows:</p> <table border="1"> <thead> <tr> <th>Entity</th> <th>Amount</th> <th>Condonation Status</th> </tr> </thead> <tbody> <tr> <td>Manodoma Trading Enterprise</td> <td>25 633 401,69</td> <td>Condonation approved for Hailstorm</td> </tr> <tr> <td>Arise General Construction CC</td> <td>36 745 106,45</td> <td>Condonation approved for Hailstorm</td> </tr> <tr> <td>Home Décor and Building Projects</td> <td>14 261 530,16</td> <td>Condonation approved for Hailstorm</td> </tr> <tr> <td>Quebec Trading CC</td> <td>41 650 000,00</td> <td>Condonation approved for Hailstorm</td> </tr> <tr> <td>Jade Africa Development</td> <td>45 705 000,00</td> <td>Condonation approved for Hailstorm</td> </tr> <tr> <td>Karibu Group of Companies</td> <td>45 654 098,00</td> <td>Condonation approved for Hailstorm</td> </tr> <tr> <td>Reatlegile Business Services</td> <td>38 449 330,28</td> <td>Condonation approved for Hailstorm</td> </tr> <tr> <td>TCT Civil and Construction</td> <td>33 167 737,00</td> <td>Condonation approved for Hailstorm</td> </tr> <tr> <td>Xazulula Renovation & Construction</td> <td>29 861 984,10</td> <td>Condonation approved for Hailstorm</td> </tr> <tr> <td>Safintra South Africa</td> <td>56 208 559,79</td> <td>Condonation approved for Hailstorm</td> </tr> <tr> <td>Blackhead Consulting</td> <td>144 694 810,00</td> <td>Condonation approved for Hailstorm</td> </tr> <tr> <td>SCIP</td> <td>98 378 922,00</td> <td>Condonation approved for Hailstorm</td> </tr> <tr> <td>ADI</td> <td>166 611 000,00</td> <td>Condonation approved for Hailstorm</td> </tr> <tr> <td>Ultrasonic Express</td> <td>93 070 365,11</td> <td>Condonation approved for Hailstorm</td> </tr> <tr> <td>NJR Projects</td> <td>1 144 560,63</td> <td>Condonation approved for Hailstorm</td> </tr> <tr> <td>Rendeals Four Consulting</td> <td>16 736 399,11</td> <td>Condonation approved for Hailstorm</td> </tr> <tr> <td>Amelipa Civils</td> <td>1 773 700,13</td> <td>Condonation approved for non-compliance to Treasury Regulations</td> </tr> <tr> <td>Growth Circle Construction</td> <td>207 892,49</td> <td>Condonation approved for non-compliance to Treasury Regulations</td> </tr> <tr> <td>Safcrete Construction</td> <td>61 967 157,24</td> <td>Condonation approved for non-compliance to Preferential Procurement Delegation of 2017 (RLRP)</td> </tr> </tbody> </table>	Entity	Amount	Condonation Status	Manodoma Trading Enterprise	25 633 401,69	Condonation approved for Hailstorm	Arise General Construction CC	36 745 106,45	Condonation approved for Hailstorm	Home Décor and Building Projects	14 261 530,16	Condonation approved for Hailstorm	Quebec Trading CC	41 650 000,00	Condonation approved for Hailstorm	Jade Africa Development	45 705 000,00	Condonation approved for Hailstorm	Karibu Group of Companies	45 654 098,00	Condonation approved for Hailstorm	Reatlegile Business Services	38 449 330,28	Condonation approved for Hailstorm	TCT Civil and Construction	33 167 737,00	Condonation approved for Hailstorm	Xazulula Renovation & Construction	29 861 984,10	Condonation approved for Hailstorm	Safintra South Africa	56 208 559,79	Condonation approved for Hailstorm	Blackhead Consulting	144 694 810,00	Condonation approved for Hailstorm	SCIP	98 378 922,00	Condonation approved for Hailstorm	ADI	166 611 000,00	Condonation approved for Hailstorm	Ultrasonic Express	93 070 365,11	Condonation approved for Hailstorm	NJR Projects	1 144 560,63	Condonation approved for Hailstorm	Rendeals Four Consulting	16 736 399,11	Condonation approved for Hailstorm	Amelipa Civils	1 773 700,13	Condonation approved for non-compliance to Treasury Regulations	Growth Circle Construction	207 892,49	Condonation approved for non-compliance to Treasury Regulations	Safcrete Construction	61 967 157,24	Condonation approved for non-compliance to Preferential Procurement Delegation of 2017 (RLRP)	Yes
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Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)												
SCOPA RESOLUTIONS – VOTE																
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		That the Department should provide the Committee with a report detailing the status of each of the 11 cases under investigation and an update on whether the 47 cases have been outsourced for investigation by 30 April 2024 and a quarterly progress report continuing up until finalisation thereof.														

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
SCOPA RESOLUTIONS – VOTE				
		That the Department should provide the Committee with a report detailing the status of each of the 11 cases under investigation and an update on whether the 47 cases have been outsourced for investigation by 30 April 2024 and a quarterly progress report continuing up until finalisation thereof.	<p>3. Company: Arengo 6 (Kwamazibuko Hostel) Finding: Extension after the contract had expired Expenditure: R2 388 764,08 Investigation status: Matter under investigation Finalisation date: 29 February 2024</p> <p>4. Company: Arengo 6 (Nguni Hostel) Finding: Extension after the 5 contracts had expired Expenditure: R6 316 647,83 Investigation status: Matter under investigation Finalisation date: 29 February 2024</p> <p>5. Company: Amaqakala Finding: Contractor not having appropriate CIDB grading Expenditure: R13 317 286,35 Investigation status: Matter under investigation Finalisation date: 29 February 2024</p> <p>6. Company: EPWP Contract Finding: Project implemented without a contract Expenditure: R10 457 751,00 Investigation status: Matter under investigation Finalisation date: 29 February 2024</p> <p>7. Company: Unsolicited Bids Finding: Unsolicited bid requirements not met prior to appointing the developer Expenditure: R928 798 266,00 Investigation status: Matter under investigation Finalisation date: 29 February 2024</p> <p>8. Company: Tsakane Ext. 22 Finding: Provision of bulk infrastructure Expenditure: R7 655 890 Investigation status: Matter under investigation Finalisation date: 29 February 2024</p> <p>9. Company: Nellmapius Extension 22 Finding: HSDG was not spent in accordance with the grant framework Expenditure: R16 967 000 Investigation status: Matter under investigation Finalisation date: 29 February 2024</p>	Yes

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
SCOPA RESOLUTIONS – VOTE				
		That the Department should provide the Committee with a report detailing the status of each of the 11 cases under investigation and an update on whether the 47 cases have been outsourced for investigation by 30 April 2024 and a quarterly progress report continuing up until finalisation thereof.	<p>10. Company: Ukuba Finding: Extension beyond a permissible limit of 15% Expenditure: R199 500,00 Investigation status: Matter under investigation Finalisation date: 29 February 2024</p>	Yes
4.5	Fruitless and wasteful expenditure	That the Department should provide the Committee with a report detailing the status of the fruitless and wasteful cases referred to the Anti-Fraud Unit for investigations by 30 April 2024 and a quarterly progress report continuing up until finalisation thereof.	Out of 21 cases of Fruitless and Wasteful Expenditure (F&W), six matters are currently being finalised and the reports will be reviewed and sent to the (HoD) for approval. All six matters under investigation will be finalised before the end of the current financial year (2023/24).	Yes



Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
SCOPA RESOLUTIONS – VOTE				
		<p>That the Department provide the Committee with a report detailing the effectiveness of the measures put in place to monitor compliance with the applicable Treasury Regulations to identify and prevent non-compliance by 30 April 2023 and a quarterly progress report by 31 July 2024.</p>	<p>The Department has implemented strict controls and measures in-place to ensure full SCM compliance. It has compliance check lists for all procurements and also accesses probity auditors for all tenders to prevent non-compliance.</p>	Yes
4.7	Material Irregularities	<p>That the Department provide the Committee with a progress report about the matter of the failure to settle court orders within 30 days and matter of the payment made to the incorrect contractor by 30 April 2024 and a quarterly report continuing up until finalisation thereof.</p>	<p>Court orders are submitted to the Head of Department for approval and endorsement upon receipt by Legal Services. Once settlement of the court order is approved, it is then submitted to finance for payment. The above process of submitting a court order to the HoD does not take more than five days from Legal Services.</p> <p>The criminal case appeared in court in December 2023 and it was closed as the accused had passed away. The civil matter also sat down in December 2023 and the Department was awarded an Order by the court for the Asset Forfeiture Unit (AFU) to recover the money lost by the Department by rounding up the estate of the deceased. The money recovered from the sale of the assets will be paid into the Department's bank account.</p>	Yes

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
SCOPA RESOLUTIONS – VOTE				
4.8	Investigations	That the Department should provide the Committee with a report detailing the status of the investigations by 30 April 2024 and a quarterly progress report continuing up until finalisation thereof.	There were 16 cases that were under investigation and 12 were finalised, two cases are still under investigation and two final reports are being reviewed.	Yes
		That the Department must develop and implement a plan to improve the audit outcomes in the financial and performance management, as well as the status of compliance, thereby ensuring good governance and administration of public funds and provide the Committee with a report by 30 April 2024.	The Department undertook an audit findings analysis with Senior Management indicating root causes and key management commitments that were reworked and reconciled to improve on the Housing Funds implementation of audit findings. Furthermore, the Department monitors non-compliance to prescripts, policies and legislative requirements, which are identified and mitigated through development of compliance checklists, updating of a quarterly compliance risk register and reporting to Gauteng Treasury.	Yes



Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)																																																				
5.	Culture shift to sustain audit outcomes and service delivery	That the Department must provide the Committee with a list of all its key projects with a clear focus on impact on the citizens in the province during the 2023/24 financial year and provide the Committee with a report detailing the status of those key projects by 30 April 2024.	<p>SCOPA RESOLUTIONS – VOTE</p> <p>Below is the list of projects across the province reflecting the delivery achieved on units as at the end of December 2023 which is the milestone impacting on beneficiaries in terms of their housing needs that are currently under implementation. This information will be updated at the end of March 2024 for submission before 30 April 2024, as requested.</p> <table border="1"> <thead> <tr> <th>Region</th> <th>No.</th> <th>Project Name</th> </tr> </thead> <tbody> <tr> <td rowspan="7">SEDIBENG</td> <td>1.</td> <td>Obed Mthombeni</td> </tr> <tr> <td>2.</td> <td>Sebokeng Ext. 30</td> </tr> <tr> <td>3.</td> <td>Lethabong - Set Square</td> </tr> <tr> <td>4.</td> <td>Impumelelo Ext. 4</td> </tr> <tr> <td>5.</td> <td>Clayville Ext. 71& 80</td> </tr> <tr> <td>6.</td> <td>Heiderwyk Ext. 8</td> </tr> <tr> <td>7.</td> <td>Tsakane Ext. 22</td> </tr> <tr> <td rowspan="4">EKURHULENI</td> <td>8.</td> <td>John Dube Village Ext. 1</td> </tr> <tr> <td>9.</td> <td>Bluegumview, Masetjhaba Proper and Duduza (G05040154) - Phase 2 (Urban Dynamics)</td> </tr> <tr> <td>10.</td> <td>Palmridge Ext. 9 (HDA)</td> </tr> <tr> <td>11.</td> <td>Palmridge Ext. 10 & 12 (New Ext. 21 &22)</td> </tr> <tr> <td rowspan="6">WEST RAND</td> <td>12.</td> <td>Western Mega</td> </tr> <tr> <td>13.</td> <td>Varkenslaagte (Elijah Baraji) - Mega Project</td> </tr> <tr> <td>14.</td> <td>Dan Tloome Mega Project</td> </tr> <tr> <td>15.</td> <td>Tarilton Village 1 (Brickvale)</td> </tr> <tr> <td>16.</td> <td>Munsievile Ext. 9</td> </tr> <tr> <td>17.</td> <td>Khutsong South Ext. 5 & 6 - Phase 1 (500 Implemented by Merafong City LM)</td> </tr> <tr> <td rowspan="2">JOBURG</td> <td>18.</td> <td>Goudrand Ext. 4</td> </tr> <tr> <td>19.</td> <td>Lufhereng</td> </tr> <tr> <td rowspan="3">TSHWANE</td> <td>20.</td> <td>Nellmapius Ext. 24</td> </tr> <tr> <td>21.</td> <td>Soshanguve Ext. 1 (Plot 67)</td> </tr> <tr> <td>22.</td> <td>Winterveldt Ext. 3 (Phase 2C)</td> </tr> </tbody> </table>	Region	No.	Project Name	SEDIBENG	1.	Obed Mthombeni	2.	Sebokeng Ext. 30	3.	Lethabong - Set Square	4.	Impumelelo Ext. 4	5.	Clayville Ext. 71& 80	6.	Heiderwyk Ext. 8	7.	Tsakane Ext. 22	EKURHULENI	8.	John Dube Village Ext. 1	9.	Bluegumview, Masetjhaba Proper and Duduza (G05040154) - Phase 2 (Urban Dynamics)	10.	Palmridge Ext. 9 (HDA)	11.	Palmridge Ext. 10 & 12 (New Ext. 21 &22)	WEST RAND	12.	Western Mega	13.	Varkenslaagte (Elijah Baraji) - Mega Project	14.	Dan Tloome Mega Project	15.	Tarilton Village 1 (Brickvale)	16.	Munsievile Ext. 9	17.	Khutsong South Ext. 5 & 6 - Phase 1 (500 Implemented by Merafong City LM)	JOBURG	18.	Goudrand Ext. 4	19.	Lufhereng	TSHWANE	20.	Nellmapius Ext. 24	21.	Soshanguve Ext. 1 (Plot 67)	22.	Winterveldt Ext. 3 (Phase 2C)	Yes
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Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
SCOPA RESOLUTIONS – VOTE				
			<p>Process improvements and change management have enabled the Department to expedite programme delivery and enhance its capacity to deliver sustainable human settlements that are fundamental in bringing about socio-economic transformation, giving historically disadvantaged individuals the ability and opportunity to own an economic asset that empowers them to participate more meaningfully within the mainstream economy. The Department continues to play the critical role of being the primary housing provider and facilitator within the province, responsible for ensuring that communities have access to adequate housing that restores human dignity.</p> <p>The Department has continued to make significant strides in improving its capacity to deliver sustainable human settlements, drive spatial transformation within Gauteng City Region, adequately and decisively deal with the problem of growing informality within our city region owing to in-migration as multitudes keep coming into the province in pursuit of economic opportunities and better living conditions and ultimately contribute to the improvement of the quality of life of Gauteng citizens through delivering quality, liveable human settlements that enable them to access economic opportunities and social amenities.</p> <p>CONTRACTOR DEVELOPMENT TRAINING</p> <p>The Contractor Development Programme's aim is to capacitate the emerging contractors, including business owned by women youth, and people with disabilities. Through this programme, the Department responds to the development of emerging construction companies to become sustainable businesses in the industry. The programme targets women, youth and people with disabilities to address skills and facilitate a knowledge transfer process through training interventions as informed by skills assessments that identifies gaps to inform mentorship planning interventions.</p>	



Resolution No.	Subject	Details	Response by the Department							Resolved (Yes/No)
SCOPA RESOLUTIONS – VOTE										
			Target groups	Females	Males	PWD's	Youth	Total		
			Clayville - Building & Civils skills	15	16	0	31	31		
			Clayville – NHBRC – Home Builders Standards & Regulations; Home Builders Testing & Certification (Registration)	16	13	1	7	29		
			Mogale City Women SMMEs – Construction Management	36	0	0	8	36		
			Brickvale – Contract Management	12	19	0	1	31		
			Lethabong – Finance for non-financial managers	10	13	0	0	23		
			Dan Tloome – Contract Management	17	17	2	10	34		
			Brickvale – NHBRC – Builders Standards & Regulations; Home Builders Testing & Certification (Registration)	13	18	0	9	31		
			Brickvale - Home Builders Standards & Regulations; Home Builders Testing & Certification (Registration) & Inspectorate	6	8	0	1	14		
			Mofolo (Co.) persons with disabilities	9	13	22	14	22		
			Total	134	117	25	81	251		

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)																														
SCOPA RESOLUTIONS – VOTE																																		
			<p>Compliance Sessions</p> <p>Promote SMMEs by conducting workshops with CIDB - Grading system process and registration process; Labour Department - Compliance, Legislations, i.e., UIF, COIDA, Basic Conditions of Employment Act 1997; SARS – Tax Compliance & Treasury – CSD Registration & NHBRC – Building standards compliance.</p> <table border="1"> <thead> <tr> <th>Area</th> <th>Females</th> <th>Males</th> <th>PWD's</th> <th>Youth</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Dan Tloome</td> <td>14</td> <td>32</td> <td>1</td> <td>6</td> <td>46</td> </tr> <tr> <td>Clayville</td> <td>16</td> <td>13</td> <td>1</td> <td>7</td> <td>29</td> </tr> <tr> <td>Mogale City (Women SMMEs)</td> <td>36</td> <td>0</td> <td>0</td> <td>8</td> <td>36</td> </tr> <tr> <td>Total</td> <td>66</td> <td>45</td> <td>2</td> <td>21</td> <td>111</td> </tr> </tbody> </table>	Area	Females	Males	PWD's	Youth	Total	Dan Tloome	14	32	1	6	46	Clayville	16	13	1	7	29	Mogale City (Women SMMEs)	36	0	0	8	36	Total	66	45	2	21	111	
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Total	66	45	2	21	111																													
4.1.1	Property, plant and equipment	That the entity must provide the Committee with a report detailing the status of the training programme for the employees placed as a result of the new organisation structure by 30 April 2024.	<p>Training and Development</p> <p>Estimated budget allocation for the new financial Training and Development is R4 000 000. This budget will be utilised for the implementation of skills programmes to be identified and included on the 2024/25 financial year Workplace Skills Plan and training plan.</p> <p>Prioritising capacitation of skills gaps identified for the 22 employees is placed into the new Branch from other Directorates, as the outcome of the new organisation structure.</p> <p>Below are the training programmes to be provided:</p> <ul style="list-style-type: none"> • Generally Recognised Accounting Practice (GRAP) • Valuation of Properties • Financial Management • Programme and Project Management • People Management for Public Sector Managers • Advance computer skills • Data capturing and analysis. 	Yes																														

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)																																																																						
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		<p>That the entity must provide the Committee with a report detailing the status of the process of filling vacant posts by 30 April 2024 and a quarterly report continuing up until finalisation thereof.</p>	<p>List of posts to be filled</p> <table border="1"> <thead> <tr> <th>Post Title</th> <th>Business Unit</th> <th>Q1</th> <th>Q2</th> <th>Q3</th> </tr> </thead> <tbody> <tr> <td>Director</td> <td>Asset Register and Inventory Management</td> <td>Shortlisting and interviews</td> <td>Appointment of successful candidates</td> <td>N/A</td> </tr> <tr> <td>Assistant Director</td> <td>Asset Register and Inventory Management</td> <td>Concurrence from Office of the Premier and advertisement</td> <td>Shortlisting and interviews</td> <td>Appointment of candidates</td> </tr> <tr> <td>Assistant Director</td> <td>Asset Register and Inventory Management</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Assistant Director</td> <td>Asset Register and Inventory Management</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Assistant Director</td> <td>Land and Property Protection</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Personal Assistant</td> <td>Office of the DDG</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Branch Coordinator</td> <td>Office of the DDG</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Assistant Director</td> <td>Dispute Resolution</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Assistant Director</td> <td>Dispute Resolution</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Admin Officer</td> <td>Dispute Resolution</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Admin Officer</td> <td>Dispute Resolution</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Property Investigator</td> <td>Mediation and Tribunal</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Assistant Director</td> <td>Appeals, Rescissions and Variations</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Post Title	Business Unit	Q1	Q2	Q3	Director	Asset Register and Inventory Management	Shortlisting and interviews	Appointment of successful candidates	N/A	Assistant Director	Asset Register and Inventory Management	Concurrence from Office of the Premier and advertisement	Shortlisting and interviews	Appointment of candidates	Assistant Director	Asset Register and Inventory Management				Assistant Director	Asset Register and Inventory Management				Assistant Director	Land and Property Protection				Personal Assistant	Office of the DDG				Branch Coordinator	Office of the DDG				Assistant Director	Dispute Resolution				Assistant Director	Dispute Resolution				Admin Officer	Dispute Resolution				Admin Officer	Dispute Resolution				Property Investigator	Mediation and Tribunal				Assistant Director	Appeals, Rescissions and Variations				Yes
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4.1.2	Receivables from exchange transactions	That the entity must develop and implement a plan to improve its audit outcomes in the financial and performance management, as well as the status of compliance, thereby ensuring good governance and administration of public funds and provide the Committee with a report by 30 April 2024.	<p>The housing fund is a trading entity under the Department's vote, and it has no performance targets for reporting. On the Financials Statements, the Department is implementing a plan for the write-off of debts that have been prescribed and clearing of the debt book. This will also be done with the appointment of a debt collection firm to assist the Department in clearing most of its debts. The Department had appointed a firm who is doing a thorough and complete population of the asset register with a full set of portfolios of evidence (PoE). This will ensure that all assets related to issues are fully addressed.</p>	Yes																														



Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
SCOPA RESOLUTIONS – VOTE				
4.1.3	Loss on disposal of assets	That the entity must submit its Audit Action Plan and provide the Committee with a report detailing the effectiveness of the plan by 30 April by 2024.	The biggest challenge the Housing Fund is experiencing is the lack of documentation that was lost during the 2018 Bank of Lisbon fire incident. The Department had attempted to re-create the debtors' files through the National Human Settlements System, but this was not accepted by the Auditor-General (AG). The Department further went to individual flats, but the occupants were either deceased or refused to acknowledge the debt or sign any documentation to this effect. The Department had appointed a firm who is doing a thorough and complete population of the asset register with a full set of portfolios of evidence (PoE). This will ensure that all assets related to issues are fully addressed. On the issue of the debtors, the Department is investigating the possibility of writing off the bulk of the debtors through the Debt Management Policy. This will assist the Department in further reducing the debt book and PoE would be needed for this.	Yes

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing/resolving the matter
Unqualified audit opinion with findings	2022/23	In progress. Matters of emphasis were corrected and/or under assessment. Adjustments to the AFS were made and the Department was unqualified with findings.
Matters of Emphasis: Consequence Management I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular, fruitless and wasteful expenditure as required by Section 38(1) (h)(iii) of the PFMA. This was due to some investigations performed into irregular, fruitless and wasteful expenditure.	2018/19 to 2021/22	In progress. The Department is in a process of finalising open investigations and to institute consequence management where necessary.
Matters of Emphasis: Procurement and Contract Management Some contracts were awarded to bidders that did not score the highest points in the evaluation process, as required by Section 2(1) (f) of Preferential Procurement Policy Framework Act (PPPFA).	2018/19 to 2021/22	In progress. The Department is assessing and investigating each case. Contracts are in place and procurement documents for new tenders are maintained.
Matters of Emphasis: Irregular expenditure Effective steps were not taken to prevent reported irregular expenditure, as required by Section 38(1)(c)(ii) of the PFMA (1999) and Treasury Regulation 9.1.1.	2013/14 to 2022/23	In progress. 76 cases of Irregular Expenditure investigations, are as follows: 21 cases were finalised 3 removed from IE register (incorrectly disclosed) 2 withdrawn by SCM 8 cases under investigation internally; and 42 cases under investigation (outsourced).

10. INTERNAL CONTROL UNIT

Purpose

To build cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create sustainable human settlements.

Strategic Objectives

Develop and advance the regulatory environment for sustainable human settlements.

Achievements

The Corporate Governance Unit facilitated the Annual Regulatory Audit for the Vote, Fund, Information Systems and Value-Added Performance Audits by the Office of the Auditor General (AG). The Unit further facilitated 18 Gauteng Audit Services (GAS) Annual Internal Audits. Response Action Plans are developed per audit as outlined.

The following internal control reviews were completed, amongst others, by the Corporate Governance Unit for the 2022/23 Financial Year.

