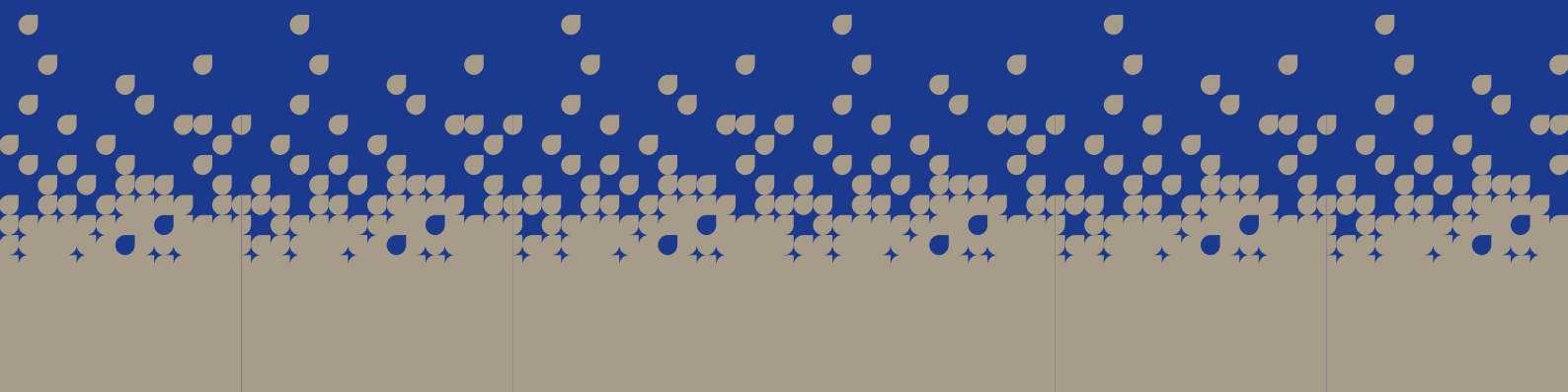


WESTERN CAPE

**DEPARTMENT OF
HUMAN SETTLEMENTS**

Vote 8

Annual Report
2016/2017





City of Cape Town, Hangberg - CRU

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PART A

GENERAL INFORMATION



1. General Information

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2. List of Abbreviations

AFS	Annual Financial Statements
AGSA	Auditor General of South Africa
AO	Accounting Officer
APP	Annual Performance Plan
BAC	Bid Adjudication Committee
BCP	Business Continuity Plan
BEC	Bid Evaluation Committee
CETA	Construction Education and Training Authority
CD	Chief Director
CFO	Chief Financial Officer
CSC	Corporate Services Centre
CRU	Community Residential Units
D: ERM	Directorate Enterprise Risk Management
DORA	Division of Revenue Act
DoTP	Department of the Premier
DPSA	Department of Public Service and Administration
EHWP	Employee Health and Wellness Programme
EEDBS	Enhanced Extended Discount Benefit Scheme
EPWP	Expanded Public Works Programme
ERM	Enterprise Risk Management
ERMCO	Enterprise Risk Management Committee
FLISP	Finance Linked Individual Subsidy Programme
FTE	Full Time Equivalent
GAP	Governance Action Plan
GEHS	Government Employees Housing Scheme
GPSSBC	General Public Service Sector Bargaining Council
HDI	Historically Disadvantaged Individuals
HOD	Head of Department
HSDG	Human Settlement Development Grant
IRDP	Integrated Residential Development Programme
ISSP	Informal Settlement Support Plan
LAA	Land Availability Agreement
LRA	Labour Relations Act
MEC	Member of Executive Council
MPAT	Management Performance Assessment Tool
NDoHS	National Department of Human Settlements

NTR	National Treasury Regulation
OHS	Occupational Health & Safety
OHASA	Occupational Health & Safety Act
PDO	Pre-Determined Objective
PFMA	Public Finance Management Act
PFS	Provincial Forensic Services
PHP	People's Housing Process
PILIR	Policy on Incapacity Leave and Ill-Health Retirement
PMDS	Performance Management Development System
PPP	Public Private Partnerships
PSG	Provincial Strategic Goals
PSCBC	Public Service Coordinating Bargaining Council
PSRMF	Public Sector Risk Management Framework
PT	Provincial Treasury
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
SHEQ	Safety Health Environment and Quality
SHRA	Social Housing Regulatory Authority
SMS	Senior Management Service
SOP	Standard Operating Procedure
TOR	Terms of Reference
UISP	Upgrading of Informal Settlements Programme
USDG	Urban Settlement Development Grant
WCG	Western Cape Government
WCHDDB	Western Cape Housing Demand Database
WCHDF	Western Cape Housing Development Fund
WCIHSF	Western Cape Integrated Human Settlement Framework
WCSD	Western Cape Suppliers' Database

3. Foreword by the Provincial Minister of the Department

Despite difficult economic times, the Department of Human Settlements continues to strive towards the realisation of our people's constitutional right, which says that everyone has the right to have access to adequate housing.

In pursuing this mandate and against the backdrop of ever increasing stringent financial conditions, the Department focused on three main priorities, namely:

1. Shifting more resources towards the upgrading of informal settlements to provide basic services to all our citizens;
2. Strengthening our partnerships with the private sector to increase the delivery of affordable houses for people earning above the free subsidy threshold; and
3. To pay more attention to the allocation of free subsidised state houses, and by doing this, ensuring that the most vulnerable are prioritised as beneficiaries of these units.

With these priority areas as a commitment to delivery, my Department worked tirelessly towards the upgrading of informal settlements and, through this, concluded the Western Cape Informal Settlement Support Plan (ISSP). The ISSP provides a clear roadmap on how to address the challenges faced by informal settlement residents in a systematic and collective way. As part of the ISSP, various materials have been developed which include: The Informal Settlement Strategic Framework, Design & Tenure Options, Prioritization Matrix, Implementation Plan and profiling of 106 non-metro informal settlements. This proposed shift is geared toward transversal collaboration at all levels to accelerate interventions to informal settlements and partnering with intermediaries.

Affordable housing remains a priority and as such the Department has created an affordable housing projects pipeline, with a total value of over 40 000 units worth R3.2 billion, across three types of subsidies - FLISP, Social Rental Housing and Institutional Housing, which cater for different market segments.

During the year under review, we have exceeded our set target of 19 664 by delivering 19 829 housing opportunities within the low to middle affordable GAP market space and further secured 50.11ha of land for the development of affordable housing. Once again, we make an honest acknowledgment that delivering a housing opportunity is not an event, but a process dictated to by the growing population and rapid urbanisation.

Whilst delivering housing opportunities, it remains our commitment to ensure that the historically disadvantaged also get mainstreamed in the economic activities. To this end, 50.21% of the allocated funds which translate to R1 042 542 802 went to HDI contractors. Furthermore, 1 079 job opportunities which is equivalent to 345 Full Time Equivalent job opportunities, were created benefiting the most vulnerable. These figures are reflective of the Department's efforts to bring the black majority into the mainstream economy and further empowering young people with the skills needed to also contribute to this economy.

The Department recognises the immense power that exists in effective partnerships. Our success ultimately depends on our ability and willingness to enlist the assistance of others who share our vision and passion. Our determination to bring all players within the sector on board necessitated the finalisation of the partnership strategy. As the next step we have invited stakeholders to register their projects and initiatives with us, in the spirit of working together with all, in order to deliver housing opportunities to our people.

It is once again my pleasure to present to the people of the Western Cape, the Department of Human Settlements Annual Report for 2016/17, which is the representation of the work we have done in fulfilling the commitment we have made.

PART A

Finally, let me extend a word of gratitude to the staff and management team of the Department for the achievement made in 2016/17. I would like also to extend my appreciation for the support from municipalities, the National Department of Human Settlements, Provincial Treasury, and partners within the sector. This is indeed a collective effort.



Mr. Bonginkosi Madikizela
Provincial Minister of the Department of Human Settlements
Western Cape Government

City of Cape Town, Eerste Rivier - FLISP



4. Report of the Accounting Officer

4.1 Introduction

The year under review represents the third year of the five-year mandate of the provincial government. In 2016/17 the Department expressed its commitment to the Provincial Strategic Goals and the National Outcomes by successfully implementing a number of programmes that support these strategies. While challenges have been experienced in terms of organisational restructuring and actual delivery, the Department has endeavoured to put measures in place to ensure that it delivers on its mandate. The following is an account of some of the highlights and challenges experienced by the Department in the year under review.

4.2 Enhanced efficiency and effectiveness of the provincial Department of Human Settlements

The MPAT process requires that the senior management of the Department conduct a self-assessment against a range of management standards. This results in improved management practices and ultimately service delivery. For the financial year under review, the Department achieved a level 4 MPAT rating, indicating that the Department is compliant with MPAT prescripts and standards.

4.3 Improved functionality, efficiencies and resilience of human settlements Municipal support

The Department is continuously striving to improve integrated development and eradicate apartheid spatial planning at Municipal level. This is done through capacitating municipalities with technical support including skills transfer to improve human settlements planning. During the year under review the Department capacitated all **25 municipalities**.

4.3.1 Research Projects

In terms of the Department's research studies, a number of research papers were concluded, which will assist in the implementation of human settlement delivery. The Department overachieved on its target and produced four (4) research papers against a target of three (3). The following research papers were concluded:

- An assessment on the performance of the Finance Linked Individual Subsidy Programme (FLISP);
- A socio-economic research paper on the George informal settlements;
- An Enumeration study for select informal settlement pockets in the Metro; and
- A research paper on Contested Title Deeds that related to the title deeds backlog.

4.3.2 Policy and policy guidelines

The Department developed a policy for assessing the eligibility of subsidy applicants that are disabled to fill a gap in the National Housing Code. The Code allows single person households who qualify for a full subsidy in every other respect to receive a subsidy in cases where the person has a disability, but does not define disability. The Policy fills this gap by using the award of a permanent disability grant by the South African Social Security Agency (SASSA) as a basis for testing the eligibility for a human settlement subsidy. This is an important milestone for the Department and the Province, since currently no national policy exists that addresses this category.

4.3.3 Partnerships

The Human Settlements environment involves constant interaction with a large range of stakeholders from different sectors, environments and communities. To this end, the Department has finalised the Departmental Partnership Strategy during the 2016/17 period. The purpose of this strategy is to explore how the Department can create, maintain and promote sustainable partnerships to meet its mandate, goals, and objectives with a focus on measurable, realistic, time based outcomes, as well as establishing consistent mechanisms for partnership implementation and interaction. In order to develop manageable and workable partnership solutions with an overwhelming list of stakeholders, it is useful to segment stakeholders in terms of shared

interests. The following stakeholder categories were identified: government, employees, suppliers, clients, investors, agencies, regulators, academia, NGO's and developmental bodies.

Ultimately, the intention of the Partnership Strategy is to form mutually beneficial partnerships, which are monitored and strategically maintained. On this basis, the Department is pursuing partnership agreements with the following social partners:

Partners	Purpose
ABSA, FNB, SA Home Loans & Standard Bank	To assist in qualifying beneficiaries who did not have the benefit of FLISP. This programme also focusses on the Government Employees Housing Scheme (GEHS).
Department of Public Service and Administration	Roll-out of Government Employees Housing Scheme (GEHS). The GEHS promotes the use of FLISP among Public Servants in obtaining mortgage finance.
National Association of Social Housing Organisations (NASHO)	NASHO serves on, and provides inputs for, the provincial Social Housing Steering Committee.
National Property Forum (NPF), SA Real Estate Business Owners (REBOSA), Institute of Estate Agents of South Africa (IEASA), SA Black Conveyancers Association (BCA), Community Outreach workshops	Promoting Consumer Awareness.
Everite, ASLA, Payprop, Real Estate Business Owners of South Africa (Rebosa), Institute of Estate Agents of South Africa (IEASA), Lukhozi, National Property Forum (NPF), Black Conveyancers Association (BCA), Human Sciences Research Council (HSRC), Bham-Tayob-Khan-Matunda Quantity Surveyors (BTKM), Ikhayalami, Agricultural Housing Schemes (AHS), Lightweight Energy Panels Africa (LEPA).	To identify and prioritise the areas in which the Department and its' partners can support each other's operations; and to incorporate the inputs emanating from the workshop into the Partnership Strategy.
Ackerman's, Woolworths, Shoprite/Checkers, Clicks & PEP	Development of a Framework for potential employee assisted housing pilot initiatives.
Val De Vie, Distell, ABRC Consulting and Pieter Graaf Witzenberg Farming	To provide affordable housing to employees of the stated partners with the option of including persons from the Housing Demand Database of the various municipalities. These projects primarily involve housing provision for farmworkers and contributions by the partners include inter alia donations of land and monetary investment.
Wesgro	Wesgro has a client base in the Middle East interested in investing into the Affordable Housing sector. The Department and Wesgro are exploring partnership options.

4.3.4 Western Cape Integrated Human Settlements Framework

The Department of Human Settlements is committed to improving the living conditions of the province's citizens. To achieve this, the Department has introduced the Western Cape Human Settlement Framework, which is one of the suites of Provincial Strategic Frameworks being developed as key decision making documents, and serves as a roadmap to guide sustainable, integrated and resilient human settlement development in the province. Furthermore, this Framework focusses on how to effect improvements within the current policy regime, explore innovative human settlement solutions as "test beds" to influence future policy and identify possible levers to encourage partnerships with communities and the private sector. It will have a specific focus on the changing role of the state in the delivery of human settlements in the future.

4.4 Accelerated housing opportunities

The Department has delivered **19 829 human settlements opportunities** against a target of 19 664, for the 2016/17 financial year. A breakdown of the performance is provided in the table below:

Description	Target	Actual
Housing units	11 134	11 283
Serviced sites	8 530	8 546
Total opportunities	19 664	19 829

While the Department exceeded its targets in terms of housing opportunities, it should be noted that this was not without challenges such as community unrest, protests, labour demands, gangsterism and vandalism, to name a few. Despite these challenges, the Department is committed to improving its performance and has developed several mitigation strategies to improve delivery. The value of these strategies is evident in the total number of opportunities created for the financial year under review.

4.5 Improve living conditions of beneficiaries through the Upgrading of the Informal Settlements Programme

The Department continues to support municipalities to prioritise the upgrading of informal settlements. As part of this process, a training programme was held for municipalities with the assistance of the University of Cape Town and several Non-governmental organisations to enable greater understanding in implementation of informal settlement upgrading. Upgrading of informal settlements also needs to be mainstreamed into operations of all departments, as their contribution in transforming informal settlements into vibrant, resilient and dignified neighbourhoods that are well integrated into the existing urban development fabric and local economy.

4.6 Improved living conditions of beneficiaries by promoting ownership of property

Concerted efforts have been made to ensure that our beneficiaries receive full ownership/title to their houses. During the period under review, the Department ensured that **9 767** title deeds were transferred to beneficiaries against a target of 7 000. The efforts in this achievement can be attributed to the allocation of a dedicated team tasked with expediting the transfer of title deeds through the title deed restoration program.

4.7 Enable an increased supply of land for affordable housing and catalytic projects

The Department has succeeded in securing land for human settlement development. During this financial year the Department secured **50.11** hectares of land for affordable housing and **483.16** hectares of land for the development of catalytic projects.

The Department is in the process of developing a draft Bill to obtain powers to acquire and dispose of land for human settlement development, which includes affordable housing and catalytic projects. The Department has now submitted the draft Bill, which was certified by Legal Services, to be introduced to the Provincial Parliament for consideration. This legislation will enable and empower the Department to deliver on its mandate with no encumbrance or dependence on other organs of state, departments and spheres of government for land related issues.

4.7.1 Update on land release projects

In terms of the land release projects, the Department can report that the town planning applications have been submitted for the Blue Downs (1), Brentwood Park, Delft, Khayelitsha (1) and (2) and Kuilsriver projects, and we are now awaiting development approvals in order to proceed with these projects. The Department can also report that the Dal Josefat, Eersterivier and Blue Downs projects have been launched and that the installation of services has commenced. In Highbury Park and Belhar CBD, bulk and internal services are being installed. Further units have been transferred to beneficiaries in the Stellendale and Nuwe Begin projects. We can also report that the tendering processes are underway for the George, Mitchells Plain and Charlesville projects.

4.8 Facilitate job creation and empowerment opportunities

Our determination and drive to empower the historically disadvantaged resulted in **50.21%** of the Human Settlements Development Grant (HSDG) benefiting contractors with HDI representation. This implies that R1 042 542 802 was awarded to black owned enterprises and is expressive of our efforts to achieve the objective of economic transformation, which ultimately seeks to benefit the majority of South Africans.

Our resolve to empower youth resulted in **150 young people trained** in various disciplines within the built environment sector against a target of 120. The target was exceeded due to the successful interventions of the Department that led to more funding being received from the Construction Education and Training Authority (CETA). In addition, **345 Full Time Equivalent (FTE) job opportunities** were created against a target of 400.

4.9 Promote innovation and the better living concept

The Department recognises that innovation in construction technologies will pave the way for improved human settlement sustainability. Considering alternative building methods will result in a more energy efficient human settlements, culminating in environmental and economic benefits to both the environment and the beneficiaries. In the past financial year, the Department demonstrated this commitment by building **1 893 units with innovative technologies** incorporated into the construction, against a target of 600.

4.9.1 Better Living Model - Conradie Hospital Site

The former Conradie Site is a priority project for the Province and brings with it the potential to focus on spatial integration of communities and to correct the spatial imbalances of the past. Improved partnerships with the private sector will also be part of the approach. This Game Changer project proposes the development of the 22-hectare former Conradie Hospital site into an integrated, sustainable, and affordable residentially-led, mixed-use neighbourhood. This multi-million-rand project is led by the Department of Transport and Public Works and supported by the Department of Human Settlements and will be developed through a partnership between the private sector, Western Cape Government departments and the City of Cape Town.

4.9.2 Belhar CBD

In addition to the Conradie site, the Department is replicating this model on other sites such as Belhar CBD. The Belhar CBD is a mixed-use, mixed tenure, high density residential project. This phased development will consist of approximately 4 187 units that comprise various types of residential units and forms of tenure, and is scheduled to be completed by 2021. This phased residential development includes:

- phase 1 – 629 Social housing units;
- phase 2 – 2 268 residential units which includes a variety of tenure options, such as Open Market, FLISP, Student accommodation, low to medium rental units and military veterans; and
- phase 3 – 1 290 residential units, which includes a variety of tenure options, such as Open Market, FLISP, Social Housing and BNG Multi storey.

This development targets the specific economic markets of social housing (subsidised rental), open market rental units, student accommodation, open market GAP units, as well as a small number of freestanding open market bonded units. To date, 629 social housing units have been developed, as well as a site for a Tertiary Hospital and 700 Sectional high density BNG apartments within our available resources, mandate and constitutional imperatives.

4.10 Conclusion

As we move forward to the new financial year we are aware of the challenges and will continue to seek lasting solutions that would positively contribute towards the effective reduction of backlogs, providing communities with human settlements that are sustainable, integrated and resilient.



Mr. Thando Mguli
Accounting Officer
Department of Human Settlements
Western Cape Government

City of Cape Town, Belhar Gardens - Social Housing



5. Statement of Responsibility and Confirmation of Accuracy for the Annual Report for the Financial Year ending 31 March 2017

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

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

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

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

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by 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 2017.

Yours faithfully



Mr. Thando Mguli
Accounting Officer
Department of Human Settlements
31 May 2017

6. Strategic Overview

6.1 Vision

Residents of the Western Cape have access to liveable, accessible, safe and multi-opportunity settlements.

6.2 Mission

The mission for the Department of Human Settlements is:

- To provide settlements that offer good basic and socio-economic services;
- To offer a range of rental and ownership options that respond to the varied needs and income of households; and
- To consistently improve settlements through joint citizen and government effort supported by private sector contributions.

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

6.3 Values

The Department of Human Settlements' values are aligned to the Batho Pele principles, as well as those of the Western Cape Government. The Department has unpacked the values to make them more specific to the mandate of the Department:

Competence – focused on developing staff, systems and processes that are fit-for-purpose to ensure the Department functions optimally to deliver on its mandate and achieve its strategic goals and objectives.

Accountability – being open and transparent about what we want to achieve, and about our performance against our pre-determined objectives.

Integrity – acting honestly and in the best interests of the Department, the taxpayers and the public we serve, taking proactive steps to improve governance and prevent and act against corruption and maladministration.

Responsiveness – ensuring that the human settlements we promote, enable and facilitate, respond to the needs of our customers, and that we treat stakeholders with respect by consulting them in good faith, keeping them informed, and responding to applications, complaints, queries and requests timeously and appropriately.

Caring – treating people with empathy in responding to their needs, prioritising the needs of the most vulnerable in our society when we select projects to fund, and ensuring that municipalities do the same with the selection of beneficiaries.

Innovation – to be open to new ideas and develop creative solutions to challenges in a resourceful way.

7. Legislative and Other Mandates

7.1 Constitutional mandates

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

- Take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of everyone's right of access to housing; and
- To ensure no-one is evicted from their home, or has their home demolished, without an order of the court is made, after considering all the relevant circumstances.
- The Constitution further provides that housing is a competency that is held concurrently by national and provincial governments.