1. Internal Control Review on Grant Management
2. Verification of Regional Performance Information for Quarter 3
3. Compliance review: DORA, POPIA and NHBRC
4. User Access Reviews on Persal and the Debtors Management System
5. Review of all Departmental committees, inventory and retention
6. Verification of Quarterly Key Controls
7. Quarterly verification of the Compliance Risk Register and Regulatory Universe
8. Performance audit on Rapid Release Land Programme (RLRP)
9. Review Compliance Policy, Manual and Framework.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Key activities and objectives of Internal Audit

Internal Audit obtains its mandate from the Public Finance Management Act (PFMA) Act No. 1 of 1999, as amended and Treasury Regulation, as amended.

The objective of Internal Audit is to provide an independent, objective assurance and consulting services designed to add value and improve the Gauteng Department of Human Settlements operations through evaluation of risk management, internal control and governance processes to ascertain the following:

- Risks are appropriately identified and managed
- The reliability and integrity of financial, operational and performance information
- Compliance with laws, regulation, policies and procedures
- Safeguarding of assets
- The economical and efficient use of resources
- Establishment and achievement of operational goals and objectives
- The reliability and integrity of information technology.

Key Activities:

- Development of the three- year Internal Audit Plan for the approval of the Audit Committee
- Implementation of the approved Internal Audit Plan
- Quarterly reporting to the Audit Committee.

The Internal Audit scope of work covered the following areas:

- Risk and Compliance Audits
- Computer Audits
- Performance Audits.

Overall, 18 audits were planned for the 2023/24 financial period, 16 were issued and 2 (Human Settlement Developmental Grants is at the reporting phase and hostels redevelopment and maintenance is at execution phase) Inventory Management and Urban Renewal Programme are at the reporting stage.

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

Name	Qualifications	Internal or external	If internal, position in the Department	Date appointed	Date resigned	No. of meetings attended
Mmathebe Annah Faith Moja (Ms)	<ul style="list-style-type: none"> • Masters in Business • Leadership • Bachelor of Commerce 	External	-	11 August 2020	Current	
Mduduzi Mike Sibeko (Mr)	<ul style="list-style-type: none"> • Master of Business Administration • Postgraduate Diploma: Integrated Reporting • B-Tech: Internal Auditing • National Diploma: Internal Auditing 	External	-	01 August 2022	Current	
Lwazi Giba (Mr)	<ul style="list-style-type: none"> • Bachelor of Science • Bachelor of Accounting Honours (CTA) 	External	-	01 August 2023	Current	

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2024.

Audit Committee and Attendance

The Audit Committee (Committee) consists of the external Members listed hereunder and is required to meet at least two times per annum as provided for in the provisions of the Public Finance Management Act, 1999 (Act Number 1 of 1999) (PFMA). In terms of the approved Terms of Reference (GPG Audit Committee Charter), Five (05) meetings were held during the financial year under review, i.e., three meetings to consider the Quarterly Performance Reports (financial and non-financial) and two meetings to review and discuss the Annual Financial Statements and the Auditor-General of South Africa's (AGSA) Audit and Management Reports.

Non-Executive Members

Name of Member	Number of Meetings attended
Ms. Mmathebe Moja (Chairperson)	05
Mr. Mduduzi Sibeko	05
Mr. Lwazi Giba	05

Executive Members

In terms of the GPG Audit Committee Charter, officials listed hereunder are obliged to attend meetings of the Audit Committee:

Compulsory Attendees	Number of Meetings attended
Ms. Phindile Mbanjwa (Accounting Officer)	05
Ms. Abdullah Ismail (Chief Financial Officer)	04
Ms. Zanele Makhubo (Chief Risk Officer)	05
Mr. Kweyama Velile (Chief Audit Executive)	04

The Audit Committee noted that the Accounting Officer attended all scheduled Audit Committee meetings. The Audit Committee is therefore satisfied that the Department adhered to the provisions of the GPG Audit Committee Charter.

The Members of the Audit Committee met with the Senior Management Team of the Department and Internal Audit, collectively to address risks and challenges facing the Department. Where necessary, in-committee meetings were held to address internal control deficiencies and deviations in the Department.

Audit Committee Responsibility

The Audit Committee confirms that it has executed its responsibilities arising from section 38(1)(a) of the PFMA and Treasury Regulation 3.1.13. Accordingly, the Committee also reports that it had revised and adopted appropriate formal terms of reference as its Audit Committee Charter (Charter), has regulated its affairs in compliance with this Charter and has discharged all its responsibilities contained therein.

The effectiveness of Internal Control and Information and Communication Technology (ICT) Governance

Based on the results of the audits performed by the Internal Auditors and the follow up reviews conducted, the overall opinion on the internal control design was Adequate but Ineffective in some areas, to ensure that the Department objectives will be achieved.

The Audit Committee encourages the Department to focus on improving the effectiveness of controls in the following areas:

- Quality of Houses
- Issuing of tittle deeds
- Assets Management
- Capital Work in Progress (CWIP)
- Supply Chain Management
- AG finding raised
- Management of Integrated Residential Development Programme (Mega Projects)
- Performance of the Department against predetermined objectives/Performance Information, and
- IT Continuity Review

Management should also ensure that the corrective actions to address findings raised by the Auditor-General and Internal Audit are implemented on time.

Internal Audit

The Audit Committee is satisfied that the Internal Audit plan represents a clear alignment with the key risks, has adequate information systems coverage, and a good balance across the different categories of audits, i.e., risk-based, mandatory, performance, computer and follow-up audits. The Audit Committee is satisfied that the internal auditors consulted with Management, Auditor General and the Audit Committee on its Internal Audit Plan.

The Audit Committee has noted considerable improvement in the communication between the Executive Management, the AGSA and the Internal Audit Function, which has strengthened the Corporate Governance initiatives of the Department.

The Audit Committee will continue to monitor the resources and capabilities of the Internal Audit function as this has an impact on its level of output.

The following audits were conducted by Internal Audit during the period under review:

- Quality of Houses
- Follow-up on issuing of tittle deeds
- Assets Management
- Follow up on Allocation of houses
- Supply Chain Management
- Follow-up on AG findings
- Human Settlement Development Grant
- Inventory Management
- Review of draft Annual Performance Report
- Management of Integrated Residential Development Programme (Mega Projects)
- Urban Renewal Programme
- Performance of the Department against predetermined objectives/Performance Information
- Review of draft Annual Performance Plan
- SAP ESS & PERSAL leave reconciliation.
- IT continuity review
- Data Analysis – ETHICS / FIN / HR
- 2023-24 IT risk assessment
- Data Analysis - Housing Subsidy System

It was noted with appreciation that a Quality Assurance Review (external assessment) was performed by an external independent reviewer and Internal Audit was assessed to be Generally Conformant with the International Standards for Professional Practice of Internal Auditing. The Audit Committee continuously monitor the implementation of the Quality Assurance Improvement Program to ensure continued conformance with the Standards.

Risk Management

Progress on the departmental risk management measures was reported to the Audit Committee on a quarterly basis. The Audit Committee appreciates the effort made by the Department to improve its risk management processes, although some areas still require improvement. Management should take full responsibility for the entire Enterprise Risk Management Process and continue to support the Chief Risk Officer to enhance the performance of the Department. The Department should improve its decision making processes and have risk management embedded in their governance processes in order to obtain a clean administration.

Forensic Investigations

There were no new cases reported to the Provincial Forensic Services for the period under review. The Committee noted with concern the poor level of implementation of recommendation on consequence management for the 2023/2024 financial year

The quality of quarterly reports submitted in terms of the PFMA and the Division of Revenue Act

The Audit Committee reviewed the content and quality of financial and non-financial quarterly reports prepared and submitted by the Accounting Officer of the Department during the year under review and emphasises that the Department must improve the quality of its financial, non-financial reports and system of records management.

Evaluation of Annual Financial Statements

The Audit Committee has:

- Reviewed and discussed the/ unaudited Annual Financial Statements prior to submission to AGSA for audit purposes;
- Reviewed the Audit Report of the AGSA;
- Reviewed the AGSA's Management Report and Management's response thereto;
- Reviewed the Department's compliance with legal and regulatory provisions; and
- Reviewed the adjustments resulting from the audit.

One-on-One Meetings with the Executive Authority

The Audit Committee has met with the Accounting Officer for the Department to address unresolved issues where necessary.

Auditor-General of South Africa

The Audit Committee has met with the AGSA to ensure that there are no unresolved issues.

Interaction with the Executive Authority

The Audit Committee submitted quarterly reports to the Executive Authority for the Department to apprise the MEC on the performance of the Department.

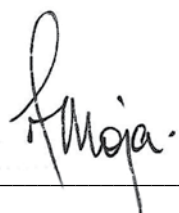
Conclusion

The Audit Committee would like to congratulate the Department's leadership on attaining an improved audit outcome with reduced audit findings. The outcome is attributable to the improvements to risk management and internal controls which will place the Department on a path of sustained delivery of its core mandate. The momentum will be boosted further by correcting the identified weaknesses.

The Audit Committee urges the department to focus on the root-cause identification and analysis of audit findings, consequence management, and regular monitoring of progress against audit action plan in order to achieve the essential effectiveness in governance, accountability, and clean administration.

A continued improvement in communication between the Accounting Officer, Senior Management, the Auditor-General of South Africa, and the Internal Audit Function is encouraged and valued by the Audit Committee to enhance the Province's Corporate Governance initiatives.

As the chairperson of the Audit Committee, I would like to convey our sincere gratitude to all stakeholders involved. We value the continued commitment and attention displayed by the Department Head, the Management team, Internal Audit, the Provincial Treasury, and other contributing Departments.



Ms. Mmathebe Moja
Chairperson of the Audit Committee

Date: 08 August 2024

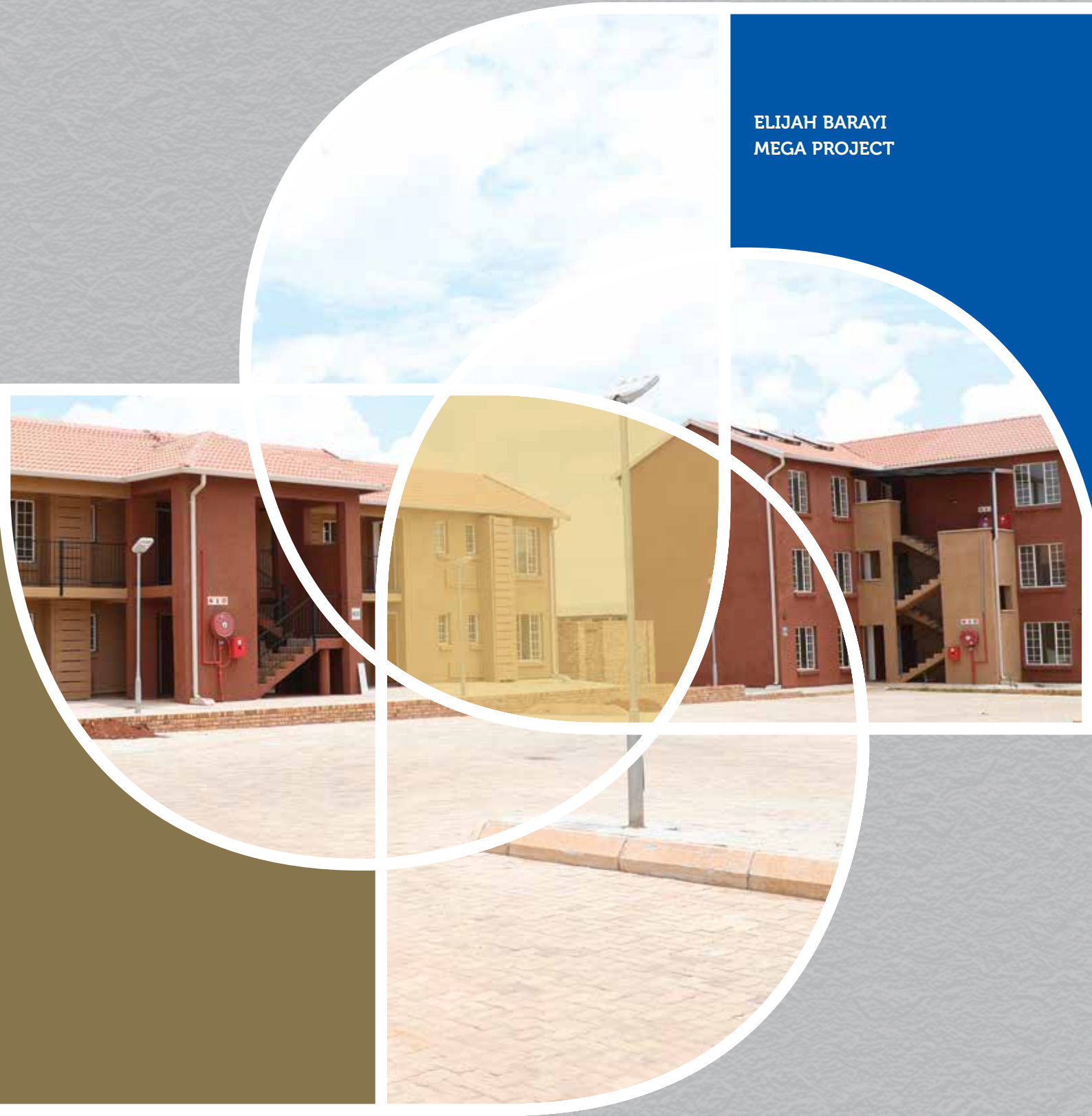
13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the Broad-Based Black Economic Empowerment (B-BBEE) requirements of the B-BBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

Has the Department/Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes/No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	
Developing and implementing a preferential procurement policy?	Yes	The Department Regulations complied with the Procurement
Determining qualification criteria for the sale of state-owned enterprises?	N/A	
Developing criteria for entering into partnerships with the private sector?	N/A	
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad-Based Black Economic Empowerment?	N/A	

Part D

ELIJAH BARAYI
MEGA PROJECT



Human Resource Management

1. INTRODUCTION

The primary objective of Human Capital Management is to provide strategic support to the Department for the fulfilment of its mandate. This is achieved through implementation of initiatives and interventions aimed at continuously developing the organisation, managing change and performance, providing relevant human capital, optimising employee well-being, maintaining processes, harmonious employer-employee relations as well as enhancement of employee skills.

2. OVERVIEW OF HUMAN RESOURCES

2.1 The status of human resources in the Department.

The Department has a staff establishment of 755 posts. A total of 90.5% of posts are filled and 9.5% are vacant. The Department placed a high priority on employment equity which is at the forefront of government transformation initiatives. A total of 57% of employees at Senior Management level are women and 43% are men. People with disability represent 2.49% of the total employees and youth represent 13.20%. At the end of the financial year, the turnover rate was at 2.30%.

2.2 The following were the key human resource priorities for the Chief Directorate

- Reduce average time on filling of vacant posts
- Enhance skills development
- Optimise employee performance
- Promote employee health and wellness
- Promote sound labour relations
- Promote equity in the workplace
- Enhance productivity and organisational efficiency.

2.3 Workforce Planning and key strategies to attract and recruit a skilled and capable workforce

The workforce planning framework has been mandated by the Department of Public Service and Administration (DPSA) and provides a baseline for the Human Resource (HR) planning process. An analysis is conducted of the external and internal environment, strategic direction of the Department, workforce trends and changes of the macro environment and what is available in the existing workforce. A gap analysis is done to determine the workforce priorities that would have the greatest impact. These are reflected in the HR Plan submitted to the DPSA. During the period under review, the Department managed to maintain a 10% vacancy rate.

2.4 Employment Equity

The Department has developed an Employment Equity (EE) Plan for the period October 2022–September 2025. The Department has an Action Plan in place, which is being implemented through various employment practices and programmes in order to reach the goals and objectives of the EE Plan. There is currently a need to increase representativity in the disability. This category has been identified as a performance indicator at the quarterly Departmental EE Committee. The Department remains committed to transformation and will be looking at initiatives related to policy provisions that improve on substantive EE matters. During the period under review, the Employment Equity Policy was approved for implementation.

2.5 Diversity Management

The Department acknowledges the need to engage on matters of diversity in the workplace to leverage diversity as a strength. There are measures which have been put in place to create awareness, build capacity, strengthen accessibility and accommodation to embrace diversity inclusive of race, gender, disability, culture and language, among others.

The Department ascribe to the national JOBACCESS Strategic Framework on the Retention and Employment of persons with disabilities. The aim is to ensure that all employees with disabilities, irrespective of race, sex or creed, are able to enjoy their fundamental freedoms and human rights.

The Department has an existing policy on Reasonable Accommodation and Assistive Devices. All planned GEYODI programmes were successfully implemented.

2.5 Skills Development

The Department is committed to narrow the competency gap between the required and actual knowledge, skills and abilities among its employees. In pursuit of this commitment, 226 employees were trained in skills programmes through the implementation of the Workplace Skills Plan (WSP) and other training initiatives. Project Management for the Built Environment Programme was implemented for 29 Project Managers including candidates. In addition, 112 employees were awarded with bursaries to further their studies during the 2023/24 financial year.

2.6 Employee Performance Management

The Department manages the performance of its employees regularly with formal assessments twice a year. During the 2023/24 financial year, 98% of employees submitted their performance agreements. Annual Performance Assessments for the 2022/23 financial year were finalised. Pay progression to qualifying officials were paid.

2.7 Employee Health and Wellness

The Employee Health and Wellness Programme (EHWP) in the Department is a dedicated service for employees and their families. The programme is focused on maintaining a work life balance which has multifaceted benefits, promoting individual and organisational wellness, health and productivity were implemented in association with health and other professional institutions. The Department sourced the services of Metropolitan Life as the key service provider for primary counselling and intensive employee assistance and psychosocial support services (i.e., face-to-face and telephonic counselling services, trauma and critical incidents, and targeted interventions). Risk mitigation plans against diseases since the advent of COVID-19 were implemented by advocating for good hygiene practices, maintaining a health and safe environment in line with established protocols in the workplace.

2.8 Labour Relations

The Department continued to harmonise labour peace through the enforcement of Collective Agreements, implementation of the Public Service Disciplinary Code and Grievance Procedures. During the 2023/24 financial year, 34 grievances were received of which 85.2 % were resolved within 30 working days. A total of 45 disciplinary cases were facilitated, 91% finalised, 7% disciplinary cases were still in progress and 2% was withdrawn by the end of March 2024. During the reporting period, 93% of the sanctions were successfully implemented as outcomes of disciplinary cases. There is continuous capacity building for managers and employees which aims to enable optimal working relationships and to effectively handle labour relations matters. A total of 68% of the employees participated in the sessions.

Organisational Efficiency

During the period under review, business processes were developed and streamlined to align with Infrastructure Delivery Management System (IDMS) framework. The organisational development and design interventions were implemented. As a result of the approved organisational structure, the Department established the Placement and Migration Committee as an oversight structure to oversee smooth implementation of the new structure. Placement and Migration Framework was developed to guide the implementation process. Placement of employees to the new structure has commenced. Change Management sessions on the implementation of the new structure were conducted throughout the process. Various engagements were held with organised labour as a key stakeholder.

Achievements

- Change management sessions were successfully conducted
- Approved organisational structure
- Skill audit conducted
- 10% vacancy rate maintained
- HR Strategy developed and approved
- Six HR policies and Charters were developed and approved.

Challenges

- Non-adherence to stipulated timeframes for the submission of performance agreements and assessments.

Key strategic focus for 2024/25

- Reduce average time on filling of vacant posts
- Enhance skills development
- Optimise employee performance
- Promote employee health and wellness
- Promote sound labour relations
- Promote equitable representation of employees from designated groups
- Implementation of the new structure
- OHS audit by a professional body to identify hazards.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Key strategic focus for 2024

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2023 and 31 March 2024

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Programme 1: Administration	699 868	232 348	758	21 578	33%	542
Programme 2: Housing Needs, Research	18 522	17 244	0	0	93%	1 014
Programme 3: Housing Development	4 594 965	185 652	0	0	4%	701
Programme 4: Housing Assets Management	184 563	36 277	0	0	20%	660
Total	5 497 918	471 521	758	21 578	9%	616

Table 3.1.2 Personnel costs by salary band for the period 1 April 2023 and 31 March 2024

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	0	0%	0	0
Skilled (Levels 3-5)	26 202	6%	82	319
Highly skilled production (Levels 6-8)	136 042	29%	277	621
Highly skilled supervision (Levels 9-12)	241 250	49%	278	848
Senior and Top management (Levels 13-16)	68 046	16%	46	1 555
Total	471 540	100%	683	690

*The total number of posts is 755 and 683 permanent posts were filled under the period under review. The average number of employees disclosed in the Annual Financial Statement (AFS) includes employees who were terminated but were employed within the financial period 2023/2024.

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2023 and 31 March 2024

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Programme 1: Administration	179 492	76.20%	132	0.10%	5 615	2.40%	9 916	4.20%
Programme 2: Housing Needs Research & Planning	46 254	85.90%	22	0.00%	1 224	2.30%	1 459	2.70%
Programme 3: Housing Development	159 154	85.30%	47	0.00%	2 897	1.60%	6 452	3.50%
Integrated Development & Service Delivery	524	91.40%	0	0.00%	0	0.00%	0	0.00%
Local Governance	13 860	79.80%	0	0.00%	570	3.30%	1 329	7.70%
Total	399 284	80.80%	201	0.10%	10 306	2.10%	19 156	3.90%

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2023 and 31 March 2024

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (Levels 12)	0	0%	0	0%	0	6.80%	0	0%
Skilled (Levels 35)	19 436	74.20%	18	0.10%	1 779	4.00%	2 106	8.0%
Highly skilled production (Levels 6-8)	106 257	82.75%	76	0.10%	5 434	1.0%	10 643	7.90%
Highly skilled supervision (Levels 9-12)	209 784	89.90%	107	0%	2 501	0.60%	5 999	2.60%
Senior management (Levels 13-16)	61 317	90.65%	0	0%	592	2.60%	408	0.70%
Periodical remuneration	465	2.30%	0	0%	0	0%	0	0%
Abnormal appointment	2 025	100.00%	0	0%	0	0%	0	0%
Total	399 284	80.80%	201	0.10%	10 306	2.10%	19 156	3.90%

*Note for table 3.1.3 and 3.1.4 Persal records a total expenditure of R19 156 000.00 which is different from the total expenditure recorded in the Annual Financial Statements (AFS) R19 453 000.00. The difference of R297 000.00 is due to post adjustments due to PERSAL and BAS interface.

3.2 Employment and Vacancies

Table 3.2.1 Employment and vacancies by programme as on 31 March 2024

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Programme 1	375	346	8%	4
Programme 2	19	19	0%	4
Programme 3	273	243	12%	15
Programme 4	88	75	15%	0
Total	755	683	10%	23

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2024

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Lower skilled (Levels 1-2)	46	41	11%	0
Skilled (Levels 3-5)	99	96	3%	0
Highly skilled production (Levels 6-8)	247	233	6%	5
Highly skilled supervision (Levels 9-12)	311	268	15%	17
Senior management (Levels 13-16)	52	45	14%	1
Total	755	683	10%	23

*Total number of employees in the above table does not include periodic and abnormal appointments, hence the difference identified between the above table and 3.1.2.