7.2 Statutory Mandates

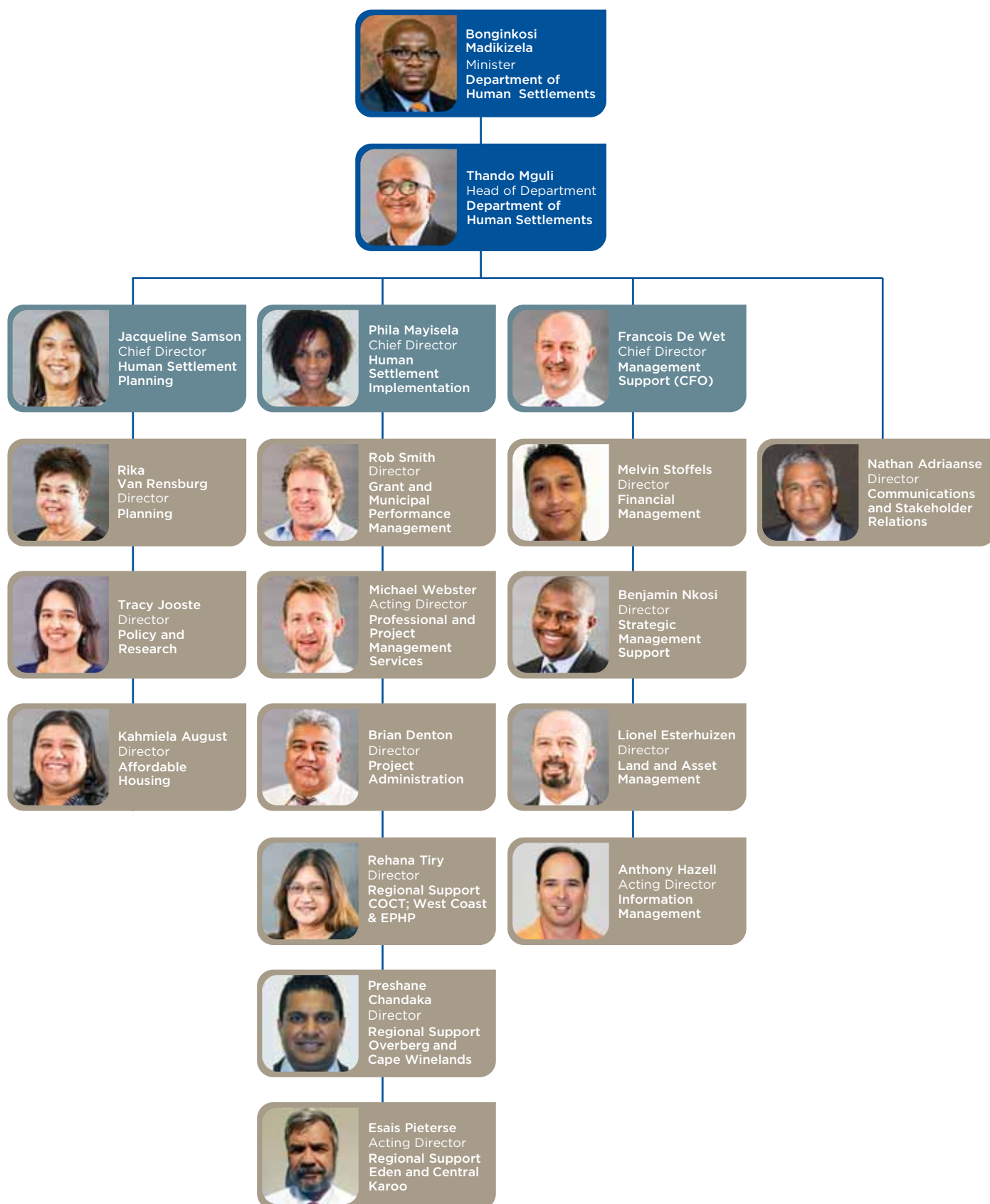
The following key pieces of legislation currently govern the housing environment:

- I. Housing Act (Act 107 of 1997)
- II. Prevention of Illegal Eviction from and Unlawful Occupation of Land Act (Act 19 of 1998)
- III. Housing Consumers Protection Measures Act (Act 95 of 1998)
- IV. Rental Housing Act (Act 50 of 1999)
- V. Home Loan and Mortgage Disclosure Act (Act 63 of 2000)
- VI. Housing Development Agency Act (Act No. 23 of 2008)
- VII. Social Housing Act (Act No. 16 of 2008)
- VIII. Sectional Titles Management Act (Act No. 8 of 2011)
- IX. Community Scheme Ombud Service Act (Act No. 9 of 2011)
- X. Western Cape Housing Development Act (Act 6 of 1999)
- XI. Western Cape Land Use Planning Act (Act 3 of 2014)

City of Cape Town, Belhar Gardens - Social Housing



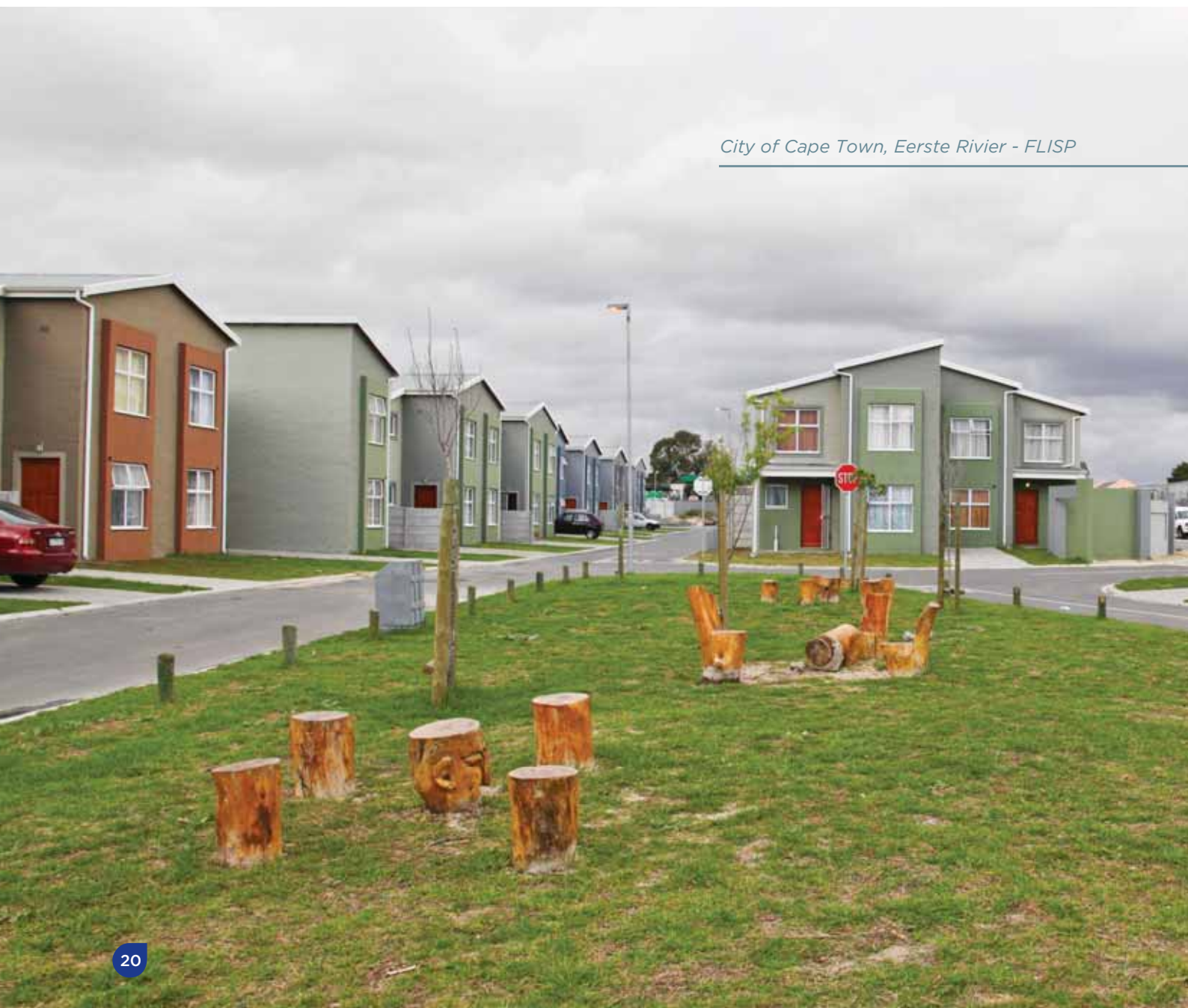
8. Organisational Structure



9. Entities Reporting to the Provincial Minister

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

City of Cape Town, Eerste Rivier - FLISP





1. Auditor General's Report: Predetermined Objectives

The AGSA currently performs certain audit procedures on the performance information to provide reasonable 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 111 of the Report of the Auditor General, published as Part E: Financial Information.

2. Overview of Departmental Performance

2.1 Service Delivery Environment

There are several external factors that impact on the service delivery processes. These factors can be attributed to different variables, such as the slow economic growth, as well as a highly contested socio-political space. The following is an account of some of these factors:

Political Environment

The Local Government Elections took place during August 2016. To mitigate the possible impact on operations the MEC for Human Settlements conducted roadshows to municipalities. The purpose of these roadshows was to engage municipalities on the Department's priorities so that it can be reflected in municipal Business Plans. The MEC also instructed municipalities to sanitise their housing demand databases to determine actual need within their communities.

Municipal Capacity

The Department is mandated to monitor and support municipalities so that they can perform their functions properly. Municipalities operate in a complex environment and this influences how they perform. The Department's efforts to capacitate and support municipalities have improved municipal capacity at project level. While municipal capacity has improved, the Department was still required to take over the implementation of certain projects, due to challenges in some municipalities.

Community Instability

Land invasions and protests continue to be a real risk for the Department, creating delays in projects, and impacting negatively on service delivery. Furthermore, community instability also places strain on the budget since it often implies that the Department should employ additional security, erect fencing to secure sites and budget for litigation, should it be necessary.

Acquisition Powers

The Department is in the process of developing a draft Bill to obtain powers to acquire and dispose of land for human settlement development, which includes affordable housing and catalytic projects. After obtaining the Provincial Cabinet's approval, the draft Bill was advertised for public scrutiny and comment during October and November 2016. The Department has now submitted the draft Bill, which was also certified by Legal Services, to be introduced to the Provincial Parliament for consideration.

Financial Environment

Since the tabling of the 2015 Budget and the 2016 - 2019 Medium-Term Budget Policy Statement (MTBPS), economic growth forecasts for 2016 were revised downwards by both the International Monetary Fund and the National Treasury to below 1 per cent. This affects every sector and, to this end, the cost containment measures implemented over the past few years remain in force. During the 2016/17 financial year, the Department focused strongly on efficiency measures to ensure that limited operational resources were utilised.

2.2 Service Delivery Improvement Plan

The Department has completed a Service Delivery Improvement Plan (SDIP) and the tables below highlight its achievements for the 2016/17 financial year.

Main services and standards

Main service	Beneficiaries	Current/Actual standard of service	Desired standard of service	Actual achievement
Provision of Affordable Housing	Middle income groups.	1 657 human settlements opportunities provided.	2 198 human settlements opportunities provided.	1 670 human settlements opportunities provided. The Finance Linked Individual Subsidy Programme (FLISP) underperformed, as not all applications met the FLISP criteria.
Provision of Serviced sites to beneficiaries	Qualifying applicants on the Housing Demand Database.	6 277 serviced sites provided.	8 530 serviced sites provided.	8 546 serviced sites provided.

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Main service	Beneficiaries	Current/Actual standard of service
Provision of affordable housing		
Consultation		
a) Stakeholder workshops	a) Stakeholder workshops	a) Regional quarterly technical coordination meetings were held with municipalities. Furthermore, regular meetings were held with the public to address their concerns.
Courtesy		
a) Trained officials at the Walk-in Centre	a) Trained officials at the Walk-in Centre	a) Beneficiaries can obtain relevant information at the Walk-in Centre at 27 Wale Street. Furthermore, officials are trained to address queries raised by applicants and/or beneficiaries.
Access		
a) Via Walk-in Centre at 27 Wale Street Cape Town b) Via project managers	a) Via Walk-in Centre at 27 Wale Street Cape Town b) Via project managers	a) The service was accessible at the Walk-in Centre at 27 Wale Street Cape Town; and b) Via project managers.
Openness and Transparency		
a) Suggestion boxes at the Walk-in Centre	a) Suggestion boxes at the Walk-in Centre	a) Suggestion boxes were placed at the Walk-in Centre for public use and were reviewed and addressed.
Value for Money		
a) Cost of the subsidy	a) Cost of the subsidy	a) R95 672 460 has been spent on Individual subsidies, Social Housing, CRUs and Institutional Housing Programmes.
Provision of Serviced sites to beneficiaries		
Consultation		
a) Stakeholder workshops	a) Stakeholder workshops	a) Regional quarterly technical coordination meetings were held with municipalities. Furthermore, regular meetings were held with the public to address their concerns.

Main service	Beneficiaries	Current/Actual standard of service
Courtesy		
a) Trained officials at the Walk-in Centre.	a) Trained officials at the Walk-in Centre.	a) Beneficiaries can obtain relevant information at the Walk-in Centre at 27 Wale Street. Furthermore, officials are trained to address queries raised by applicants and/or beneficiaries.
Access		
a) Via Walk-in Centre at 27 Wale Street Cape Town. b) Via project managers.	a) Via Walk-in Centre at 27 Wale Street Cape Town. b) Via project managers.	a) The service was accessible at the Walk-in Centre at 27 Wale Street Cape Town; and b) Via project managers.
Openness and Transparency		
a) Suggestion boxes at the Walk-in Centre.	a) Suggestion boxes at the Walk-in Centre.	a) Suggestion boxes were placed at the Walk-in Centre for public use and were reviewed and addressed.
Value for Money		
a) The cost of a serviced site is cheaper than that of a house. The Department can provide more opportunities to beneficiaries.	a) The cost of a serviced site is cheaper than that of a house. The Department can provide more opportunities to beneficiaries.	a) R480 518 830 has been spent on the Upgrading of Informal Settlements Programme (UISP) and the Integrated Residential Development Programme (IRDP).
Provision of Serviced sites to beneficiaries		
Consultation		
a) Stakeholder workshops.	a) Stakeholder workshops.	a) Regional quarterly technical coordination meetings were held with municipalities. Furthermore, regular meetings were held with the public to address their concerns.

Service delivery information tool

Current /actual information tool	Desired information tools	Actual achievements
Provision of affordable housing		
a) Well informed officials at the Walk-in Centre. b) Municipal offices. c) TV screens at Walk in Centre displaying relevant human settlements information. d) Departmental website.	a) Well informed officials at the Walk-in Centre. b) Municipal offices. c) TV screens at Walk-in Centre displaying relevant human settlements information. d) Departmental website.	a) Officials are trained to address queries by applicants and/or beneficiaries. b) Municipal officials have been trained to deal with concerns and enquiries relating to housing opportunities. c) TV screens were placed at the Walk-in Centre displaying pertinent information relating to housing opportunities. d) The Departmental website is regularly updated, which offers information on how to access housing opportunities.
Provision of Serviced sites to beneficiaries		
a) Well informed officials at the Walk-in Centre. b) Municipal offices. c) TV screens at Walk in Centre displaying relevant human settlements information. d) Departmental website.	a) Well informed officials at the Walk-in Centre. b) Municipal offices. c) TV screens at Walk-in Centre displaying relevant human settlements information. d) Departmental website.	a) Officials are trained to address queries by applicants and/or beneficiaries. b) Municipal officials have been trained to deal with concerns and enquiries relating to housing opportunities. c) TV screens were placed at the Walk-in Centre displaying pertinent information relating to housing opportunities. d) The Departmental website is regularly updated which offers information on how to access housing opportunities.

Complaints mechanism

Current /actual information tool	Desired information tools	Actual achievements
Provision of affordable housing		
a) Poor service or misconduct can be reported to a supervisor.	a) Poor service or misconduct can be reported to a supervisor.	a) Beneficiaries are able to express their concerns at the Walk-in Centre.
Provision of Serviced sites to beneficiaries		
a) Poor service or misconduct can be reported to a supervisor.	a) Poor service or misconduct can be reported to a supervisor.	a) Beneficiaries are able to express their concerns at the Walk-in Centre.

2.3 Organisational Environment

The Department continued to face the ongoing challenge of executing its statutory mandates within an increasingly constrained fiscal environment, growing provincial population, challenging social ills and increasing demand for services. To this end, building an efficient Department is essential. Key elements in this drive are improvements to its organisational structure, stringent cost containment measures, effective departmental governance systems, business processes and strategies to improve the delivery of its services.

Restructuring

The Department of the Premier (Organisational Development) investigated the Department's current organisational structure, to re-align the Departmental structure with the new strategic direction adopted by the Department and its revised business model. A regional delivery model was proposed whereby all functions have been mainstreamed per district. This will ensure accountability on delivery, as regional managers will be responsible for the planning and delivery of targets. This process is still being finalised.

Senior Management Service

During the period under review Ms Mayisela was appointed as the Chief Director: Human Settlement Implementation. The posts of Director: Professional and Project Management services and Director: Regional support (Eden and Central Karoo) remain vacant within this chief directorate. However, to ensure that housing delivery is not compromised, officials have been appointed in acting capacities against these posts.

Customer Care

The Department aimed to strengthen its consumer care capabilities. These capabilities allowed the Department to better contribute to creating an environment in which civil society can engage more effectively with the state. The communication and stakeholder relations unit was expanded to ensure that efficient communication and stakeholder relations take place. Furthermore, the Department also forms part of a pilot phase for the development of a WCG transversal Customer Relationship Management System to improve responsiveness to queries and complaints.

Standard Operating Procedures

In terms of Supply Chain Management, the Department has implemented the database of framework contractors, and for the period under review, construction companies with women and youth representation who were awarded tenders were taken directly from the database.

In support of the newly developed contractor database, a Standard Operating Procedure (SOP) for the management of maintenance complaints for the Professional Service Providers Framework Agreement and the Contractors Framework Agreement was developed. An SOP was also developed for DHS rental stock and the Department updated the SOP's for Project Activation, Project Monitoring and Project Approval.

Accreditation

The accreditation of the City of Cape Town (COCT) involves the delegation and, subsequently, assignment of certain clearly defined functions in respect of the administration of national housing programmes. The full assignment of the CoCT is intended to produce coordinated development and accelerated delivery and the date for the finalisation of this process has been agreed to take effect during April 2018.

Green Procurement Guidelines

The Department approved a set of Green Procurement Guidelines called “Making better choices”. The guidelines aim to support municipalities to make more environmentally sustainable choices when procuring goods and services related to housing development.

2.4 Key Policy Developments And Legislative Changes

During the 2016/2017 financial year, the Western Cape Department of Human Settlements (WCDHS) co-hosted a provincial consultative workshop in partnership with the National Department of Human Settlements (NDHS), to solicit inputs which will be incorporated into the review of the National Human Settlements Code.

3. Strategic Outcome Oriented Goals

As guided by Chapter 8 of the National Development Plan (NDP) and the 2014–2019 MTSF, the focus of this Department is to work towards the realisation of the human settlements trajectory of transformed integrated human settlements by 2030.

The Department contributes to Provincial Strategic Goal 4, “to enable a resilient, sustainable quality and inclusive living environment” and to that end, the Department implemented several programmes that will support these strategies and strategic goals. The table below illustrates the Departments’ achievements in relation to the strategic outcome orientated goals:

No.	Strategic Outcome Orientated Goals	Strategic Objective	Progress Made
1	Enhanced efficiency and effectiveness of the provincial Department of Human Settlements.	Implementation of the Management Performance Assessment Tool (MPAT) imperatives.	For the financial year under review, the Department achieved a level 4 MPAT rating, indicating that the Department is compliant with MPAT prescripts and is doing things smartly.
2	Improved functionality, efficiencies and resilience of human settlements.	Improve integrated development and spatial planning at municipal level by providing municipalities with support with regards to human settlement development.	Twenty-five municipalities were capacitated during the 2016/17 financial year.
		Establish effective mechanisms for target setting, spatial targeting and future delivery projections.	The Multi Year Housing Development Plan (Part D of the APP) was developed and aligned to both the Annual Performance Plan (APP), as well as the Departmental Business Plan.
		Enhancing the policy regime in relation to human settlements.	The Department overachieved on its target by finalising four research papers. This includes; <ol style="list-style-type: none"> 1. an assessment on the performance of FLISP; 2. the George informal settlements socio-economic research paper; 3. a research paper on the Contested Transfer Initiative, related to title deed backlogs; and 4. the Enumeration study for select settlement pockets in Cape Town and completed the Contested Title Deed research paper.
		Partnerships established with strategic stakeholders.	The target was achieved, and a Partnership Strategy has been developed for further consultation with stakeholders.

PART B

No.	Strategic Outcome Orientated Goals	Strategic Objective	Progress Made
3	Accelerated housing opportunities.	Implement an upscaled delivery programme.	The Department delivered 11 283 units against a target of 11 134.
4	Improved living conditions of beneficiaries through the Upgrading of the Informal Settlements Programme.	Implement structured upgrading of informal settlements to promote and secure living environments.	The Department has delivered 8 546 serviced sites against a target of 8 530.
5	Improved living conditions of beneficiaries by promoting ownership of property.	Improve security of tenure by ensuring that title deeds are timeously transferred to qualifying beneficiaries of housing subsidies funded by the Department.	The Department delivered 9 767 against a target of 7 000. The efforts in this overachievement can be attributed to the allocation of a dedicated team tasked with expediting the transfer of title deeds.
6	Facilitate job creation and empowerment opportunities.	To create an enabling environment to stimulate job and empowerment opportunities for contractors with HDI, women, and youth representation.	50.21% of the HSDG was awarded to contractors with HDI status. 9.29% and 6.12% was awarded to women and youth, respectively.
7	Promote innovation and the better living concept.	To increase sustainable resource use, which includes exploring innovative technologies through construction, energy, water and sanitation.	The Department overachieved on this target by building 1 893 houses with innovative technology, against a target of 600.

4. Performance Information by Programme

4.1 Programme 1: Administration

Purpose

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

Sub-Programmes

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

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

Strategic Objectives

- Implementation of the Management Performance Assessment Tool (MPAT) imperatives; and
- Enhanced Knowledge Management and Corporate Governance of Information and Communication Technology.

Performance overview

During the 2016/17 financial year, the Department achieved a level 4 MPAT rating, for the second consecutive year. This rating indicates that the Department is compliant with MPAT prescripts and is doing things smartly. However, areas in Human Resources Management must be improved upon, mainly in the timeous finalization of disciplinary cases, appointment of interns, and the management of the Performance Management Development System (PMDS).

In terms of Supply Chain Management, the Department has implemented the database of framework contractors, and for the period under review, construction companies with women and youth representation were awarded tenders, taken directly from the database.

In support of the database, the Department developed a Standard Operating Procedure (SOP) for the management of maintenance complaints for the Professional Service Providers Framework Agreement and the Contractors Framework Agreement. An SOP was also developed for DHS rental stock and the Department updated the SOP's for Project Activation, Project Monitoring and Project Approval.

Strategic objectives, performance indicators planned targets and actual achievements

Strategic Objectives

Programme 1: Administration								
Strategic Objectives	Strategic Objective Indicators	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Performance 2016/17	Deviation from planned target to actual achievement for 2016/17	Comments on deviations
Implementation of the Management Performance Assessment Tool (MPAT) imperatives	Attainment of a level 4 on the overall MPAT assessment by 31 March 2020	-	-	Level 4	Level 4	Level 4	-	

Performance Indicators

Programme 1: Administration								
No	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Performance 2016/17	Deviation from planned target to actual achievement for 2016/17	Comments on deviations
1.1	To achieve a level 4 for financial management as prescribed in the Management Performance Assessment Tool (MPAT) by 31 March 2017	-	-	Level 4	Level 4	Level 4	-	
1.2	To achieve a level 4 for strategic management as prescribed in the Management Performance Assessment Tool (MPAT) by 31 March 2017	-	-	Level 4	Level 4	Level 4	-	
1.3	To achieve a level 4 for governance and accountability as prescribed in the Management Performance Assessment Tool (MPAT) by 31 March 2017	-	-	Level 4	Level 4	Level 4	-	

Performance Indicators

Programme 1: Administration							
No	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Performance 2016/17	Deviation from planned target to actual achievement for 2016/17
1.4	To achieve a level 4 for human resource management as prescribed in the Management Performance Assessment by 31 March 2017	-	-	Level 4	Level 4	Level 3	-1
							<p>The Department was rated low due to the following:</p> <ol style="list-style-type: none"> 1. Management of disciplinary cases: Less than 90% of cases were finalised within the prescribed timeframe (90 days). 2. Appointment of interns: The interns appointed constituted 4%, failing to reach the minimum of 5%. 3. Implementation of level 1-12 PMDS: only 76% of employees' performance agreements were captured on the PERMIS system.
1.5	Annual review of the ICT Strategic Plan by 31 March 2017	-	-	1	1	1	-

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

Strategy to overcome areas of underperformance

MPAT human resource management: Level 3 should improve to Level 4 by:

- Improved turnaround times of disciplinary cases;
- Appointment of interns, subject to availability of funds; and
- Improved management of the PERMIS system.

Changes to planned targets

None

Linking performance with budgets

2016/2017				2015/2016		
Sub-Programme Name	Final Appropriation	Actual Expenditure	Over/Under Expenditure	Final Appropriation	Actual Expenditure	Over/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the MEC	6 270	6 270	-	6 528	6 528	-
Corporate Services	84 256	84 255	1	81 796	81 796	-
Total	90 526	90 525	1	88 324	88 324	-

4.2 Programme 2: Housing Needs, Research and Planning

Purpose

To facilitate and undertake planning for human settlements.

Sub-Programmes

Administration: To provide administrative and/or transversal services.