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2024

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Administrative related	118	102	14%	4
All artisans in the building metal machinery etc.	2	0	100%	0
Architects town and traffic planners	25	23	9%	3
Artisan project and related superintendents	4	2	50%	0
Bus and heavy vehicle drivers	2	2	0%	0
Cleaners in offices workshops, hospitals, etc.	40	37	8%	0
Client inform clerks (switchb receipt inform clerks)	15	15	0%	0
Communication and information related	12	12	0%	0
Community development workers	13	13	0%	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Computer programmers	1	1	0%	0
Computer system designers and analysts	6	6	0%	0
Construction project manager	6	5	17%	0
Engineering sciences related	58	52	12%	7
Engineers and related professionals	8	5	43%	1
Finance and economics related	11	10	9%	0
Financial and related professionals	16	15	6%	0
Financial clerks and credit controllers	24	22	8%	0
Head of Department/Chief Executive Officer	2	2	0%	0
Human resources & organisat developm & relate prof	21	19	10%	1
Human resources clerks	16	15	6%	0
Human resources related	25	21	16%	0
Information technology related	4	4	0%	0
Legal related	12	10	17%	0
Library mail and related clerks	7	7	0%	0
Logistical support personnel	47	46	2%	2
Material-recording and transport clerks	9	9	0%	0
Messengers porters and deliverers	2	2	0%	0
Middle manager: administrative related	3	3	0%	0
Middle manager: engineering sciences related	2	1	50%	0
Middle manager: finance and economics related	1	1	0%	0
Other administrat & related clerks and organisers	84	79	6%	0
Other administrative policy and related officers	14	12	14%	0
Other information technology personnel	6	6	0%	0
Other middle manager	1	0	100%	0
Policy and planning managers	1	0	100%	0
Regulatory inspector*	11	10	9%	0
Risk management and security services	6	5	17%	0
Secretaries & other keyboard operating clerks	42	42	0%	2
Security officers	15	14	7%	0
Senior managers	63	53	17%	3
Total	755	683	10%	23

3.3 Filling of SMS Posts

The tables in this section provide information on employment and vacancies as it relates to members of the Senior Management Service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

Table 3.3.1 SMS post information as on 31 March 2024

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	01	01	2.2%	0	0%
Salary Level 16	0	0	0.0%	0	0%
Salary Level 15	03	03	6.7%	0	0%
Salary Level 14	10	10	22.2%	0	0%
Salary Level 13	38	31	68.9%	7	18%
Total	52	45	87%	7	13%

Table 3.3.2 SMS post information as on 30 September 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	01	01	2.1%	0	0%
Salary Level 16	0	0	0%	0	0%
Salary Level 15	03	03	6.4%	0	0%
Salary Level 14	10	10	21.3%	0	0%
Salary Level 13	39	33	70.2%	6	15%
Total	53	47	89%	6	11%

*The position of Director: General Support Tshwane Region was abolished.

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2023 and 31 March 2024

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	0	0
Salary Level 13	1	1	0
Total	1	1	0

*The one position does not reflect in the above table as it was filled on contract in line with regulation 66 (without advertising to serve in the private office of the MEC).

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2023 and 31 March 2024

Reasons for vacancies not advertised within six months
N/A

Reasons for vacancies not filled within twelve months
N/A

Notes

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2023 and 31 March 2024

Reasons for vacancies not filled within six months
N/A

Notes

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant Executive Authority or head of department must take appropriate disciplinary steps in terms of Section 16A(1) or (2) of the Public Service Act.

3.4 Job Evaluation

Table 3.4.1 Job Evaluation by salary band for the period 1 April 2023 and 31 March 2024

Salary band	Number of posts on approved establishment	Number of jobs evaluated	% of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	46	0	0	0	0	0	0
Skilled (Levels 3-5)	99	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	247	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	311	0	0	0	0	0	0
Senior Management Service Band 13	38	0	0	0	0	0	0
Senior Management Service Band 14	10	0	0	0	0	0	0
Senior Management Service Band 15	3	0	0	0	0	0	0
Senior Management Service Band 16	1	0	0	0	0	0	0
Total	755	0	0	0	0	0	0

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2023 and 31 March 2024

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

Employees with a disability	0
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The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2023 and 31 March 2024

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0
Senior Management Service Band 13	0	0	0	0
Senior Management Service Band 14	0	0	0	0
Senior Management Service Band 15	0	0	0	0
Senior Management Service Band 16	0	0	0	0
Total number of employees whose salaries exceeded the level determined by job evaluation				0
Percentage of total employed				0

The following table summarises the beneficiaries of the above in terms of race, gender and disability.

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2023 and 31 March 2024

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a disability	0	0	0	0	0

Notes

- If there were no cases where the salary levels were higher than those determined by job evaluation, keep the heading and replace the table with the following:

Total number of employees whose salaries exceeded the grades determine by job evaluation	None
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3.5 Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the Department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in notes below).

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2023 and 31 March 2024

Salary band	Number of employees at beginning of period-1 April 2023	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Lower skilled (Levels 1-2)	45	0	0	0
Skilled (Levels 3-5) Permanent	105	0	5	2.80
Highly skilled production (Levels 6-8) Permanent	244	0	9	1.60
Highly skilled supervision (Levels 9-12) Permanent	255	19	14	2.60
Senior and top management (Levels 13-16)	48	1	4	5.60
Total	697	20	32	2.30

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2023 and 31 March 2024

Critical occupation	Number of employees at beginning of period April 2023	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Architects, Town & Regional Planners	40	3	0	0
Artisans	8	0	1	12.50
Engineering Sciences & Related	120	1	3	2.50
Senior Managers Permanent	108	3	4	3.70
Total	276	7	8	2.90

Table 3.5.3 Reasons why staff left the Department for the period 1 April 2023 and 31 March 2024

Termination Type	Number	% of total resignations
Death	5	14.5%
Resignation	10	31.3%
Expiry of contract	10	31.3%
Dismissal – operational changes	0	0%
Dismissal – misconduct	1	3.1%
Dismissal – inefficiency	0	0%
Discharged due to ill-health	3	9.4%
Retirement	3	9.4%
Transfer to other Public Service Departments	0	0%
Other	0	0%
Total	32	100%
Total number of employees who left as a % of total employment	4.1%	

Table 3.5.4 Promotions by critical occupation for the period 1 April 2023 and 31 March 2024

Occupation	Employees 1 April 2023	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Architects, Town & Regional Planners	40	1	2.5%	4	10%
Artisans	8	0	0%	0	0%
Engineering Sciences & Related	120	0	0%	20	13%
Head of Department/Chief Executive Officer	4	0	0%	1	25%
Senior Managers	108	1	0.9%	28	25.9%
Total	280	2	0.7%	53	18.9%

Table 3.5.5 Promotions by salary band for the period 1 April 2023 and 31 March 2024

Salary Band	Employees 1 April 2023	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 12)	0	0	0%	0	0%
Skilled (Levels 3-5)	0	0	0%	23	12.8%
Highly skilled production (Levels 6-8)	82	0	0%	199	35.3%
Highly skilled supervision (Levels 9-12)	277	9	1.8%	132	25.8%
Senior Management (Level 13-16)	259	1	1.2%	26	31.7%
Total	618	10	0.70%	380	27.3%

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2024

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	21	0	2	1	26	0	2	0	52
Professionals	87	2	3	2	88	2	1	3	188
Technicians and associate professionals	38	1	2	1	76	1	2	0	121
Clerks	87	0	1	1	150	7	5	4	255
Service and sales workers	8	2	0	0	5	0	0	0	15
Skilled agriculture and fishery workers	2	0	0	1	1	0	0	0	4
Craft and related trades workers	7	0	0	0	0	0	0	0	7
Plant and machine operators and assemblers	14	0	1	0	18	0	0	0	33
Elementary occupations	5	0	0	0	3	0	0	0	8
Total	269	5	9	6	367	10	10	7	683
Employees with disabilities	7	0	0	0	9	0	0	1	17

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2024

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	1	0	5	0	0	0	7
Senior Management	16	0	2	0	18	0	3	0	39
Professionally qualified and experienced specialists and mid-management	127	3	3	3	139	2	1	0	278
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	76	2	3	3	173	7	6	7	277
Semi-skilled and discretionary decision-making	49	0	0	0	32	1	0	0	82
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
Total	269	5	9	6	367	10	10	7	683

Table 3.6.3 Recruitment for the period 1 April 2023 to 31 March 2024

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	5	0	0	0	0	0	0	0	5
Professionally qualified and experienced specialists and mid-management	5	0	0	1	9	0	0	0	15
Skilled technical and academically qualified workers, junior management	0	0	0	0	0	0	0	0	0
Supervisors, foreman and superintendents									
Semi-skilled and discretionary decision-making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
Total	10	0	0	1	9	0	0	0	20
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions for the period 1 April 2023 to 31 March 2024

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	2	0	0	0	2
Senior Management	9	0	2	0	12	0	3	0	26
Professionally qualified and experienced specialists and mid-management	64	3	1	1	70	1	1	0	141
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	59	0	1	1	124	5	3	5	198
Semi-skilled and discretionary decision-making	13	0	0	0	9	1	0	0	23
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
Total	145	3	4	2	217	7	7	5	390
Employees with disabilities	3	0	0	0	2	0	0	0	5

Table 3.6.5 Terminations for the period 1 April 2023 to 31 March 2024

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	3	0	0	0	1	0	0	0	4
Professionally qualified and experienced specialists and mid-management	9	0	1	0	4	0	0	0	14
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	5	0	0	0	3	0	0	1	9
Semi-skilled and discretionary decision-making	5	0	0	0	0	0	0	0	5
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
Total	22	0	1	0	8	0	0	1	32
Employees with disabilities	2	0	0	0	0	0	0	0	2

Table 3.6.6 Disciplinary action for the period 1 April 2023 to 31 March 2024

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Correctional counselling	0	0	0	0	1*	0	0	0	1
Verbal warning	1	0	0	0	1	0	0	0	2
Written warning	14	0	0	0	11*	1	1	0	27
Final written warning	7**	0	0	0	3*	1	0	0	11
Suspended without pay	1*	0	0	0	1**	0	0	0	2
Dismissal	1	0	0	0	0	0	0	0	1

* A combination of sanctions against one employee. ** A combination of sanctions against two employees.

Table 3.6.7 Skills development for the period 1 April 2023 to 31 March 2024

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	7	0	0	0	6	0	2	0	15
Professionals	43	0	0	0	46	0	0	0	89
Technicians and associate professionals	22	0	0	0	25	2	0	0	49
Clerks	19	0	0	0	26	0	0	3	48
Service and sales workers	1	0	0	0	1	0	0	0	2
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	11	0	0	0	12	0	0	0	23
Total	103	0	0	0	116	2	2	3	226
Employees with disabilities	2	0	0	0	0	0	0	0	2

3.7 Signing of Performance Agreements by SMS Members

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2024

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	0	0	0	0
Salary Level 16	1	1	1	2
Salary Level 15	5	5	5	11
Salary Level 14	5	5	5	11
Salary Level 13	36	36	35	76
Total	47	47	46	100

*All the 46 SMS members eligible for submission have complied, except on member who is currently on suspension and is therefore not eligible to contract. Explanation provided above is regarding the 46 and 47.

Table 3.7.2 Reasons for not having concluded Performance Agreements for all SMS members as on 31 March 2024

Reasons
One Senior Manager is on suspension.

Notes

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance Agreements as on 31 March 2024

Reasons
N/A, all eligible members submitted.

3.8 Performance Rewards

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2023 to 31 March 2024

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	0.00	262	0.00%	0,00	0,00
Female	0.00	358	0.00%	0,00	0,00
Asian					
Male	0.00	9	0.00%	0,00	0,00
Female	0.00	10	0.00%	0,00	0,00
Coloured					
Male	0.00	5	0.00%	0,00	0,00
Female	0.00	10	0.00%	0,00	0,00
White					
Male	0.00	6	0.00%	0,00	0,00
Female	0.00	6	0.00%	0,00	0,00
Total	0.00	666	0.00%	0,00	0,00

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2023 to 31 March 2024

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee	
Lower skilled (Levels 1-2)	0	0	0%	0	0	0%
Skilled (Levels 3-5)	0.00	82	0.00%	0,00	0,00	0.00%
Highly skilled production (Levels 6-8)	0.00	274	0.00%	0,00	0,00	0.00%
Highly skilled supervision (Levels 9-12)	0.00	263	0.00%	0,00	0,00	0.00%
Total	0	619	0%	0	0	0%

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2023 to 31 March 2024

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Financial clerks and credit controllers	0,00	22	0,00%	0,00	0,00
Human resources clerks	0,00	15	0,00%	0,00	0,00
Security officers	0,00	14	0,00%	0,00	0,00
Messengers porters and deliverers	0,00	2	0,00%	0,00	0,00
Human resources & organisat developm & relate prof	0,00	19	0,00%	0,00	0,00
Risk management and security services	0,00	5	0,00%	0,00	0,00
Finance and economics related	0,00	10	0,00%	0,00	0,00
Logistical support personnel	0,00	46	0,00%	0,00	0,00
Other administrat & related clerks and organisers	0,00	79	0,00%	0,00	0,00
Middle manager: engineering sciences related	0,00	1	0,00%	0,00	0,00
Legal related	0,00	10	0,00%	0,00	0,00
Regulatory inspector*	0,00	10	0,00%	0,00	0,00
Construction project manager	0,00	5	0,00%	0,00	0,00
Financial and related professionals	0,00	15	0,00%	0,00	0,00
Architects town and traffic planners	0,00	23	0,00%	0,00	0,00
Administrative related	0,00	102	0,00%	0,00	0,00
Communication and information related	0,00	12	0,00%	0,00	0,00
Secretaries & other keyboard operating clerks	0,00	42	0,00%	0,00	0,00
Cleaners in offices workshops hospitals etc.	0,00	37	0,00%	0,00	0,00
Library mail and related clerks	0,00	7	0,00%	0,00	0,00
Human resources related	0,00	21	0,00%	0,00	0,00
Middle manager: finance and economics related	0,00	1	0,00%	0,00	0,00

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Head of Department/ Chief Executive Officer	0.00	2	0.00%	0,00	0,00
Computer programmers	0.00	1	0.00%	0,00	0,00
Material recording and transport clerks	0.00	9	0.00%	0,00	0,00
Middle manager: administrative related	0.00	3	0.00%	0,00	0,00
Other administrative	0.00	12	0.00%	0,00	0,00
Policy and related officers					
Artisan project and related superintendents	0.00	2	0.00%	0,00	0,00
Bus and heavy vehicle drivers	0.00	2	0.00%	0,00	0,00
Senior managers	0.00	53	0.00%	0,00	0,00
Client inform clerks (switchboard receipt inform clerks)	0.00	15	0.00%	0,00	0,00
Computer system designers and analysts	0.00	6	0.00%	0,00	0,00
Engineers and related professionals	0.00	5	0.00%	0,00	0,00
Other information technology personnel	0.00	6	0.00%	0,00	0,00
Engineering sciences related	0.00	52	0.00%	0,00	0,00
Community development workers	0.00	13	0.00%	0,00	0,00
Information technology related	0.00	4	0.00%	0,00	0,00
Total	0.00	683	0.00%	0,00	0,00

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2023 to 31 March 2024

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee	
Band A	0	31	0%	0	0	0%
Band B	0	8	0%	0	0	0%
Band C	0	6	0%	0	0	0%
Band D	0	1	0%	0	0	0%
Total	0	46	0%	0	0	0%

3.9 Foreign Workers

The tables below summarise the employment of foreign nationals in the Department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band for the period 1 April 2023 and 31 March 2024

Salary band	01 April 2023		31 March 2024		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0%	0	0%	0	0%
Highly skilled production (Levels 6-8)	0	0%	0	0%	0	0%
Highly skilled supervision (Levels 9-12)	1	100%	0	0%	-1	-100%
Contract (Levels 9-12)	0	0%	0	0%	0	0%
Contract (Levels 13-16)	0	0%	0	0%	0	0%
Total	1	100%	0	0%	-1	-100%

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2023 and 31 March 2024

Major occupation	01 April 2023		31 March 2024		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals & Managers	1	100%	0	0%	-1	-100%
Total	1	100%	0	0%	-1	-100%

3.10 Leave utilisation

Table 3.10.1 Sick leave for the period 1 January 2023 to 31 December 2023

Salary band	Total days	% days with medical certification	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Lower Skills (Level 1-2)	0	0%	0	0%	0	0
Skilled (Levels 3-5)	213	63%	22	3%	10	233
Highly skilled production (Levels 6-8)	1 106	48%	145	21%	8	1 955
Highly skilled supervision (Levels 9-12)	620	40%	109	16%	6	2 288
Senior management (Levels 13-16)	189	65%	26	4%	7	1 083
Total	2 128	49%	302	44%	7	5 559

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2023 to 31 December 2023

Salary band	Total days	% days with medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Levels 1-2)	0	0%	0	0%	0	0
Skilled (Levels 3-5)	141	100%	2	13%	71	158
Highly skilled production (Levels 6-8)	343	100%	7	47%	49	681
Highly skilled supervision (Levels 9-12)	263	100%	5	33%	53	936
Senior management (Levels 13-16)	103	100%	1	7%	103	459
Total	850	100%	15	100%	57	2 234

*The term disability for the purposes of this report implies or mean incapacity.

Table 3.10.3 Annual Leave for the period 1 January 2023 to 31 December 2023

Salary band	Total days taken	Number of employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	0	0	0
Skilled (Levels 3-5)	1 640	77	21
Highly skilled production (Levels 6-8)	6 597	265	25
Highly skilled supervision (Levels 9-12)	5 514	290	19
Senior management (Levels 13-16)	956	44	22
Total	14 707	697	22

Table 3.10.4 Capped leave for the period 1 January 2023 to 31 December 2023

Salary band	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 December 2023
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels (Levels 3-5)	0	0	0	33
Highly skilled production (Levels 6-8)	0	0	0	15
Highly skilled supervision (Levels 9-12)	0	0	0	25
Senior management (Levels 13-16)	0	0	0	18
Total	0	0	0	91

The following table summarise payments made to employees as a result of leave that was not taken.

Table 3.10.5 Leave payouts for the period 1 April 2023 and 31 March 2024

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2023/24 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2023/24	1 480	26	198 795
Current leave payout on termination of service for 2023/24	307	7	43 857
Total	1 787	33	242 652

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
<ul style="list-style-type: none"> Youth, unmarried/single and any/all categories of employees who are perceived to be at risk of engaging in unprotected sex with multiple partners Rape victims and or survivors 	<ul style="list-style-type: none"> Advocacy and implementation of the Department's HIV/AIDS Policy Condom usage and HIV/AIDS awareness and advocacy campaigns Sexual Health education HIV/AIDS webinars, seminars and free HIV Counselling and testing campaigns Counselling and trauma debriefing

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Mr. Moses Dhlamini: Director-Human Capital Services.
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		<p>The Department has an Employee Health and Wellness Unit which focusses on the following four pillars:</p> <ul style="list-style-type: none"> Wellness Management Health and Productivity Management HIV, STI and Tb Management and SHERQ Management <p>There are two EHWP personnel:</p> <ul style="list-style-type: none"> 1 x Head of the EHWP unit (DD level)- post filled 2 x Support to the Head (ASD levels) - one filled <p>Employee Health and Wellness budget for 2023/24 is R500 000.00.</p>

Question	Yes	No	Details, if yes
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	X		<ul style="list-style-type: none"> • Health Assessment and Screening • Health Education • Psycho-social Support • Monitoring and Evaluation • Health and Safety
4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		<ul style="list-style-type: none"> • Currently, the Department has no HIV/AIDS Committee. However, EHWP is planning to resuscitate the Peer Education programme and establish a Wellness Committee who advises senior management on broad issues that arise around HIV/AIDS, employee well-being and safety.
5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		<p>The following EHWP policies were reviewed and approved by the HoD:</p> <ul style="list-style-type: none"> • Occupational Health and Safety Policy • Wellness Management Policy • Health and Productivity Management Policy • HIV, STI, TB Management Policy
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		Through the implementation of the HIV Policy, HR Recruitment Policy, Basic Conditions of Employment Act.
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	X		The Department conducts free and confidential HCT Testing every quarter.
8. Has the Department developed measures/indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		<ul style="list-style-type: none"> • Number of GDHS employees tested for HIV • Number of condoms distributed • Number of HIV, TB and STI educational awareness sessions • Number of employees screened for blood sugar levels, blood pressure, cholesterol, BMI, etc.

3.12 Labour Relations

Table 3.12.1 Collective Agreements for the period 1 April 2023 and 31 March 2024

Subject matter	Date
Resolution 3 of 2023: Enforcement of collective agreements in the public service	13 July 2023
Notes	
<ul style="list-style-type: none"> • If there were no agreements, keep the heading and replace the table with the following: 	
Total number of Collective Agreements	1

The following table summarises the outcome of disciplinary hearings conducted within the Department for the year under review.

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2023 and 31 March 2024

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	1*	2.22%
Verbal warning	2	4.44%
Written warning	27*	60%
Final written warning	11**	24.44%
Suspended without pay	2**	4.44%
Fine	0	0%
Demotion	0	0%
Dismissal	1	2.22%
Not guilty	0	0%
Case withdrawn	1	2.22%
Total	45	100%

* A combination of sanctions against one employee. ** A combination of sanctions against two employees. ***Three cases are pending between 2019/20 and 2022/23 and the other three for 2023/24.

Notes

- If there were no agreements, keep the heading and replace the table with the following:

Total number of disciplinary hearings finalised	45
--------------------------------------------------------	-----------

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2023 and 31 March 2024

Type of misconduct	Number	% of total
Non-compliance with PMDS requirements	17	36.17%
Non-compliance with PMDS and dereliction of duties	1	2.13%
Irregular, fruitless and wasteful expenditure	2*	4.26%
Negligence, fruitless and wasteful expenditure	1	2.13%
Insubordination	7	14.89%
Insubordination and insolent behaviour	5**	10.64%
Threat against a manager	1	2.13%
Dereliction of duties	3	6.38%
Absenteeism and dereliction of duties	2	4.26%
Absenteeism and late submission of work	1	2.13%
Absenteeism	1	2.13%
Abscondment	1	2.13%
Gross dishonesty and non-adherence to timelines	1	2.13%
Failure to submit memos	1	2.13%
Failure to attend scheduled meeting	1	2.13%
Abuse of state vehicle	2	4.26%
Total	47	100%

* These matters were placed on hold during 2022/23 period. ** One matter was withdrawn by the relevant manager.

Table 3.12.4 Grievances logged for the period 1 April 2023 and 31 March 2024

Grievances	Number	% of total
Number of grievances resolved	29	83%
Number of grievances not resolved	6*	17%
Total number of grievances lodged	35	100%

* One grievance is pending since 25/02/2022 to date.

Table 3.12.5 Disputes logged with Councils for the period 1 April 2023 and 31 March 2024

Disputes	Number	% of total
Number of disputes upheld	1	12%
Number of disputes dismissed	4	44%
Number of disputes pending	4	44%
Total number of disputes lodged	9	100%

Table 3.12.6 Strike actions for the period 1 April 2023 and 31 March 2024

Total number of persons working days lost	0
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

Table 3.12.7 Precautionary suspensions for the period 1 April 2023 and 31 March 2024

Number of people suspended	0
Number of people whose suspension exceeded 30 days	1*
Average number of days suspended	4 years and 7 months
Cost of suspension(R'000)	R5 051 585.28

* One employee is still on suspension since 05 September 2019 to date.

3.13 Skills development

This section highlights the efforts of the Department with regard to skills development.

Table 3.13.1 Training needs identified for the period 1 April 2023 and 31 March 2024

Occupational category	Gender	Number of employees as at 1 April 2023	Training needs identified at start of the reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	10	0	2	0	10
	Male	15	0	2	0	15
Professionals	Female	20	0	2	0	20
	Male	20	0	3	0	20
Technicians and associate professionals	Female	20	0	3	0	20
	Male	15	0	3	0	15
Clerks	Female	40	0	3	0	40
	Male	20	0	3	0	20
Service and sales workers	Female	3	0	1	0	3
	Male	2	0	1	0	2

Occupational category	Gender	Number of employees as at 1 April 2023	Training needs identified at start of the reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	20	0	2	0	20
	Male	15	0	2	0	15
Sub-total	Female	113	0	13	0	113
	Male	87	0	14	0	87
Total		200	0	27	0	200

Table 3.13.2 Training provided for the period 1 April 2023 and 31 March 2024

Occupational category	Gender	Number of employees as at 1 April 20YY	Training provided within the reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	7	0	1	0	7
	Male	5	0	1	0	5
Professionals	Female	43	0	2	0	43
	Male	44	0	3	0	44
Technicians and associate professionals	Female	15	0	2	0	15
	Male	36	0	2	0	36
Clerks	Female	36	0	3	0	36
	Male	13	0	3	0	13
Service and sales workers	Female	1	0	1	0	1
	Male	1	0	1	0	1
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	12	0	2	0	12
	Male	13	0	2	0	13
Sub-total	Female	0	0	11	0	0
	Male	0	0	12	0	0
Total		226	0	23	0	226

3.14 Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2023 and 31 March 2024

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	0	0

3.15 Utilisation of Consultants

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2023 and 31 March 2024

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Prepare Annual Financial Statements, disclosure notes, and the relevant supporting schedules and registers for the Gauteng Housing Fund in accordance with the Generally Recognised Accounting Principle (GRAP)	1	4 months	R960 450,00
Prepare and provide Strategic Planning facilitation including the review, critique and finalisation of the 2023/24 Adjusted APP, draft and final 2024/25 Annual Performance Plan (APP) during October/November 2023. A review of the Department's performance for the 2023/24 FY during September 2023	*1	3 months	R924 295,25
Prepare and provide Strategic Planning facilitation including the review, critique & finalisation of the 2023/24 Adjusted APP, draft and final 2024/25 Annual Performance Plan (APP) During October/November 2023.	1	2 months	R710 400,00
To assist with the receivables and payables linked to properties owned by the Department	1	6 months	R972 348.00

**The first appointed service provider was terminated after the performance review session and another one appointed. Therefore, the contract amount of R924 295,25 was not paid out to the initial service provider. This was after the Department had worked out a pro-rated amount of money that it could pay out the service provider after the termination. However, the service provider did not accept the pro-rated amount of money to be paid out to them after the termination.

Total number of projects	Total individual consultants	Total duration Work days	Total Rand	contract value in
1	1	4 months		R960 450,00
1	1	2 days		R924 295,25
1	1	2 days		R710 400,00
1	1	6 months		R972 348.00

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2023 and 31 March 2024

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Prepare Annual Financial Statements, disclosure notes, and the relevant supporting schedules and registers for the Gauteng Housing Fund in accordance with the Generally Recognised Accounting Principle (GRAP).	60% Black women ownership 40 % Black men ownership	60% Black women ownership 40 % Black men ownership	60% Black women ownership 40 % Black men ownership
Provide strategic planning facilitation including the review, critique and finalisation of the 2023/24 Adjusted APP, draft and final 2024/25 Annual Performance Plan (APP) during October/November 2023.	50% Black men ownership 50% Black women ownership	50% Black men ownership 50% Black women ownership	50% Black men ownership 50% Black women ownership
To facilitate the strategic planning session for the Department.	100% Black men ownership	100% Black men ownership	100% Black men ownership
To assist with the receivables and payables linked to properties owned by the Department.	84% Black ownership 48% Black women ownership 36% Black men ownership 16% White ownership 12% White men ownership 4% White women ownership	84% Black ownership 48% Black women ownership 36% Black men ownership 16% White ownership 12% White men ownership 4% White women ownership	84% Black ownership 48% Black women ownership 36% Black men ownership 16% White ownership 12% White men ownership 4% White women ownership

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2023 and 31 March 2024

Project title	Total number of consultants that worked on project	Duration (work days)	Donor and contract value in Rand
N/A	N/A	N/A	N/A

Total number of projects	Total individual consultants	Total duration work days	Total contract value in Rand
N/A	N/A	N/A	N/A

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2023 and 31 March 2024

Project title	Percentage HDI groups	ownership	by	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
N/A	N/A			N/A	N/A

3.16 Severance Packages

Table 3.16.1 Granting of employee-initiated severance packages for the period 1 April 2023 and 31 March 2024

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	0	0	0	0

Part E

RIVERSIDE VIEW
MEGA PROJECT



PFMA Compliance Report

1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

1.1 Irregular expenditure

Reconciliation of irregular expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	10 276 500	10 118 451
Adjustment to opening balance	181 384	-
Opening balance as restated	10 457 884	-
Add: Irregular expenditure confirmed	510 084	382 359
Less: Irregular expenditure condoned	(1 244 525)	(224 310)
Less: Irregular expenditure not condoned and removed	(2 874 874)	-
Less: Irregular expenditure recoverable ¹²	-	-
Less: Irregular expenditure not recoverable and written off	-	-
Closing balance	6 848 568	10 276 500

N/A

Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure that was under assessment	69 708	-
Irregular expenditure that relates to the prior year and identified in the current year	-	-
Irregular expenditure for the current year	440 376	382 359
Total	510 084	382 359

1.2 Details of irregular expenditure (under assessment, determination and investigation)

Description ¹³	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure under assessment	138 749	1 209 226
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	6 848 568	-
Total⁷	6 987 317	1 209 226

N/A

¹²Transfer to receivables

¹³Group similar items

1.3 Details of irregular expenditure condoned

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure condoned	(1 244 525)	(224 310)
Total	(1 244 525)	(224 310)

N/A

1.4 Details of irregular expenditure removed – (not condoned)

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure NOT condoned and removed	(2 874 874)	-
Total	(2 874 874)	-

N/A

1.5 Details of irregular expenditure recovered

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure recovered	-	-
Total	-	-

N/A

1.6 Details of irregular expenditure written off (irrecoverable)

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure written off	-	-
Total	-	-

N/A

Additional disclosure relating to Inter-Institutional Arrangements

1.7 Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution *is not* responsible for the non-compliance)

Description
N/A
Total

N/A

1.8 Details of irregular expenditure cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)¹⁴

Description	2023/2024 ¹⁵	2022/2023
	R'000	R'000
N/A	-	-
Total	-	-

N/A

1.9 Details of disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
N/A

N/A

1.10 Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	717 118	683 451
Adjustment to opening balance	(10 553)	-
Opening balance as restated	706 566	-
Add: Fruitless and wasteful expenditure confirmed	3 137	33 667
Less: Fruitless and wasteful expenditure recoverable ¹⁶	(1 094)	-
Less: Fruitless and wasteful expenditure not recoverable and written off	(517 794)	-
Closing balance	190 814	717 118

An amount of 517 794 written off was for the CWIP derecognition which was subsequently transferred to fruitless and wasteful expenditure. This was for professional work which did not yield any results.

Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	-
Fruitless and wasteful expenditure for the current year	3 137	33 667
Total	3 137	33 667

¹⁶ Transfer to receivables.

b) Details of fruitless and wasteful expenditure (under assessment, determination and investigation)

Description ⁴	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure under assessment	58 542	33 693
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	2 043	33 667
Total	60 585	67 360

An amount of 58 542m fruitless and wasteful expenditure under assessment relates to VAT charged on Low-Cost Housing remains under assessment. This is further awaiting proper clarity from SARS, National Treasury as well as National Human Settlements on a proper policy framework. The department will further conduct extensive work to be performed on the entire population to ensure completeness on the disclosure. This also includes the of 33 693m as raised in the 2022/23 financial year.

c) Details of fruitless and wasteful expenditure recoverable

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure recovered	(1 094)	-
Total	(1 094)	-

N/A

d) Details of fruitless and wasteful expenditure not recoverable and written off

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure written off	(517 794)	-
Total	(517 794)	-

N/A

e) Details of current and previous year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
N/A
Total

N/A

⁴Group similar items

1.11 Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	-	-
Add: Unauthorised expenditure confirmed	-	-
Less: Unauthorised expenditure approved with funding	-	-
Less: Unauthorised expenditure approved without funding	-	-
Less: Unauthorised expenditure recoverable ¹⁸	-	-
Less: Unauthorised not recovered and written off ¹⁹	-	-
Closing balance	-	-

Department did not incur any unauthorised expenditure

Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Unauthorised expenditure that was under assessment	-	-
Unauthorised expenditure that relates to the prior year and indentified in the current year	-	-
Unauthorised expenditure for the current year	-	-
Total	-	-

b) Details of unauthorised expenditure (under assessment, determination and investigation)

Description ¹¹	2023/2024	2022/2023
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total	-	-

Department did not incur any unauthorised expenditure

¹⁸ Transfer to receivables

¹⁹ This amount may only be written off against available savings

1.12 Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii)⁵

a) Details of material losses through criminal conduct

Material losses through criminal conduct	2023/2024	2022/2023
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recovered	-	-
Less: Not recovered and written off	-	-
Total	-	-

N/A

*No material losses

b) Details of other material losses

Nature of other material losses	2023/2024	2022/2023
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
Total	-	-

N/A

c) Other material losses recovered

Nature of losses	2023/2024	2022/2023
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
Total	-	-

N/A

d) Other material losses not recoverable and written off

Nature of losses	2023/2024	2022/2023
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
Total	-	-

N/A

⁵ Information related to material losses must be disclosed in the Annual Financial Statements.

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	2022/2023	2021/2022
	R'000	R'000
Valid invoices received	2 352	2 472
Invoices paid within 30 days or agreed period	2 350	2 472
Invoices paid after 30 days or agreed period	-	-
Invoices older than 30 days or agreed period (unpaid and without dispute)	17	2 512
Invoices older than 30 days or agreed period (unpaid and in dispute)	11	1 286

N/A

3. SUPPLY CHAIN MANAGEMENT

3.1. Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Deviation in relation to catering (breakfast & lunch) for 40 members attending Hybrid MEC Meeting on performance at Gauteng Partnership Fund on the 03 August 2023.	To Eat or Not to Eat Trading Enterprise	Deviation	4251122085	R23 690,00
Deviation in relation to appointment of a service provider to erect a 500 capacity marquee and other logistics, VIP breakfast for 50 delegates, 500 snack packs for the community, including 1 000 still water 500ml bottles at the handover of houses.	Siphosihle Events	Deviation	4251127260	R294 760,00
Deviation in relation to appointment of a service provider to provide accommodation and conference facility for the Bid Evaluation Members for Land Invasion Panel and Mega Projects from 07-25 August 2023.	The Maslow Hotel	Deviation	4251122716	R420 900,00
Deviation in relation to the appointment of a service provider to provide return flight tickets and accommodation for the CFO and DDG Molokomme at Bloemfontein to attend a Draft Workshop Review of Human Settlements MTSF 2024-2029 on the 16 & 17 August 2023.	Venda Shuttle Services	Deviation	4251126007	R31 771,00
Deviation in relation to appointment of a service provider to provide shuttle services, return flight tickets and accommodation for Ms. Trudy Malebye and Ms. Sedzani Nevhutalu to attend the Human Settlements Women in Construction Indaba at Kimberly	Slomo Accounting Services	Deviation	4251138043	R21 400,00
Deviation in relation to appointment of a service provider to provide catering services which included breakfast and lunch for the Hostel Technical Committee Meeting on the 1 September 2023 at Gauteng Partnership Fund.	Manazeh Trading Enterprise	Deviation	4251129444	R17 600,00
Deviation for the appointment of Muluma Advisory Services (PTY) LTD to render a service to facilitate a Strategic Planning Session in September and November 2023	Muluma Advisory Services	Deviation	N/A	R924 295,25

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Deviation to appoint MBA Incorporated Attorneys to represent the Department in an urgent Interdict by Unlawful Occupiers of Farm Allandale against City of Johannesburg, Gauteng Provincial Government and MEC for Human Settlements.	MBA Incorporated Attorneys	Deviation	N/A	To be confirmed once a valid invoice is submitted – (since the services provided by the appointed attorney should be payable in terms of the fees structure approved by the Department upon submission of a valid invoice).
Deviation in relation to the appointment of a service provider to provide travel arrangements for the officials to attend the Portfolio Committee on Human Settlements on Service Delivery Matters in Parliament, Cape Town on the 12-13 September 2023	XL Aerocity	Deviation	4251130163	R87 920,50
Deviation in relation to the appointment of a service provider to provide travelling arrangements for the officials to attend the Human Settlements MinMec held on 15 September 2023 in North West Province.	Travel Narine (PTY) LTD	Deviation	4251130877	R59 520,00
Deviation in relation to the appointment of a service provider to provide logistics for Title Deeds Handover event at Palmridge Ext. 9 which was earmarked as the MEC'S outreach programme on the 20 October 2023.	Dyanamit Ex Holdings	Deviation	4251141143	R45 800,00
Deviation in relation to the appointment of a service provider to provide shuttle services and accommodation on 22 and 23 November 2023.	Sisa Collection	Deviation	4251145688	R14 500,00
Deviation in relation to the appointment of a service provider to provide accommodation for the DDG on 22 November 2023.	Zenzile Nyambi Holdings & Investment	Deviation	4251146793	R2 357,50
Deviation in relation to the appointment of a service provider to provide catering services (breakfast & lunch) for 30 delegates for the Youth Development Training Programme on 27 November 2023 to 1 December 2023 at GCRA	Seilaneng Trading & Projects	Deviation	4251146538	R75 450,00

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Deviation in relation to the appointment of a service provider to provide logistical procurement for the Title Deed handover at Soshanguve Ext. 1.	KOO Enterprise	Deviation	4251154502	R326 800,00
Deviation in relation to the appointment of a service provider as witnesses at the Metrofile Internal Disciplinary Hearing.	Gobodo Consulting	Deviation	4251161579	R200 000,00
Deviation in the appointment of Theba Function Hire to render logistical procurement services for the Title Deeds Handover Event at Orange Farm/Palmridge on 14 February 2024, Emfuleni/Lesedi Municipality.	Theba Function Hire	Deviation	4251160934	R159 735,00
Total				R2 706 499,25



3.2 Contract variations and expansions

Project description	Name of supplier	Contract modification type (expansion or variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Tamboville	Indlovu I Dle Mithi Construction (Pty) Ltd	Variation	4660015403	14 883	442	15 325
Munsieville	Motheo Construction Group	Variation	4660016560	38 765	469	39 234
Total				53 648	911	54 559

Part F

WESTONARIA BORWA
MEGA PROJECT



Financial Information

Annual Financial Statements

for the year ended 31 March 2024

SAVANNA CITY
MEGA PROJECT



For The Vote

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REPORT OF THE AUDITOR-GENERAL TO GAUTENG PROVINCIAL LEGISLATURE ON VOTE NO. 08: GAUTENG DEPARTMENT OF HUMAN SETTLEMENTS

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Gauteng Department of Human Settlements set out on pages 214 to 255, which comprise the appropriation statement, statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Gauteng Department of Human Settlements as at 31 March 2024 and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard (MCS) prescribed by National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 5 of 2023 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Significant uncertainty relating to contingent liabilities

7. With reference to note 16.1 to the financial statements, the department is the defendant in various lawsuits. The ultimate outcome of the matters cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

Other matters

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

Unaudited supplementary schedules

9. The supplementary information set out on pages 256 to 265 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

12. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
13. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 210, forms part of my auditor's report.

Report on the audit of the annual performance report

14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
15. I selected the following programmes presented in the annual performance report for the year ended 31 March 2024 for auditing. I selected programmes that measure the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Housing development	81 to 92	To provide individual subsidies and housing opportunities to beneficiaries in accordance with the housing policy
Housing asset and property management	100 to 102	To provide for the effective management of housing

16. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.
17. I performed procedures to test whether:
 - the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included

- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

18. The material findings on the reported performance information for the selected programmes are as follows:

Housing development

Number of hostels provided with routine maintenance

19. An achievement of six was reported against a target of six. I could not determine if the reported achievement was correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

Number of Bekkersdal URP Projects completed

20. An achievement of one [3,2km earthworks (pipe trenches, bedding, and finishing)] was reported against a target of one [2km earthworks (pipe trenches, bedding, and finishing)]. I could not determine whether the reported achievement was correct, as the indicator was not well defined and adequate supporting evidence to clarify the methods and processes for measuring achievement were not provided. Consequently, the reported achievement might be more or less than reported and was not reliable for determining if the target has been achieved.

Housing asset and property management

Various indicators

21. I could not determine the accuracy of various reported achievements, as the indicators were not well defined and I could not verify the methods and processes used to measure the achievements / adequate supporting evidence to clarify the methods and processes for measuring achievement was not provided. Consequently, the reported achievements might be more or less than reported and were not reliable for determining if the targets have been achieved.

Indicator	Target	Reported achievement
4.3 Number of pre-1994 title deeds registered	500	146
4.4 Number of post-1994 title deeds registered	6 209	2 088
4.5 Number of new title deeds registered	10	0

Number of pre-1994 title deeds registered

22. An achievement of 146 was reported against a target of 500. However, the audit evidence showed the actual achievement to be only 117. Consequently, the achievement against the target was lower than reported.

Other matters

23. I draw attention to the matters below.

Achievement of planned targets

24. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements / measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

25. The tables that follow provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets/measures taken to improve performance are included in the annual performance report on pages 65 to 104.

Housing development

<i>Targets achieved: 68%</i> <i>Budget spent: 92,8%</i>		
Key indicator not achieved	Planned target	Reported achievement
Number of serviced erven procured for the RLRP	1 497	1 441
Serviced erven released to beneficiaries as per the RLRP 100%:		
Youth	60%	25,75%
Other	40%	23,94%
Number of informal settlements upgraded to phase 3 of the Upgrading of Informal Settlements Programme (UISP)	1	0
Number of layout plans approved for informal settlements upgrades	1	0
Number of top structures completed i.r.o. incomplete/ abandoned/ blocked housing projects	631	175
Percentage of quality assured housing units allocated to approved beneficiaries	100%	91,6%

Housing asset and property management

<i>Targets achieved: 28,6%</i> <i>Budget spent: 92,8%</i>		
Key indicator not achieved	Planned target	Reported achievement
Number of pre-1994 title deeds registered	500	146
Number of post 1994 title deeds registered	6 209	2 088
Number of post 2014 title deeds registered	800	33
Number of new title deeds registered	10	0
Number of ownership disputes resolved in respect of pre-1994 title deeds backlog	105	94

Material misstatements

26. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for programme 3: housing development and programme 4 – housing asset and property management. Management did not correct all of the misstatements and I reported material findings in this regard.

Report on compliance with legislation

27. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.

28. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

29. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

30. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements

31. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and/or supported by full and proper records, as required by section 40(1) (a) and (b) of the PFMA. Material misstatements of the related parties disclosure note and irregular expenditure note identified by the auditors in the submitted financial statements were corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified opinion.

Expenditure management

32. Effective and appropriate steps were not taken to prevent irregular expenditure, as disclosed in note 21 to the financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1.

33. Effective steps were not taken to prevent fruitless and wasteful expenditure, as disclosed in note 21 to the financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the fruitless and wasteful expenditure was caused by court-ordered payments as a result of disputed invoices and interest paid as a result of late payments to suppliers.

Procurement and contract management

34. Quotations were not awarded in an economical manner and/or the prices of the goods or services were not reasonable, as required by sections 38(1)(b) and 45(b) of the PFMA. Similar non-compliance was also reported in the prior year.

35. Contracts were awarded to suppliers whose tax matters had not been declared by the South African Revenue Service to be in order, as required by treasury regulation 16A9.1(d).

36. Persons in service of the department whose close family members, partners or associates had a private or business interest in contracts awarded by the department failed to disclose such interest, as required by treasury regulation 16A8.4.

37. Persons in service of other state institutions who had a private or business interest in contracts awarded by the department participated in the process relating to that contract in contravention of treasury regulation 16A8.4.

Consequence management

38. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure, as required by section 38(1)(h)(iii) of the PFMA.
39. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred fruitless and wasteful expenditure, as required by section 38(1)(h)(iii) of the PFMA.

Other information in the annual report

40. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected programmes in the annual performance report that have been specifically reported on in this auditor's report.
41. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
42. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
43. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

44. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
45. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion and the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
46. The accounting officer did not exercise adequate oversight of internal controls relating to procurement and contract management, and the preparation of the annual financial statements and annual performance report. This resulted in non-compliance with key legislation and material findings on the annual financial statements and annual performance report.
47. Senior management did not implement sufficient controls over the preparation of accurate and complete annual financial statements and an annual performance report that is supported by reliable information. This resulted in material findings on the annual financial statements and the annual performance report. Furthermore, there was a lack of monitoring of controls to ensure compliance with laws and regulations, including procurement and contract management and expenditure management.

Material irregularities

48. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report

Material irregularity identified during the audit

49. The material irregularity identified is as follows:

Failure to achieve targets set for key performance indicators

50. The department did not monitor, manage and evaluate the national housing programmes implemented in the province, as required by section 21(g) and (h) of the Gauteng Housing Act 6 of 1988. The department failed to achieve targets set for housing development indicators since 2020-21.

51. The non-achievement of targets set for key performance indicators is likely to result in substantial harm to the operations of the department as it is the primary mandate of the department to deliver house and human settlements development in the province.

52. The accounting officer was notified of the material irregularity on 31 October 2023 and invited to make a written submission on the actions taken and that will be taken to address the matter.

53. The accounting officer has committed to put the following measures in place to improve the performance monitoring at the department:

- Monthly meetings are held with senior management and executive management teams to track the performance of the department, identify potential challenges and provide interventions.
- Biweekly project management meeting with project managers to unlock challenges.
- One-on-one sessions with business units to review technical indicator descriptions where these were perceived to be hindrances to reporting performance holistically.
- Placement of officials according to qualifications and experience in line with the revised organisational structure, and the process is expected to be finalised before end of March 2025.
- The scope of poorly performing contractors will be reduced and allocated to well performing contractors.
- A thorough feasibility study and due diligence will be conducted to ensure the overall viability of infrastructure projects before contractors are appointed.
- To prevent delays in completion of infrastructure projects, projects will only be included in the approved procurement plan after finalisation of a feasibility study and construction procurement strategy.
- The department achieved 68% of its housing development targets in the 2023-24 financial year.

54. I will follow up on the implementation of the planned actions during my next audit.

Status of previously reported material irregularities

Interest on late payment of court judgments

55. The department failed to settle court orders within 30 days in 2016-17 from the date of court judgments, as required by treasury regulation 8.2.3. The non-compliance was likely to result in a material financial loss if not recovered. The amount was disclosed in note 21.1 to the financial statements as a comparative to the 2020-21 annual financial statements.
56. The accounting officer was notified of the material irregularity on 15 October 2021.
57. The actions taken by the accounting officer to resolve the material irregularity were as follows:
- An investigation finalised in May 2023 concluded that the former accounting officer and director responsible for security services appointed security companies without confirming budget availability.
 - No disciplinary steps could be taken against the implicated officials as they are no longer employed in public service.
58. To prevent a re-occurrence of the material irregularity, the accounting officer has taken the following actions:
- Appointed a panel of legal attorneys in June 2023 to fast track the legal matters of the department.
 - A senior legal admin officer has been seconded to the office of the premier with effect from June 2023 to assist the state attorney in addressing matters relating to the department.
 - All court matters are now recorded and managed by the deputy director general responsible for corporate service.
59. The material irregularity is resolved.

Other reports

60. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
61. Various investigations, based on the allegations of procurement irregularities, fraud, theft and negligence dating back to prior periods, are being performed by the department. Some of these investigations had been finalised while others were still in progress at the date of this auditor's report.