Policy: To develop human settlements policies and policy guidelines.

Planning: To develop provincial Multi-Year Housing Development Plans and project pipelines in cooperation with municipalities.

Research: To conduct research on sustainable human settlements.

Strategic Objectives

- Improve integrated development and spatial planning at municipal level by providing municipalities with support with regards to human settlement development;
- Establish effective mechanisms for target setting, spatial targeting and future delivery projections;
- Enhancing the policy regime in relation to human settlements; and
- Partnerships established with strategic stakeholders.

Performance overview

In 2016/17, the Department led a study to enumerate eleven (11) informal settlements in Cape Town, linked to the Southern Corridor catalytic project. The study included the detailed profiling of households in these areas and a comprehensive report was produced per informal settlement. The enumeration study provided a rich dataset to be used in the design of human settlement solutions for these areas.

The Department also approved a set of Green Procurement Policy Guidelines, called 'Making better choices'. The guidelines aim to support municipalities to make more environmentally sustainable choices when procuring goods and services related to housing development.

As part of the national review of the Housing Code, the Department hosted a two-day stakeholder engagement to critically reflect and debate current policy and propose policy amendments, which was fed into the national policy review.

The Department also drafted policy guidelines for assessing the eligibility of persons with disabilities for subsidies by improving alignment with other assessment processes in the social development sector.

The Department oversaw the completion of the Departmental Partnership Strategy, aimed at defining and exploring where mutually beneficial partnership opportunities exist. The intention is to facilitate sustainable relationships while streamlining access to resources which jointly focus on Provincial priorities.

Furthermore, the Department facilitated the approval of Social Housing Restructuring Zones in 11 non-Metro Leader Towns, increasing the Social Housing planning pipeline to 91 projects. The Department also acquired funding and worked with the Social Housing Regulatory Authority (SHRA) to do detailed feasibility assessments of strategic land parcels which fell under the ownership of the Department. These sites can give social housing within key inner city rental housing precincts significant impetus.

It was also recognised that existing property management practices for municipal rental stock was a significant challenge and affected the financial sustainability of municipalities. The Department undertook a desktop assessment of all non-metro municipalities aimed at developing a true reflection of where existing municipal stock occurred geographically, and how current property management processes were being effected on this stock by non-metro municipalities.

In partnership with the SHRA, a comprehensive analytical assessment of property management systems and rental housing policies within non-metro leader town municipalities was initiated. Relative strengths and weaknesses in various municipal property management systems were identified, all aimed at supporting municipalities to move toward long term development and operational property management efficiencies. Training on improved alternatives for property management was also initiated with municipal officials.

The affordability and credit-worthiness of households within the affordable housing market continues to be a major stumbling block in terms of achieving ultimate property ownership. In order to create awareness of affordable ownership as an opportunity, the Department trained approximately 2 800 people across the metro on the requirements of the Finance Linked Individual Subsidy Programme (FLISP). Detailed discussions with financial institutions, focussed on revised typologies and alternative funding models, are also underway.

In addition, the Department developed The Living Cape – Human Settlement Framework, which is one of the suite of Provincial Strategies aligning to the One Cape 2014, Spatial Development Framework, and Provincial Infrastructure Framework. The Framework aims to support a departure from the current housing delivery model to integrated service delivery, strengthening the enabling role of government.

Building on the Human Settlement Framework, the development of the Informal Settlement Support Programme (ISSP) was initiated as a response to address the challenge of improving the quality of life of people living in informal settlements. This included the development of the strategic framework, implementation plan and a rapid appraisal of selected informal settlements. This resulted in municipal and settlement profiles and categorisation of these settlements, to achieve acceleration of interventions.

Strategic objectives, performance indicators planned targets and actual achievements

Strategic Objectives

Programme 2: Housing Needs, Research and Planning								
Strategic Objectives	Strategic Objective Indicators	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Performance 2016/17	Deviation from planned target to actual achievement for 2016/17	Comments on deviations
Improve integrated development and spatial planning at a municipal level by providing municipalities with support with regards to human settlement development	Number of planned human settlement projects aligned to the IDP's, National and Provincial priorities approved by 31 March 2020	20	25	23	24	27	3	The overachievement can be attributed to awareness raising interventions by the Department on its strategic objectives, and which has resulted in municipalities' ability to align their planning with the Department's priority areas.
Establish effective mechanisms for target setting, spatial targeting and future delivery projections	Part D of the Annual Performance Plan populated according to the prescribed format of National Treasury indicating planned targets and budget allocations over a five-year period by 31 March 2020	1	1	1	1	1	-	
Enhancing the policy regime in relation to human settlements	Number of research papers developed by 31 March 2020	2	2	2	3	4	1	The Department finalised the Contested Title Deed research paper that was rolled over from the previous financial year.
Partnerships established with strategic stakeholders	The development of a Departmental Partnership Strategy by March 2020	-	-	1 (draft)	1	1 (final)	-	

Performance Indicators

Programme 2: Housing Needs, Research and Planning								
No	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Performance 2016/17	Deviation from planned target to actual achievement for 2016/17	Comments on deviations
Planning								
2.1	The development of the Informal Settlement Support Plan (ISSP) by 31 March 2017	-	-	1 (draft)	1	1 (final)	-	
2.2	The development of the Western Cape Integrated Human Settlement Framework by 31 March 2017	-	-	1 (draft)	1	1 (final)	-	
2.3	Number of planned human settlement projects aligned to the IDPs and based on the objectives of Outcome 8 and representing national and provincial priorities by 31 March 2017	20	25	23	24	27	3	The overachievement can be attributed to awareness raising interventions by the Department on its strategic objectives, and which has resulted in municipalities' ability to align their planning with the Department's priority areas.
2.4	Part D of the Annual Performance Plan populated according to the prescribed format of National Treasury indicating planned targets and budget allocations over a five-year period by 31 March 2017	1	1	1	1	1	-	
2.5	Number of municipalities that the Department provides with technical support (including transfer of skills) to enable the municipality to produce development plans for human settlements projects by 31 March 2017	20	17	25	25	25	-	
Research								
2.6	Number of research papers produced with content relating to the development of sustainable human settlements by 31 March 2017	2	2	2	3	4	1	The Department finalised the Contested Title Deed research paper that was rolled over from the previous financial year.

Performance Indicators

Programme 2: Housing Needs, Research and Planning								
No	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Performance 2016/17	Deviation from planned target to actual achievement for 2016/17	Comments on deviations
Legislation and Policy								
2.7	Number of policy guidelines developed by 31 March 2017	2	-	-	1	2	1	In the absence of a national policy, the Department developed the Policy for assessing eligibility of subsidy applicants that are disabled.
Affordable Housing								
2.8	The development of a Departmental Partnership Strategy by 31 March 2017	-	-	1 (draft)	1	1 (final)	-	

Strategy to overcome areas of underperformance

Not applicable

Changes to planned targets

None

Linking performance with budgets

Sub-Programme Name	2016/2017			2015/2016			Over/Under Expenditure
	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	
Administration	13 857	13 857	-	12 628	12 638	-	
Planning	6 829	6 829	-	8 104	8 102	-	
Total	20 686	20 686	-	20 732	20 742	-	

4.3 Programme 3: Housing Development

Purpose

To provide housing opportunities, including access to basic services, to beneficiaries in accordance with the Housing Code.

Sub-Programmes

Administration:	To provide administration support funded from equitable share.
Financial Interventions:	To facilitate immediate access to housing goods and services creating an enabling environment and providing implementation.
Incremental Interventions:	To facilitate access to housing opportunities through a phased process.
Social & Rental Interventions:	To facilitate access to rental housing opportunities, supporting Urban Restructuring and Integration.

Strategic Objectives

- Implement an upscaled delivery programme;
- Implement structured upgrading of informal settlements to promote and service living environments;
- Improve security of tenure by ensuring that title deeds are timeously transferred to qualifying beneficiaries of housing subsidies funded by the Department;
- To create an enabling environment to stimulate job and empowerment opportunities for contractors with HDI, women and youth representation; and
- To increase sustainable resource use, which includes exploring innovative technologies through construction, energy, water and sanitation.

Performance overview

The Department implemented a number of strategies to ensure delivery. The value of these strategies is evident in the total number of opportunities created for the financial year under review. The Department delivered a total of 19 829 housing opportunities against a target of 19 664 opportunities. A breakdown of the cumulative amount is illustrated as follows:

- 11 283 housing units, against a target of 11 134; and
- 8 546 serviced sites, against a target of 8 530.

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

Furthermore, the Department facilitated the creation of 1 079 job opportunities (expressive of 345 Full Time Equivalent jobs) and trained 150 youth in various disciplines of the built environment sector. The increase in the number of young people trained is a result of focussed interventions by the Department that led to more funding being received from the Construction Education and Training Authority (CETA). In addition, the Department committed 50.21% of the Human Settlements Development Grant (HSDG) to contractors with HDI status.

The emphasis placed on supporting and developing communities is demonstrated in the overachievement of the People's Housing Programme (PHP). The Department delivered a total of 4 050 units under the PHP programme against a target of 3 317. The overachievement is a result of increased departmental capacity to support communities with PHP projects.

Significant strides in addressing the title deeds backlog has been made during the year under review. The Department transferred 9 767 title deeds against a target of 7 000. The efforts in this overachievement can be attributed to the appointment of a designated task team to expedite the transfer of title deeds.

The Department has made significant progress in its catalytic and priority projects, which is detailed below:

Project	Area	Municipality	Initial (Estimated) Opportunities	Revised No. of Opportunities	Progress during the 2016/17 year
Southern Corridor Integrated Human Settlement Programme	Cape Town	City of Cape Town	51 540	53 320	Ithemba Farms – Advanced stage of planning and approval. Construction on bulk service to commence in 2018. Penhill Farms – At planning, investigation and full design stage. Construction on bulk service to commence in 2018. Airport Precinct Informal Settlement – At planning, full design stage. Enumeration conducted and concluded. Construction on bulk service to commence in 2018. Kosovo Informal Settlement – At planning, full design stage. Enumeration conducted and concluded. Construction on bulk service to commence in 2018. Forest Village – In full construction. Thabo Mbeki and Tsunami – Planning phase to continue in 2017.
Vlakkeland/Dal Josafat	Paarl	Drakenstein	6 000	4 460	Tender process underway. Construction of bulk services and housing units will commence in 2017.
Trans Hex	Worcester	Breede Valley	8 000	8 280	Bulk infrastructure in progress.
Thembaletu Phase 1	George	George	15 000	4 500	Implementation phase. Construction complete up to UISP Stage 4 of 150 top structures has commenced and will be completed by March 2018, with a further 150 units in early 2018/19 financial year.
Thembaletu Phase 2	George	George			LUPU approval obtained. Construction on Stage 3 has commenced, 456 enhanced serviced sites will be completed by March 2018.
Thembaletu Phase 3	George	George			Awaiting completion of Phases 1 and 2.
Syferfontein East	George	George		6 200	Environmental authorisation pending.
Syferfontein West	George	George			EIA process on-going.
Wilderness Heights	George	George			Land to be secured. Design phase to continue in 2017.
Vredenburg Urban Regeneration	Saldanha Bay	Saldanha Bay	1 400	1 400	Land acquisition application being evaluated.
Louis Fourie Corridor	Mossel Bay	Mossel Bay	3 000	3 000	Planning Phase.
De Novo	Stellenbosch	Stellenbosch	2 300	200	Development options have been agreed upon. Refurbishment of dwelling units on site will commence. Planning and designs for the remainder of this will commence.
Total			87 240	81 360	

PART B

Initially, it was estimated that 108 847 housing opportunities will be achieved through the catalytic projects. Following in-depth planning processes, however, the total opportunities is now projected at 81 260. The variance can be attributed to the number of units that have been approved by the municipalities (against what was initially estimated) as well as the site constraints identified during the planning phases of the project. Furthermore, it should be noted that City of Cape Town Northern Corridor and Voortrekker Integration zone projects are excluded from the revised number of opportunities.

Stellenbosch - Jamestown (IRDP)



Strategic objectives, performance indicators planned targets and actual achievements
Strategic Objectives

Programme 3: Housing Development									
Strategic Objectives	Strategic Objective Indicators	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Performance 2016/17	Deviation from planned target to actual achievement for 2016/17	Comments on deviations	
Implement an upscaled delivery programme	Total number of housing units delivered by 31 March 2020	12 681	10 746	11 604	11 134	11 283	149		
Implement structured upgrading of informal settlements to promote and service living environments	Total number of serviced sites delivered by 31 March 2020	2 528	7 014	6 829	8 530	8 546	16		
Improve security of tenure by ensuring that title deeds are timeously transferred to qualifying beneficiaries of housing subsidies funded by the Department	Number of title deeds timeously transferred by 31 March 2020	-	-	7 680	7 000	9 767	2 767	The Department allocated a dedicated team to expedite the transfer of title deeds, which resulted in an overachievement.	
To create an enabling environment to stimulate job and empowerment opportunities for contractors with HDI, women and youth representation	Number of jobs facilitated by 31 March 2020	-	-	355	400	345	-55	The actual number of job opportunities created is 1 079, however, when calculating the achievement based on the definition of Full Time Equivalent* the output amounts to 345.	
	Percentage of Human Settlements Development Grant (HSDG) paid to contractors with HDI representation ,	-	-	50%	50%	50.21%	0.21%	Awareness levels of HDI's were raised, as a result of initiatives embarked upon by the Department.	

*FTE is the hours worked by one employee on a full-time basis. The concept is used to convert the hours worked by several part-time employees into the hours worked by full-time employees. FTE is calculated as: 8 hours per day.

Strategic Objectives

Programme 3: Housing Development								
Strategic Objectives	Strategic Objective Indicators	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Performance 2016/17	Deviation from planned target to actual achievement for 2016/17	Comments on deviations
To increase sustainable resource use, which includes exploring innovative technologies through construction, energy, water and sanitation	within the housing sector by 31 March 2020							
	Number of young people trained in various disciplines of the built environment sector by 31 March 2020	-	-	60	120	150	30	The target was exceeded due to the successful interventions of the Department that led to more funding being received from CETA.
	Total number of houses built using innovative technology initiatives such as construction, energy, water, and sanitation, by 31 March 2020	-	-	2 023	600	1 893	1 293	More projects with innovative technology initiatives were actioned as priority areas.

Aggregate Indicators

Programme 3: Housing Development							
Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Performance 2016/17	Deviation from planned target to actual achievement for 2016/17	Comments on deviations
Total number of housing units delivered that have reached a stage of practical completion in the Province across all housing programmes by 31 March 2017	12 681	10 746	11 604	11 134	11 283	149	
Total number of serviced sites delivered across the Province within projects completed by 31 March 2017	2 528	7 014	6 289	8 530	8 546	16	

Performance Indicators

Programme 3: Housing Development								
No	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Performance 2016/17	Deviation from planned target to actual achievement for 2016/17	Comments on deviations
Financial interventions								
Individual Housing Subsidies (R0 – R3 500 Credit Linked)								
3.1	Number of subsidies disbursed (R0 – R3 500 credit linked) by 31 March 2017	195	22	14	10	5	-5	Only five (5) applications were received.
Individual Housing Subsidies (R0 – R3 500 Non-Credit Linked)								
3.2	Number of subsidies disbursed (R0 – R3 500 non-credit linked) by 31 March 2017	1 176	552	198	152	275	125	More applications were received for processing.
Financed Linked Individual Subsidy (R3 501 – R15 000 FLISP)								
3.3	Number of FLISP subsidies disbursed (R3 501 – R15 00) by 31 March 2017	-	-	426	1 281	745	-536	Not all applications received met the FLISP criteria.

Performance Indicators

Programme 3: Housing Development								
No	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Performance 2016/17	Deviation from planned target to actual achievement for 2016/17	Comments on deviations
Financial interventions								
Incremental Housing Programmes								
3.4	Number of new sites connected to basic services as part of the Integrated Residential Development Programme (IRDP) within projects completed by 31 March 2017	1 452	1 872	4 460	3 455	6 412	2 957	The overperformance is a result of the implementation of catalytic projects which bore fruit.
3.5	Number of housing units delivered that have reached the stage of practical completion as part of the Integrated Residential Development Programme (IRDP Phase 4) by 31 March 2017	6 557	5 094	4 401	5 619	4 073	-1 546	The underachievement can be attributed to unforeseen circumstances on sites, such as community conflicts, instability and protests, labour demands, gangsterism and vandalism.
3.6	Number of sites delivered which are connected to basic services as part of the Upgrading of Informal Settlements Programme (UISP) within projects completed by 31 March 2017	1 076	5 142	1 829	5 075	2 134	-2 941	Delays were experienced in servicing sites from certain informal settlements caused by decanting, refusal of communities to move and instability on sites such as community conflicts, instability and protest as well as labour demands, gangsterism and vandalism.
Social and Rental Housing								
3.7	Number of housing units delivered that have reached the stage of practical completion as part of the Institutional Subsidy Programme by 31 March 2017	-	-	127	100	0	-100	The target was not achieved since the project has been stalled, as it was not financially viable.
3.8	Number of housing units delivered that have reached the stage of practical completion as part of the Social Housing Programme by 31 March 2017	100	310	342	450	450	-	

Performance Indicators

Programme 3: Housing Development								
No	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Performance 2016/17	Deviation from planned target to actual achievement for 2016/17	Comments on deviations
Financial interventions								
Incremental Housing Programmes								
3.9	Number of housing units delivered that have reached the stage of practical completion as part of the Community Residential Units programme (CRU) by 31 March 2017	1 812	8	527	205	195	-10	Final planning approval was only given for 195 units.
Peoples Housing Process (PHP)								
3.10	Number of housing units delivered that have reached the stage of practical completion as part of the Peoples Housing Process (PHP) by 31 March 2017	3 884	2 972	4 345	3 317	4 050	733	The overachievement is a result of PHP projects that performed beyond expectation.
Transfer of Title Deeds								
3.11	Number of properties transferred to beneficiaries that were developed post 1994 by 31 March 2017	-	-	7 680	7 000	9 767	2 767	The Department allocated a dedicated team to expedite the transfer of title deeds, which resulted in an overachievement.
Empowerment Opportunities and Job Creation								
3.12	Number of job opportunities facilitated by 31 March 2017	-	-	355	400	345	-55	The actual number of job opportunities created is 1 079, however, when calculating the achievement based on the definition of Full Time Equivalent* the output amounts to 345.
3.13	Percentage of Human Settlements Development Grant (HSDG) paid to contractors with HDI representation , within the housing sector by 31 March 2017	-	-	50%	50%	50.21%	0.21%	Awareness levels of HDI's were raised, as a result of initiatives embarked upon by the Department.

*FTE is the hours worked by one employee on a full-time basis. The concept is used to convert the hours worked by several part-time employees into the hours worked by full-time employees. FTE is calculated as: 8 hours per day.

Performance Indicators

Programme 3: Housing Development								
No	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Performance 2016/17	Deviation from planned target to actual achievement for 2016/17	Comments on deviations
Financial interventions								
3.14	Percentage of Human Settlements Development Grant (HSDG) paid to contractors with women representation, within the housing sector by 31 March 2017	-	-	18.16%	30%	9.29%	-20.17%	52% of the HSDG which translates to R1 042 542 802, has been paid to HDI contractors. Based on the initial method of calculation, 32% of R1 042 542 802 has been awarded to contractors with women representation. However, the AG found the method of calculation to be unreliable, as the indicator required that the percentage be based on the total amount of the HSDG received by the Department. The Department agreed to change the method and base its method of calculation on the entire Grant received. In light of this, a total of 9.29% is reported for percentage of HSDG paid to contractors with women representation.
3.15	Percentage of Human Settlements Development Grant (HSDG) paid to contractors with youth representation, within the housing sector by 31 March 2017	-	-	2.43%	30%	6.12%	-23.88%	52% of the HSDG which translates to R1 042 542 802, has been paid to HDI contractors. Based on the initial method of calculation, 30% of R1 042 542 802 has been awarded to contractors with youth representation. However, the AG found the method of calculation to be unreliable, as the indicator required that the percentage be based on the total amount of the HSDG received by the Department. The Department agreed to change the method and

Performance Indicators

Programme 3: Housing Development								
No	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Performance 2016/17	Deviation from planned target to actual achievement for 2016/17	Comments on deviations
Financial interventions								
								base its method of calculation on the entire Grant received. In light of this, a total of 6.12% is reported for percentage for HSDG paid to contractors with youth representation.
3.16	Number of young people trained in various disciplines of the built environment sector by 31 March 2017	-	-	60	120	150	30	The target was exceeded due to the successful interventions of the Department that led to more funding being received from CETA.
3.17	Total number of houses built using innovative technology initiatives such as construction, energy, water, and sanitation by 31 March 2017	-	-	2 023	600	1 893	1 293	More projects with innovative technology initiatives were actioned.

PART B

Delivery per housing programme			
Municipality	Programme	Delivery	
		Serviced sites	Housing units
Beaufort West	Integrated Residential Development Programme (IRDP)	264	75
Berg River	Upgrading of informal Settlements Programme (UISP)	137	-
	Integrated Residential Development Programme (IRDP)	-	90
Bitou	Integrated Residential Development Programme (IRDP)	530	82
Breede Valley	People's Housing Process (PHP)	-	68
	Integrated Residential Development Programme (IRDP)	109	97
City of Cape Town (includes Provincial Projects)	People's Housing Process (PHP)	-	3 280
	Integrated Residential Development Programme (IRDP)	4 165	2 257
	Social Housing Programme (SHP)	-	450
	Community Residential Programme (CRU)	-	195
Drakenstein	People's Housing Process (PHP)	-	33
	Integrated Residential Development Programme (IRDP)	629	72
George	Integrated Residential Development Programme (IRDP)	20	-
	People's Housing Process (PHP)	-	54
Hessequa	Integrated Residential Development Programme (IRDP)	-	122
Kannaland	Integrated Residential Development Programme (IRDP)	191	295
Knysna	Upgrading of Informal Settlements Programme (UISP)	446	-
	People's Housing Process (PHP)	-	60
Langeberg	Integrated Residential Development Programme (IRDP)	327	60
Matzikama	Upgrading of Informal Settlements Programme (UISP)	-	207
	Integrated Residential Development Programme (IRDP)	268	-
Mossel Bay	People's Housing Process (PHP)	-	4
	Integrated Residential Development Programme (IRDP)	-	43
Oudtshoorn	Upgrading of Informal Settlements Programme (UISP)	335	45
	Integrated Residential Development Programme (IRDP)	53	53
Overstrand	Integrated Residential Development Programme (IRDP)	-	131
	Upgrading of Informal Settlements Programme (UISP)	-	58
Prince Albert	Integrated Residential Development Programme (IRDP)	243	-
Saldanha Bay	People's Housing Process (PHP)	-	276
	Integrated Residential Development Programme (IRDP)	-	20
Stellenbosch	Upgrading of Informal Settlements Programme (UISP)	277	-
	Integrated Residential Development Programme (IRDP)	-	240
Swartland	People's Housing Process (PHP)	-	98
	Integrated Residential Development Programme (IRDP)	130	-
Swellendam	Integrated Residential Development Programme (IRDP)	35	-

Delivery per housing programme			
Municipality	Programme	Delivery	
		Serviced sites	Housing units
Theewaterskloof	People's Housing Process (PHP)	-	177
	Upgrading of Informal Settlements Programme (UISP)	251	26
	Integrated Residential Development Programme (IRDP)	136	-
Witzenberg	Integrated Residential Development Programme (IRDP)	-	100
Other Housing Programmes (Individual Housing Subsidy Programme), and Enhanced Extended Discount Benefits Scheme (EEDBS)		-	2 515
Total		8 546	11 283

Strategy to overcome areas of underperformance

- On a quarterly basis, reports on performance against predetermined targets will be submitted. This will improve the level of reporting of performance information and its portfolio of evidence (POE) for verification and validation thereof.
- Systems that are already in place to verify data (and the associated evidence used to validate outputs) will be intensified.
- Regular technical meetings will be held with municipalities to ensure alignment of performance reporting as well as to mitigate areas of concern.
- As part of its Business Planning process, the Department will identify projects that can be brought forward or accelerated to mitigate any in-year issues arising on projects with delivery challenges.