Auditor General

Johannesburg

31 July 2024



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the department's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA)	Sections 38(1)(b); 38(1)(c)(ii); Sections 38(1)(d); 38(1)(h)(iii); 39(1)(a); 39(2)(a); Sections 40(1)(a) and (b); 40(1)(c)(i); Sections 43(4); 44; 45(b); 57(b)
Treasury Regulations	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); Regulation 5.3.1; 6.3.1(a) - (d); 6.4.1(b) Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1; 9.1.1; 9.1.4; Regulation 10.1.1(a); 10.1.2; Regulation 12.5.1; 15.10.1.2(c); Regulation 16A3.2 (fairness); 16A3.2(a); 16A6.1; Regulation 16A6.2(a) and (b); 16A6.3(a) - (c); 16A6.3(a)(i); Regulation 16A6.3(e) Regulation 16A6.4; 16A6.5; 16A6.6; 16A7.1 Regulation 16A8.3; 16A8.4; Regulation 16A9.1; 16A9.1(d)-(f); 16A9.2(a)(ii); Regulation 17.1.1; 18.2; 19.8.4
Division of Revenue Act (Dora)	Sections 11(6)(a); 12(5) Sections 16(1); 16(3) / 16(3)(a)(i)
Construction Industry Development Board Act 38 of 2000 (CIDB)	Section 18(1)
CIDB Regulations	Regulation 17; 25(7A)
Preferential Procurement Policy Framework Act 5 of 2000	Section 2.1(a),(b) and (f)
Preferential Procurement Regulations (PPR), 2011	Regulation 8.2 Regulation 9.1
PPR, 2017, under functionality	Regulations 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; Regulation 6.8; Regulation 7.8; Regulations 8.2; 8.5; 9.1; 10.1; 10.2; 11.1
PPR, 2022	Regulation 4.4
State Information Technology Agency Act 88 of 1998 (SITA)	Section 7(3)
National Treasury Supply Chain Management (SCM) Instruction Note 4 of 2015-16	Paragraph 3.4
National Treasury SCM Instruction Note 4A of 2016-17	Paragraph 6
National Treasury SCM Instruction Note 7 of 2017-18	Paragraph 4.3
National Treasury SCM Instruction Note 5 of 2020-21	Paragraph 4.8; 4.9; 5.3
Erratum to National Treasury SCM Instruction Note 5 of 2020-21	Paragraph 1; 2
Second amendment to National Treasury SCM Instruction Note 5 of 2020-21	Paragraph 1
National Treasury Instruction Note 11 of 2020-21	Paragraph 3.1; 3.4(b); 3.9
PFMA Instruction Note 1 of 2021-22	Paragraph 4.1
National Treasury SCM Instruction Note 2 of 2021-22	Paragraph 3.2.1; 3.2.4; 3.2.4(b); 3.3.1
PFMA SCM Instruction Note 3 of 2021-22	Paragraph 4.1; 4.2(b); 4.3; 4.4;
PFMA Instruction Note 3 of 2021-22	Paragraph 4.2(b)
Public Service Regulations, 2016	Regulation 25(1)(e)(i) and (iii) Regulation 18(1) (2)
Practice Note 5 of 2009-10	Paragraph 3.3
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Standard Bidding Document 6.2, issued in 2015-16	

Appropriation per programme

	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. ADMINISTRATION	749 691	-	-	749 691	699 868	49 823	93.4%	769 512	723 897
2. HOUSING NEEDS, RESEARCH AND PLANNING	22 718	-	-	22 718	18 522	4 196	81.5%	21 368	16,007
3. HOUSING DEVELOPMENT	4 950 586	1	-	4 950 587	4 594 965	355 622	92.8%	5 299 571	5 291 532
4. HOUSING ASSETS MANAGEMENT, PROPERTY PLANNING	198 828	-	-	198 828	184 563	14 265	92.8%	317 288	316 311
Subtotal	5 921 823	1	-	5 921 824	5 497 918	423 906	92.8%	6 407 739	6 347 747
Statutory Appropriation									
Total	5 921 823	1	-	5 921 824	5 497 918	423 906	92.8%	6 407 739	6 347 747
Reconciliation with statement of financial performance									
ADD									
Departmental receipts				38 794				3 263	
Actual amounts per statement of financial performance (Total revenue)				5 960 618				6 411 002	
Actual amounts per statement of financial performance (total expenditure)				5 497 918					6 347 747

Appropriation per economic classification

	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	957 914	90 067	-	1 047 981	973 887	74 094	92,9%	984 104	931 957
Compensation of employees	507 709	1 549	-	509 258	471 521	37 737	92,6%	492 693	458 689
Salaries and wages	442 062	1 341	-	443 403	409 780	33 623	92,4%	431 602	400 047
Social contributions	65 647	208	-	65 855	61 741	4 114	93,8%	61 091	58 642
Goods and services	448 450	88 229	-	536 679	500 323	36 356	93,2%	458 056	439 913
Administrative fees	98	-	-	98	6	92	6,1%	14	9
Advertising	6 682	-	-	6 682	6 205	477	92,9%	1 593	1 593
Minor assets	776	-	-	776	117	659	15,1%	1 345	345
Audit costs: External	14 249	(196)	-	14 053	13 526	527	96,2%	12 088	12 088
Bursaries: Employees	4 183	-	-	4 183	3 078	1 105	73,6%	3 029	3 029
Catering: Departmental activities	1 900	237	-	2 137	2 102	35	98,4%	1 016	725
Communication (G&S)	15 997	(3 000)	-	12 997	12 890	107	99,2%	13 258	13 257
Computer services	8 787	(5 479)	-	3 308	1 946	1 362	58,8%	11 979	11 979
Consultants: Business and advisory services	34 299	(578)	-	33 721	21 578	12 143	64,0%	33 162	31 651
Legal services	16 341	(10 766)	-	5 575	5 293	282	94,9%	9 114	9 114
Contractors	38 350	12 759	-	51 109	50 036	1 073	97,9%	34 000	34 000
Agency and support / outsourced services	580	(398)	-	182	177	5	97,3%	1 691	1 692
Fleet services (including government motor transport)	8 752	708	-	9 460	9 460	-	100,0%	5 176	5 176
Consumable supplies	1 147	722	-	1 869	1 544	325	82,6%	1 822	1 737
Consumable: Stationery, printing and office supplies	726	160	-	886	885	1	99,9%	728	728
Operating leases	59 184	-	-	59 184	52 984	6 200	89,5%	88 958	77 240
Property payments	209 114	94 396	-	303 510	300 509	3 001	99,0%	226 135	225 971
Travel and subsistence	2 737	(336)	-	2 401	1 342	1 059	55,9%	1 471	1 131
Training and development	4 225	-	-	4 225	758	3 467	17,9%	42	42
Operating payments	8 752	-	-	8 752	6 656	2 096	76,1%	6 307	4 865
Venues and facilities	11 571	-	-	11 571	9 231	2 340	79,8%	5 128	3 541
Interest and rent on land	1 755	289	-	2 044	2 043	1	100,0%	33 355	33 355
Rent on land	1 755	289	-	2 044	2 043	1	100,0%	33 355	33 355

	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	4 707 084	(187 194)	-	4 519 890	4 225 970	293 920	93,5%	4 544 880	4 537 046
Households	4 707 084	(187 194)	-	4 519 890	4 225 970	293 920	93,5%	4 544 880	4 537 046
Social benefits	2 079	-	-	2 079	1 882	197	90,5%	2 118	2 149
Other transfers to households	4 705 005	(187 194)	-	4 517 811	4 224 088	293 723	93,5%	4 542 762	4 534 897
Payments for capital assets	256 825	97 113	-	353 938	298 046	55 892	84,2%	878 502	878 491
Buildings and other fixed structures	-	-	-	-	-	-	-	6 900	6 900
Other fixed structures	-	-	-	-	-	-	-	6 900	6 900
Machinery and equipment	7 495	-	-	7 495	5 961	1 534	79,5%	6 843	6 836
Other machinery and equipment	7 495	-	-	7 495	5 961	1 534	79,5%	6 843	6 836
Land and sub-soil assets	249 030	97 113	-	346 143	292 078	54 065	84,4%	864 729	864 729
Software and other intangible assets	300	-	-	300	7	293	2,3%	30	26
Payment for financial assets	-	15	-	15	15	-	100,0%	253	253
Total	5 921 823	1	-	5 921 824	5 497 918	423 906	92,8%	6 407 739	6 347 747

Programme 1: Administration

	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. CORPORATE SERVICES	749 691	-	-	749 691	699 868	49 823	93,4%	769 512	723 897
	749 691	-	-	749 691	699 868	49 823	93,4%	769 512	723 897
Total for sub programmes	749 691	-	-	749 691	699 868	49 823	93,4%	769 512	723 897
Economic classification									
Current payments	589 817	(15)	-	589 802	542 003	47 799	91,9%	587 360	541 758
Compensation of employees	260 376	-	-	260 376	232 348	28 028	89,2%	257 196	225 693
Salaries and wages	224 864	-	-	224 864	200 162	24 702	89,0%	225 473	195 458
Social contributions	35 512	-	-	35 512	32 186	3 326	90,6%	31 723	30 235
Goods and services	329 434	(304)	-	329 130	309 361	19 769	94,0%	298 766	284 666
Administrative fees	98	-	-	98	6	92	6,1%	14	9
Advertising	6 454	-	-	6 454	5 977	477	92,6%	1 593	1 593
Minor assets	776	-	-	776	117	659	15,1%	1 345	345
Audit costs: External	14 249	(196)	-	14 053	13 526	527	96,2%	12 088	12 088
Bursaries: Employees	4 183	-	-	4 183	3 078	1 105	73,6%	3 029	3 029
Catering: Departmental activities	1 803	296	-	2 099	2 099	-	100,0%	725	725
Communication (G&S)	15 997	(3 000)	-	12 997	12 890	107	99,2%	13 258	13 257
Computer services	8 787	(5 479)	-	3 308	1 946	1 362	58,8%	11 979	11 979
Consultants: Business and advisory services	20 679	899	-	21 578	21 578	-	100,0%	29 818	29 817
Legal services	16 341	(10 766)	-	5 575	5 293	282	94,9%	9 114	9 114
Contractors	38 350	12 759	-	51 109	50 036	1 073	97,9%	34 000	34 000
Agency and support / outsourced services	-	-	-	-	-	-	-	287	287
Fleet services (including government motor transport)	8 752	708	-	9 460	9 460	-	100,0%	5 176	5 176
Consumable supplies	1 127	-	-	1 127	802	325	71,2%	1 737	1 737
Consumable: Stationery, printing and office supplies	726	160	-	886	885	1	99,9%	728	728
Operating leases	59 184	-	-	59 184	52 984	6 200	89,5%	83 214	71 495
Property payments	108 724	4 315	-	113 039	113 038	1	100,0%	80 398	80 398
Travel and subsistence	1 270	-	-	1 270	893	377	70,3%	751	751

	2023/24						2022/23		
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual expenditure R'000
Training and development	4 225	-	-	4 225	758	3 467	17,9%	42	42
Operating payments	8 630	-	-	8 630	6 656	1 974	77,1%	6 240	4 865
Venues and facilities	9 079	-	-	9 079	7 339	1 740	80,8%	3 230	3 231
Interest and rent on land	7	289	-	296	294	2	99,3%	31 398	31 399
Rent on land	7	289	-	296	294	2	99,3%	31 398	31 399
Transfers and subsidies	152 079	-	-	152 079	151 882	197	99,9%	175 026	175 024
Households	152 079	-	-	152 079	151 882	197	99,9%	175 026	175 024
Social benefits	2 079	-	-	2 079	1 882	197	90,5%	1 993	2 024
Other transfers to households	150 000	-	-	150 000	150 000	-	100,0%	173 033	173 000
Payments for capital assets	7 795	-	-	7 795	5 968	1 827	76,6%	6 873	6 862
Machinery and equipment	7 495	-	-	7 495	5 961	1 534	79,5%	6 843	6 836
Other machinery and equipment	7 495	-	-	7 495	5 961	1 534	79,5%	6 843	6 836
Software and other intangible assets	300	-	-	300	7	293	2,3%	30	26
Payments for financial assets	-	15	-	15	15	-	100,0%	253	253
Total	749 691	-	-	749 691	699 868	49 823	93,4%	769 512	723 897

Programme 2: Housing needs, research and planning

	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. ADMINISTRATION	11 039	1 631	-	12 670	12 644	26	99,8%	11 785	10 505
2. POLICY	6 946	(1 631)	-	5 315	3 084	2 231	58,0%	4 777	2 908
3. PLANNING	4 733	-	-	4 733	2 794	1 939	59,0%	4 806	2 594
Total for sub programmes	22 718	-	-	22 718	18 522	4 196	81,5%	21 368	16 007
Economic classification									
Current payments	22 718	-	-	22 718	18 522	4 196	81,5%	21 368	16 007
Compensation of employees	16 928	1 549	-	18 477	17 244	1 233	93,3%	16 592	14 904
Salaries and wages	14 846	1 575	-	16 421	15 502	919	94,4%	14 221	13 256
Social contributions	2 082	(26)	-	2 056	1 742	314	84,7%	2 371	1 648
Goods and services	5 790	(1 549)	-	4 241	1 278	2 963	30,1%	4 776	1 103
Catering: Departmental activities	75	(38)	-	37	3	34	8,1%	168	-
Consultants: Business and advisory services	3 620	(1 477)	-	2 143	-	2 143	-	2 294	784
Travel and subsistence	146	(34)	-	112	47	65	42,0%	349	9
Operating payments	122	-	-	122	-	122	-	67	-
Venues and facilities	1 827	-	-	1 827	1 228	599	67,2%	1 898	310
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	22 718	-	-	22 718	18 522	4 196	81,5%	21 368	16 007

Programme 3: Housing development

	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. ADMINISTRATION	356 551	90 082	-	446 633	438 799	7 834	98,2%	187 712	187 505
2. FINANCIAL INTERVENTIONS	132 092	(13 431)	-	118 661	104 053	14 608	87,7%	311 057	311 058
3. INCREMENTAL INTERVENTIONS	4 461 943	(76 650)	-	4 385 293	4 052 113	333 180	92,4%	4 800 802	4 792 969
Total for sub programmes	4 950 586	1	-	4 950 587	4 594 965	355 622	92,8%	5 299 571	5 291 532
Economic classification									
Current payments	196 551	90 082	-	286 633	278 799	7 834	97,3%	187 587	187 380
Compensation of employees	192 931	-	-	192 931	185 652	7 279	96,2%	183 647	183 648
Salaries and wages	169 630	(234)	-	169 396	162 118	7 278	95,7%	160 947	160 947
Social contributions	23 301	234	-	23 535	23 534	1	100,0%	22 700	22 701
Goods and services	1 872	90 082	-	91 954	91 398	556	99,4%	1 983	1 776
Catering: Departmental activities	22	(21)	-	1	-	1	-	123	-
Agency and support / outsourced services	580	(398)	-	182	177	5	97,3%	1 404	1 405
Consumable supplies	20	722	-	742	742	-	100,0%	85	-
Property payments	-	90 081	-	90 081	90 080	1	100,0%	-	-
Travel and subsistence	1 250	(302)	-	948	399	549	42,1%	371	371
Interest and rent on land	1 748	-	-	1 748	1 749	(1)	100,1%	1 957	1 956
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	-	-
Rent on land	1 748	-	-	1 748	1 749	(1)	100,1%	1 957	1 956
Transfers and subsidies	4 505 005	(187 194)	-	4 317 811	4 024 088	293 723	93,2%	4 247 255	4 239 423
Households	4 505 005	(187 194)	-	4 317 811	4 024 088	293 723	93,2%	4 247 255	4 239 423
Social benefits	-	-	-	-	-	-	-	125	125
Other transfers to households	4 505 005	(187 194)	-	4 317 811	4 024 088	293 723	93,2%	4 247 130	4 239 298
Payments for capital assets	249 030	97 113	-	346 143	292 078	54 065	84,4%	864 729	864 729
Land and sub-soil assets	249 030	97 113	-	346 143	292 078	54 065	84,4%	864 729	864 729
Payment for financial assets	-	-	-	-	-	-	-	-	-
Total	4 950 586	1	-	4 950 587	4 594 965	355 622	92,8%	5 299 571	5 291 532

Programme 4: Housing assets, management property management

	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. ADMINISTRATION	38 438	-	-	38 438	37 172	1 266	96,7%	35 258	34 444
2. SALES AND TRANSFER OF HOUSING	50 000	-	-	50 000	50 000	-	100,0%	122 599	122 599
3. HOUSING PROPERTIES MAINTENANCE	110 390	-	-	110 390	97 391	12 999	88,2%	159 431	159 268
Total for sub programmes	198 828	-	-	198 828	184 563	14 265	92,8%	317 288	316 311
Economic classification									
Current payments	148 828	-	-	148 828	134 563	14 265	90,4%	187 789	186 812
Compensation of employees	37 474	-	-	37 474	36 277	1 197	96,8%	35 258	34 444
Salaries and wages	32 722	-	-	32 722	31 998	724	97,8%	30 961	30 386
Social contributions	4 752	-	-	4 752	4 279	473	90,0%	4 297	4 058
Goods and services	111 354	-	-	111 354	98 286	13 068	88,3%	152 531	152 368
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	228	-	-	228	228	-	100,0%	-	-
Consultants: Business and advisory services	10 000	-	-	10 000	-	10 000	-	1 050	1 050
Operating leases	-	-	-	-	-	-	-	5 744	5 745
Property payments	100 390	-	-	100 390	97 391	2 999	97,0%	145 737	145 573
Travel and subsistence	71	-	-	71	3	68	4,2%	-	-
Venues and facilities	665	-	-	665	664	1	99,8%	-	-
Transfers and subsidies	50 000	-	-	50 000	50 000	-	100,0%	122 599	122 599
Households	50 000	-	-	50 000	50 000	-	100,0%	122 599	122 599
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	50 000	-	-	50 000	50 000	-	100,0%	122 599	122 599
Payments for capital assets	-	-	-	-	-	-	-	6 900	6 900
Buildings and other fixed structures	-	-	-	-	-	-	-	6 900	6 900
Other fixed structures	-	-	-	-	-	-	-	6 900	6 900
Machinery and equipment	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
Total	198 828	-	-	198 828	184 563	14 265	92,8%	317 288	316 311

1. Detail of transfers and subsidies as per Appropriation Act (after Virement)

Detail of these transactions can be viewed in the note on Transfers and Subsidies, and Annexure 1A-H of the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement)

Detail of these transactions can be viewed in the note on Annual Appropriation to the Annual Financial Statements.

3. Detail on payments for financial assets

Detail of these transactions can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

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

4.1 Per programme

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
ADMINISTRATION	749 691	699 868	49 823	6,65%
HOUSING NEEDS, RESEARCH AND PLANNING	22 718	18 522	4 196	18,47%
HOUSING DEVELOPMENT	4 950 587	4 594 965	355 622	7,18%
HOUSING ASSETS MANAGEMENT PROPERTY	198 828	184 563	14 265	7,17%
Total	5 921 824	5 497 918	423 906	7.16%

Administration

The programme has spent R699,9 million or 93% of the allocated budget of R749.6 million. The under spending within programme is as the results of unfilled vacant posts and delays in the procurement of Office building for the Department. The Department is in the process of filling the vacant positions and the Department is engaging with Department of Infrastructure to fast track the procurement of office space.

Housing Needs, Research and Planning

The programme spent R18.5 million or 82% of the allocated budget of R22.7 million, the under spending is due to remote working as employees are claiming less traveling allowances and also the Department has reduced the over reliance on planning consultants. Furthermore the Department is hosting workshop via teams which has resulted to an under spending under catering.

Housing Development

The budget for this programme is R4.9 billion for the 2023/24 financial year and the expenditure to date is R4.6 billion which is 93% of the final adjusted budget. The slow spending is also due to delays in construction activities due to land invasions and business forumn disputes. The late approval of the ISUPG business plan also contributed to the Slow expenditure percentage.

Housing Assets Management Property

The programme spent R185 million or 93% of the allocated budget of R198.8 million. The under spending is due to delays in the billing of utilities by municipalities.

4.2 Per economic classification

Economic classification	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Current Payments				
Compensation of employees	509 258	471 521	37 737	7,41%
Goods and services	536 679	500 323	36 356	6,77%
Interest and rent on land	2 044	2 043	1	0,05%
Transfers and subsidies				
Households	4 519 890	4 225 970	239 920	5,31%
Payments for capital assets				
Machinery and equipment	7 495	5 961	1 534	20,47%
Land and subsoil assets	346 143	292 078	54 065	15,62%
Intangible assets	300	7	293	97,67%
Payments for financial assets				
	15	15	-	0,00%
Total	5 921 824	5 497 918	423 906	7,16%

Compensation of employees: The under spending compensation of employees is due to resignation, retirement and delays in the filling of vacant positions. Goods and services: The over spending under goods and services is due to provision of security for land

4.3 Per conditional grant

Conditional grant	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Human Settlements Development Grant	3 606 187	3 446 934	159 253	4,42%
Extended Public Works Programme	9 962	9 799	163	1,64%
Title Deeds Restoration Grant	-	-	-	-
Upgrade of Informal Settlements Grant	1 088 276	886 902	201 374	18,50%

The Department spending on the HSDG is 3,5 billion, which is 96% of the allocated budget for HSDG. The spending on the ISUPG is 887 million which is 81% of the allocated budget for ISUPG. The underspending on ISUPG is due to disputes with community business forums that affect the completion of infrastructure projects. The spending on EPWP Grant and 98% of the allocated budget for EPWP.

	Note	2023/24 R'000	2022/23 R'000
REVENUE			
Annual appropriation	1	5 921 824	6 407 739
Departmental revenue	2	38 794	3 263
TOTAL REVENUE		5 960 618	6 411 002
EXPENDITURE			
Current expenditure			
Compensation of employees	3	471 521	458 689
Goods and services	4	500 323	439 913
Interest and rent on land	5	2 043	33 355
		973 887	931 957
Transfers and subsidies			
Transfers and subsidies	7	4 225 970	4 537 046
		4 225 970	4 537 046
Expenditure for capital assets			
Tangible assets	8	298 039	878 465
Intangible assets		7	26
		298 046	878 491
Payments for financial assets	6	15	253
TOTAL EXPENDITURE		5 497 918	6 347 747
SURPLUS/(DEFICIT) FOR THE YEAR		462 700	63 255
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		423 906	59 992
Annual appropriation		63 116	56 091
Conditional grants		360 790	3 901
Departmental revenue and NRF receipts	12	38 794	3 263
SURPLUS/(DEFICIT) FOR THE YEAR		462 700	63 255

	Note	2023/24 R'000	2022/23 R'000
ASSETS			
Current assets		305 845	77 214
Cash and cash equivalents	9	274 090	45 469
Receivables		31 755	31 745
Non-current assets		155 008	154 180
Receivables	10	155 008	154 180
TOTAL ASSETS		460 853	231 394
LIABILITIES			
Current liabilities		460 486	231 354
Voted funds to be surrendered to the Revenue Fund	11	423 896	232 165
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	12	36 282	(1 012)
Payables	13	308	201
Non-current liabilities			
TOTAL LIABILITIES		460 486	231 354
NET ASSETS		367	40
Represented by:			
Recoverable revenue		367	40
TOTAL		367	40

	Note	2023/24 R'000	2022/23 R'000
Recoverable revenue			
Opening balance		40	161
Transfers:		327	(121)
Irrecoverable amounts written off	6.1	15	253
Debts recovered (included in departmental revenue)		312	(374)
Closing balance		367	40
TOTAL		367	40

	Note	2023/24 R'000	2022/23 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		5 960 618	6 411 002
Annual appropriation funds received	1	5 921 824	6 407 739
Departmental revenue received	2	38 775	3 220
Interest received	2.2	19	43
Net (increase)/decrease in net working capital		97	(186 269)
Surrendered to Revenue Fund		(233 675)	(289 976)
Current payments		(971 844)	(898 602)
Interest paid	5	(2 043)	(33 355)
Payments for financial assets		(15)	(253)
Transfers and subsidies paid		(4 225 970)	(4 537 046)
Net cash flow available from operating activities	14	527 168	465 501
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(298 046)	(878 491)
(Increase)/decrease in non-current receivables		(828)	(154 180)
Net cash flow available from investing activities		(298 874)	(1 032 671)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		327	(121)
Net cash flows from financing activities		327	(121)
Net increase/(decrease) in cash and cash equivalents		228 621	(567 291)
Cash and cash equivalents at beginning of period		45 469	612 760
Cash and cash equivalents at end of period	9	274 090	45 469



PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

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

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

1. Basis of preparation

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

2. Going concern

The financial statements have been on a going concern basis.

3. Presentation currency

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

4. Rounding

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

5. Foreign currency translation

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

6. Comparative information

6.1 Prior period comparative information

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

6.2 Current year comparison with budget

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

7. Revenue

7.1 Appropriated funds

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

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

Appropriated funds are measured at the amounts receivable.

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

7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Departmental revenue is measured at the cash amount received.

In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue

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

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

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

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

Write-offs are made according to the department's debt write-off policy.

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

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

8.1.2 Social contributions

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

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

8.2 Other expenditure

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

Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.

8.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.

8.4 Leases

8.4.1 Operating leases

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

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

8.4.2 Finance leases

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

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

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

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

OR

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

- the fair value of the leased asset; or if lower,
- the present value of the minimum lease payments.

9. Aid assistance

9.1 Aid assistance received

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

CARA Funds are recognised when receivable and measured at the amounts receivable.

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

9.2 Aid assistance paid

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

10. Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position.

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

11. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.

12. Investments

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

13. Financial assets

13.1 Financial assets (not covered elsewhere)

A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

13.2 Impairment of financial assets

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

14. Payables

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

15. Capital assets**15.1 Immovable capital assets**

Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

Where a project was started and then terminated for any length of time, it is quite possible that some of the structural work previously done would have on resumption / continuation of the project been damaged due to the passage of time or destroyed through vandalism.

The cost of the project will have to be assessed to determine if it represents a fair presentation of the value of the structure at resumption of the project. This will have to be done by a professional who would have to do an official assessment of the structure to decide if any work needs to be redone or repaired from safety point of view as well as feasibility to continue with the project.

Subsequently, for CWIP (Capital Work-In-Progress) where the fair value for the immovable asset has already been determined as a reliable estimate, the department can use that fair value

Although impairment is not required under the modified cash framework, there is no asset anymore so no future economic benefits or service potential exist, and a formal process should be started to obtain authorisation to write off the asset.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.

15.2 Movable capital assets

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

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

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

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

Biological assets are subsequently carried at fair value.

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

15.3 Intangible capital assets

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

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

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

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

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

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

15.4 Project costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

16. Provisions and contingents**16.1 Provisions**

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

16.2 Contingent liabilities

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

16.3 Contingent assets

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

16.4 Capital commitments

Capital commitments are recorded at cost in the notes to the financial statements.

17. Unauthorised expenditure

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

Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:

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

Unauthorised expenditure recorded in the notes to the financial statements comprise of

- unauthorised expenditure that was under assessment in the previous financial year;
- unauthorised expenditure relating to previous financial year and identified in the current year; and
- unauthorised incurred in the current year.

18. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of:

- fruitless and wasteful expenditure that was under assessment in the previous financial year;
- fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and
- fruitless and wasteful expenditure incurred in the current year.

19. Irregular expenditure

Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of:

- irregular expenditure that was under assessment in the previous financial year;
- irregular expenditure relating to previous financial year and identified in the current year; and
- irregular expenditure incurred in the current year.

20. Changes in accounting policies, estimates and errors

Changes in accounting policies are applied in accordance with MCS requirements.

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

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

21. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

22. Principal-Agent arrangements

The department is party to a principal-agent arrangement for Gauteng Partnership Fund and Housing Development Agent. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.

23. Departures from the MCS requirements

Management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard.

24. Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

25. Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

26. Related party transactions

Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

The full compensation of key management personnel is recorded in the notes to the financial statements.

27. Inventories

At the date of acquisition, inventories are recognised at cost in the statement of financial performance.

Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.

The cost of inventories is assigned by using the weighted average cost basis.

28. Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the Employee benefits note.

Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.

The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

29. Transfer of functions

Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.

Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.

PART B: EXPLANATORY NOTES
1. Annual Appropriation
1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

Programmes	2023/24			2022/23		
	Final Budget	Actual Funds Received	Funds not requested / not received	Final Budget	Appropriation Received	Funds not requested / not received
	R'000	R'000	R'000	R'000	R'000	R'000
ADMINISTRATION	749 691	749 691	-	769 512	769 512	-
HOUSING NEEDS, RESEARCH AND PLANNING	22 718	22 718	-	21 368	21 368	-
HOUSING DEVELOPMENT	4 950 587	4 950 587	-	5 299 571	5 299 571	-
HOUSING ASSETS MANAGEMENT PROPERTY MANAGEMENT	198 828	198 828	-	317 288	317 288	-
Total	5 921 824	5 921 824	-	6 407 739	6 407 739	-

1.2 Conditional grants

	Note	2023/24	2022/23
		R'000	R'000
Total grants received	39	4 343 635	5 104 748
Provincial grants included in total grants received		4 343 635	5 104 748

2. Departmental revenue

	Note	2023/24	2022/23
		R'000	R'000
Sales of goods and services other than capital assets	2.1	447	591
Interest, dividends and rent on land	2.2	19	43
Transactions in financial assets and liabilities	2.3	38 328	2 629
Total revenue collected		38 794	3 263
Total		38 794	3 263

2.1 Sales of goods and services other than capital assets

		2023/24	2022/23
	Note	R'000	R'000
Sales of goods and services produced by the department		369	411
Sales by market establishment		104	152
Other sales		265	259
Sales of scrap, waste and other used current goods		78	180
Total	2	447	591

2.2 Interest, dividends and rent on land

		2023/24	2022/23
	Note	R'000	R'000
Interest		19	43
Total	2	19	43

2.3 Transactions in financial assets and liabilities

		2023/24	2022/23
	Note	R'000	R'000
Receivables		38 328	2 629
Total	2	38 328	2 629

3. Compensation of employees
3.1 Analysis of balance

		2023/24	2022/23
	Note	R'000	R'000
Basic salary		332 690	314 507
Performance award		-	153
Service based		386	836
Compensative/circumstantial		3 464	2 951
Periodic payments		133	165
Other non-pensionable allowances		73 106	81 436
Total		409 779	400 048

3.2 Social contributions

		2023/24	2022/23
Employer contributions	Note	R'000	R'000
Pension		42 206	40 112
Medical		19 453	18 449
UIF		1	1
Bargaining council		82	79
Total		61 742	58 641
Total compensation of employees		471 521	458 689
Average number of employees		747	745

4. Goods and services

		2023/24	2022/23
	Note	R'000	R'000
Administrative fees		6	9
Advertising		6 201	1 593
Minor assets	4.1	117	345
Bursaries (employees)		3 078	3 029
Catering		2 102	725
Communication		12 891	13 257
Computer services	4.2	1 946	11 979
Consultants: Business and advisory services		21 578	31 652
Legal services		5 293	9 114
Contractors		50 035	34 000
Agency and support / outsourced services		177	1 692
Audit cost - external	4.3	13 526	12 088
Fleet services		9 459	5 176
Consumables	4.4	2 429	2 466
Operating leases		52 984	77 239
Property payments	4.5	300 510	225 971
Travel and subsistence	4.6	1 363	1 131
Venues and facilities		9 212	3 540
Training and development		758	42
Other operating expenditure	4.7	6 658	4 865
Total		500 323	439 913

4.1 Minor assets

		2023/24	2022/23
	Note	R'000	R'000
Tangible capital assets		117	345
Machinery and equipment		117	345
Total	4	117	345

4.2 Computer services

		2023/24	2022/23
	Note	R'000	R'000
SITA computer services		690	11 979
External computer service providers		1 256	-
Total	4	1 946	11 979

4.3 Audit cost - external

		2023/24	2022/23
	Note	R'000	R'000
Regularity audits		13 526	12 088
Total	4	13 526	12 088

4.4 Consumables

		2023/24	2022/23
	Note	R'000	R'000
Consumable supplies		1 544	1 738
Uniform and clothing		320	685
Household supplies		464	659
Building material and supplies		-	-
IT consumables		121	369
Other consumables		639	25
Stationery, printing and office supplies		885	728
Total	4	2 429	2 466

4.5 Property payments

		2023/24	2022/23
	Note	R'000	R'000
Municipal services		69 238	72 142
Property management fees		-	-
Property maintenance and repairs		41 215	145 798
Other		190 057	8 031
Total	4	300 510	225 971

4.6 Travel and subsistence

		2023/24	2022/23
	Note	R'000	R'000
Local		1 342	1 110
Foreign		21	21
Total	4	1 363	1 131

4.7 Other operating expenditure

		2023/24	2022/23
	Note	R'000	R'000
Professional bodies, membership and subscription fees		41	3
Resettlement costs		110	230
Other		6 507	4 632
Total	4	6 658	4 865

Included in the other operating expenditure is R2019 for printing and publication, R41 for subscriptions, R110 for resettlement cost and R4 488 for storage services.

5. Interest and rent on land

		2023/24	2022/23
	Note	R'000	R'000
Interest paid		2 043	33 355
Rent on land		-	-
Total		2 043	33 355

6. Payments for financial assets

		2023/24	2022/23
	Note	R'000	R'000
Debts written off	6.1	15	253
Total		15	253

6.1 Debts written off

Nature of debts written off	Note	2023/24	2022/23
		R'000	R'000
<i>Deceased</i>		-	55
Prescribed debt		14	198
Interest		1	-
Total		15	253
Total debt written off	6	15	253

7. Transfers and subsidies

		2023/24	2022/23
	Note	R'000	R'000
Provinces and municipalities	32	294 701	471 413
Households	<i>Annex 1G</i>	3 931 269	4 065 633
Total		4 225 970	4 537 046

8. Expenditure for capital assets

		2023/24	2022/23
	Note	R'000	R'000
Tangible capital assets		298 039	878 465
Buildings and other fixed structures		-	6 900
Machinery and equipment		5 961	6 837
Land and subsoil assets		292 078	864 728
Intangible capital assets		7	26
Software		7	26
Total		298 046	878 491

8.1 Analysis of funds utilised to acquire capital assets - Current year

Name of entity	2023/24		
	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible capital assets	298 039	-	298 039
Machinery and equipment	5 961	-	5 961
Land and subsoil assets	292 078	-	292 078
Intangible capital assets	7	-	7
Software	7	-	7
Total	298 046	-	298 046

8.2 Analysis of funds utilised to acquire capital assets – Prior year

Name of entity	2022/23		
	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible capital assets	878 465	-	878 465
Buildings and other fixed structures	6 900	-	6 900
Machinery and equipment	6 837	-	6 837
Land and subsoil assets	864 728	-	864 728
Intangible capital assets	26	-	26
Software	26	-	26
Total	878 491	-	878 491

9. Cash and cash equivalents

	2023/24	2022/23	
	Note	R'000	R'000
Consolidated Paymaster General Account		274 090	45 469
Total		274 090	45 469

10. Receivables

	Note	2023/24			2022/23		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	10.1	21	154 180	154 201	9	154 180	154 189
Trade receivables	10.2	-	-	1 073	-	-	-
Staff debt	10.3	-	463	463	272	-	272
Other receivables	10.4	31 734	365	31 026	31 464	-	31 464
Total		31 755	155 008	186 763	31 745	154 180	185 925

10.1 Claims recoverable

	Note	2023/24 R'000	2022/23 R'000
Provincial departments		21	9
Local governments		154 180	154 180
Total	10	154 201	154 189

10.2 Staff debt

	Note	2023/24 R'000	2022/23 R'000
Ex-employees		456	248
Employees		7	24
Total	10	463	272

10.3 Other receivables

	Note	2023/24 R'000	2022/23 R'000
Uncleared balance (Housing Fund)		365	188
Housing Fund		30 346	31 276
Parking Refund		315	-
Fruitless and wasteful Expenditure		1 073	-
Total	10	32 099	31 464

11. Voted funds to be surrendered to the Revenue Fund

	Note	2023/24 R'000	2022/23 R'000
Opening balance		232 165	458 851
As restated		232 165	458 851
Transferred from statement of financial performance (as restated)		423 906	59 992
Paid during the year		(232 175)	(286 678)
Closing balance		423 896	232 165

12. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	Note	2023/24 R'000	2022/23 R'000
Opening balance		(1 012)	(977)
As restated		(1 012)	(977)
Transferred from statement of financial performance (as restated)		38 794	3 263
Paid during the year		(1 500)	(3 298)
Closing balance		36 282	(1 012)

13. Payables – current

		2023/24	2022/23
	Note	R'000	R'000
Clearing accounts	13.1	308	201
Total		308	201

13.1 Clearing accounts

Description	Note	2023/24	2022/23
		R'000	R'000
Sal:acb recalls:ca		9	22
Sal:income tax:cl		25	41
Sal:reversal control:ca		4	-
Sal:pension fund:		3	2
Sal:gehs refund control		250	136
Payble:adv:pub corp&priv		9	-
Sal:bargaining councils		6	-
Sal:deduction disall acc:		2	-
Total	13	308	201

14. Net cash flow available from operating activities

	Note	2023/24	2022/23
		R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		462 700	63 255
Add back non-cash/cash movements not deemed operating activities		64 468	402 246
(Increase)/decrease in receivables		(10)	172 717
Increase/(decrease) in payables – current		107	(358 986)
Expenditure on capital assets		298 046	878 491
Surrenders to Revenue Fund		(233 675)	(289 976)
Net cash flow generated by operating activities		527 168	465 501

15. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2023/24	2022/23
		R'000	R'000
Consolidated Paymaster General account		274 090	45 469
Total		274 090	45 469

16. Contingent liabilities and contingent assets
16.1 Contingent liabilities

Liable to	Nature	Note	2023/24	2022/23
			R'000	R'000
Housing loan guarantees	Employees	Annex 3A	-	52
Claims against the department		Annex 3B	2 702 063	2 756 264
Intergovernmental payables		Annex 5	-	51
Total			2 702 063	2 756 367

16.2 Contingent assets

Nature of contingent asset	Note	2023/24	2022/23
		R'000	R'000
Disputes on prior year over payments(Alexander beneficiary)		2 528	2 528
Disputes on outcome of non delivery of service		10 566	10 566
Total		13 094	13 094

17. Capital Commitments

	Note	2023/24	2022/23
		R'000	R'000
Machinery and equipment		-	8
Total		-	8

18. Accruals and payables not recognised
18.1 Accruals

Listed by economic classification	Note	2023/24			2022/23
		30 Days	30+ Days	Total	Total
		R'000	R'000	R'000	R'000
Goods and services		25 147	-	25 147	32 961
Transfers and subsidies		227 684	23 075	250 759	156 138
Total		252 831	23 075	275 906	189 099

Listed by programme level	Note	2023/24	2022/23
		R'000	R'000
Goods and Services		25 147	32 961
Transfers and subsidies		250 759	156 138
Total		275 906	189 099

18.2 Payables not recognised

Listed by economic classification	Note	2023/24			2022/23
		30 Days	30+ Days	Total	Total
		R'000	R'000	R'000	R'000
Goods and services		8 937	-	8 937	4 583
Transfers and subsidies		11 225	3 923	15 148	52 000
Total		20 162	3 923	24 085	56 583

Listed by programme level	Note	2023/24	2022/23
		R'000	R'000
Goods and Services		8 937	4 583
Transfers and Subsidies		15 148	52 000
Total		24 085	56 583

		2023/24	2022/23
Included in the above totals are the following:	Note	R'000	R'000
Confirmed balances with other departments	Annex 5	4 942	593
Confirmed balances with other government entities	Annex 5	2 652	2 110
Total		7 594	2 703

19. Employee benefits

		2023/24	2022/23
	Note	R'000	R'000
Leave entitlement		34 825	33 856
Service bonus		12 838	11 996
Capped leave		5 247	5 350
Other		76	1 000
Total		52 986	52 202

Included in the Leave Entitlement is previous year leave that will be forfeited on the 30th June 2024, and a negative amount of R131,536.95. Long service awards to employees for their 20 and 30 years of service which is based on amounts provided by DPSA. Included in other is long term service.

20. Lease commitments

20.1 Operating leases

	2023/24				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	14 958	15	14 973
Later than 1 year and not later than 5 years	-	-	23 176	-	23 176
Total lease commitments	-	-	38 134	15	38 149

	2022/23				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	13 771	245	14 016
Later than 1 year and not later than 5 years	-	-	33 757	11	33 768
Total lease commitments	-	-	47 528	256	47 784

20.2 Finance leases

	2023/24				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	14	14
Total lease commitments	-	-	-	14	14

	2022/23				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	313	313
Later than 1 year and not later than 5 years	-	-	-	14	14
Total lease commitments	-	-	-	327	327

21. Unauthorised, Irregular and Fruitless and wasteful expenditure

	Note	2023/24	2022/23
		R'000	R'000
Irregular expenditure - current year		510 084	382 360
Fruitless and wasteful expenditure - current year		3 137	33 680
Total		513 221	416 040

22. Related party transactions

Payments made	Note	2023/24	2022/23
		R'000	R'000
Transfers and subsidies		418 755	1 564 184
Total		418 755	1 564 184

Year end balances arising from revenue/payments	Note	2023/24	2022/23
		R'000	R'000
Receivables from related parties		30 346	31 275
Total		30 346	31 275

In-kind goods and services (provided)/received	Note	2023/24	2022/23
		R'000	R'000
<i>Housing Fund</i>		351 968	231 086
Total		351 968	231 086

The Gauteng Department of Human Settlements is related to Department of Infrastructure Development, the Gauteng Partnership Funds and the Housing Fund by virtue of being under the same control by member of the Executive Council (MEC).

23. Key management personnel

	2023/24	2022/23
	R'000	R'000
Deputy Director General and HOD	11 223	12 452
Chief Directors and level 13	14 868	16 000
Level 12-Regional Heads	9 618	8 815
Total	35 709	37 267

24. Provisions

	Note	2023/24	2022/23
		R'000	R'000
Mr P Nkumane of MP Builders		1 593	1 593
Mr V Mbatha of TV Construction		71	71
Mnguni Construction		-	876
Ledwaba Builders		41	41
S Elson Lebyane		-	617
PJ Mokoena Construction		57	57
EM Construction		148	148
Mothapo Building Construction		-	85
Tabane Construction		-	449
R Madubanyana		-	338
Sidwell Construction		32	32
Bad Debts		58	37
		2 000	5 330
Total		2 000	5 330

24.1 Reconciliation of movement in provisions – Current year

	Alex Contractors	Bad Debts	Total provisions
	R'000	R'000	R'000
Opening balance	5 293	249	5 542
Settlement of provision	(3 351)	(117)	(3 468)
Unused amount reversed	-	(18)	(18)
Reimbursement expected from third party	-	(56)	(56)
Closing balance	1 942	58	2 000

Reconciliation of movement in provisions - Prior year

	Alex Contractors R'000	Bad Debts R'000	Total provisions R'000
Opening balance	5 054	259	5 313
Increase in provision	3 398	75	3 473
Settlement of provision	(3 390)	(287)	(3 677)
Reimbursement expected from third party	-	(10)	(10)
Change in provision due to change in estimation of inputs	231	-	231
Closing balance	5 293	37	5 330

25. Movable Tangible Capital Assets
MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				Closing balance R'000
	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	
MACHINERY AND EQUIPMENT	58 114	-	5 962	(6 682)	57 393
Transport assets	566	-	-	-	566
Computer equipment	48 443	-	5 749	(6 389)	47 804
Furniture and office equipment	7 367	-	197	(245)	7 319
Other machinery and equipment	1 738	-	16	(49)	1 705
Total movable tangible capital assets	58 114	-	5 962	(6 682)	57 393

Movable Tangible Capital Assets under investigation

	Note	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register that are under investigation:			
Machinery and equipment		246	5 654
Total		246	5 654

The total amount of 5 654 Million is 3 942 of unverified assets and 1 712 theft and loss assets under investigation.

25.1 MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	72 388	-	7 718	(21 992)	58 114
Transport assets	566	-	-	-	566
Computer equipment	59 652	-	5 551	(6 760)	48 443
Furniture and office equipment	7 808	-	1 736	(2 177)	7 367
Other machinery and equipment	4 362	-	431	(3 055)	1 738
Total movable tangible capital assets	72 388	-	7 718	(21 992)	58 114

25.2 Minor assets
MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24					
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	8 109	-	8 109
Additions	-	-	-	117	-	117
Disposals	-	-	-	547	-	547
Total minor assets				7 678		7 678

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	872	-	872
Number of minor assets at cost	-	-	-	4 776	-	4 776
Total number of minor assets	-	-	-	5 648	-	5 648

Minor capital assets under investigation

	Note	Number	Value R'000
Included in the above total of the minor capital assets per the asset register that are under investigation:			
Machinery and equipment		118	176

The total amount of 176 thousand is made of unverified assets under investigation.

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23					
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	8 877	-	8 877
Additions	-	-	-	1 207	-	1 207
Disposals	-	-	-	1 975	-	1 975
Total minor assets	-	-	-	8 109	-	8 109

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	733	-	733
Number of minor assets at cost	-	-	-	4 741	-	4 741
Total number of minor assets	-	-	-	5 474	-	5 474

26. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	6 788	7	(139)	6 656
Total intangible capital assets	6 788	7	(139)	6 656

26.1 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	6 762	-	26	-	6 788
Total intangible capital assets	6 762	-	26	-	6 788

27. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	105 054	-	(20 176)	84 878
Other fixed structures	105 054	-	(20 176)	84 878
LAND AND SUBSOIL ASSETS	2 019 548	258 265	-	2 277 813
Land	2 019 548	258 265	-	2 277 813
Total immovable tangible capital assets	2 124 602	258 265	(20 176)	2 362 691

The total amount of R258 265 for additions includes an amount of R93 718 as per the agreement with GPF for land purchase.

27.1 MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	105 268	-	6 900	(7 114)	105 054
Other fixed structures	105 268	-	6 900	(7 114)	105 054
LAND AND SUBSOIL ASSETS	2 051 330	(142 825)	539 691	(428 648)	2 019 548
Land	2 051 330	(142 825)	539 691	(428 648)	2 019 548
Total immovable tangible capital assets	2 156 598	(142 825)	546 591	(435 762)	2 124 602

27.1.1 Prior period error

Nature of prior period error	Note	2022/23
		R'000
Relating to 2022/23		(142 825)
Work in progress and disposal		(142 825)
Total prior period errors		(142 825)

27.2 Immovable tangible capital assets: Capital Work-in-progress
CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2024

	Note Annex 7	2023/24			Closing balance 31 March 2024 R'000
		Opening balance 1 April 2023 R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	
Buildings and other fixed structures		611 591	-	-	611 591
Total		611 591	-	-	611 591

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023

	Note	2022/23				Closing balance 31 March 2023 R'000
		Opening balance 1 April 2022 R'000	Prior period error R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	
Buildings and other fixed structures		611 013	-	578	-	611 591
Total		611 013	-	578	-	611 591

28. Principal-agent arrangements
28.1 Department acting as the principal

	Note	2023/24	2022/23
		R'000	R'000
Housing Development Agency		-	901
Gauteng Partnership Fund		19 941	81 013
Total		19 941	81 914

In the 2023/24 financial year the Housing Development Agency (HDA) is into a binding agreement with Department. The purpose of this was to implement various projects on behalf of the Department. The Housing Development Agency (HDA) further receives 5% management fees which is utilised towards the management of these projects.

** In the 2023/24 financial year the Gauteng Partnership Fund (GPF) is into a binding agreement with Department. The purpose of this was to implement various projects on behalf of the Department in line with its mandate. The Gauteng Partnership Fund (GPF) further receives 5% management fees which is utilised towards the management of these projects.

A binding agreement exist in the 2023/24 financial year in where the municipalities act as an agent of the Department in the execution of the human settlement mandate.

29. Prior period errors

29.1. Correction of prior period error

	Note	2023/24		
		Amount bef error correction R'000	Prior period error R'000	Restated R'000
Expenditure: (E.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)				
Immovable tangible capital assets land	40	2 162 374	(142 825)	2 019 549
Inventories	Annexure 6	9 848 279	(8 378 891)	1 469 388
Work in progress	Annexure 7	2 870 693	955 634	3 826 327
Net effect		14 881 346	(7 566 082)	7 315 264

	Note	2023/24		
		Amount bef error correction R'000	Prior period error R'000	Restated R'000
Other: (E.g. Unauthorised expenditure, Irregular expenditure, Fruitless and wasteful expenditure, etc.)				
Fruitless expenditure	31	33 667	13	33 680
Net effect		33 667	13	33 680

30. Statement of conditional grants received

Name of department	Grant allocation					Spent			2022/23		
	Division of revenue act/provincial grants	Roll overs	DoRA adjustments	Other adjustments	Total available	Amount received by department	Amount spent by department	Under/(over)-spending)	% of available funds spent by department	Division of revenue act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Human Settlements Development Grant	3 606 187	-	-	-	3 606 187	3 446 934	3 446 934	159 253	100%	3 964 494	3 964 494
Extended Public Works Programme	9 962	-	-	-	9 962	9 962	9 962	163	100%	12 130	12 130
Title Deeds Restoration Grant	-	-	-	-	-	-	-	-	-	-	-
Upgrade of Informal Settlements Grant	1 088 276	-	-	-	1 088 276	886 902	886 902	201 374	100%	1 128 124	1 128 124
Total	4 704 425	-	-	-	4 704 425	4 343 635	4 343 635	360 790	-	5 104 748	5 104 748

Departments are reminded of the requirement to certify that all transfers in terms of this Act were deposited into the primary bank account of the province or, where appropriate, into the CPD account of the province.