Changes to planned targets

None

Linking performance with budgets

Sub-Programme Name	2016/2017			2015/2016		
	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	89 491	89 491	-	85 149	84 984	165
Financial Interventions	230 991	230 991	-	142 825	142 825	-
Incremental Interventions	1 740 359	1 740 359	-	1 656 505	1 656 505	-
Social Interventions	29 461	29 461	-	175 792	175 792	-
Total	2 090 302	2 090 302	-	2 060 271	2 060 106	165

4.4 Programme 4: Land and Asset Management

Purpose

The purpose of this Programme is to provide for the strategic, effective and efficient management, devolution and transfer of housing assets.

Sub-Programmes

Administration:	To provide administration support funded from equitable share.
Housing Properties Management:	To provide for the maintenance of housing properties, the transfer of ownership and to identify and secure land.

Strategic Objectives

- Improve the living conditions of beneficiaries through the writing-off of debt, with the objective of transferring the ownership of properties to qualifying beneficiaries;
- Improve security of tenure by ensuring that title deeds are transferred to qualifying beneficiaries of housing subsidies funded by the Department; and
- Identify and secure land for human settlement development.

Performance overview

The Department is transferring and devolving the properties of the ex-Western Cape Housing Development Board to municipalities and qualifying beneficiaries. The devolution of the properties to municipalities is subjected to stringent conditions and in line with the processes and timeframes agreed upon by the CoCT and other municipalities. It is envisaged the process will be concluded by 31 March 2019.

The Provincial Cabinet also endorsed the enhanced debt write-off policy as approved by the Provincial Minister of Human Settlements. The Department is currently finalising the normalisation policy whereby current tenants that are not debtors of the Department might qualify for ownership of these houses.

The Department's initiatives to improve tenure security of the poor have rendered good results during the reporting period, resulting in an overachievement of the target. The Department provided 504 title deeds of pre 1994 stock to beneficiaries against a target of 340. In this regard the Department received good cooperation from municipalities and beneficiaries, who are key parties in the process.

The Department also succeeded in securing more land for human settlement development than was anticipated, and secured 50.11 hectares of land for the development of affordable housing and 483.16 hectares for catalytic projects, against a target of 40 and 200 hectares, respectively.

Furthermore, the Department effected 137 bond cancellations.

Strategic objectives, performance indicators planned targets and actual achievements
Strategic Objectives

Programme 4: Land and Asset Management								
Strategic Objectives	Strategic Objective Indicators	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Performance 2016/17	Deviation from planned target to actual achievement for 2016/17	Comments on deviations
Improve the living conditions of beneficiaries through the writing-off of debt with the objective of transferring ownership to the properties	Number of debtors whose outstanding balances have been reduced to nil ; in terms of legislative and regulatory prescripts by 31 March 2020	1 005	1 147	1 224	650	1 490	840	The overachievement is as a result of more debtors qualifying for the Enhanced Extended Discount Benefit Scheme (EEDBS) or the writing-off of debt, in terms of the Debt Write-off Policy.
	Number of title deeds transferred to qualifying beneficiaries of pre-1994 housing units by 31 March 2020	-	141	250	340	504	164	Targets were exceeded due to the prioritisation of the issuing of title deeds by the National and Provincial governments, whereby the province put together a team to fast-track the issuing of title deeds.
Identify and secure land for the development of affordable housing and catalytic projects	Number of hectares of suitable land secured for the development of affordable housing by 31 March 2020	-	-	10.9ha	40ha	50.11ha	10.11ha	Targets were exceeded due to transfers of land from Public Works to Human Settlements.

Performance Indicators

Programme 4: Land and Asset Management									
No	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Performance 2016/17	Deviation from planned target to actual achievement for 2016/17	Comments on deviations	
4.1	Number of debtors whose outstanding balances have been reduced to nil ; in terms of legislative and regulatory prescripts by 31 March 2017	1 005	1 147	250	650	1 490	840	The overachievement is as a result of more debtors qualifying for the Enhanced Extended Discount Benefit Scheme (EEDBS) or the writing-off of debt, in terms of the Debt Write-off Policy.	
4.2	Number of title deeds transferred to qualifying beneficiaries of pre-1994 housing units by 31 March 2017	-	141	1 224	340	504	164	Targets were exceeded due to the prioritisation of the issuing of title deeds by the National and Provincial governments whereby the province put together a team to fast-track the issuing of title deeds.	
4.3	Number of hectares of suitable land secured for the development of affordable housing by 31 March 2017	-	-	10.9ha	40ha	50.11ha	10.11ha	Targets were exceeded due to transfers of land from Public Works to Human Settlements.	
4.4	Number of hectares of land secured for catalytic projects by 31 March 2017	-	-	-	200ha	483.16ha	283.16ha	Targets were exceeded due to transfers of land from Public Works to Human Settlements.	

Strategy to overcome areas of underperformance

Not applicable

Changes to planned targets

None

Linking performance with budgets

2016/2017				2015/2016			
Sub-Programme Name	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	23 758	23 758	-	21 948	21 948	-	
Housing Property Maintenance	19 152	19 152	-	19 603	19 603	-	
Total	42 910	42 910	-	41 551	41 551	-	

5. Transfer Payments

5.1 Transfer payments to public entities

None

5.2 Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 01 April 2016 to 31 March 2017:

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with S38(1)(i) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Bitou	Municipality	Municipal rates and taxes	N/A	103	103	-
Breede Valley	Municipality	Municipal rates and taxes	N/A	53	53	-
Cederberg	Municipality	Provincial housing acceleration	Yes	13 315	0	Appropriated in the Municipal adjustment budget
City of Cape Town	Municipality	Acceleration assistance	Yes	10 000	4 651	Appropriated in the Municipal adjustment budget
		Settlement assistance	Yes	1 500	0	Appropriated in the Municipal adjustment budget
		Municipal rates and taxes	N/A	10 952	10 952	-
Drakenstein	Municipality	Municipal rates and taxes	N/A	122	122	-
George	Municipality	Municipal rates and taxes	N/A	4	4	-
Kannaland	Municipality	Municipal rates and taxes	N/A	2	2	-
Matzikama	Municipality	Municipal rates and taxes	N/A	18	18	-
Mossel Bay	Municipality	Provincial housing acceleration	Yes	3 400	0	Appropriated in the Municipal adjustment budget
Overstrand	Municipality	Municipal rates and taxes	N/A	37	37	-
Prince Albert	Municipality	Provincial housing acceleration	Yes	916	0	Appropriated in the Municipal adjustment budget
Saldanha Bay	Municipality	Municipal rates and taxes	N/A	142	142	-
Stellenbosch	Municipality	Municipal rates and taxes	N/A	1	1	-
Swartland	Municipality	Municipal rates and taxes	N/A	47	47	-
Swellendam	Municipality	Municipal rates and taxes	N/A	37	37	-
Cape Craft and Design Institute	NPI	Support the Better Living Challenge	N/A	3 000	3 000	-
SA Women in construction	NPI	Sponsorship	N/A	100	100	-
Ikamva Holdings	Private enterprise	Sponsorship	N/A	100	100	-
Transception (Pty) LTD	Private enterprise	Sponsorship	N/A	100	100	-
Total				43 949	19 469	

6. Conditional Grants

6.1 Conditional grants and earmarked funds paid

None

6.2 Conditional grant and earmarked funds received

The tables below detail the conditional grants and earmarked funds received for the period 01 April 2016 to 31 March 2017.

Conditional Grant 1: Human Settlements Development Grant (HSDG)

Department who transferred the Grant	National Department of Human Settlements
Purpose of the Grant	The facilitation and provision of basic infrastructure, top structures, and basic social and economic amenities that contribute to the establishment of sustainable human settlements.
Expected outputs of the Grant	11 134 housing units and 8 530 sites
Actual outputs achieved	11 283 housing units and 8 546 sites
Amount per amended DORA (R'000)	R2 000 811
Amount transferred (R'000)	R2 000 811
Reasons if amount as per DORA not transferred	N/A
Amount spent by the Department (R'000)	R2 000 811
Reasons for the funds unspent by the Department	N/A
Monitoring mechanism by the transferring Department	The Department submits quarterly reports to the National Department of Human Settlements during the financial year to track performance. At the end of the year an evaluation report is submitted to monitor performance.

Conditional Grant 2: Expanded Public Works Grant (EPWP)

Department who transferred the Grant	National Department of Public Works
Purpose of the Grant	To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods
Expected outputs of the Grant	<ul style="list-style-type: none"> • 55 Work Opportunities • 23 Full Time Equivalent
Actual outputs achieved	<ul style="list-style-type: none"> • 43 Work Opportunities • 23 Full Time Equivalent
Amount per amended DORA (R'000)	R3 426
Amount transferred (R'000)	R3 426
Reasons if amount as per DORA not transferred	N/A
Amount spent by the Department (R'000)	R3 426
Reasons for the funds unspent by the Department	N/A
Monitoring mechanism by the transferring Department	The Department submits quarterly reports to the National Department of Human Settlements during the financial year to track performance. At the end of the year an evaluation report is submitted to monitor performance.

7. Donor Funds

7.1 Donor funds received

Name of Donor	Danida
Full amount of funding (R'000)	R19 588 504.24
Period of commitment	2012/2018
Purpose of funding	There is an opportunity to disseminate the benefit of different energy efficient interventions (Solar Water heaters) to a wider community of the Joe Slovo Phase 3 project.
Expected outputs	256
Actual outputs achieved	153
Amount received in current period (R'000)	R1 855 673
Amount spent by the Department (R'000)	R1 124 929
Reasons for funds unspent	The slow clearing of the construction site. Occupants refused to relocate to the TRA units constructed in Delft TRA6. Construction of top structures are slow due to the slow relocation of occupants.
Monitoring mechanisms by the donor	Monthly meetings held by the National Department of Human Settlements.

8. Capital Investment

8.1 Capital investment, maintenance and asset management plan

2016/2017				2015/2016		
Infrastructure projects	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
Maintenance and repairs	8 418	8 088	330	4 063	3 886	177
Total	8 418	8 088	330	4 063	3 886	177



PART C

GOVERNANCE



1. Introduction

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

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

2. Risk Management

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

In compliance with the National Treasury Public Sector Risk Management Framework (PSRMF) and to further embed risk management within the Department, the Western Cape Government (WCG) has adopted an ERM Policy Statement which sets out the WCG's overall intention with regard to ERM. The Department adopted an ERM Policy 2015/16 – 2019/20, approved by the Accounting Officer on 29 April 2015, and an ERM Strategy and Implementation Plan for 2016/17, approved by the Accounting Officer on 16 February 2016. The ERM Implementation Plan gave effect to the departmental ERM Policy and Strategy and outlines the roles and responsibilities of management and staff in embedding risk management in the Department.

Enterprise Risk Management Committee

The Department established an Enterprise Risk Management Committee (ERMCO) to assist the Accounting Officer in executing his responsibilities relating to risk management. The Committee operated under a Terms of Reference approved by the Accounting Officer on 16 February 2016. ERMCO evaluated the effectiveness of the mitigating strategies implemented to address the risks of the Department and recommended further action where relevant. The attendance of committee meetings is listed in the table below:

Member	Position	Scheduled Meetings	Attended
Mr. T Mguli	HOD	4	4
Mr. F De Wet	CFO	4	4
Ms P Mayisela	CD: Human Settlement Implementation	4	3
Ms J Samson	CD: Human Settlement Planning	4	3
Mr M Stoffels	Director: Financial Management	4	2
Mr B Nkosi	Director: Strategic Management Support	4	2
Mr A Hazell	Acting Director: Information Management	4	1

The Audit Committee provided independent oversight of the Department's system of risk management. The Audit Committee was furnished with Quarterly ERM progress reports, departmental risk profiles and registers to execute their independent oversight role. The Audit Committee's evaluation of the risk management process was in relation to the progress of implementation of the ERM Plan and this also includes risks faced by the Department and its relevant risk response/treatment strategies.

Risk management process

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

Impact on institutional performance

The Department received the necessary guidance and assistance from Enterprise Risk Management (ERM) to be in line with the Audit Committee's compliance requirements on a quarterly basis. The Internal Control provides a co-ordination/secretariat role between ERM, audit committee and the department.

3. Fraud and Corruption

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

Various channels for reporting allegations of fraud and corruption exist and these are described in detail in the Provincial Anti-Corruption Strategy and the Departmental Fraud Prevention Plan. Each allegation received by the Provincial Forensic Services (PFS) Unit is recorded in a Case Management System which is used as a management tool to report on progress made with cases relating to the Department and generating statistics for the Province and Department.

Employees who blow the whistle on suspicions of fraud, corruption and theft are protected if the disclosure is a protected disclosure (i.e. meets statutory requirements, e.g. was made in good faith). In this regard a transversal Whistle-blowing Policy was approved on 24 February 2016 to provide guidelines to employees on how to raise concerns with the appropriate line management, specific designated persons in the WCG or external institutions, where they have reasonable grounds for believing that offences or improprieties have been or are being perpetrated within the WCG. The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft and corruption and should they do so in person, their identities are kept confidential from the person whom they are reporting.

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

PFS issued a Case Movement Certificate reflecting the following movement of cases for the Department during this financial year:

Open cases as at 1 April 2016	9
New cases reported during 2016/17	1
Closed cases (2016/17)	(7)
Referred cases (2016/17)	(2)
Incorporated cases (2016/17)	0
Reclassified cases (2016/17)	0
Reallocated cases (2016/17)	0
Open cases as at 31 March 2017	1

Detail of Closed Cases as Per Above Schedule

During the financial year under review, seven (7) investigations were completed by the Provincial Forensic Service (PFS). The outcomes of the investigations conducted by the PFS confirmed the following:

No.	FIU Number	Fraud and/or Corruption	Theft	Irregular and/or Non-compliance	Only Preliminary Investigation
1	FIU 100-15/16	✓		✓	
2	FIU 43-15/16				✓
3	FIU 86 -15/16				✓
4	FIU 131-15/16				✓
5	FIU 132-15/16				✓
6	FIU 134-15/16				✓
7	FIU 28-16/17				✓

4. Conflict of Interest

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

The Department also requires that all members of the Senior Management Services (SMS) complete a financial disclosure declaration. In this regard, the Department fully complied with all the legislative prescripts, for the 2016/17 financial year. The Department also ensured that all Supply Chain Management officials and all other officials that might have a financial interest in any business, to disclose it accordingly on an annual basis. The members of the Departmental Bid Evaluation Committee (BEC) and the Bid Adjudication Committee (BAC), as well as the Construction Procurement Committee (CPC) are required to sign a declaration of interest before each meeting to evaluate and adjudicate the bids received. Should a conflict of interest arise those members are expected to recuse themselves in this regard.

5. Code of Conduct

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

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

6. Health, Safety and Environmental Issues

During the year under review the Department achieved the following:

- The Business Continuity Plan (BCP) for the Department was reviewed and approved by the HOD on 12 October 2016.
- A generator and UPS is being installed at Goodwood office for BCP implementation.
- The establishment of the BCP Emergency Response Team, Finance Team, Facilities and Operations Team took place during the period under review.

- A total of 48 Staff members were trained in respect of what the Departmental BCP entails.
- The OHS Policy for Human Settlements was approved by the HOD on 12 October 2016.
- All the prescribed quarterly OHS meetings were held during the period.
- The smoking Policy for the Department was drafted and approved by the HOD on 20 June 2016.
- The SOP for the Waste paper collection was finalized and approved by the HOD on 12 October 2016.
- The SOP for wheelchair operation was finalized and approved by the HOD on 12 October 2016.
- The prescribed contingency plans for the Department were consulted with the relevant role players and subsequently approved and implemented for Cape Town office on 4 July 2016, Goodwood office on 6 July 2016 and George office on 18 August 2016.
- Fire panel training was provided at 27 Wale Street for 6 staff members on 21 July 2016 and a further 7 staff members on 8 September 2016.
- The Department conducted a full Building Fire Test of 27 Wale Street on 15 November 2016 and the report was subsequently approved by the HOD.
- All monthly reports relating to OHASA complaints and incidents were submitted to management with the relevant recommendations to address shortcomings based on the compliance audits conducted in respect of all the buildings. All quarterly reports were submitted to the HOD and also to ERMCO during the period under review.
- During the period under review, OHASA induction training was provided to eleven (11) staff members in comparison with only sixteen (16) officials during the previous financial year.
- Furthermore, during the 2016/17 financial year, two (2) prescribed evacuation exercises were conducted thus the Department complied fully in this regard.
- Monthly electricity and water consumption reports were distributed to all staff members and uploaded on the Intranet web page of the Department.
- The EHW policy was approved and implemented on 31 March 2016.
- The EHW operational plan 2016/2017 was approved and implemented on 31 March 2016.
- The Carbon Dioxide (CO²) fire extinguishers were serviced at all buildings during the period under review.
- During the period under review, all buildings were fumigated quarterly.
- During the period under review, staff members were made aware of the following:
 - World day for safety and health (28 April 2016);
 - World hand hygiene day (5 May 2016);
 - World no tobacco day (31 May 2016);
 - World toilet day (19 November 2016); and
 - World water day (22 March 2017); etc.

7. Portfolio Committees

The Department attended a total of eleven (11) standing committee meetings during the financial year under review. Meetings are held per quarter or at the discretion of the Standing Committee.

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

Standing Committee	Date
Standing Committee on Public Accounts	28 September 2016
Standing Committee on Public Accounts	14 October 2016
Standing Committee on Human Settlements	12 April 2016
Standing Committee on Human Settlements	17 May 2016
Standing Committee on Human Settlements	30 August 2016
Standing Committee on Human Settlements	20 September 2016
Standing Committee on Human Settlements	14 October 2016
Standing Committee on Human Settlements	31 January 2017
Standing Committee on Human Settlements	28 February 2017
Standing Committee on Human Settlements	14 March 2017
Standing Committee on Human Settlements	17 March 2017

PART C

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

Resolution No.	Subject	Details	Response by the Department	Resolved Yes/No
11/4/1/2/6	Briefing on the rehabilitated housing project in Wolwedans, Grootbrakrivier (Mosselbay).	Department's Final Assessment Report on the Wolwedans Housing Project and its Implementation Plan for remedial work on the housing project.	Ongoing till project completion.	Yes
11/4/1/2/6	Briefing on the De Novo initiative in Stellenbosch.	A progress report on the status of the De Novo Project.	All information submitted on 06 July 2016.	Yes
11/4/1/2/6	Briefing and oversight visit to De Waal Drive and Langa to observe the Community Residential Units (CRU) Housing Projects.	A meeting and oversight visit to De Waal Drive and Langa.	All information submitted on 30 January 2017.	Yes
11/4/6	Shortlist for the vacant positions in the Western Cape Rental Housing Tribunal.	A report on the implementation strategy, which outlines the Tribunal's readiness to implement the functions and duties resulting from the Amendment Act.	All information submitted on 30 March 2017.	Yes
11/4/1/2/6	Consideration of Vote: 8, Human Settlements, in the Schedule to the Western Cape Appropriation Bill, 2017.	A progress report on the status of the municipalities that did not submit their Title Deeds Business Plans.	All information submitted on 05 August 2016.	Yes
		A list of all municipalities included on the Title Deed Restoration Programme.	All information submitted on 05 August 2016.	Yes
		The business plans for the Department's four priority areas that were visited by the Minister in the different municipalities.	All information submitted on 05 August 2016.	Yes
	Briefing by the Department of Human Settlements on its provincial strategic goals.	Report on the chronological process to follow when requesting funding to obtain a GAP house.	All information submitted on 05 August 2016.	Yes
	Briefing by the Department of Human Settlements on its provincial strategic goals.	A list of the 11 leader towns selected by the Department for housing delivery.	All information submitted on 05 August 2016.	Yes
		Report on the dates that the final restructuring zone applications were processed.	All information submitted on 05 August 2016.	Yes
		A list of all the Western Cape rural / mission towns established under the Rural Areas Act (Act. 9 of 1987).	All information submitted on 05 August 2016.	Yes
		A status report on the project assistance provided by the Department to the rural / mission towns in the past, present and future.	All information submitted on 05 August 2016.	Yes
		A report on the status of the Rietfontein deeds registration.	All information submitted on 05 August 2016.	Yes

8. SCOPA Resolutions

The Committee noted the Auditor-General's audit opinion regarding the Department's Annual Financial Statements for the 2015/16 financial year, having obtained a clean audit. This audit opinion remained unchanged from the 2013/14 to 2015/16 financial year.

The Department of Human Settlements spent R2 210 713 billion (99, 9%) of a budget of R2 210 878 billion, resulting in an overall under-spending of only R165 000 (0.01%). As disclosed on page 129 of the Department's Annual Report, the Department's revenue budget of R62, 8 million was exceeded by R20, 2 million (32, 1%), which resulted in an overall over-collection from the R82, 933 million collected by the Department for the 2015/16 financial year.

Resolutions

None

List of information required:

The Department provided the Committee with the following information:

List of Information Required	Comment
The Committee requested that the Department of Human Settlements provides it with a copy of the Land Availability Agreements entered into with various developers, as indicated on page 129 of the Annual Report.	Document provided on 24 May 2017.

9. Prior Modifications to Audit Reports

No matters have given rise to a qualification, disclaimer, adverse opinion, and matters of non-compliance for this Department. The Department received an unqualified clean Financial Audit Report consecutively since 2013/14 to 2015/16 and an unqualified audit report with findings in respect of the 2016/17 financial year, due to a qualification on the Pre-determined objectives (PDOs).

10. Internal Control Unit

During the year under review, the sub directorate: Internal Control once again played a valuable role in respect of the linkage between the auditors (external and internal) and the Department during the audit processes. In respect of the external audit process all the requested documentation (i.e. Requests for Information, Communication of Audit Findings, departmental responses and related matters, etc.) were co-ordinated and quality assured by this unit. Within the sub directorate Internal Control, a panel has been established headed by the Director: Financial Management, to address/review and discuss all audit related matters and risks during the audit process on a regular basis. These initiatives contributed to a smooth and almost problem free audit process with the aim of a positive audit outcome that resulted in a financial clean audit opinion since 2013/14 to 2015/16. Unfortunately, during the period under review the Auditor General's opinion on the PDO's was qualified in respect of two indicators under Programme 3, which led to the whole Programme being qualified. Subsequently, the Department received an unqualified audit opinion with findings in respect of the 2016/17 financial year.

In respect of the internal audit process, the unit provided assistance with the follow up of recommendations arising from the internal audits. Internal Control is also responsible for providing all relevant documentation requested by the Internal Auditors during the execution phase of their audits. Senior staff of the unit also serve on the Departmental Internal Audit Steering Committee that meets on a monthly basis to discuss the outcomes and progress as per the Internal Audit plan. This includes the audit outcomes in respect of finalised audits and progress made in respect of previous recommendations/action plans.

The sub directorate also plays a valuable role in co-ordinating all the recommendations emanating from the investigations by the Provincial Forensic Services (PFS). All documentation that was required in respect of investigations was timeously provided to the PFS as and when requested. The unit ensures that all recommendations are implemented and then follows up on all outstanding responses in respect of recommendations of finalised investigations for reporting purposes. During the period under review, all recommendations were implemented as at 31 March 2017.

On the compliance side, this unit performed a 100% post checking on all payments made by the Department to avoid non-compliance in relation to applicable legislation and to ensure correctness and value for money. Internal Control also ensures that these payments are paid within the prescribed 30 days by co-ordinating the flow of invoices received from suppliers to the Department (different directorates) up to the processing thereof monthly. The unit is also responsible for reporting to Provincial Treasury on a monthly basis regarding the 30 days' compliance in terms of NTR's 8.2.3. The Department is in the process of enhancing the reporting mechanism in respect of 30 days, which is currently manually driven and very time consuming. The My-Content Supplier Invoice Tracking System (SITS) that will be utilised to address the shortcoming is currently in a testing phase and will only be up and running in the next financial year.

Internal Control assisted the Monitoring and Evaluation sub-directorate with the physical verification of the houses delivered on a quarterly basis. This forms part of the Internal Control annual inspection programme. This has contributed to an unqualified audit opinion on predetermined objectives for the last three consecutive financial years since 2013/14 to 2015/16. The Auditor General's opinion on the PDO's was based on a limitation of scope for the period under review. The challenge of Internal Control will be to sharpen controls to prevent a re-occurrence of this negative outcome.

The Western Cape Housing Development Fund (WCHDF) received an unqualified audit opinion during the 2015/16 financial year. To ensure an unqualified audit opinion again for 2016/17, the Department embarked on a strategy to physically verify the properties. The Internal Control unit mitigated the re-occurrence of negative findings by physically verifying two thousand seven hundred and ninety-eight (2 798) properties during the period under review. The personnel linked to the WCHDF were rewarded for their valuable efforts that contributed to a first time ever financial clean audit for the WCHDF.

In terms of Section 38 (1) (j) of the Public Finance Management Act, 1 of 1999 (PFMA), the Internal Control unit visited twelve (12) local municipalities within the Western Cape to ascertain if the allocated funds were utilised for the intended purpose.

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

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

11. Internal Audit and Audit Committees

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

- Assess and make appropriate recommendations to improve the governance processes in achieving the Department's objectives;

- Evaluate the adequacy and effectiveness and contribute to the improvement of the risk management process;
- Assist the Accounting Officer to maintain efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement.

The following assurance engagements were approved in the 2016/17 Internal Audit Plan:

- Housing Subsidy Administration;
- Human Settlement Implementation;
- Stakeholder Management; and
- Delegations Framework.

The following consulting engagements were approved in the 2016/17 Internal Audit Plan:

- Title Restoration Project Implementation (Title deeds);
- Govan Mbeki Awards;
- Western Cape Housing Development Fund; and
- Contractors Agreement (SOP).

The Audit Committee is established as an oversight body, providing independent oversight over Governance, Risk Management and Control processes in the Department, which includes oversight and responsibilities relating to:

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

The table below discloses relevant information on the audit committee members:

Name	Qualifications	Internal or External	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr Ameen Amod	MBA, BCOM, CIA, CGAP, CRMA, CD(SA)	External	N/A	01 January 2016	N/A	8
Mr Mervyn Burton	CA(SA); CFP; B Compt (Hons); B Compt;	External	N/A	01 January 2015 (2nd term)	N/A	8
Ms Judy Gunther	CIA; AGA; CRMA; Masters in Cost Accounting; Bcompt	External	N/A	01 January 2016 (2nd term)	N/A	8
Mr Francois Barnard	Mcomm (Tax); CA(SA); Postgrad Diploma in Auditing; CTA BCompt (Honours); BProc	External	N/A	01 January 2016 (2nd term)	N/A	8

12. Audit Committee Report

We are pleased to present our report for the financial year ended 31 March 2017.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

In line with the PFMA and Treasury Regulations, Internal Audit provides the Audit Committee and Management with reasonable assurance that the internal controls are adequate and effective. This is achieved by an approved risk-based internal audit plan, Internal Audit assessing the adequacy of controls mitigating the risks and the Audit Committee monitoring implementation of corrective actions.

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

- Title Restoration Project Implementation (Title deeds) (Consulting engagement)
- Housing Subsidy Administration (Assurance engagement)
- Govan Mbeki Awards (Consulting engagement)
- Human Settlement Implementation (Assurance engagement)
- Stakeholder Management (Assurance engagement)
- PSA Directive (Assurance engagement)
- Western Cape Housing Development Fund (Consulting engagement)
- Contractors Agreement (SOP) (Consulting engagement)

The areas for improvement, as noted by internal audit during performance of their work, were agreed to by management. The Audit committee monitors the implementation of the agreed actions on a quarterly basis.

In-Year Management and Monthly/Quarterly Report

The Audit Committee is satisfied with the content and quality of the quarterly in-year management and performance reports issued during the year under review by the Accounting Officer of the Department in terms of the National Treasury Regulations and the Division of Revenue Act.

Evaluation of Financial Statements

The Audit Committee has:

- reviewed and discussed the Audited Annual Financial Statements to be included in the Annual Report with the Auditor-General South Africa (AGSA) and the Accounting Officer;
- reviewed the AGSA's Management Report and Management's responses thereto;
- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements; and
- reviewed material adjustments resulting from the audit of the Department.

Compliance

The Audit Committee has reviewed the Department's processes for compliance with legal and regulatory provisions.

Provincial Forensics Services

The Provincial Forensic Services (PFS) presented us with statistics. The Audit Committee monitors the progress of the PFS reports on a quarterly basis. There were no matters brought to our attention that required further reporting by the Audit Committee.

Performance Information

The Audit Committee has reviewed the information on predetermined objectives as reported in the Annual Report.

Report of the Auditor-General South Africa

The Audit Committee has, on a quarterly basis, reviewed the Department's implementation plan for audit issues raised in the prior year. The Audit Committee has met with AGSA to ensure that there are no unresolved issues that emanated from the regulatory audit. Corrective actions on the detailed findings raised by AGSA are monitored by the Audit Committee on a quarterly basis.

The Audit Committee concurs and accepts AGSA's opinion regarding the Annual Financial Statements and proposes that these Audited Annual Financial Statements be accepted and read together with their report.

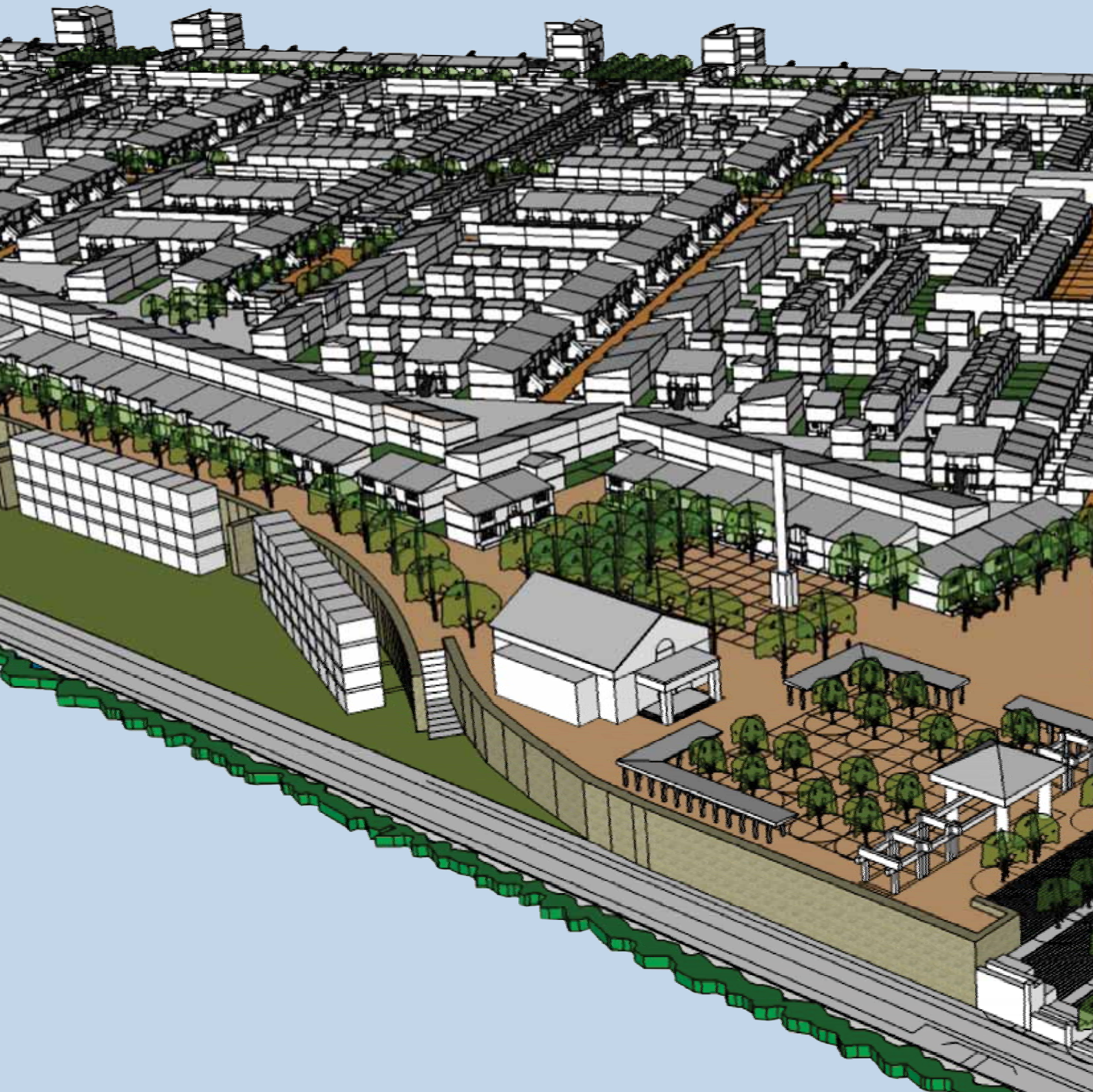
The Audit Committee commends the Department for maintaining an unqualified audit opinion.

Appreciation

The Audit Committee wishes to express its appreciation to the Management of the Department, the Auditor-General South Africa and the WCG Corporate Assurance Branch for the co-operation and information they have provided to enable us to compile this report.



Mr Ameen Amod
Chairperson of the Audit Committee
Department of Human Settlements
Date: 11 August 2017



PART D

HUMAN RESOURCE MANAGEMENT



1. Introduction

Our unique contribution to the work of the Western Cape Government is largely ascribed to the persistent, and often selfless, efforts of the people within the Department of Human Settlements. Building a new service delivery trajectory and successfully directing the collective efforts of our team is not without its own challenges. The modern people management landscape has shifted significantly in recent years and requires complex navigation between a range of competing variables.

Apart from the fact that these variables are interdependent and interrelated, they are also governed by stringent rules and regulations, which prove difficult when retention and attraction initiatives are explored. These include balancing service delivery imperatives, the attraction and retention of critical and scarce skills, workforce empowerment, career management, succession planning, employment equity and creating an enabling environment where employees are able to thrive. Further to this, the Department is required to function within an austere environment, which demands that managers consider the impact of “doing more with less”.

Despite this, the consistent hard work of our people, amidst the ever-challenging circumstances, has resulted in remarkable achievements and service delivery improvement during the year under review.

Vacancy rate

In order to effect ongoing service delivery efforts in the Public Service, the Department of Public Service and Administration (DPSA) launched a strategy in 2011 to reduce the vacancy rate in Departments to a national standard below 10%. Compliance with the strategy is monitored by the Forum for South African Directors General (FOSAD) as well as the Department of Planning, Monitoring and Evaluation (DPME) through the Monitoring Performance Assessment Tool (MPAT).

At the end of the 2016/17 financial year, the Department had an overall vacancy rate of 2,2%. This is an improvement on the 4,5% vacancy rate achieved during 2015/16. The vacancy rate in the critical occupations category was also below the 10% norm at 1,4%.

Age Profile of the Department

The average age of employees within the Department is 41 years. Although 47,5% of the Department is younger than 40, a growing number of staff (10,3%) are nearing retirement. Planning in this regard is important in order to mitigate the risk of losing critical institutional memory and knowledge.

Internship Programmes

The Department created learning opportunities for 10 unemployed matriculants through the Premier's Advancement of Youth Programme (PAY Internship Programme) and provided three graduate interns with workplace experience. A further five student interns gained experiential learning as part of their course work. The 18 interns comprised 3,6% of the total workforce remunerated over the period.

Sick Leave

The utilisation of sick leave is monitored closely to ensure that:

1. Service delivery continues unabated;
2. Wellness initiatives have the desired workforce impact;
3. Employees receive the required employer support; and
4. There is full compliance with legislation and policy determinations governing sick leave usage.

The illnesses with the highest utilisation rate are lung-related diseases, colds and influenza. Stress-related illnesses accounted for 2,4% of the total illness types registered during the year under review.

2. Status of People Management at the Department

2.1 Departmental Workforce Planning Priorities

HR planning priorities	Outcomes	Approach to mitigate risk and achieve outcome
Organisational Structure	A performance conducive workplace	OD investigation to enhance alignment between the structure and the strategic mandate of the Department in collaboration with the Department. Implementation of transversally consistent and equitable job profiles, requirements and remunerative packages.
Culture and ethics	Leaders that are exemplars of the behaviours associated with the organisations Values Highly engaged people A citizen-centric performance culture	Shared responsibility for the alignment of organisational and individual behaviour and values.
EE / Diversity management	A diverse workforce with equal opportunities for all	Broaden access to employment opportunities and mainstream both disabilities and gender considerations in the workplace.
Retention	Competent people in the right numbers at the right place at the right time with the right attitude	The development and implementation of a Talent Retention Strategy.
Succession planning and career management		The development and implementation of a Career and Succession planning framework for the Province.
Training and Development		Training and development informed by current and future skills needs.

2.2 Employee Performance Management

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

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

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

This system sets the framework in which both the employer and employee can equally realise their goals and objectives to ensure the achievement of PSG 5, namely to Embed good governance and integrated service delivery through partnerships and spatial alignment.

2.3 Employee Wellness

Developing a wellness culture in the Department is of strategic importance to ensure that employees achieve optimum levels of performance while feeling cared for and supported in the work context. The WCG's transversal Employee Health and Wellness Programme (EHW) follows a holistic approach to employee wellbeing and is largely preventative in nature, offering both primary and secondary services. The EHW Programme is monitored in the Department through monthly utilisation reports for primary services (24/7/365 telephonic counselling service, online e-Care service and reporting) and secondary services (face-to-face counselling, trauma and critical incidents, training and targeted intervention, executive coaching, advocacy).

A quarterly report is prepared by the Directorate: Organisational Behaviour within the Corporate Service Centre that provides a trend analysis of utilisation, risk identification and its impact on productivity. Furthermore, on-going reporting to the Department of Public Service and Administration (DPSA) is a requirement and such reporting focuses on four areas namely: HIV/ AIDS, Health and Productivity, Wellness Management and SHEQ (Safety Health Environment and Quality).

3. People Management Oversight Statistics

3.1 Personnel related expenditure

The following tables summarise final audited expenditure by programme (Table 3.1.1) and by salary bands (Table 3.1.2).

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

The key in the table below is a description of the Programmes within the Department. Programmes will be referred to by their number from this point forward.

Programme	Programme Designation
Programme 1	Administration
Programme 2	Housing Needs, Research & Planning
Programme 3	Housing Development
Programme 4	Housing Asset Management and Property

Table 3.1.1: Personnel expenditure by programme, 2016/17

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Goods & Services (R'000)	Personnel expenditure as a % of total expenditure	Average personnel expenditure per employee (R'000)	Number of Employees remunerated
Programme 1	90 717	6 673	104	16 435	7.4%	35	189
Programme 2	20 686	19 623	10	1 054	94.9%	446	44
Programme 3	2 088 942	87 821	1 159	47 872	4.2%	403	218
Programme 4	44 049	21 592	21	14 035	49.0%	415	52
Total	2 244 394	135 709	1 294	79 396	6.0%	270	503

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns, but excluding the Minister. The number of employees is accumulative and not a snapshot as at a specific date.

Table 3.1.2: Personnel expenditure by salary band, 2016/17

Salary bands	Personnel Expenditure (R'000)	% of total personnel expenditure	Average personnel expenditure per employee (R'000)	Number of Employees
Lower skilled (Levels 1-2)	1 716	0.9	59	29
Skilled (Levels 3-5)	22 325	11.6	205	109
Highly skilled production (Levels 6-8)	64 346	33.3	341	189
Highly skilled supervision (Levels 9-12)	84 790	43.9	544	156
Senior management (Levels 13-16)	19 976	10.3	999	20
Total	193 153	100.0	2 148	503

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns, but excluding the Minister. The number of employees is accumulative and not a snapshot as at a specific date.

The following tables provide a summary per programme (Table 3.1.3) and salary bands (Table 3.1.4), of expenditure incurred as a result of salaries, overtime, housing allowance and medical assistance. These tables do not make provision for other expenditure such as Pensions, Performance Bonus and other allowances, which make up the total personnel expenditure. In each case, the table provides an indication of the percentage of the personnel expenditure that was used for these items.

Table 3.1.3: Salaries, Overtime, Housing Allowance and Medical Assistance by programme, 2016/17

Programme	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Programme 1	46 015	23.8	1 922	1.0	1 936	1.0	3 208	1.7
Programme 2	14 484	7.5	55	0.03	411	0.2	693	0.4
Programme 3	59 266	30.7	609	0.3	1 633	0.8	2 609	1.4
Programme 4	13 706	7.1	1 247	0.6	616	0.3	979	0.5
Total	133 471	69.1	3 833	2.0	4 596	2.4	7 489	3.9

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns, but excluding the Minister. The number of employees is accumulative and not a snapshot as at a specific date.

Table 3.1.4: Salaries, Overtime, Housing Allowance and Medical Assistance by salary band, 2016/17

Salary bands	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Lower skilled (Levels 1-2)	1 261	0.7	4	0.002	65	0.03	45	0.02
Skilled (Levels 3-5)	14 911	7.7	571	0.3	1 112	0.6	1 448	0.7
Highly skilled production (Levels 6-8)	44 715	23.1	2 149	1.1	2 037	1.1	3 641	1.9
Highly skilled supervision (Levels 9-12)	59 724	30.9	1 110	0.6	1 315	0.7	2 237	1.2
Senior management (Levels 13-16)	12 859	6.7	-	-	66	0.03	118	0.1
Total	133 470	69.1	3 834	2.0	4 595	2.4	7 489	3.9

3.2 Employment and Vacancies

The following tables summarise the number of active posts on the establishment, the number of employees (excluding interns and the Minister), and the percentage active vacant posts as at the end of the financial year. This information is presented in terms of three key variables, namely: Programme (Table 3.2.1), Salary Band (Table 3.2.2) and Critical Occupations (Table 3.2.3). All information in this section is provided as a snapshot as at the end of the financial year under review.

Table 3.2.1: Employment and vacancies by programme, as at 31 March 2017

Programme	Number of active posts	Number of posts filled	Vacancy rate %
Programme 1	177	170	4.0
Programme 2	40	40	0.0
Programme 3	195	192	1.5
Programme 4	50	50	0.0
Total	462	452	2.2

Table 3.2.2: Employment and vacancies by salary band, as at 31 March 2017

Salary Band	Number of active posts	Number of posts filled	Vacancy rate %
Lower skilled (Levels 1-2)	10	10	0.0
Skilled (Levels 3-5)	108	105	2.8
Highly skilled production (Levels 6-8)	198	196	1.0
Highly skilled supervision (Levels 9-12)	128	123	3.9
Senior management (Levels 13-16)	18	18	0.0
Total	462	452	2.2

Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2017

Critical Occupations	Number of active posts	Number of posts filled	Vacancy rate %
Architect	6	5	16.7
Engineer	8	8	0.0
Financial Manager	9	9	0.0
GIS Specialist	3	3	0.0
Project Manager	2	2	0.0
Research and Statistical Analyst	7	7	0.0
Urban Designer / Town & Regional Planner	7	7	0.0
Works Inspector	27	27	0.0
Total	69	68	1.4

Note: Critical occupations - refer to occupations that are critical for service delivery. If these occupations are not present in the department, the function/services will collapse.

3.3 Job Evaluation

Job evaluation was introduced as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities are required to evaluate each new post in his or her organisation or re-evaluate any post where the post mandate or content has significantly changed. This job evaluation process determines the grading and salary level of a post. It should be understood that Job Evaluation and Staff Performance Management differ in the sense that Job Evaluation refers to the value/weighting of the activities that are associated with the post and Staff Performance Management refers to the review of an individual's performance.

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

Table 3.3.1: Job evaluation, 1 April 2016 to 31 March 2017

Salary bands	Total number of posts as at 31 March 2017	Number of posts evaluated	% of posts evaluated	Posts Upgraded		Posts Downgraded	
				Number	Posts upgraded as a % of total posts	Number	Posts downgraded as a % of total posts
Lower skilled (Levels 1-2)	10	0	0.0	0	0.0	0	0.0
Skilled (Levels 3-5)	108	11	2.4	0	0.0	0	0.0
Highly skilled production (Levels 6-8)	198	2	0.6	0	0.0	0	0.0
Highly skilled supervision (Levels 9-12)	128	3	0.9	0	0.0	0	0.0
Senior Management Service Band A (Level 13)	14	0	0.0	0	0.0	0	0.0
Senior Management Service Band B (Level 14)	3	0	0.0	0	0.0	0	0.0
Senior Management Service Band C (Level 15)	1	0	0.0	0	0.0	0	0.0
Total	462	16	3.9	0	0.0	0	0.0

Note: The "Number of posts evaluated" per Salary Band reflects the Final Approved Post Level after Job Evaluation.

Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2016 to 31 March 2017

Beneficiaries	African	Indian	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

Note: Table 3.3.2 is a breakdown of posts upgraded in table 3.3.1.

Table 3.3.3 summarises the number of cases where salary levels exceeded the grade determined by job evaluation or where higher notches were awarded to employees within a particular salary level. Each salary level consists of 12 notches. Reasons for the deviation are provided in each case.

Table 3.3.3: Employees who have been granted higher salaries than those determined by job evaluation per major occupation, 1 April 2016 to 31 March 2017

Major Occupation	Number of employees	Job evaluation level	Remuneration on a higher salary level	Remuneration on a higher notch of the same salary level	Reason for deviation
Administration Clerk: Loans and Transfers	1	5	0	5 notch increment	Attraction
Total				1	
Percentage of total employment				0.2	

Table 3.3.4: Profile of employees who have been granted higher salaries than those determined by job evaluation, 1 April 2016 to 31 March 2017

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

Note: Table 3.3.4 is a breakdown of table 3.3.3 by race and gender.

3.4 Employment Changes

Turnover rates provide an indication of trends in the employment profile of the Department during the year under review. The following tables provide a summary of turnover rates by salary band (Table 3.4.1) and by critical occupation (Table 3.4.2). This section does not include intern information.