31. Statement of conditional grants and other transfers paid to municipalities

Name of municipality	2023/24					2022/23					
	GRANT ALLOCATION					TRANSFER					
	DoRA and other transfers	Roll overs	Adjustments	Available	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	Division of Revenue Act	Actual transfer	%
Overs	Adjustments	Available		R'000	R'000	R'000	R'000	R'000	R'000	R'000	%
Merafong City	52 000	-	-	-	52 000	(52 000)	-	-	77 541	77 541	77 540
Mogale City	129 701	-	-	-	129 701	(129 701)	-	-	100 038	100 038	100 038
Rand West City	30 000	-	-	-	30 000	(30 000)	-	-	271 300	271 300	271 300
City of Ekurhuleni	-	-	-	-	-	-	-	-	8 706	8 706	-
City of Tshwane	96 025	-	-	-	96 025	(83 000)	13 025	-	22 573	22 573	22 573
Total	307 726	-	-	-	307 726	(294 701)	13 025	-	480 158	480 158	471 451

32. Broad Based Black Economic Empowerment performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

33. Natural disaster or relief expenditure

		2023/24	2022/23
	Note	R'000	R'000
Compensation of employees		-	413
Total	Annex 11	-	413

Annexure 1A

Statement of conditional grants and other transfers paid to municipalities

Name of municipality	Grant allocation				2023/24			2022/23						
	DoRA and other transfers R'000	Roll overs R'000	Adjustments R'000	Total available R'000	Transfer		Spent							
					Actual transfer R'000	Funds withheld R'000	Re-allocations by National Treasury or National Department %	Amount received by municipality R'000	Amount spent by municipality R'000	Unspent fund R'000	% of funds spent by municipality %	DoRA and other transfers R'000	Actual transfers R'000	
Merafong City	52 000	-	-	52 000	52 000	-	-	52 000	-	-	-	0%	77 541	77 540
Mogale City	129 701	-	-	129 701	129 701	-	-	129 701	-	-	-	0%	100 038	100 038
Rand West City	30 000	-	-	30 000	30 000	-	-	30 000	-	-	-	0%	271 300	271 300
City of Ekurhuleni	-	-	-	-	-	-	-	-	-	-	-	0%	8 706	-
City of Tshwane	96 025	-	-	96 025	83 000	13 025	-	83 000	-	-	-	0%	22 573	22 573
Merafong City	52 000	-	-	52 000	52 000	-	-	52 000	-	-	-	0%	77 541	77 540
Total	307 726	-	-	307 726	294 701	13 025	-	294 701	-	-	-	-	480 158	471 451

Annexure 1G
Statement of transfers to households

Households	2023/24				2022/23				
	Adjusted Budget		Transfer allocation		Expenditure		Expenditure		
	R'000	R'000	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
			R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers									
Human Settlements Development Grant	3 246 767	-	-	-	3 246 767	2 826 587	87,1%	3 410 544	2 651 347
Extended Public Works Programme	9 962	-	-	-	9 962	9 799	98,4%	12 167	12 130
Title Deeds Restoration Grant	-	-	-	-	-	-	-	-	-
Earmarked Housing Fund	360 000	-	-	-	360 000	360 000	100,0%	282 805	371 882
H \ H Employee Social Benefit	2 079	-	-	-	2 079	1 883	90,6%	1 993	2 150
Upgrade of Informal Settlements Grant	1 088 276	-	-	-	1 088 276	733 000	67,4%	1 128 167	1 128 124
Total	4 707 084	-	-	-	4 707 084	3 931 269	-	4 835 676	4 165 633

Annexure 3A

Statement of financial guarantees issued as at 31 March 2023 – local

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2023	Guarantees draw downs during the year	Guarantees repayments/cancelled/reduced/released during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2024	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2024
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Housing	-	52	-	52	-	-	-	-
	Subtotal	-	52	-	52	-	-	-	-
	Total	-	52	-	52	-	-	-	-
Nedbank									

Annexure 3B
Statement of contingent liabilities as at 31 March 2023

Nature of Liability	Opening Balance 1 April 2023 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancelled/reduced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance 31 March 2024 R'000
Claims against the department					
ABSA Property Development	9 905	-	-	(9 905)	-
Alcron Properties	100 386	-	-	-	100 386
Allenby Housing	64 774	-	-	-	64 774
Amandebele BA Moletlane Traditional council	60 000	-	-	-	60 000
Asa Group Consultancy (pty) ltd	41 209	-	-	-	41 209
Batlhokomedi Management Services	21 693	-	-	-	21 693
Bobworth Investment (PTY) Ltd	3 489	-	-	-	3 489
Buzzy Builders	2 495	-	-	-	2 495
Dianah Joyce Business Enterprise	961	-	-	-	961
DGSD	8 830	-	-	-	8 830
Edge to edge	617	-	-	-	617
Empyreal Construction	10 682	-	-	-	10 682
G5 Group (PTY) LTD	8 322	-	-	-	8 322
Indlangamandla Security Protection and Projects	23 525	-	-	-	23 525
L R Big Brain Construction cc	11 734	-	-	-	11 734
Lenga Monama	30	-	-	-	30
Mafoko Security	3 235	-	-	-	3 235
Makgotamishe Building Construction (Pty) LTD	50 120	-	-	(50 120)	-
Makole Property Development	48 132	-	-	-	48 132
Malinda Group	187	-	-	-	187
Massbuild	131	-	-	-	131
Mebalabala Holdings	1 065	-	-	-	1 065
Mogale Solution Providers (Pty) Ltd	3 311	-	-	-	3 311
Mpho Ramoshaba	13	-	-	-	13
Mr Makgetha Samuel Lehlohonolo	250	-	-	-	250
Mushanganiso Tshililo	166	-	-	-	166
Naidoo Navil	571	-	-	-	571
Naidoo Shivani	571	-	-	-	571
Nair Premila	575	-	-	-	575
Ngabolo Projects cc	1 509	-	-	-	1 509
Katekani Investment	6 864	-	-	-	6 864
Octopus Productions cc	2 101 500	-	-	-	2 101 500
Peter Mongoloa and others	900	-	-	-	900
Pillay Romilla	571	-	-	-	571
Scarlett Ibis 115 (Pty) Ltd	5 250	-	-	(5 250)	-
Sheriff Pretoria South West	11 239	-	-	-	11 239
The Document Warehouse	383	-	-	-	383
Tshedza Protective Services	1 216	-	-	-	1 216
Vharanani Properties	8 601	-	16 609	(8 601)	16 609
Vimtsire	84 521	-	-	-	84 521
XCF Moditi Consortium	42 590	-	-	-	42 590
Isolezwe Projects	5 742	-	-	-	5 742
Jonas Monyela	19	-	-	-	19
Tawana Business Projects	6 448	-	-	-	6 448
EMS Solutions	1 932	-	-	-	1 932
Lekwa Consulting Engineers	-	3 066	-	-	3 066
Subtotal	2 756 264	19 675	-	(73 876)	2 702 063
Total	2 756 264	19 675	-	(73 876)	2 702 063

Annexure 4

Claims recoverable

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	Cash in transit at year end 2023/24*	
	31/03/2024 R'000	31/03/2023 R'000	31/03/2024 R'000	31/03/2024 R'000		31/03/2023 R'000	31/03/2024 R'000
Department of Economic Development	-	9	-	-	9	-	-
Department of Military Veterans	-	-	-	-	-	-	-
Department of Infrastructure Development	21	-	-	-	-	21	-
Subtotal	21	9	-	-	9	21	-
Other Government Entities							
City of Ekurhuleni	154 180	-	-	-	-	154 180	-
Subtotal	154 180	9	-	-	9	154 180	-
Total	154 201	9	-	-	9	154 201	-

Annexure 5

Inter-government payables

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	Cash in transit at year end 2023/24*
	31/03/2024	31/03/2023	31/03/2024	31/03/2023		
	R'000	R'000	R'000	R'000	R'000	R'000
Departments						
Current	4 932	593	-	-	4 931	593
Department of Justice	-	-	-	-	-	-
e-government	10	-	-	-	10	-
Office of Chief Justice	-	-	-	-	-	-
Cogta	-	-	-	51	-	51
Subtotal	4 942	593	-	51	4 942	644
Non-current						
Gfleet	2 652	2 110	-	-	2 652	2 110
Subtotal	2 652	2 110	-	-	2 652	2 110
Total	7 594	2 703	-	51	7 594	2 754

Annexure 6

Inventories for the year ended 31 March 2024

	Completed Housing units	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	Total
	R'000	R'000	R'000	R'000	R'000
Opening balance	9 848 279	-	-	-	9 848 279
Add/(Less: Adjustments to prior year balances	(8 378 891)	-	-	-	(8 378 891)
Add: Additions - Non-cash	1 980 749	-	-	-	1 980 749
(Less): Issues	(1 720 806)	-	-	-	(1 720 806)
Closing balance	1 729 331	-	-	-	1 729 331

Inventories for the year ended 31 March 2023

	Completed Housing units	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	Total
	R'000	R'000	R'000	R'000	R'000
Opening balance	9 114 040	-	-	-	9 114 040
Add: Additions – Non-cash	1 917 974	-	-	-	1 917 974
(Less): Issues	(1 183 735)	-	-	-	(1 183 735)
Closing balance	9 840 279	-	-	-	9 848 279

Annexure 7

Movement in capital work in progress

Movement in capital work in progress for the year ended 31 March 2024

	Opening balance R'000	Current year capital WIP R'000	Ready for use (Asset register)/ Contract terminated R'000	Closing balance R'000
Buildings and other fixed structures	2 659 842	1 647 737	(1 980 749)	2 326 830
Dwellings	2 659 842	1 647 737	(1 980 749)	2 326 830
Non-residential buildings				
Total	2 659 842	1 647 737	(1 080 749)	2 326 830

Movement in capital work in progress for the year ended 31 March 2023

	Opening balance R'000	Prior period error R'000	Current year capital WIP R'000	Ready for use (Asset register)/ Contract terminated R'000	Closing balance R'000
Buildings and other fixed structures	2 870 693	955 634	1 527 887	(2 694 372)	2 659 842
Dwellings	2 870 693	955 634	1 527 887	(2 694 372)	2 659 842
Total	2 870 693	955 634	1 527 887	(2 694 372)	2 659 842

Annexure 10
Department of human settlements housing related expenditure classification

	2023/24	2022/23
Note	R'000	R'000
Inventories		
<i>Assets for redistribution(RDP houses constructed for distribution)</i>	1 980 749	1 917 974
Subtotal	1 980 749	1 917 974
Expenditure for capital assets		
Land undeveloped	292 078	816 776
Land Developed	-	47 952
Subtotal	292 078	864 728
Transfers and subsidies		
<i>Transfers to Municipalities</i>	294 701	471 451
Subtotal	294 701	471 451
Total	2 567 528	3 254 153
Capital commitments		
Machinery and equipment	-	8
Total	-	8

Annexure 11

Natural Disaster Or Relief Expenditure

Per quarter and in total

Expenditure per economic classification	2023/24					2022/23
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Goods and services	-	-	-	-	-	413
CONS HOUS SUP: TOILETRIES	-	-	-	-	-	413
Total Natural Disaster Or Relief Expenditure						413

Annual Financial Statements

for the year ended 31 March 2024

AFFRI VILLAGE
MEGA PROJECT



The Housing Fund

GENERAL INFORMATION

Legal form of entity	Public entity
Legislation governing the entity's operations:	Public Finance Management Act, 1999 (Act No. 1 of 1999)
Accounting Officer	Phindile Mbanjwa
Chief Financial officer	Abdullah Ismail
Email Address for Chief Financial Officer	abdullah.ismail@gauteng.gov.za
Registered office	11 Diagonal Street Marshalltown 2107
Business address	11 Diagonal Street Marshalltown 2107
Postal address	Private Bag X79 Marshalltown 2107
Telephone Number	(011) 355 4869
Fax number:	(011) 355 4710
Auditors	Auditor General of South Africa Registered Auditors



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ABBREVIATIONS

AG	Auditor - General of South Africa
GHF	Gauteng Housing Fund
GRAP	Generally Recognised Accounting Practice
PFMA	Public Finance Management Act, 1999 (Act No. 1 of 1999)
PPE	Property, Plant and Equipment
SO	State Owned

REPORT OF THE AUDITOR-GENERAL TO GAUTENG PROVINCIAL LEGISLATURE ON THE GAUTENG HOUSING FUND

Report on the audit of the financial statements

Adverse opinion

1. I have audited the financial statements of the Gauteng Housing Fund set out on pages 276 to 279, which comprise the, statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets and the accumulated surplus for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, because of the significance of the matters described in the basis for adverse opinion section of this auditor's report, the financial statements do not present fairly, in all material respects, the financial position of the Gauteng Housing Fund as at 31 March 2024, and financial performance and cash flows for the year then ended in accordance with the Standard of Generally Recognised Accounting Practice (GRAP) and the requirements of the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for adverse opinion

Property, plant, and equipment

3. Property, plant and equipment were not correctly valued in accordance with GRAP 17, *Property, plant, and equipment*. Previously capitalised assets were incorrectly revalued, resulting in the value of the asset group recorded in the asset register being understated. Material misstatements were between the value disclosed in the face and the note and asset register. Thus, I was unable to determine the impact on the value of Property, plant and equipment in the current and previous year as it was impracticable to do so.

Municipal services

4. The entity did not accrue for the municipal service in accordance with in terms of GRAP 1, Presentation of financial statements, expenditure were not recognised when incurred but when paid which is not in line with GRAP 1. The effect on the financial statements was that municipal services was overstated by R120 270 263. Consequently, there was an impact on the services in kind line item, related party disclosure note and the accumulated surplus for the period.
5. Furthermore, difference were noted between amounts of municipal services comparative figure presented in the face of the 2023/24 financial statements and the amount presented in the prior year financial statements (2023: R58 211 000).

Loss on disposals

6. In the current year the loss on disposal was understated by R79 687 000 due to incorrect treatment in the financial statements. This further impacted on the total expenditure and surplus for the period.

Payables from exchange transactions

7. The trade payables of the entity as stated in note no. 06 of the financial statements were materially overstated by an amount of R96 372 166 (2023: R R16 638 570) due to the entity using chronology report instead of statements which is not in accordance with GRAP 1, *Presentation of financial statements*.

Other financial liabilities

8. The other financial liabilities disclosed in note 7 of the financial statements were incorrectly classified as they do not meet the recognition criteria as required by GRAP 104, *Financial Instruments* as there is no contractual obligation for the entity to distinguish this liability. The account balance is materially misstated by R30 346 000.

Maintenance costs

9. Maintenance costs were not recorded as required by GRAP 1, *Presentation of financial statements*. Maintenance costs as disclosed on the face of the financial statements, was understated by R10 564 182 due to the entity not accounting for all expenditure incurred in the current year.

Change in accounting policy

10. The change in accounting policy as disclosed in note 18 of the financial statements was not correctly applied as required by GRAP 03, *Accounting policies, estimates and errors*. The nature of the transactions disclosed therein do not meet the definition of a change in accounting policy.

Prior period errors

11. Not all prior period errors were disclosed in note 19 to the financial statements, as required by GRAP 03, *Accounting policies, estimates and errors*. The nature and the amount of the correction for some financial statement items affected, and the amount of the correction at the beginning of the earliest previous period were not disclosed. In addition, I was unable to obtain sufficient appropriate audit evidence for those prior period errors disclosed in note 19 to the financial statements, as the supporting information was not provided. I was unable to confirm these disclosures by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the prior period errors disclosed in the financial statements.

Context for opinion

12. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
13. I am independent of the entity in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
14. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse opinion.

Responsibilities of the accounting officer for the financial statements

15. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements PFMA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
16. In preparing the financial statements, the accounting officer is responsible for assessing the entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

17. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.
18. I am independent of the entity in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code), as well as the other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

Report on the audit of the annual performance report

19. In terms of PFMA the entity is not required to prepare an annual performance report

Report on compliance with legislation

20. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the entity's compliance with legislation.
21. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
22. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
23. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements

24. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records as required by section 40(1)(a) and (b) of the PFMA.
25. Material misstatements identified by the auditors in the submitted financial statements were not corrected and the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving an adverse opinion.

Expenditure management

26. Effective internal controls were not in place for approval and processing of payments, as required by treasury regulation 8.1.1.

Assets management

27. I was unable to obtain sufficient appropriate audit evidence that proper control systems were in place at the entity to ensure the safeguarding / maintenance of assets, as required by section 38(1)(d) of the PFMA.
28. I was unable to obtain sufficient appropriate audit evidence that preventative mechanisms were in place at the entity to eliminate the theft / loss / wastage / misuse of assets, as required by treasury regulation 10.1.1(a).
29. I was unable to obtain sufficient appropriate audit evidence that processes and procedures were in place at the entity for the effective / efficient / economical / transparent use of the institution's assets, as required by treasury regulation 10.1.2.

Internal control deficiencies

30. I considered internal control relevant to my audit of the financial statements and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
31. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the adverse opinion and the material findings on compliance with legislation included in this report.
32. Senior management did not prepare and review regular, accurate and complete financial reports that were supported and evidenced by reliable information, as submitted financial statements contained material misstatements.

Auditor-General

Johannesburg

31 July 2024



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial and on the entity's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause an entity to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA)	Sections 38(1)(b); 38(1)(d); 38(1)(f); Sections 40(1)(a) and (b); 40(1)(c)(i); Sections 45(b);
Treasury Regulations (TR)	TR 8.1.1; 8.2.2; 8.2.3; 10.1.1 (a) ; 10.1.2; TR 15.10.1.2(c) TR 17.1.1; TR 18.2; TR 19.6.1 ; TR 19.8.4

The Accounting officer is required to maintain adequate accounting records and is responsible for the content and integrity of the Annual financial statements and related financial information included in this report. It is the responsibility of the directors to ensure that the Annual financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows for the period then ended.

The Annual financial statements have been prepared in accordance with South African Statements of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The Annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The Accounting officer acknowledges that she is ultimately responsible for the system of Annual financial controls established by the entity and place considerable importance on maintaining a strong control environment. To enable management to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the Annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The Accounting officer has reviewed the entity's cash flow forecast for the year 31 March 2024 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

We draw attention to the fact that at the end of the reporting period, the entity had an accumulated deficit of 203 699 and that the entity's total assets exceed its liabilities by 1 864 913. The annual financial statements have been prepared on the basis applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The ability of the entity to continue as a going concern is dependent on the Department of Human Settlements.

The Annual financial statements set out on pages 276 to 301, which have been prepared on the going concern basis, were approved on the 31st July 2024 and were signed by:



Ms. Phindile Mbanjwa

Accounting Officer

Gauteng Department of Human Settlements

Date: 29 August 2024

Figures in Rand thousand	Note(s)	2023/24	2022/23
ASSETS			
Current assets			
Receivables from exchange transactions	3	2 029	4 518
Receivables from non- exchange transactions	4	18	10
Non-current assets			
Property, plant and equipment	5	2 004 020	2 102 088
Total assets		2 006 066	2 106 615
LIABILITIES			
Current liabilities			
Creditors from exchange transactions	6	110 808	117 310
Other financial liabilities	7	30 346	31 275
Total Liabilities		141 153	148 585
NET ASSETS			
Accumulated surplus/(deficit)		1 864 913	1 958 030
Revaluation reserve		-	-
Total Net Assets		1 864 913	1 958 030

Figures in Rand thousand	Note(s)	2023/24	2022/23
Revenue			
Revenue from exchange transactions		376	4 440
Other income	8	376	4 440
Revenue from non-exchange transactions		351 968	234 400
Services rendered in kind	9	351 968	231 085
Donation			3 315
Total revenue		352 344	238 841
Expenditure			
		(556 043)	(448 397)
Depreciation	5	(48 066)	(35 874)
Impairment	10	(8 680)	(13 918)
Loss on disposal	11	(39 844)	(94 093)
Cleaning		(17 072)	(6 629)
Salaries		(5 198)	(4 542)
Municipal services		(356 483)	(311 877)
Maintenance		(70 199)	(10 432)
Audit Fees		(157)	(1 108)
Consulting fees		(876)	(1 837)
Conveyancing		(1 047)	-
Security Services		(8 420)	(8 087)
Surplus/(Deficit) for the year		(203 699)	(249 556)

Figures in Rand thousand	Note(s)	Accumulated surplus / deficit R'000	Revaluation reserve R'000	Total net assets R'000
Balance at 1 April 2022		1 997 108		1 997 108
Surplus / (deficit) for the year		(208 606)		(208 606)
Balance at 31 March 2023		1 788 502	-	1 788 502
Prior period error	18	280 110		280 110
Balance at 01 April 2023 Restated		2 068 612		2 068 612
Surplus / (deficit) for the year ending		(203 699)	-	(203 699)
Balance at 31 March 2024		1 864 913		1 864 913

Figures in Rand thousand	Note(s)	2023/24 R'000	2022/23 R'000
CASH FLOW FROM OPERATING ACTIVITIES			
Net cash flows from operating activities	13	0	0
Net (decrease) / increase in Dept. of Human Settlements - Vote 8		0	0
Department of Human Settlements - Vote 8 at beginning of the year"		0	0
Dept. of Human Settlements - Vote 8		0	0

1 Presentation of Annual financial statements

The Annual financial statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost convention.

The Annual financial statements have been prepared in accordance with Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act, (Act No 1 of 1999).

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP.

The financial figures in the Annual financial statements have been rounded to the nearest thousands Rands ('000').

The accounting policies applied are consistent with those used to present the previous year's financial statements, unless explicitly stated. The details of any changes in accounting policies are explained in the relevant policy.

These Annual financial statements are presented in South African Rand, which is the functional currency of the Gauteng Housing Fund (GHF).

The principle accounting policies adopted in the preparation of this Annual financial statements are set out below:

1.1 Significant judgement and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affects the amounts represented in the Annual Financial Statements and related disclosures. Management is also required to exercise its judgement in the process of applying GHF's accounting policies. Use of available information and the application of judgement are inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the Annual Financial Statements. When any significant judgements and sources of estimation uncertainty are applicable, they have been disclosed in the relevant notes and policies.

1.2 Comparative figures

When the presentation or classification of items in the Annual financial statements is amended, prior period comparative amounts are reclassified. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.3 Property, Plant and Equipment

Property, plant and equipment (PPE) are tangible non-current assets that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- a) it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- b) the cost of the item can be measured reliably.

PPE is stated at cost less accumulated depreciation and accumulated impairment. Land is not depreciated as it is deemed to have an infinite life.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the assets to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in determining the cost. Cost also includes an initial assessment of the costs of dismantling and removing the asset and restoring the site on which it is located.

Where an item of property, plant and equipment is acquired at no cost, or for a nominal cost, its cost is its fair value as at date of acquisition. The cost of an item of PPE acquired in exchange for a non-monetary asset or monetary assets, or combination of monetary and non-monetary assets is measured at its fair value. If the acquired item cannot be measured at its fair value, its cost is measured at the carrying amount of the asset given up.

1.3 Property, Plant and Equipment (continued)

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives.

The useful lives of items of property, plant and equipment have been assessed as follows:

Class	Useful life
Land	Not depreciated
Buildings	10 -120 years

The useful life, residual values and depreciation method of each asset are reviewed at each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

At each reporting date all items of PPE are reviewed for any indication that it may be impaired. If any indication exists, the asset is assessed in accordance with the policy on impairments.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

In terms of the Municipal Property Rates Act, 2004 (MPRA), the life cycle of a valuation roll is restricted to four years. Special permission may be obtained from the MEC for the Local Government to extend the life cycle of a roll to five years. The Department updates the values of the properties every five years or on availability of the new valuation roll.