Table 3.4.1: Annual turnover rates by salary band, 1 April 2016 to 31 March 2017

Salary bands	Number of employees as at 31 March 2016	Turnover rate 2015/16	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate 2016/17
Lower skilled (Levels 1-2)	10	0.0%	1	0	0	1	10.0
Skilled (Levels 3-5)	112	22.7%	9	1	8	1	8.0
Highly skilled production (Levels 6-8)	178	14.4%	14	9	10	0	5.6
Highly skilled supervision (Levels 9-12)	129	20.5%	9	1	17	3	15.5
Senior Management Service Band A (Level 13)	14	13.3%	3	0	2	0	14.3
Senior Management Service Band B (Level 14)	2	33.3%	0	0	1	0	50.0
Senior Management Service Band C (Level 15)	2	0.0%	0	0	0	0	0.0
Total	447	18.1	36	11	38	5	9.6
			47		43		

Note: "Transfers" refer to the lateral movement of employees from one Public Service Department to another (Both Provincially & Nationally). The turnover rate is determined by calculating the total exits as a percentage of the baseline (Number of employees as at 31 March 2016).

Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2016 to 31 March 2017

Critical Occupation	Number of employees as at 31 March 2016	Turnover rate 2015/16	Appoint-ments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate 2016/17
Architect	1	0.0	1	0	0	0	0.0
Engineer	8	25.0	3	0	0	1	12.5
Financial Manager	8	0.0	0	1	1	0	12.5
GIS Specialist	3	0.0	0	0	0	0	0.0
Project Manager	9	0.0	0	0	0	0	0.0
Research and Statistical Analyst	8	0.0	1	0	2	0	25.0
Urban Designer / Town & Regional Planner	5	0.0	1	1	1	0	20.0
Works Inspector	27	29.6	1	0	0	0	0.0
Total	69	20.4	7	2	4	1	7.2
			9		5		

Table 3.4.3: Staff leaving the employ of the Department, 1 April 2016 to 31 March 2017

Exit Category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2016
Death	0	0.0	0.0
Resignation *	20	46.5	4.5
Expiry of contract	15	34.9	3.4
Dismissal - operational changes	0	0.0	0.0
Dismissal - misconduct	1	2.3	0.2
Dismissal - inefficiency	0	0.0	0.0
Discharged due to ill-health	0	0.0	0.0
Retirement	2	4.7	0.4
Employee initiated severance package	0	0.0	0.0
Transfers to Statutory	0	0.0	0.0
Transfers to other Public Service departments	5	11.6	1.1
Total	43	100.0	9.6

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

* Resignations are further discussed in tables 3.4.4 and 3.4.5.

Table 3.4.4: Reasons why staff resigned, 1 April 2016 to 31 March 2017

Resignation Reasons	Number	% of total resignations
Work-life balance	2	10.0
Contract to permanent	3	15.0
Lack of promotional opportunity	1	5.0
Need for career change	5	25.0
No reason provided	7	35.0
Personal health	1	5.0
Pursuing fulltime studies	1	5.0
Total	20	100.0

Table 3.4.5: Different age groups of staff who resigned, 1 April 2016 to 31 March 2017

Age group	Number	% of total resignations
Ages <19	0	0.0
Ages 20 to 24	2	10.0
Ages 25 to 29	4	20.0
Ages 30 to 34	5	25.0
Ages 35 to 39	4	20.0
Ages 40 to 44	3	15.0
Ages 45 to 49	1	5.0
Ages 50 to 54	1	5.0
Ages 55 to 59	0	0.0
Ages 60 to 64	0	0.0
Ages 65 >	0	0.0
Total	20	100.0

Table 3.4.6 Employee initiated severance packages.

Total number of employee initiated severance packages offered in 2016/2017	None
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Table 3.4.7: Promotions by salary band, 1 April 2016 to 31 March 2017

Salary bands	Number of employees as at 31 March 2016	Promotions to another salary level	Promotions as a % of total employees	Progressions to another notch within a salary level	Notch progressions as a % of total employees
Lower skilled (Levels 1-2)	10	0	0.0	4	40.0
Skilled (Levels 3-5)	112	1	0.9	64	57.1
Highly skilled production (Levels 6-8)	178	9	5.1	95	53.4
Highly skilled supervision (Levels 9-12)	129	5	3.9	66	51.2
Senior Management (Level 13-16)	18	1	5.6	14	77.8
Total	447	16	3.6	243	54.4

Note: Promotions reflect the salary level of an employee after he/she was promoted. Employees who do not qualify for notch progressions include those who are on probation, as well as poor performing employees. Furthermore, employees within the Occupation Specific Dispensation (OSD) do not receive notch progressions annually.

Table 3.4.8: Promotions by critical occupation, 1 April 2016 to 31 March 2017

Critical Occupation	Number of employees as at 31 March 2016	Promotions to another salary level	Promotions as a % of total employees in critical occupations	Progressions to another notch within a salary level	Notch progressions as a % of total employees in critical occupations
Architect	1	0	0.0	0	0.0
Engineer	8	0	0.0	1	12.5
Financial Manager	8	1	12.5	3	37.5
GIS Specialist	3	0	0.0	1	33.3
Project Manager	9	0	0.0	1	11.1
Research and Statistical Analyst	8	2	25.0	4	50.0
Urban Designer / Town & Regional Planner	5	0	0.0	0	0.0
Works Inspector	27	0	0.0	2	7.4
Total	69	3	4.3	12	17.4

Note: Promotions reflect the salary level of an employee after he/she was promoted. Employees who do not qualify for notch progressions include those who are on probation, as well as poor performing employees. Furthermore, employees within the Occupation Specific Dispensation (OSD) do not receive notch progressions annually.

3.5 Employment Equity

Table 3.5.1: Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2017

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	1	0	0	0	0	0	0	0	0	0	1
Senior management (Levels 13-14)	1	5	1	3	1	4	1	1	0	0	17
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	21	43	1	28	13	27	2	6	0	0	141
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	23	42	1	6	29	71	2	12	0	0	186
Semi-skilled and discretionary decision making (Levels 3-5)	14	25	1	4	16	34	1	4	0	0	99
Unskilled and defined decision making (Levels 1-2)	1	4	0	0	2	1	0	0	0	0	8
Total	61	119	4	41	61	137	6	23	0	0	452
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	61	119	4	41	61	137	6	23	0	0	452

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

Note: The figures reflected per occupational levels include all permanent, part-time and contract employees, but exclude interns. Furthermore, the information is presented by salary level and not post level. For the number of employees with disabilities, refer to Table 3.5.2.

Table 3.5.2: Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2017

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

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

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

Table 3.5.3: Recruitment, 1 April 2016 to 31 March 2017

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	0	0	1	1	0	0	1	0	0	0	3
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	2	1	0	3	2	2	0	0	0	0	10
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	6	2	0	0	4	10	0	1	0	0	23
Semi-skilled and discretionary decision making (Levels 3-5)	1	1	0	1	3	3	1	0	0	0	10
Unskilled and defined decision making (Levels 1-2)	0	1	0	0	0	0	0	0	0	0	1
Total	9	5	1	5	9	15	2	1	0	0	47
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	9	5	1	5	9	15	2	1	0	0	47

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

Note: Recruitment refers to the appointment of new employees to the staff establishment of the Department, but exclude interns. The totals include transfers from other government departments and/or institutions, as per Table 3.4.1.

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Table 3.5.4: Promotions, 1 April 2016 to 31 March 2017

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

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

Note: Promotions refer to the total number of employees who have advanced to a higher post level within the Department, as per Table 3.4.7.

Table 3.5.5: Terminations, 1 April 2016 to 31 March 2017

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	1	0	0	0	0	0	0	1
Senior management (Levels 13-14)	0	0	0	2	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	3	4	0	5	1	6	0	0	0	0	19
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	2	2	0	1	2	4	0	0	1	0	12
Semi-skilled and discretionary decision making (Levels 3-5)	0	1	0	0	4	4	0	0	0	0	9
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
Total	5	7	0	9	7	14	0	0	1	0	43
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	5	7	0	9	7	14	0	0	1	0	43

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

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

Table 3.5.6: Disciplinary actions, 1 April 2016 to 31 March 2017

Disciplinary actions	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Demotion	2	0	0	0	0	0	0	0	0	0	2
Dismissal	0	1	0	0	0	0	0	0	0	0	1
Suspension without a salary and a final written warning	0	0	0	0	0	1	0	0	0	0	1
Total	2	1	0	0	0	1	0	0	0	0	4

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

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

Table 3.5.7: Skills development, 1 April 2016 to 31 March 2017

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	1	1	0	1	0	2	0	0	5
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	12	15	0	14	6	14	2	2	65
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	14	29	0	6	17	32	1	6	105
Semi-skilled and discretionary decision making (Levels 3-5)	7	23	0	2	12	30	1	3	78
Unskilled and defined decision making (Levels 1-2)	1	3	0	0	2	2	0	0	8
Total	35	71	0	23	37	80	4	11	261
Temporary employees	0	0	0	0	0	0	0	0	0
Grand total	35	71	0	23	37	80	4	11	261

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

Note: The above table refers to the total number of employees who have received training during the period under review, and not the number of training interventions attended by individuals. For further information on the actual training provided, refer to Table 3.13.2.

3.6 Signing of Performance Agreements by SMS Members

Table 3.6.1: Signing of Performance Agreements by SMS Members, as at 31 May 2016

SMS Post Level	Number of active SMS posts per level	Number of SMS members per level	Number of signed Performance Agreements per level	Signed Performance Agreements as % of SMS members per level
Director-General/ Head of Department	1	1	1	100.0
Salary Level 15	1	1	1	100.0
Salary Level 14	3	2	2	100.0
Salary Level 13	15	14	14	100.0
Total	20	18	18	100.0

Note: This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded. Furthermore, the table reflects post salary details and not the individual salary level of employees. The allocation of performance-related rewards (cash bonus) for SMS members is dealt with later in the report. Refer to Table 3.8.5 in this regard.

Table 3.6.2: Reasons for not having concluded Performance Agreements with all SMS Members on 31 May 2016

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

Table 3.6.3: Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 May 2016

Disciplinary steps taken against SMS Members for not having concluded Performance Agreements
None required

3.7 Filling of SMS Posts

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

Table 3.7.1: SMS posts information, as at 30 September 2016

SMS Level	Number of active SMS posts per level	Number of SMS members per level	% of SMS posts filled per level	Number of SMS posts vacant	% of SMS posts vacant per level
Director-General/ Head of Department	1	1	100.0	0	0.0
Salary Level 15	0	0	0	0	0.0
Salary Level 14	3	3	100.0	0	0.0
Salary Level 13	16	15	93.8	1	6.3
Total	20	19	95.0	1	5.0

Note: This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded.

Table 3.7.2: SMS posts information, as at 31 March 2017

SMS Level	Number of active SMS posts per level	Number of SMS members per level	% of SMS posts filled per level	Number of SMS posts vacant	% of SMS posts vacant per level
Director-General/ Head of Department	1	1	100.0	0	0.0
Salary Level 15	0	0	0	0	0.0
Salary Level 14	3	3	100.0	0	0.0
Salary Level 13	14	14	100.0	0	0.0
Total	18	18	100.0	0	0.0

Note: This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded.

Table 3.7.3: Advertising and Filling of SMS posts, as at 31 March 2017

SMS Level	Advertising	Filling of Posts	
	Number of Vacancies per Level Advertised in 6 Months of becoming Vacant	Number of Vacancies per Level Filled in 6 Months after becoming Vacant	Number of Vacancies per Level not Filled in 6 Months but Filled in 12 Months
Director-General/ Head of Department	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	1	0
Salary Level 13	0	1	0
Total	0	2	0

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

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

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

Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts
None required

3.8 Employee Performance

The following tables note the number of staff by salary band (table 3.8.1) and staff within critical occupations (3.8.2) who received a notch progression as a result of performance management. (i.e. qualifying employees who scored between 3 – 5 in their performance ratings).

Table 3.8.1: Notch progressions by salary band, 1 April 2016 to 31 March 2017

Salary Band	Employees as at 31 March 2016	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	10	4	40.0
Skilled (Levels 3-5)	112	64	57.1
Highly skilled production (Levels 6-8)	178	95	53.4
Highly skilled supervision (Levels 9-12)	129	66	51.2
Senior management (Levels 13-16)	18	14	77.8
Total	447	243	54.4

Table 3.8.2: Notch progressions by critical occupation, 1 April 2016 to 31 March 2017

Salary Band	Employees as at 31 March 2016	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Architect	1	0	0.0
Engineer	8	1	12.5
Financial Manager	8	3	37.5
GIS Specialist	3	1	33.3
Project Manager	9	1	11.1
Research and Statistical Analyst	8	4	50.0
Urban Designer / Town & Regional Planner	5	0	0.0
Works Inspector	27	2	7.4
Total	69	12	17.4

To encourage good performance, the Department has granted the following performance rewards to employees for the performance period 2015/16, but paid in the financial year 2016/17. The information is presented in terms of race, gender, and disability (Table 3.8.3), salary bands (Table 3.8.4 and Table 3.8.5) and critical occupations (Table 3.8.6).

Table 3.8.3: Performance rewards by race, gender, and disability, 1 April 2016 to 31 March 2017

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2016	% of total within group	Cost (R'000)	Average cost per beneficiary (R)
African	47	115	40.9	612	13 020
Male	24	57	42.1	389	16 218
Female	23	58	39.7	223	9 683
Coloured	133	256	52.0	1 504	11 307
Male	69	121	57.0	833	12 072
Female	64	135	47.4	671	10 481
Indian	4	7	57.1	41	10 204
Male	2	3	66.7	17	8 646
Female	2	4	50.0	24	11 762
White	40	65	61.5	654	16 347
Male	27	45	60.0	485	17 951
Female	13	20	65.0	169	13 017
Employees with a disability	2	4	50.0	37	18 445
Total	226	447	50.6	2 848	12 599

Table 3.8.4: Performance rewards (cash bonus), by salary bands for personnel below Senior Management Service level, 1 April 2016 to 31 March 2017

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2016	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	0	10	0.0	0	0	0.0
Skilled (Levels 3-5)	45	112	40.2	250	5 550	0.1
Highly skilled production (Levels 6-8)	80	178	44.9	748	9 348	0.4
Highly skilled supervision (Levels 9-12)	87	129	67.4	1 361	15 639	0.8
Total	212	429	49.4	2 359	11 123	1.4

Note: The cost is calculated as a percentage of the total personnel expenditure for salary levels 1-12 employees, reflected in Table 3.1.1

Table 3.8.5: Performance rewards (cash bonus), by salary band, for Senior Management Service level, 01 April 2016 to 31 March 2017

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2016	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Senior Management Service Band A (Level 13)	10	14	71.4	313	31 281	1.6
Senior Management Service Band B (Level 14)	3	2	150.0	110	36 788	0.6
Senior Management Service Band C (Level 15)	1	2	50.0	66	65 950	0.3
Total	14	18	77.8	489	34 937	2.4

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

One employee received a performance reward for the work done while on SL13 and has since been promoted to SL14.

Table 3.8.6: Performance rewards (cash bonus) by critical occupation, 1 April 2016 to 31 March 2017

Critical Occupation	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2016	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Architect	1	1	100.0	22	21 895	0.01
Engineer	1	8	12.5	32	32 400	0.02
Financial Manager	7	8	87.5	129	18 409	0.1
GIS Specialist	2	3	66.7	26	13 060	0.02
Project Manager	2	9	22.2	31	15 473	0.02
Research and Statistical Analyst	4	8	50.0	77	19 204	0.04
Urban Designer / Town & Regional Planner	2	5	40.0	31	15 428	0.02
Works Inspector	17	27	63.0	206	12 094	0.1
Total	36	69	52.2	554	15 375	0.3

3.9 Foreign Workers

The tables below summarise the employment of foreign nationals in the Department in terms of salary bands (Table 3.9.1) and major occupation (Table 3.9.2). The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

Table 3.9.1: Foreign Workers by salary band, 1 April 2016 to 31 March 2017

Salary Band	1 April 2016		31 March 2017		31 March 2017	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0.0	0	0.0	0	0.0
Skilled (Levels 3-5)	0	0.0	0	0.0	0	0.0
Highly skilled production (Levels 6-8)	0	0.0	0	0.0	0	0.0
Highly skilled supervision (Levels 9-12)	1	100.0	0	0.0	-1	-100.0
Senior management (Levels 13-16)	0	0.0	0	0.0	0	0.0
Total	1	100.0	0	0.0	-1	-100.0

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

Table 3.9.2: Foreign Workers by major occupation, 1 April 2016 to 31 March 2017

Major Occupation	1 April 2016		31 March 2017		31 March 2017	
	Number	% of total	Number	% of total	Number	% change
Engineer	1	100.0	0	0.0	-1	-100.0
Total	1	100.0	0	0.0	-1	-100.0

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

3.10 Leave Utilisation for the Period 1 January 2016 to 31 December 2016

The following tables provide an indication of the use of sick leave (Table 3.10.1) and incapacity leave (Table 3.10.2). In both instances, the estimated cost of the leave is also provided.

Table 3.10.1: Sick leave, 1 January 2016 to 31 December 2016

Salary band	Total days	% days with medical certification	Number of Employees using sick leave	Total number of employees	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	107	79.4	9	11	81.8	12	37
Skilled (Levels 3-5)	1 030	73.1	106	109	97.2	10	592
Highly skilled production (Levels 6-8)	1 690	73.8	170	189	89.9	10	1 617
Highly skilled supervision (Levels 9-12)	1 049	76.2	132	156	84.6	8	1 546
Senior Management (Levels 13-16)	72	69.4	16	20	80.0	5	186
Total	3 948	74.3	433	485	89.3	9	3 978

Note: The three-year sick leave cycle started in January 2016 and ends in December 2018. The information in each case reflects the totals excluding incapacity leave taken by employees. For an indication of incapacity leave taken, refer to Table 3.10.2.

Table 3.10.2: Incapacity leave, 1 January 2016 to 31 December 2016

Salary band	Total days	% days with medical certification	Number of Employees using incapacity leave	Total number of employees	% of total employees using incapacity leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0.0	0	11	0.0	0	0
Skilled (Levels 3-5)	0	0.0	0	109	0.0	0	0
Highly skilled production (Levels 6-8)	10	100.0	1	189	0.5	10	9
Highly skilled supervision (Levels 9-12)	0	0.0	0	156	0.0	0	0
Senior Management (Levels 13-16)	0	0.0	0	20	0.0	0	0
Total	10	100.0	1	485	0.2	10	9

Note: The leave dispensation as determined in the "Leave Determination", read with the applicable collective agreements, provides for normal sick leave of 36 working days in a sick leave cycle of three years. If an employee has exhausted his or her normal sick leave, the employer must conduct an investigation into the nature and extent of the employee's incapacity. Such investigations must be carried out in accordance with item 10(1) of Schedule 8 of the Labour Relations Act (LRA). Incapacity leave is not an unlimited amount of additional sick leave days at an employee's disposal. Incapacity leave is additional sick leave granted conditionally at the employer's discretion, as provided for in the Leave Determination and Policy on Incapacity Leave and Ill-Health Retirement (PILIR)

Table 3.10.3: Annual Leave, 1 January 2016 to 31 December 2016

Salary Band	Total days taken	Total number employees using annual leave	Average number of days taken per employee
Lower skilled (Levels 1-2)	184	8	23
Skilled (Levels 3-5)	2 251	109	21
Highly skilled production (Levels 6-8)	4 263	183	23
Highly skilled supervision (Levels 9-12)	3 511	150	23
Senior management (Levels 13-16)	421	21	20
Total	10 630	471	23

Table 3.10.4: Capped leave, 1 January 2016 to 31 December 2016

Salary band	Total capped leave available as at 31 Dec 2015	Total days of capped leave taken	Number of employees using capped leave	% of total employees using incapacity leave	Average number of days taken per employee	Total capped leave available as at 31 Dec 2016
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	12	2	1	2	4	10
Highly skilled production (Levels 6-8)	1 642	34	7	5	44	1 608
Highly skilled supervision (Levels 9-12)	1 454	49	6	8	34	1 405
Senior Management (Levels 13-16)	566	5	1	5	7	561
Total	3 674	90	15	6	89	3 584

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

Table 3.10.5 summarises capped and annual leave payments made to employees as a result of non-utilisation.

Table 3.10.5: Leave pay-outs, 1 April 2016 to 31 March 2017

Reason	Total Amount (R'000)	Number of Employees	Average payment per employee (R)
Leave pay-outs during 2016/17 due to non-utilisation of leave for the previous cycle	158	4	39 481
Capped leave pay-outs on termination of service for 2016/17	281	1	290 722
Current leave pay-outs on termination of service 2016/17	196	12	16 320
Total	635	17	37 323

3.11 Health Promotion Programmes, Including HIV and AIDS

Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2016 to 31 March 2017

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
The nature of the Department's work does not expose employees to increased risk of contracting HIV & AIDS. Despite the very low occupational risk, all employees have been targeted at all levels within the Department.	<p>HIV & AIDS Counselling and Testing (HCT) and Wellness screenings were conducted in general. The outsourced Health and Wellness contract for the Employee Health and Wellness Programme (EHWP) provides employees and their immediate family members (it means the spouse or partner of an employee or children living with an employee) with a range of services. These services include the following:</p> <ul style="list-style-type: none"> • 24/7/365 Telephone counselling; • Face to face counselling (4 session model); • Trauma and critical incident counselling; • Advocacy on HIV&AIDS awareness, including online E-Care services; and • Training, coaching and targeted Interventions where these were required.

Table 3.11.2: Details of Health Promotion including HIV & AIDS Programmes, 1 April 2016 to 31 March 2017

Question	Yes	No	Key steps taken to reduce the risk
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	✓		Ms Reygana Shade, Director: Organisational Behaviour, (Department of the Premier).
2. Does the Department have a dedicated unit or 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.	✓		<p>The Corporate Services Centre (CSC) within the Department of the Premier provides a transversal service to the eleven (11) departments, including the Department of Human Settlements.</p> <p>A designated Employee Health and Wellness unit within the Directorate Organisational Behaviour and the Chief Directorate Organisation Development serves to promote the health and wellbeing of employees in the eleven (11) client departments.</p> <p>The unit consists of a Deputy Director, three (3) Assistant Directors, and two (2) EHW Practitioners. Budget: R2.65 m</p>
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for employees? If so, indicate the key elements/services of this Programme.	✓		<p>The Department has entered into a service level agreement with ICAS (external service provider) to render an Employee Health and Wellness Service to the eleven departments of the Corporate Services Centre (CSC).</p> <p>The Department conducted interventions namely, Awareness session (EHW Services), Substance Abuse, Disability Awareness, Conflict</p>

Table 3.11.2: Details of Health Promotion including HIV & AIDS Programmes, 1 April 2016 to 31 March 2017

Question	Yes	No	Key steps taken to reduce the risk
			<p>Management, Self-Development, and Financial Literacy and Alternative Disputes Resolutions and Coaching for employees. These interventions were planned based on the trends reported quarterly through the Employee Health and Wellness Programme (EHWP) reports provided by the service provider, ICAS, for the period 2016/17. The reports were based on the utilisation of the EHW services and management information in order to target appropriate interventions to address these trends.</p> <p>The targeted interventions were aimed at improving employee engagement through awareness and educational interventions that promote healthy lifestyles and coping skills. This involves presentations to create awareness and encourage employees to have a pro-active approach to limit the impact of these problems in the workplace. The above-mentioned interventions were conducted for the targeted departments, managers and supervisors as well as executive coaching for SMS members.</p> <p>The Department also provided information sessions, as requested by various departments in the Western Cape Government (WCG) to inform employees of the EHW service, how to access the Employee Health and Wellness Programme (EHWP). Promotional material such as pamphlets, posters and brochures were distributed.</p>
4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	✓		<p>The Provincial Employee Health and Wellness Steering Committee has been established with members nominated by each department.</p> <p>The Department of Human Settlements is represented by L L Groenewald and J Robberts.</p>
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.	✓		<p>The Transversal Management Framework for Employee Health and Wellness Programmes in the Western Cape Government is in effect and was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape Province on 10 August 2005.</p> <p>In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff or applicants.</p> <p>During the period under review, the Department of the Premier has developed four (4) Provincial Employee Health and Wellness Policies which were ratified and approved on 8th March 2016. One of the policies, HIV & AIDS and TB Management, responds to the prevention of discrimination against employees affected and infected by HIV & AIDS and TB in the workplace.</p> <p>Further to this, the Department of Health, that is the lead department for HIV & AIDS, has approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that is applicable to all departments of the Western Government. The document is in line with the four pillars of the EHW Strategic Framework 2008.</p>
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	✓		<p>The Department implemented the Provincial Strategic Plan on HIV & AIDS, STIs and TB 2012-2016 to mainstream HIV and TB and its gender and rights-based dimensions into the core mandates to reduce HIV-related stigma.</p> <p>The overarching aim of the said Provincial Strategic Plan is to protect HIV-positive employees by advocating the implementation of the Three Zeros in line with the Joint United Nations Programme on HIV & AIDS (UNAIDS). These are Educational programmes and information sessions developed to eradicate stigma and discrimination and to raise awareness through:</p> <ul style="list-style-type: none"> • Zero new HIV, STI and TB infections • Zero deaths associated with HIV and TB • Zero discrimination <p>Also, the Department has conducted HCT and Wellness screenings to</p>

Table 3.11.2: Details of Health Promotion including HIV & AIDS Programmes, 1 April 2016 to 31 March 2017

Question	Yes	No	Key steps taken to reduce the risk
			<p>ensure that every employee in the Department is tested for HIV and screened for TB at least annually.</p> <p>The aim was to:</p> <ul style="list-style-type: none"> • Reduce HIV and TB discrimination in the workplace. This included campaigns against unfair discrimination and empowerment of employees. • Reduce unfair discrimination in access to services. This included ensuring that the Directorate Employee Relations addresses complaints or grievances relating to unfair discrimination and provides training to employees. <p>Other key elements that addressed anti HIV & AIDS discrimination issues were:</p> <ul style="list-style-type: none"> • conducting Wellness and TB Screenings with specific requests from departments; • distributing posters and pamphlets; • providing HCT and TB Screenings, condom distribution and spot talks; and • commemoration of World AIDS Day and Wellness events.
7. Does the Department encourage its employees to undergo HIV counselling and testing (HCT)? If so, list the results that you have achieved.	✓		<p>HCT SESSIONS: The following screening sessions were conducted: Blood pressure, Glucose, Cholesterol, TB, BMI [body mass index] and spot talks.</p> <p>The Department of Human Settlements participated in 2 HCT and Wellness screening sessions.</p> <p>117 Employees were tested and counselled for HIV, Tuberculosis and Sexually Transmitted Infections (STI's).</p> <p>There were 0 clinical referrals for TB, HIV or any other STIs.</p>
8. Has the Department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	✓		<p>The impact of health promotion programmes is indicated through information provided through the Employee Health and Wellness Contract (external service provider).</p> <p>The Employee Health and Wellness Programme (EHWP) is monitored through Quarterly and Annual reporting. This reporting is provided by (ICAS). The most recent annual health review period was 1 April 2016 – 31 March 2017.</p> <p>The quarterly and annual review provides a breakdown of the EHWP Demographic i.e. age, gender, length of service, dependent utilisation, language utilisation, employee vs. manager utilisation, number of cases, etc.</p> <p>The review further provides, amongst others, details pertaining to service utilisation, problem profiling and trending, assessment of employee and organisational risk and the impact thereof on the individual functioning in the workplace.</p>

3.12 Labour Relations

The following provincial collective agreements were entered into with trade unions for the period under review.

Table 3.12.1: Collective agreements, 1 April 2016 to 31 March 2017

Total collective agreements	None
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Table 3.12.2 summarises the outcome of disciplinary hearings conducted within the Department for the period.

Table 3.12.2: Misconduct and disciplinary hearings finalised, 1 April 2016 to 31 March 2017

Outcomes of disciplinary hearings	Number of cases finalised	% of total
Dismissal	1	25.0
Demotion	2	50.0
Suspension without pay coupled with a Final Written Warning	1	25.0
Total	4	100.0
Percentage of total employment		

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

Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2016 to 31 March 2017

Type of misconduct	Number	% of total
Prejudicing the administration of provincial ministry and Misuse of GG vehicle	2	50.0
Nepotism & bringing the Dept. into disrepute	2	50.0
Total	4	100.0

Table 3.12.4: Grievances lodged, 1 April 2016 to 31 March 2017

Grievances lodged	Number	% of total
Number of grievances resolved	16	94.1
Number of grievances not resolved	1	5.9
Total number of grievances lodged	17	100.0

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

Table 3.12.5: Disputes lodged with Councils, 1 April 2016 to 31 March 2017

Disputes lodged with Councils	Number	% of total
Number of disputes upheld	0	0.0
Number of disputes dismissed	0	0.0
Total number of disputes lodged	0	0.0

Note: Councils refer to the Public Service Co-ordinating Bargaining Council (PSCBC) and General Public Service Sector Bargaining Council (GPSSBC). When a dispute is "upheld", it means that the Council endorses the appeal as legitimate and credible in favour of the aggrieved. When a dispute is "dismissed", it means that the Council is not ruling in favour of the aggrieved.

Table 3.12.6: Strike actions, 1 April 2016 to 31 March 2017

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

Table 3.12.7: Precautionary suspensions, 1 April 2016 to 31 March 2017

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

Note: Precautionary suspensions refer to staff who were suspended with full pay, whilst the case was being investigated.

3.13 Skills Development

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

Table 3.13.1: Training needs identified, 1 April 2016 to 31 March 2017

Occupational Categories	Gender	Number of employees as at 31 March 2017	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	6	0	6	0	6
	Male	12	0	2	0	2
Professionals	Female	21	0	42	0	42
	Male	50	0	95	0	95
Technicians and associate professionals	Female	88	0	133	0	133
	Male	63	0	101	0	101
Clerks	Female	84	0	210	0	210
	Male	44	0	104	0	104
Service and sales workers	Female	12	0	33	0	33
	Male	17	0	50	0	50
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	27	0	42	0	42
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	2	0	0	0	0
Elementary occupations	Female	4	0	0	0	0
	Male	8	0	0	0	0
Sub Total	Female	215	0	424	0	424
	Male	223	0	394	0	394
Total		438	0	818	0	818
Employees with disabilities	Female	2	0	0	0	0
	Male	2	0	0	0	0

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

Table 3.13.2: Training provided, 1 April 2016 to 31 March 2017

Occupational Categories	Gender	Number of employees as at 31 March 2017	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	3	0	3
	Male	11	0	2	0	2
Professionals	Female	27	0	25	0	25
	Male	51	0	20	0	20
Technicians and associate professionals	Female	93	0	62	0	62
	Male	63	0	57	0	57
Clerks	Female	84	0	72	0	72
	Male	45	0	112	0	112
Service and sales workers	Female	13	0	28	0	28
	Male	17	0	24	0	24
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	11	0	11
	Male	28	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	2	0	0	0	0
Elementary occupations	Female	3	0	0	0	0
	Male	8	0	0	0	0
Sub Total	Female	227	0	201	0	201
	Male	225	0	215	0	215
Total		452	0	416	0	416
Employees with disabilities	Female	2	0	0	0	0
	Male	7	0	0	0	0

Note: The above table identifies the number of training courses attended by individuals during the period under review.

3.14 Injury on Duty

Table 3.14.1 provides basic information on injuries sustained whilst being on official duty.

Table 3.14.1: Injury on duty, 1 April 2016 to 31 March 2017

Nature of injury on duty	Number	% of total
Required basic medical attention only	1	100.0
Temporary disablement	0	0.0
Permanent disablement	0	0.0
Fatal	0	0.0
Total	1	100.0
Percentage of total employment		0.2

13.15 Utilisation Of Consultants

Table 3.15.1 Consultants appointed using appropriated funds

No	Consulting Firm	Project Title	Nature of the Project	Total Number of Consultants that Worked on the Project	Duration: Work days	Contract Value R'000	BBBEE Level
1	Altimax	Housing Fund Financial Statements	Consolidating Financial Statements for Housing Development fund	1	4 months	113 984	4
2	CORC	Household Enumeration and GIS Mapping Study for Select Informal Settlement Pockets in Cape Town	Enumeration and GIS Study	1	15 months	3 457 196	2
3	Isandla	Informal Settlement Support Plan	Policy Development	1	15 months	455 430	2
	Aecom SA (Project Manager)	Mama's Project	Housing Project	1	12 months	197 024	3
	Applewood	Blue Downs Erf. 1896	Housing Project	1	24 months	860 671	3
	ITS Engineers	Kosovo Informal Settlement Project	Housing Project	6	36 Months	74 100	2
	ARG Design					1 324 269	2
	WSP Group Africa					256 210	5
	Malani Padayachee					283 050	1
	JG Afrika					64 420	4
	Gibb (Project Management)					4 779 423	4
	Urban Dynamics Western Cape	Airport Precinct Informal Settlement Project	Preliminary Studies - Thabo Mbeki & Tsunami	1	6 months	141 405	4
	Bergstan SA (geotechnical studies)	Airport Precinct Informal Settlement Project	Housing Project	3	36 months	340 812	3
	Urban Dynamics Western Cape					5 153 396	4
	Aurecon SA	Penhill Greenfields Development Project	Housing Project	5	36 months	1 644 319	3
	GJA Electrical					46 560	3
	IX Engineers (previously Worley Parsons)					726 759	2
	Jakupapa Architects					1 290 120	1

Table 3.15.1 Consultants appointed using appropriated funds

No	Consulting Firm	Project Title	Nature of the Project	Total Number of Consultants that Worked on the Project	Duration: Work days	Contract Value R'000	BBBEE Level
3	Colab Concepts					853 520	3
	SMEC SA					485 438	3
	C2C Consulting Engineers					342 382	1
	Aurecon					134 085	3
	Greystone	Blue Downs Housing Project	Housing Project	5	36 months	970 202	3
	GJA					145 139	3
	FJC					63 840	2
	Lukhozi						2
	Gibb Engineering Electrical	Sup: Reg man - Cape Town IPW Ithemba Farms Forest Village Housing Delft Silversand N2 Gateway 3&4 Precinct Thembelihle Domestic Workers Housing Project Rondeville Weir Delft 389 Housing Units Delft Precinct 7 Housing	Housing Project	7	36 months	21 171 914	4
	FJC Surveyors						2
	Antoinette de Beer Landscapers						4
	ITS Consultants						2
	Raubicon						4
	Sustainable Planning Solutions						4
	BSP Consulting Engineers	Transhex	Housing Project	4	36 months	1 027 149	1
	ITS Traffic Engineers					212 823	2
	Ole Bogeng and Ass					86 503	1
	AMPS Quantity Surveyor					57 668	1

Table 3.15.1 Consultants appointed using appropriated funds

No	Consulting Firm	Project Title	Nature of the Project	Total Number of Consultants that Worked on the Project	Duration: Work days	Contract Value R'000	BBBEE Level
3	Lyners Consulting Civil Engineers	Vlakkeland	Housing Project	4	36 months	2 718 245	2
	BSP Consulting Engineers					157 500	1
	Nuplan					97 800	4
	DNA Land Consultants					195 994	2
	Aurecon	Eden PRT	Housing Project	1	36 months	248 976	2
	Jubellie	Cape Winelands Projects (Transhex and Vlakkeland)	Housing Project	9	36 months	15 158 594	2
	Planning Partners	Assessments of Informal Settlements	Housing Project	1	36 months	1 156 480	1
	Royal Haskoning	Eden Project	Housing Project	1	24 months	791 473	2



PART E

FINANCIAL INFORMATION



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12. Audit Committee Report

We are pleased to present our report for the financial year ended 31 March 2017.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

In line with the PFMA and Treasury Regulations, Internal Audit provides the Audit Committee and Management with reasonable assurance that the internal controls are adequate and effective. This is achieved by an approved risk-based internal audit plan, Internal Audit assessing the adequacy of controls mitigating the risks and the Audit Committee monitoring implementation of corrective actions.

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

- Title Restoration Project Implementation (Title deeds) (Consulting engagement)
- Housing Subsidy Administration (Assurance engagement)
- Govan Mbeki Awards (Consulting engagement)
- Human Settlement Implementation (Assurance engagement)
- Stakeholder Management (Assurance engagement)
- PSA Directive (Assurance engagement)
- Western Cape Housing Development Fund (Consulting engagement)
- Contractors Agreement (SOP) (Consulting engagement)

The areas for improvement, as noted by internal audit during performance of their work, were agreed to by management. The Audit committee monitors the implementation of the agreed actions on a quarterly basis.

In-Year Management and Monthly/Quarterly Report

The Audit Committee is satisfied with the content and quality of the quarterly in-year management and performance reports issued during the year under review by the Accounting Officer of the Department in terms of the National Treasury Regulations and the Division of Revenue Act.

Evaluation of Financial Statements

The Audit Committee has:

- reviewed and discussed the Audited Annual Financial Statements to be included in the Annual Report with the Auditor-General South Africa (AGSA) and the Accounting Officer;
- reviewed the AGSA's Management Report and Management's responses thereto;
- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements;
- reviewed material adjustments resulting from the audit of the Department.

Compliance

The Audit Committee has reviewed the Department's processes for compliance with legal and regulatory provisions.

Provincial Forensics Services

The Provincial Forensic Services (PFS) presented us with statistics. The Audit Committee Monitors the progress of the PFS reports on a quarterly basis. There were no matters brought to our attention that required further reporting by the Audit Committee.

Performance Information

The Audit Committee has reviewed the information on predetermined objectives as reported in the Annual Report.

Report of the Auditor-General South Africa

The Audit Committee has, on a quarterly basis, reviewed the Department's implementation plan for audit issues raised in the prior year. The Audit Committee has met with AGSA to ensure that there are no unresolved issues that emanated from the regulatory audit. Corrective actions on the detailed findings raised by AGSA are monitored by the Audit Committee on a quarterly basis.

The Audit Committee concurs and accepts AGSA's opinion regarding the Annual Financial Statements and proposes that these Audited Annual Financial Statements be accepted and read together with their report.

The Audit Committee commends the Department for maintaining an unqualified audit opinion.

Appreciation

The Audit Committee wishes to express its appreciation to the Management of the Department, the Auditor-General South Africa and the WCG Corporate Assurance Branch for the co-operation and information they have provided to enable us to compile this report.



Mr Ameen Amod
Chairperson of the Audit Committee
Department of Human Settlements
Date: 11 August 2017

Report of the Accounting Officer

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

For the 2016/17 financial year, the Department expressed its commitment to the National Outcomes and Provincial Strategic Goals by over achieving on most of its objectives. The following report is an account of performance within this context.

Enhanced efficiency and effectiveness of the provincial Department of Human Settlements

During the year under review, the Department achieved a level 4 MPAT, indicating that the Department is compliant with MPAT prescripts and is doing things smartly.

Improved functionality, efficiencies and resilience of human settlements

Municipal Support

The Department capacitated all twenty-five (25) municipalities, in terms of human settlement development planning. This in turn resulted in over achieving its target of the number of projects approved, as municipalities were better equipped to package projects for approval. A total of 27 human settlement projects aligned to the IDPs and based on the objectives of Outcome 8 and representing national and provincial was approved against a target of twenty-four (24). The over achievement is a result of awareness raising interventions by the Department on its strategic objectives, and which has resulted in municipalities' ability to align their planning with the Department's priority areas.

Research Projects

The Policy and Research unit led a study to enumerate eleven (11) informal settlements in Cape Town, linked to the Southern Corridor catalytic project. The enumeration study provided a rich dataset to be used in the design of human settlement solutions for these areas. The Department also approved a set of Green Procurement Guidelines, called 'Making better choices'. The guidelines aim to support municipalities to make more environmentally sustainable choices when procuring goods and services related to housing development.

Western Cape Integrated Human Settlement Framework (WCIHSF)

Building on the Human Settlement Framework, the development of the Informal Settlement Support Plan (ISSP) was initiated as a response to address the challenge of improving the quality of life of people living in informal settlements acknowledging that informal settlements are here to stay. It is a Provincial Strategic Goal 4 priority project.

Accelerated housing opportunities

In the 2016/17 financial year, the Department intensified the delivery of integrated sustainable human settlements and exceeded targets in respect of units and serviced sites. A breakdown of the performance is provided below:

Description	Target	Actual
Housing units	11 134	11 283
Serviced sites	8 530	8 546
Total opportunities	19 664	19 829

Improved living conditions of beneficiaries through the upgrading of housing units and promoting ownership of property

During the year under review the Department transferred 9 767 title deeds to housing beneficiaries, against a target of 7 000. This over achievement is a result of the fast tracking of the Title Deed Restoration programme.

In partnership with the Social Housing Regulatory Authority (SHRA), a comprehensive analytical assessment of property management systems and rental housing policies, within non-Metro leader town Municipalities was also undertaken. Relative strengths and weaknesses in various municipal property management systems were identified, all aimed at supporting Municipalities to move toward long term development and operational property management efficiencies. Training on improved alternatives for property management was also initiated with Municipal officials.

Enable an increased supply of land for affordable housing and catalytic projects

The Department is in the process of developing a draft Bill to obtain powers to acquire and dispose of land for human settlement development, which includes affordable housing and catalytic projects. After obtaining the Provincial Cabinet's approval, the draft Bill was advertised for public scrutiny and comment during October and November 2016. The Department has now submitted the draft Bill, which was also certified by Legal Services to be introduced to the Provincial Parliament for consideration.

Furthermore, the Department has managed to secure 50.11 hectares of land for the development of affordable housing and 483.16 hectares of land for catalytic projects.

In addition, the Department has implemented several land release projects and has entered into Land Availability Agreements (LAAs) with the developers. (Refer to Section A pg 14 of the Accounting Officer report for information on land release projects.)

Facilitate job creation and empowerment opportunities

The Department has actioned various empowerment initiatives during the reporting period, through releasing properties, awarding contracts to HDI contractors, releasing land parcels to HDI enterprises, and appointing built sector professionals of HDI descent. The Department participated in the National Youth Service and trained 150 young people in various disciplines of the built environment sector and facilitated 345 opportunities during the 2016/17 financial year.

The Department exceeded the amount of money targeted for collection in its revenue budget for the period under review. This is attributed to R25.067 million received from the City of Cape Town as refund for the provision of bulk services funded by the Urban Settlement Development Grant (USDG), land repayments in respect of Nuwe Begin (R4.790 million), refunded PHP subsidies in respect of closed projects (R35.453 million) and refunded subsidies in respect of other closed projects, mostly from the City of Cape Town (R79.977 million).

Other sales include Commission on insurance and garnishee orders: R58 000, as well as the sale of tender documents: R44 000.

Included in the amount for interest is R14.253 million of interest received on PHP subsidies.

Furthermore, R4.786 million was received on behalf of the former Western Cape Housing Development Board for the rental of housing properties and R2.289 million realised through the EEDBS. The tariff for the rental of housing properties is in line with the provisions of the Housing Act, 107. The table below provides a breakdown of the funds received:

Departmental receipts	2016/2017			2015/2016		
	Estimate R'000	Actual Amount Collected R'000	Over/Under Collection R'000	Estimate R'000	Actual Amount Collected R'000	Over/Under Collection R'000
Sale of goods and services other than capital assets	99	108	(9)	97	80	17
Interest, dividends and rent on land	629	14 384	(13 755)	602	12 737	(12 135)
Financial transactions in assets and liabilities	59 272	157 803	(98 531)	62 061	70 116	(8 055)
Total	60 000	172 295	(112 295)	62 760	82 933	(20 173)

The reason for the over-collection of Interest, dividend and rent on land was that 27 PHP projects were closed by one of the Accounts Administrators, namely, Tusks, of which the balances of the capital amounts, as well as the accumulated interest was paid back to the Department.

The Department applied for revenue retention for assistance to supply bulk services at the municipalities in 2017/18.

Programme Expenditure:

Programme 1: Administration: R539 000

The total under-expenditure of R539 000 on this programme is attributed to savings due to cost containment measures on Goods and Services and Households. The under-expenditure is shifted to Programme 4: Housing Asset Management Property Management to cover over-expenditure on Goods and Services and municipal service accounts which were under budgeted. The shift equals 0.6% of the amount appropriated under this main division of the Vote in the Adjustment Estimates.

Programme 2: Housing Needs, Research and Planning: R204 000

The total under-expenditure of R204 000 on this programme is attributed to savings due to cost containment measures on Goods and Services. The under-expenditure is shifted to Programme 4: Housing Asset Management Property Management to cover over-expenditure on municipal service accounts which were under budgeted. The shift equals 1% of the amount appropriated under this main division in the Adjusted Appropriation.

Programme 3: Housing Development: R734 000

The total under-expenditure of R734 000 is attributed to savings due to cost containment measures on Goods and Services and Households. The under-expenditure is shifted to Programme 4: Housing Asset Management Property Management to cover over-expenditure on municipal service accounts and rates and taxes which were under budgeted. The shift equals 0.04% of the amount appropriated in the Adjustments Estimates for this Programme.

Programme 4: Housing Asset Management Property Management: (R1 477 000)

Over-expenditure of R1 477 000 include over-expenditure of R896 000 on agency and support/outsources services and municipal services accounts under Goods and Services and an over-expenditure of R581 000 on municipal rates and taxes which were under-budgeted. The shift equals 3.6% of the amount appropriated for this main division in the Adjusted Appropriation.

The table below illustrates the expenditure per programme:

Programme Name	2016/2017			2015/2016		
	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
Administration	90 526	90 525	1	88 324	88 324	-
Housing needs, research and planning	20 686	20 686	-	20 732	20 732	-
Housing development	2 090 302	2 090 302	-	2 060 271	2 060 106	165
Housing asset/ property management	42 910	42 910	-	41 551	41 551	-
Total	2 244 424	2 244 423	1	2 210 878	2 210 713	165

Explanation of Variance	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
Programme 1: Administration	90 526	90 525	1	0.00
Under-expenditure on Goods and services is immaterial.				

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

Unauthorised, fruitless and wasteful expenditure

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

Public Private Partnerships (PPPs)

The Department has not entered into any PPPs during the financial year.

Discontinued activities/activities to be discontinued

No activities are to be discontinued.

New or proposed activities

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

Supply chain management

There were no unsolicited bid proposals concluded for the year under review.

The amount of R184 000 in respect of the irregular expenditure as disclosed in 2015/16 has been recovered from the relevant housing developer in 2016/17. The developer was also restricted in terms of National Treasury Practice Note SCM 5 of 2006: Restriction of Suppliers.

A matter of irregular expenditure was raised per Communication of Audit Findings during the 2015/16 Regularity Audit by the Auditor-General South Africa. The audit identified that price quotations were sourced from selected suppliers through a limited bidding process. The quotations received were evaluated on price only and the B-BBEE status was not taken into account. The finding concluded that Management followed the bidding process, but deviated from the prescribed PPPFA which resulted in non-compliance and therefore irregular expenditure of R591 411.48 was incurred in 2015/16 and further payments to the value of R336 704.70 were made in 2016/17 in respect of the same contract (Star Security).

The 2015/16 audit also identified that a contract was expanded in excess of the threshold of 20% without pre-approval by the Provincial Treasury, which was required in terms of paragraph 3.9.4 of National Instruction Note 32. This resulted in irregular expenditure of R99 101.52.

The above-mentioned cases of irregular payments were condoned by the Accounting Officer during the 2016/17 financial year.