1.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- a) cash;
- b) a residual interest of another entity; or
- c) a contractual right to:
 - i) receive cash or another financial asset from another entity; or
 - ii) exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- a) deliver cash or another financial asset to another entity; or
- b) exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- a) the entity designates at fair value at initial recognition; or
- b) are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- a) derivatives;
- b) combined instruments that are designated at fair value;
- c) instruments held for trading. A financial instrument is held for trading if:
 - i) it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
 - ii) on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
 - iii) non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
 - iv) financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the Statement of Financial Position or in the notes thereto:

Class	Category
Receivables from exchange transactions	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the Statement of Financial Position or in the notes thereto:

Class	Category
Payables from exchange transactions	Financial liability measured at amortised cost
Other financial liabilities	Financial liability measured at fair value

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The entity first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the entity analyses a concessionary loan into its component parts and accounts for each component separately. The entity accounts for that part of a concessionary loan that is:

- a) a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- b) non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- a) Financial instruments at fair value.
- b) Financial instruments at amortised cost.
- c) Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, an entity calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

Reclassification

The entity does not reclassify a financial instrument while it is issued or held unless it is: a) a combined instrument that is required to be measured at fair value; or b) an investment in a residual interest that meets the requirements for reclassification.

Where the entity cannot reliably measure the fair value of an embedded derivative that has been separated from a host contract that is a financial instrument at a subsequent reporting date, it measures the combined instrument at fair value. This requires a reclassification of the instrument from amortised cost or cost to fair value.

If fair value can no longer be measured reliably for an investment in a residual interest measured at fair value, the entity reclassifies the investment from fair value to cost. The carrying amount at the date that fair value is no longer available becomes the cost.

If a reliable measure becomes available for an investment in a residual interest for which a measure was previously not available, and the instrument would have been required to be measured at fair value, the entity reclassifies the instrument from cost to fair value.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectibility of financial assets

The entity assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Financial assets measured at cost

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- a) the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- b) the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- c) the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - i) derecognise the asset; and
 - ii) recognise separately any rights and obligations created or retained in the transfer.

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.5 Revenue from exchange transactions

Revenue from exchange transactions refers to revenue that accrued to GHF directly in return for service rendered/goods sold.

Revenue is the gross inflows of economic benefits or service potential during the reporting period when those inflows result in increases in net assets, other than increases relating to contributions from owners. Revenue is recognised at the fair value of the consideration received or receivable.

Exchange transactions are transactions in which one entity receives assets or service or has liability extinguished and directly gives approximately equal value (primarily in the form for cash, goods or use of assets) to another entity in exchange.

Revenue comprises of rental of properties, sale of properties, and interest from loans to property owners and is recognised on an accrual basis in accordance with the substance of the relevant agreements.

Revenue is recognised when it is probable that future economic benefits will flow to the enterprise and these benefits can be measured reliably.

Revenue from the sale of properties is recognised when the following conditions have been satisfied: a) GHF has transferred to the buyer the significant risks and rewards of ownership.

b) GHF retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the properties sold."

c) The amount of the revenue can be measured reliably.

d) It is probable that the economic benefits or service potential associated with the transaction will flow to GHF.

e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income is accrued on a time proportionate basis using the effective interest rate method, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

When the inflow of cash or cash equivalents is deferred and the fair value of the consideration is less than the nominal amount of cash received or receivable, the arrangement effectively constitutes a financial transaction. The fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The imputed rate of interest is the more clearly determinable of either:

The prevailing rate for a similar instrument of an issuer with a similar credit rating; or

A rate of interest that discounts the nominal amount of the instrument to the current cash sales price of the goods or services.

The difference between the fair value and the nominal amount of the consideration is recognised as interest revenue.

1.6 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the entity can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Non-exchange transactions are transactions that are not exchange transactions.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting entity.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity.

When, as a result of a non-exchange transaction, the entity recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Transfers

Apart from Services in kind, which are not recognised, the entity recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

The entity recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Debt forgiveness and assumption of liabilities

The entity recognise revenue in respect of debt forgiveness when the former debt no longer meets the definition of a liability or satisfies the criteria for recognition as a liability, provided that the debt forgiveness does not satisfy the definition of a contribution from owners.

Revenue arising from debt forgiveness is measured at the fair value of the debt forgiven. Where debt is carried at a value other than fair value, the receivable is recognised at the carrying amount.

1.7 Impairment of cash-generating assets

Impairment is a loss in the future economic benefit or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefit or service potential through depreciation.

Cash-generating assets are those assets managed by the entity with the objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return. A cash-generating unit is the smallest identifiable group of assets held with the primary objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired. Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

The carrying amounts of the Gauteng - Housing Fund assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If there is any indication that an asset may be impaired, its recoverable amount is estimated. The recoverable amount is the greater of its fair value less cost to sell and its value in use.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life. In assessing value in use, the expected future cash flows from the asset are discounted to their present value using a discount rate that reflects the current market assessments of the time value money and the risks specific to the asset.

Irrespective of whether there is any indication of impairment, the entity also test a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment quarterly by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Basis for estimates of future cash flows

In measuring value in use the entity:

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence;
- base cash flow projections on the most recent approved financial budgets/forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructurings or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts covers a maximum period of five years, unless a longer period can be justified; and estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.

Composition of estimates of future cash flows

Estimates of future cash flows include:

- projections of cash inflows from the continuing use of the asset;
- projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

Estimates of future cash flows exclude:

- cash inflows or outflows from financing activities; and
- income tax receipts or payments.

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that the entity expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

Foreign currency future cash flows

Future cash flows are estimated in the currency in which they will be generated and then discounted using a discount rate appropriate for that currency. The entity translates the present value using the spot exchange rate at the date of the value in use calculation.

Discount rate

The discount rate is a rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement

If the recoverable amount of the cash generating asset is less than it's carrying amount , the carrying amount of the asset is reduced to it's recoverable amount, this reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the entity recognises a liability only to the extent that is a requirement in the Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Cash-generating units

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

Reversal of Impairment

The entity assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the
- asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.8 Impairment of non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable amount, it is impaired. Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

The carrying amounts of the Gauteng - Housing Fund assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If there is any indication that an asset may be impaired, its recoverable amount is estimated. The recoverable amount is the greater of its fair value less cost to sell and its value in use.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life. In assessing value in use, the expected future cash flows from the asset are discounted to their present value using a discount rate that reflects the current market assessments of the time value money and the risks specific to the asset.

Irrespective of whether there is any indication of impairment, the entity also test a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment Quarterly by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of a non-cash-generating asset is the present value of the non-cash-generating asset's remaining service potential.

The present value of the remaining service potential of a non-cash-generating asset is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of a cash-generating asset is determined on an "optimised" basis. The rationale is that the entity would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Restoration cost approach

Restoration cost is the cost of restoring the service potential of a cash-generating asset to its pre-impaired level. The present value of the remaining service potential of the asset is determined by subtracting the estimated restoration cost of the asset from the current cost of replacing the remaining service potential of the asset before impairment. The latter cost is determined as the depreciated reproduction or replacement cost of the asset, whichever is lower.

Service units approach

The present value of the remaining service potential of the asset is determined by reducing the current cost of the remaining service potential of the asset before impairment, to conform to the reduced number of service units expected from the asset in its impaired state. The current cost of replacing the remaining service potential of the asset before impairment is determined as the depreciated reproduction or replacement cost of the asset before impairment, whichever is lower.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the entity recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The entity assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.9 Comparative Figures

When the presentation or classification of items in the Annual Financial Statements is amended, prior period comparative amounts are reclassified. The nature and the reason for the reclassification is disclosed. When accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there is a change in Accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.10 Subsequent events

The directors are not aware of any matter or circumstance arising since the end of the financial year, unless otherwise dealt with in Annual financial statements, which significantly affects the financial position of the company or the results of its operations that would require adjustments to or disclosure in the Annual financial statements.

1.11 Related parties

The entity operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity. Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

1.12 General Expenses

All expenses are classified under the statement of financial performance as and when incurred by the Department of Human Settlements. This includes cleaning of hostels, maintenance, security services, audit fees, consulting fees, conveyance fees as well as municipal expenses. All these are budgeted for under the Department of Human Settlements hence the service in kind disclosure is used as a contra - account for the recognition of these transactions. We recognise them under statement of financial performance as transacted by Department of Human Settlements.

1.13 Salaries

The accounting policy in terms of salaries is in line with the policy of the Gauteng Department of Human Settlements and it comprises of basic salary , short term and long term benefits.

Salaries are recognised in the statement of financial performance as expensed by the Department of Human Settlements.

All employees within the Housing Fund are officially appointed by the Vote hence the service in kind disclosure.

Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

The accounting policy in terms of the compensation of employees is in line with the policy of the Gauteng Provincial Department of Human Settlement and is as follows:

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

The cost of short-term employee benefits are expensed in the statement of financial performance in the year in which it occurs .

Short term employee benefits that give rise to a present or constructive obligations are recognised and disclosed in the notes to the financial statements.

Salaries and wages shown in the statement of financial performance comprise payments to employees (including leave entitlements, thirteenth cheque

Short-term employee benefits include items such as:

Salaries and other contributions for current employees.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment. These are expensed in the statement of financial performance.

This policy is in line with the Gauteng Provincial Department of Human Settlement policy.

1.14 Key Management Personnel

The key management personnel are those persons responsible for planning, directing, and controlling the activities of the entity. As these are officials of the department of Human Settlements only 20% of their total salaries are accounted for under the Entity.

2. New standards and interpretations

Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations which have been published, These standards have been published but not yet effective for the Entity's accounting periods beginning on the 01st of April 2023 or later periods:

Standard/Interpretation	Effective date: Years beginning on OR after"	Expected impact
GRAP 25 Employee benefits	Not yet determined	No impact
GRAP 104 Financial instruments	01-Apr-25	Unlikely there will be a material impact
Guideline on Accounting for Landfill Sites	Not yet determined	No impact
Amendments to GRAP 1	01-Apr-23	No impact
Guideline on Accounting for Arrangements Undertaken i.t.o the National Housing Programme 2022	Not yet determined	No impact
Directive 5 Determining GRAP Reporting Framework	01-Apr-23	No impact
Full Reporting Framework	01-Apr-23	No impact
Guidelines on the application of materiality to Financial Statements	Not yet determined	No impact

	2023/24 R'000	2022/23 R'000
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3. Receivables from exchange transactions

Trade receivables	2 029	4 518
	2 029	4 518

Receivables from exchange transactions consists of credit balances from the municipalities

Financial assets at amortised cost (Receivables from exchange transactions)

Financial assets at amortised cost past due but not impaired

Receivables from exchange transactions which are less than 6 months past due are not considered to be impaired. At 31 March 2024, 2029 (2023: 4518) were past due but not impaired.

The ageing of the amounts past due but not impaired is as follows:

Less than 6 months	2 029	4 518
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	2023/24 R'000	2022/23 R'000
4. Receivables from non-exchange transactions		
Trade receivables	18	10
	18	10

5. Property, Plant and Equipment

	2024		
	Land R'000	Buildings R'000	Total R'000
Restated Carrying value as at 1 April 2023	1 769 484	332 604	2 102 088
Cost/Revaluation	1 604 859	418 563	2 023 422
Prior period error: cost	164 625	(20 228)	144 397
Accumulated depreciation	-	(91 781)	(91 781)
Prior period error Accumulated depreciation	-	26 707	26 707
Accumulated impairment	-	(14 329)	(14 329)
Prior Period error note 17: accum impairment	-	13 672	13 672
Depreciation	-	-	-
Carrying value of additions	-	(56 746)	(56 746)
Cost/Revaluation	-	-	-
Impairment	-	(8 680)	(8 680)
Depreciation	-	(48 066)	(48 066)
Net Disposal	-	-	-
Carrying value of disposals	(17 659)	(23 663)	(41 322)
Cost/Revaluation	(17 659)	(35 635)	(53 294)
Accumulated depreciation	-	11 972	11 972
Carrying value of impairment	-	-	-
Cost/Revaluation	-	-	-
Accumulated depreciation and impairment losses	-	-	-
Carrying value as at 31 March 2024	1 751 825	252 195	2 004 020
Cost/Revaluation	1 751 825	362 700	2 114 525
Accumulated depreciation	-	(101 168)	(101 168)
Accumulated impairment losses	-	(9 337)	(9 337)

5. Property, Plant and Equipment (continued)

	2023		
	Land R'000	Buildings R'000	Total R'000
Carrying value as at 1 April 2022	1 693 213	365 081	2 058 294
Cost/Revaluation	1 693 213	421 768	2 114 981
Accumulated depreciation and impairment losses	-	(56 687)	(56 687)
Depreciation	-	(35 874)	(35 874)
Prior period error	-	-	-
Additions	2 905	(13 918)	(11 013)
Cost/Revaluation	2 905	410	3 315
Accumulated impairment	-	(14 328)	(14 328)
Carrying value of devolutions	(91 259)	(2 834)	(94 093)
Cost/Revaluation	(91 259)	(3 615)	(94 874)
Accumulated depreciation and impairment losses	-	781	781
Adjustments	-	-	-
Cost	-	-	-
Accumulated depreciation	-	-	-
Accumulated impairment	-	-	-
Carrying value as at 31 March 2023	1 604 859	312 455	1 917 314
Cost/Revaluation	1 604 859	418 563	2 023 422
Accumulated depreciation	-	(91 780)	(91 780)
Accumulated impairment	-	(14 328)	(14 328)

	2023/24 R'000	2022/23 R'000
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5.1. Repairs and Maintenance

Property, Plant and Equipment

Building	70 199	10 432
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These are repairs and maintenance costs relating to PPE

5. Property, Plant and Equipment (continued)

Property, plant and equipment consists of property stock held for the provision of housing service benefits, and are disclosed as per GRAP 17. Properties are in the process of being devolved to municipalities and sold to qualifying individuals. The properties consists of flats, houses and vacant stands at various locations in Gauteng Province.

Property, plant and equipment are carried at cost, where cost of assets are not available, fair values are used to measure the cost of assets. Valuations are obtained from Independent valuers or municipal valuations in determining fair values. Property, plant and equipment are subsequently carried at cost less any accumulated depreciation and impairments. The assets have been inherited from disestablished predecessors, so original acquisition documents are not available, hence the use of fair value to determine the value of each asset.

The GHF's management determined the useful live and related depreciation charges for property, plant and equipment. This estimate is based on the pattern in which service potential are expected to be consumed by the entity.

	2023/24 R'000	2022/23 R'000
6. Creditors from exchange transactions		
Debtors with credit balances	1 294	2 383
Trade Payables	109 514	114 928
Other trade creditors	-	(0)
	110 808	117 310

Trade creditors are non-interest bearing and comprise of receivables with credit balances. The fair value of trade and other payables is equivalent to the carrying amount.

7. Other financial liabilities

Department of Human Settlements	30 346	31 275
	30 346	31 275

Other financial liabilities represents interdepartmental funds between Gauteng Housing Fund and the Department of Human Settlements. Interdepartmental funds are a result of the bank account held by the Gauteng Department of Human Settlements, thus it represents the movement of cash transactions between the Gauteng Housing Fund and Gauteng Department of Human Settlements.

The Liability represent that the Cash utilised for the payment of Rates and Taxes, maintenance and refunds to debtors with credit balances exceeds cash recovered from Trade and other Receivables.

8. Other Income

Proceeds on sale of property - cash	376	4 440
	376	4 440

	2023/24 R'000	2022/23 R'000
9. Services rendered in kind		
The GHF receives services in kind from the Gauteng Department of Human Settlements. The service rendered in kind consists of expenses paid for by the department on behalf of the fund. The expenses consists of:		
Salaries	5 198	4 542
Municipal services	248 998	198 451
Maintenance	70 199	10 432
Consulting fees	876	1 837
Audit Fees	157	1 108
Cleaning	17 072	6 629
Conveyancers	1 047	-
Security Services	8 420	8 087
	351 968	231 085
10. Impairment		
Impairment	8 680	13 918
	8 680	13 918
11. Loss on sale of property		
Net Disposal	39 844	94 093
	39 844	94 093
12. Related parties		
Relationships		
Controlling entity	Gauteng Department of Human Settlements	
Subject to control by the same MEC	Department of Infrastructure Development and the Gauteng Partnership Funds	
Related party balances		
Amount included in Other financial liabilities regarding related party:		
Other financial liabilities	30 346	31 275
Related party transactions		
Expenditure		
Assessment rates & municipal charges	248 998	198 451
Repair & maintenance	70 199	10 432
Audit Fees	157	1 108
Security Services	8 420	8 087
Salaries	5 198	4 542
Cleaning	17 072	6 629
Conveyancers	1 047	-
Consulting fees	876	1 837
	351 968	231 085

The Department pays expenditure on behalf of the Fund. These are at arm's length except for the salaries. The entity is related to the Gauteng Partnership Fund subject to common control

12. Related parties (continued)
Remuneration of Executive Management
2023/24

Name	Basic salary	Bonuses	Other short-term benefits	Post-employment benefits	Total
Mokoena GM	163	-	52	21	236
Mamashela M	168	15	37	22	242
Mlotshwa S	240	-	72	31	343
Ismail AM	247	-	106	-	353
Ngwenya PN	201	18	28	91	338
	1 019	33	295	165	1 512

2022/23

Name	Basic salary	Bonuses	Other short-term benefits	Post-employment benefits	Total
Mokoena GM	155	-	51	20	226
Rasalanavho T	42	-	5	23	70
Mlotshwa S	157	-	20	51	228
Ismail AM	229	-	3	99	331
Ngwenya PN	238	-	104	-	342
	821	-	183	193	1 197

	2023/24 R'000	2022/23 R'000
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13. Cash generated from operating activities

Surplus/(Deficit)	(203 699)	(249 556)
Adjustments for:		
Depreciation and amortisation	48 066	35 874
Impairment	8 680	13 918
Loss/gain on sale of property	39 844	94 093
Proceeds from disposal of assets	(376)	(4 440)
Other non - cash items	117 413	27 242
Changes in working capital		
Trade and other receivables	(2 489)	(4 193)
Consumer debtors	(8)	34 388
Trade and other payables	(6 502)	53 185
Other financial liabilities	(929)	(510)
	(0)	(0)

14. Risk management

Objective

The Fund's principal financial instruments comprise of receivables from exchange transactions, cash and cash equivalents and payables from exchange transactions. The receivables from exchange transactions, cash and cash equivalents and payables from exchange transactions arise directly from the Fund's operations.

The risks arising from the Fund's financial instruments are credit risk, interest rate risk and liquidity risk. The Accounting Officer reviews and agrees policies for managing these risks.

The objective of managing financial instrument risk is to safeguard the Fund assets whilst still enabling fulfilment of the Fund mandate. The Fund's method of measuring the risks mentioned below involves detailed project feasibility, regular project monitoring and management.

Liquidity risk

The Fund manages liquidity risk by granting of loans to borrowers for affordable housing through proper management of working capital, capital expenditure and its cash management policy. Liquidity risk is the risk arising from default of the counterparty. The objective of managing liquidity risk is to safeguard the Fund assets whilst still enabling fulfilment of the Fund mandate. The Fund manages liquidity risk through regular monitoring of financial assets. The forecasted cash flows considers the maturity of its financial assets and project cash flows from operations. Adequate reserves and liquid resources are also maintained.

Interest rate risk

The Fund's exposure to the risk of changes in the market interest rate relates primarily to the Fund's loans and receivables from exchange transactions with floating interest rates. The objective of managing interest rate risk management is to safeguard the Fund assets whilst still enabling fulfilment of the Fund mandate. The objective of interest rate risk management is to consider the effect of fluctuations in interest rates that might affect the fair value or future cash flows of a financial instrument. The method for measuring interest rate risk is the sensitivity analysis for fluctuations in the interest rate. Interest rate risk is managed internally by ensuring that allowances for increased interest rates are provided for in the project assessment. The Fund's exposure to interest rate risk arises from increases in the rate that could give rise to default of the counterparty.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument. The objective of credit risk is to ensure that the counterparty will meet its obligation under a financial instrument. The Fund is exposed to credit risk in respect of its receivables from exchange transaction. The method for measuring credit risk is the ongoing monitoring of financial assets.

15. Going concern

We draw attention to the fact that at the end of the reporting period, the entity had an accumulated deficit of 203 607 and that the entity's total assets exceed its liabilities by 1 865 478. The annual financial statements have been prepared on the basis applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The ability of the entity to continue as a going concern is dependent on the Department of Human Settlements.

16. Financial Instruments disclosure (other)

Categories of financial instruments

2024	At fair value R'000	At amortised cost R'000	Total R'000
Financial assets			
Receivables from exchange transactions	-	2 029	2 029
	-	2 029	2 029
Financial liabilities			
Creditors from exchange transactions	30 346	-	30 346
Other financial liabilities	30 346	110 808	141 153
2023			
2023	At fair value R'000	At amortised cost R'000	Total R'000
Financial assets			
Receivables from exchange transactions	-	4 518	4 518
	-	4 518	4 518
Financial liabilities			
Creditors from exchange transactions	31 275	-	31 275
Other financial liabilities	31 275	117 310	148 585

17. Change in Accounting Policy

The entity has changed its accounting policy on receivables with regards the derecognition as management is of the view that it will provide reliable and relevant information for the reporting period. The change in Accounting Policy is applied retrospectively.

Financial statement line items affected as a result of a change in accounting policy:

	2022/23 R'000
Consumer debtors	(132 020)
Change in provision	100 241
Sale of property	(100 150)
Rental of property	(1 132)
Admin fee	(23)
Interest on debtors	(9 230)
Impairment of debtors	6522

18. Prior period adjustment

	Amount before error R'000	Prior period error R'000	Restated R'000
NET ASSET			
Restatement and correction of prior year balance			
Increase (decrease) net assets	1 788 502	280 110	2 068 612
The casting error on the statement of net assets			
PPE			
land			
Cost	1 604 859	164 624	1 769 483
Buildings			
Cost	418 563	(20 228)	398 335
Accumulated depreciation	(91 781)	26 707	(65 074)
Accumulated impairment	(14 329)	13 672	(657)
Total	1 917 312	184 775	2 102 087
Cost of land and buildings restated to effect additions and disposals, this also affected the accumulated depreciation on buildings			
Consumer debtors	132 030	132 020	10
Receivables from exchange	-	4 518	4 518
Payables from exchange	229 567	(112 257)	117 310
Change in accounting policy, restatement of payables to municipalities			
Revenue from exchange			
Sale of Property	100 150	(100 150)	-
Other Income	-	62	62
Rental of property	1 132	(1 132)	-
Admin fee	23	(23)	-
Donations received	3 315	(3 315)	-
Interest charged on debtors	9 230	(9 230)	-
Revenue from non exchange			
Donations	-	3 315	3 315
Other Income	-	85 164	85 164

18. Prior period adjustment (continued)

	Amount before error	Prior period error	Restated
	R'000	R'000	R'000
Expenditure			
Debt impairment	(6 522)	6 522	-
Impairment loss on assets	(14 329)	13 672	(657)
Maintenance	17 061	(6 629)	10 432

Nature of prior period error

Revenue from exchange transactions related to debtors were restated due to a change in accounting policy.

Donations received was reclassified from exchange to non- exchange. Impairment of debtors was restated due to a change in accounting policy.

19. Segment reporting

Paragraph 30, states that par.31 to .32 apply to all entities, including those that have a single reportable segment. Some entities activities are not organised on the basis of differences in geographical areas of operations. Information required by paragraphs .31 to .32 shall be provided only if it is not provided as part of the reportable segment information required by this Standard or if it is not reported elsewhere in the financial report.

Operational and Geographic disclosure are not applicable to the Gauteng Housing Fund. The Fund has only one segment.

Lined area for notes with horizontal blue lines.





GAUTENG PROVINCE

HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA

11 Diagonal Street, Johannesburg 2001

Private Bag X79, Marshalltown 2017

www.gdhs.gpg.gov.za

www.gautengonline.gpg.gov.za

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