During the 2016/17 audit the following cases of irregular expenditure were identified by the Auditor-General:

- (i) In terms of Regulation 9(1) of the Preferential Procurement Regulations of 2011, an organ of state must, in the case of designated sectors, where in the award of tenders, local production and content is of critical importance, advertise such tenders with a specific tendering condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.

The bid specifications for the procurement of a four drawer filing cabinet in respect of order number: OR-026919 amounting to R81 716 did not include the minimum threshold for local production and content and the department was not furnished with a declaration on local production and content from the winning service provider. The filing cabinet falls under the designated sector for furniture products.

This resulted in non-compliance with Regulation 9(1) of the Preferential Procurement Regulations of 2011 and resulted in irregular expenditure being incurred.

- (ii) In terms of Treasury Regulation 8.2.1, an official of an institution may not spend or commit public money except with the approval (either in writing or by duly authorised electronic means) by the accounting officer or a properly delegated or authorised officer.

The total payments amounting to R28 586 in respect of order number: OR-027074 exceeded the purchase order amount of R27 468 resulting in an overpayment of R1 118.

Consequently, this resulted in non-compliance with section 38(1)(c)(ii) of the Public Finance Management Act, 1999 and Treasury Regulation 8.2.1 which led to irregular expenditure.

The above-mentioned cases will be investigated by the Department and controls implemented and enhanced to prevent a recurrence thereof.

In kind gifts and donations provided by the Department or received from non-related parties

The following in kind gifts and donations were provided by the Department:	R'000
Govan Mbeki awards	20
T-shirts and peak caps for staff for the Provincial sports day	126
T-shirts and peak caps for staff for the Departmental golf day	39
Sympathy flowers and fruit baskets	6
Tablet computer as prize for the winner of the Knowledge Management survey/audit competition	1
Donation of redundant movable assets to municipalities, beneficiaries and schools at cost	257
TOTAL	449

There were no in kind gifts and donations received from non-related parties.

Exemptions and deviations received from the National Treasury

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

Events after the reporting date

There were no adjusting events after the reporting date.

Related parties

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

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

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

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

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

The Department has one unlisted public entity under its control, i.e. Western Cape Housing Development Fund. There were no transactions between the Department and the Western Cape Housing Development Fund as all transactions relating to the Western Cape Housing Development Fund are accounted for in the books of the Department.

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

The Department received Security Advisory Services and Security Operations, as well as access control data from the Department of Community Safety in the Western Cape.

Agency-Principal Arrangements (Department acting as principal)

See Note 30 of the Annual Financial Statements (AFS).

Other

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

Acknowledgement/s or Appreciation

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

Approval and sign off

The Annual Financial Statements set out on pages 115 to 174 have been approved by the Accounting Officer.



Mr. Thando Mguli
ACCOUNTING OFFICER
DATE: 31 May 2017

Report of the Auditor-general to the Western Cape Provincial Parliament on Vote No. 8: Western Cape Department of Human Settlements

Report on the Audit of the Financial Statements Opinion

1. I have audited the financial statements of the Western Cape Department of Human Settlements set out on pages 115 to 162, which comprise the appropriation statement, the statement of financial position as at 31 March 2017, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the 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 Department of Human Settlements as at 31 March 2017, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2016 (Act No. 3 of 2016) (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 auditor-general's responsibilities 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' Code of ethics for professional accountants (IESBA code) and the 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 matters below. My opinion is not modified in respect of these matters.

Significant uncertainty

7. With reference to note 18.1 to the financial statements, the department was a defendant in a land-claim lawsuit of R87.2 million as at 31 March 2017, which the department was disputing.

Restatement of corresponding figures

8. As disclosed in note 31 to the financial statements, the corresponding figures have been restated as a result of errors discovered during the 2016-17 financial year, in the financial statements of the Western Cape Department of Human Settlement as at and for the year ended 31 March 2017.

Other matter

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

Unaudited supplementary schedules

10. The supplementary information set out on pages 163 to 174 does not form part of the financial statements and is presented as additional information. I have not audited these schedules, and accordingly, I do not express an opinion thereon.

Responsibilities of accounting officer for the financial statements

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS prescribed by National Treasury 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.

12. 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 accounting officer either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

13. 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 International Standards on Auditing (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.
14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this report.

Report on the audit of the annual performance report

Introduction and scope

15. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
16. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
17. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the annual performance report of the department for the year ended 31 March 2017:

Programme	Pages in the annual performance report
Programme 2 - Housing needs, research and planning	33 - 37
Programme 3 - Housing development	38 - 49
Programme 4 - Land and asset management	50 - 52

18. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
19. The material findings in respect of the usefulness and reliability of the selected programmes are as follows:

Programme 3 – Housing development**Percentage of Human Settlements Development Grant (HSDG) paid to contractors with women representation, within the housing sector by 31 March 2017**

20. The reported achievement of 9.29% for the target of Percentage of Human Settlements Development Grant (HSDG) paid to contractors with women representation, within the housing sector by the end of the financial year was misstated as the evidence provided indicated that the HSDG schedule was not appropriately accumulated and the HSDG schedule did not agree with the evidence provided.

Percentage of Human Settlements Development Grant (HSDG) paid to contractors with youth representation, within the housing sector by 31 March 2017

21. The reported achievement of 6.12% for the target of Percentage of Human Settlements Development Grant (HSDG) paid to contractors with youth representation, within the housing sector by the end of the financial year was misstated as the evidence provided indicated that the HSDG schedule was not appropriately accumulated and the HSDG schedule did not agree with evidence provided.

22. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following programme:

- Programme 2: Housing needs, research and planning
- Programme 4: Land and asset management

Other matters

23. I draw attention to the matters below:

Achievement of planned targets

24. Refer to the annual performance report on pages 29 to 52 for information on the achievement of planned targets for the year and explanations provided for the under/overachievement of a number of targets.

Unaudited supplementary information

25. The supplementary information set out on pages 163 to 174 does not form part of the annual performance report and is presented as additional information. I have not audited these schedules and, accordingly, I do not report on them.

Report on audit of compliance with legislation**Introduction and scope**

26. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

27. I did not identify any instances of material non-compliance in respect of the compliance criteria for the applicable subject matters.

Other information

28. The department's accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in the auditor's report.

29. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

30. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information 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. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Internal control deficiencies

31. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. I identified a significant internal control deficiency in that not all reported indicators and targets were supported by valid records and documents.

Auditor-General
Cape Town
31 July 2017



Appropriation Statement for the year ending 31 March 2017

Appropriation per programme									
Voted funds	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Programmes									
1. Administration	91 065	-	(539)	90 526	90 525	1	100.0	88 324	88 324
2. Housing Needs, Research and Planning	20 890	-	(204)	20 686	20 686	-	100.0	20 732	20 732
3. Housing Development	2 091 036	-	(734)	2 090 302	2 090 302	-	100.0	2 060 271	2 060 106
4. Housing Asset Management Property Management	41 433	-	1 477	42 910	42 910	-	100.0	41 551	41 551
Total	2 244 424	-	-	2 244 424	2 244 423	1	100.0	2 210 878	2 210 713
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				112 295				20 173	
Aid assistance				6 307				8 405	
Actual amounts per Statement of Financial Performance (Total Revenue)				2 363 026				2 239 456	
Add: Aid assistance					1 177				1 986
Actual amounts per Statement of Financial Performance Expenditure					2 245 600				2 212 699

Appropriation per programme									
Economic classification	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	275 353	8 358	(272)	283 439	283 438	1	100.0	255 153	255 153
Compensation of employees	196 000	(226)	-	195 774	195 774	-	100.0	177 003	177 003
Salaries and wages	171 143	2 058	-	173 201	173 201	-	100.0	156 946	156 946
Social contributions	24 857	(2 284)	-	22 573	22 573	-	100.0	20 057	20 057
Goods and services	79 353	8 584	(272)	87 665	87 664	1	100.0	78 150	78 150
Administrative fees	208	24	-	232	231	1	99.6	130	130
Advertising	459	(260)	-	199	199	-	100.0	1 573	1 573
Minor assets	596	(83)	-	513	513	-	100.0	211	211
Audit costs: External	8 800	(1 407)	-	7 393	7 393	-	100.0	7 852	7 852
Bursaries: Employees	491	159	-	650	650	-	100.0	433	433
Catering: Departmental activities	264	(39)	(9)	216	216	-	100.0	168	168
Communication (G&S)	1 503	(415)	(17)	1 071	1 071	-	100.0	1 137	1 137
Computer services	1 106	100	-	1 206	1 206	-	100.0	1 135	1 135
Consultants: Business and advisory services	5 614	(4 367)	(74)	1 173	1 173	-	100.0	2 266	2 266
Infrastructure and planning services	26 451	3 929	-	30 380	30 380	-	100.0	36 158	36 158
Legal services	1 992	(447)	(98)	1 447	1 447	-	100.0	2 273	2 273
Contractors	542	(20)	(38)	484	484	-	100.0	236	236
Agency and support / outsourced services	3 891	(869)	726	3 748	3 748	-	100.0	3 548	3 548
Entertainment	98	(90)	-	8	8	-	100.0	4	4
Fleet services (including government motor transport)	2 697	(86)	(239)	2 372	2 372	-	100.0	2 369	2 369
Consumable supplies	360	77	(13)	424	424	-	100.0	198	198
Consumable: Stationery, printing and office supplies	1 553	73	(278)	1 348	1 348	-	100.0	1 203	1 203
Operating leases	1 659	(113)	(277)	1 269	1 269	-	100.0	1 342	1 342
Property payments	12 008	13 320	170	25 498	25 498	-	100.0	7 662	7 662
Travel and subsistence	6 215	(830)	(90)	5 295	5 295	-	100.0	4 995	4 995
Training and development	1 096	215	(17)	1 294	1 294	-	100.0	1 337	1 337
Operating payments	805	52	-	857	857	-	100.0	1 054	1 054
Venues and facilities	728	(193)	(18)	517	517	-	100.0	484	484
Rental and hiring	217	(146)	-	71	71	-	100.0	382	382
Transfers and subsidies	1 962 111	(8 426)	272	1 953 957	1 953 957	-	100.0	1 950 274	1 950 109
Provinces and municipalities	50 749	(10 681)	581	40 649	40 649	-	100.0	39 609	39 609
Provinces	-	-	-	-	-	-	-	1	1
Provincial Revenue Funds	-	-	-	-	-	-	-	1	1
Municipalities	50 749	(10 681)	581	40 649	40 649	-	100.0	39 608	39 608
Municipal bank accounts	50 749	(10 681)	581	40 649	40 649	-	100.0	39 608	39 608
Departmental agencies and accounts	4	-	-	4	4	-	100.0	3 335	3 170
Social security funds	-	-	-	-	-	-	-	6	6
Departmental agencies (non-business entities)	4	-	-	4	4	-	100.0	3 329	3 164
Higher education institutions	750	-	-	750	750	-	100.0	1 000	1 000
Public corporations and private enterprises	200	(100)	-	100	100	-	100.0	22	22
Public corporations	200	(100)	-	100	100	-	100.0	-	-
Other transfers to public corporations	200	(100)	-	100	100	-	100.0	-	-
Private enterprises	-	-	-	-	-	-	-	22	22
Other transfers to private enterprises	-	-	-	-	-	-	-	22	22
Non-profit institutions	3 000	100	-	3 100	3 100	-	100.0	1 610	1 610
Households	1 907 408	2 255	(309)	1 909 354	1 909 354	-	100.0	1 904 698	1 904 698
Social benefits	648	226	(234)	640	640	-	100.0	902	902
Other transfers to households	1 906 760	2 029	(75)	1 908 714	1 908 714	-	100.0	1 903 796	1 903 796
Payments for capital assets	6 660	3	-	6 663	6 663	-	100.0	5 237	5 237
Machinery and equipment	6 660	(64)	-	6 596	6 596	-	100.0	5 217	5 217
Transport equipment	3 470	239	-	3 709	3 709	-	100.0	3 794	3 794
Other machinery and equipment	3 190	(303)	-	2 887	2 887	-	100.0	1 423	1 423
Software and other intangible assets	-	67	-	67	67	-	100.0	20	20
Payment for financial assets	300	65	-	365	365	-	100.0	214	214
Total	2 244 424	-	-	2 244 424	2 244 423	1	100.0	2 210 878	2 210 713

Programme 1: ADMINISTRATION									
Sub programme	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
1. Office of the MEC	6 423	64	(217)	6 270	6 270	-	100.0	6 528	6 528
2. Corporate Services	84 642	(64)	(322)	84 256	84 255	1	100.0	81 796	81 796
Total	91 065	-	(539)	90 526	90 525	1	100.0	88 324	88 324

Economic classification	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	83 823	(238)	(447)	83 138	83 137	1	100.0	81 985	81 985
Compensation of employees	66 858	(120)	-	66 738	66 738	-	100.0	66 952	66 952
Salaries and wages	57 548	175	-	57 723	57 723	-	100.0	58 674	58 674
Social contributions	9 310	(295)	-	9 015	9 015	-	100.0	8 278	8 278
Goods and services	16 965	(118)	(447)	16 400	16 399	1	100.0	15 033	15 033
Administrative fees	144	(25)	-	119	118	1	99.2	92	92
Advertising	134	(56)	-	78	78	-	100.0	145	145
Minor assets	557	(44)	-	513	513	-	100.0	211	211
Audit costs: External	4 789	136	-	4 925	4 925	-	100.0	4 768	4 768
Bursaries: Employees	491	159	-	650	650	-	100.0	433	433
Catering: Departmental activities	90	(5)	-	85	85	-	100.0	80	80
Communication (G&S)	1 007	(299)	(17)	691	691	-	100.0	708	708
Computer services	1 091	(79)	-	1 012	1 012	-	100.0	1 135	1 135
Consultants: Business and advisory services	119	(39)	(67)	13	13	-	100.0	87	87
Legal services	48	(46)	-	2	2	-	100.0	65	65
Contractors	290	126	(38)	378	378	-	100.0	156	156
Agency and support / outsourced services	572	(95)	-	477	477	-	100.0	512	512
Entertainment	49	(47)	-	2	2	-	100.0	4	4
Fleet services (including government motor transport)	2 697	(86)	(239)	2 372	2 372	-	100.0	2 369	2 369
Consumable supplies	205	128	(5)	328	328	-	100.0	105	105
Consumable: Stationery, printing and office supplies	1 153	178	(46)	1 285	1 285	-	100.0	874	874
Operating leases	871	63	-	934	934	-	100.0	819	819
Property payments	25	(8)	-	17	17	-	100.0	32	32
Travel and subsistence	1 849	(127)	-	1 722	1 722	-	100.0	1 388	1 388
Training and development	150	(29)	(17)	104	104	-	100.0	260	260
Operating payments	426	150	-	576	576	-	100.0	547	547
Venues and facilities	122	(43)	(18)	61	61	-	100.0	182	182
Rental and hiring	86	(30)	-	56	56	-	100.0	61	61
Transfers and subsidies	282	170	(92)	360	360	-	100.0	888	888
Provinces and municipalities	-	-	-	-	-	-	-	1	1
Provinces	-	-	-	-	-	-	-	1	1
Provincial Revenue Funds	-	-	-	-	-	-	-	1	1
Departmental agencies and accounts	4	-	-	4	4	-	100.0	10	10
Social security funds	-	-	-	-	-	-	-	6	6
Departmental agencies (non-business entities)	4	-	-	4	4	-	100.0	4	4
Public corporations and private enterprises	-	-	-	-	-	-	-	22	22
Private enterprises	-	-	-	-	-	-	-	22	22
Other transfers to private enterprises	-	-	-	-	-	-	-	22	22
Households	278	170	(92)	356	356	-	100.0	855	855
Social benefits	278	(140)	53	191	191	-	100.0	700	700
Other transfers to households	-	310	(145)	165	165	-	100.0	155	155
Payments for capital assets	6 660	3	-	6 663	6 663	-	100.0	5 237	5 237
Machinery and equipment	6 660	(64)	-	6 596	6 596	-	100.0	5 217	5 217
Transport equipment	3 470	239	-	3 709	3 709	-	100.0	3 794	3 794
Other machinery and equipment	3 190	(303)	-	2 887	2 887	-	100.0	1 423	1 423
Software and other intangible assets	-	67	-	67	67	-	100.0	20	20
Payment for financial assets	300	65	-	365	365	-	100.0	214	214
Total	91 065	-	(539)	90 526	90 525	1	100.0	88 324	88 324

Sub-programme: 1.1: OFFICE OF THE MEC

Economic classification	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	6 137	(9)	(208)	5 920	5 920	-	100.0	6 128	6 128
Compensation of employees	5 084	(9)	-	5 075	5 075	-	100.0	5 143	5 143
Goods and services	1 053	-	(208)	845	845	-	100.0	985	985
Transfers and subsidies	16	7	(9)	14	14	-	100.0	-	-
Households	16	7	(9)	14	14	-	100.0	-	-
Payments for capital assets	270	66	-	336	336	-	100.0	400	400
Machinery and equipment	270	66	-	336	336	-	100.0	400	400
Total	6 423	64	(217)	6 270	6 270	-	100.0	6 528	6 528

Sub-programme: 1.2: CORPORATE SERVICES

Economic classification	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	77 686	(229)	(239)	77 218	77 217	1	100.0	75 857	75 857
Compensation of employees	61 774	(111)	-	61 663	61 663	-	100.0	61 809	61 809
Goods and services	15 912	(118)	(239)	15 555	15 554	1	100.0	14 048	14 048
Transfers and subsidies	266	163	(83)	346	346	-	100.0	888	888
Provinces and municipalities	-	-	-	-	-	-	100.0	1	1
Departmental agencies and accounts	4	-	-	4	4	-	100.0	10	10
Public corporations and private enterprises	-	-	-	-	-	-	100.0	22	22
Households	262	163	(83)	342	342	-	100.0	855	855
Payments for capital assets	6 390	(63)	-	6 327	6 327	-	100.0	4 837	4 837
Machinery and equipment	6 390	(130)	-	6 260	6 260	-	100.0	4 817	4 817
Software and other intangible assets	-	67	-	67	67	-	100.0	20	20
Payment for financial assets	300	65	-	365	365	-	100.0	214	214
Total	84 642	(64)	(322)	84 256	84 255	1	100.0	81 796	81 796

Programme 2: HOUSING NEEDS, RESEARCH AND PLANNING

Sub programme	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
1. Administration	14 004	(2)	(145)	13 857	13 857	-	100.0	12 628	12 628
2. Planning	6 886	2	(59)	6 829	6 829	-	100.0	8 104	8 104
Total	20 890	-	(204)	20 686	20 686	-	100.0	20 732	20 732

Economic classification	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	20 868	7	(198)	20 677	20 677	-	100.0	20 728	20 728
Compensation of employees	19 616	7	-	19 623	19 623	-	100.0	19 683	19 683
Salaries and wages	17 017	127	-	17 144	17 144	-	100.0	17 495	17 495
Social contributions	2 599	(120)	-	2 479	2 479	-	100.0	2 188	2 188
Goods and services	1 252	-	(198)	1 054	1 054	-	100.0	1 045	1 045
Administrative fees	23	73	-	96	96	-	100.0	10	10
Advertising	5	24	-	29	29	-	100.0	-	-
Minor assets	7	(7)	-	-	-	-	-	-	-
Catering: Departmental activities	57	3	(9)	51	51	-	100.0	14	14
Communication (G&S)	72	(7)	-	65	65	-	100.0	62	62
Consultants: Business and advisory services	24	(17)	(7)	-	-	-	-	15	15
Legal services	-	75	-	75	75	-	100.0	25	25
Contractors	3	-	-	3	3	-	100.0	1	1
Entertainment	15	(13)	-	2	2	-	100.0	-	-
Consumable supplies	36	(12)	(8)	16	16	-	100.0	11	11
Consumable: Stationery, printing and office supplies	54	(40)	(8)	6	6	-	100.0	162	162
Operating leases	151	(18)	(76)	57	57	-	100.0	134	134
Travel and subsistence	671	28	(90)	609	609	-	100.0	508	508
Training and development	63	(53)	-	10	10	-	100.0	71	71
Operating payments	30	(11)	-	19	19	-	100.0	20	20
Venues and facilities	41	(25)	-	16	16	-	100.0	12	12
Transfers and subsidies	22	(7)	(6)	9	9	-	-	4	4
Households	22	(7)	(6)	9	9	-	100.0	4	4
Social benefits	-	15	(6)	9	9	-	100.0	4	4
Other transfers to households	22	(22)	-	-	-	-	-	-	-
Total	20 890	-	(204)	20 686	20 686	-	100.0	20 732	20 732

Subprogramme: 2.1: ADMINISTRATION									
Economic classification	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	14 004	(11)	(145)	13 848	13 848	-	100.0	12 624	12 624
Compensation of employees	13 066	(11)	-	13 055	13 055	-	100.0	11 982	11 982
Goods and services	938	-	(145)	793	793	-	100.0	642	642
Transfers and subsidies	-	9	-	9	9	-	100.0	4	4
Households	-	9	-	9	9	-	100.0	4	4
Total	14 004	(2)	(145)	13 857	13 857	-	100.0	12 628	12 628

Subprogramme: 2.2: PLANNING									
Economic classification	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	6 864	18	(53)	6 829	6 829	-	100.0	8 104	8 104
Compensation of employees	6 550	18	-	6 568	6 568	-	100.0	7 701	7 701
Goods and services	314	-	(53)	261	261	-	100.0	403	403
Transfers and subsidies	22	(16)	(6)	-	-	-	100.0	-	-
Households	22	(16)	(6)	-	-	-	100.0	-	-
Total	6 886	2	(59)	6 829	6 829	-	100.0	8 104	8 104

Programme 3: HOUSING DEVELOPMENT									
Sub programme	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
1. Administration	90 225	-	(734)	89 491	89 491	-	100.0	85 149	84 984
2. Financial Interventions	192 220	38 771	-	230 991	230 991	-	100.0	142 825	142 825
3. Incremental Intervention	1 675 542	64 817	-	1 740 359	1 740 359	-	100.0	1 656 505	1 656 505
4. Social And Rental Intervention	133 049	(103 588)	-	29 461	29 461	-	100.0	175 792	175 792
Total	2 091 036	-	(734)	2 090 302	2 090 302	-	100.0	2 060 271	2 060 106

Economic classification	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	137 069	8 589	(523)	145 135	145 135	-	100.0	123 041	123 041
Compensation of employees	87 942	(121)	-	87 821	87 821	-	100.0	71 563	71 563
Salaries and wages	77 799	1 712	-	79 511	79 511	-	100.0	64 345	64 345
Social contributions	10 143	(1 833)	-	8 310	8 310	-	100.0	7 218	7 218
Goods and services	49 127	8 710	(523)	57 314	57 314	-	100.0	51 478	51 478
Administrative fees	41	(26)	-	15	15	-	100.0	27	27
Advertising	312	(227)	-	85	85	-	100.0	1 376	1 376
Minor assets	20	(20)	-	-	-	-	-	-	-
Audit costs: External	4 011	(1 543)	-	2 468	2 468	-	100.0	3 084	3 084
Catering: Departmental activities	101	(21)	-	80	80	-	100.0	35	35
Communication (G&S)	386	(107)	-	279	279	-	100.0	321	321
Computer services	15	179	-	194	194	-	100.0	-	-
Consultants: Business and advisory services	5 345	(4 207)	-	1 138	1 138	-	100.0	2 019	2 019
Infrastructure and planning services	26 158	4 025	-	30 183	30 183	-	100.0	36 046	36 046
Legal services	890	(227)	(98)	565	565	-	100.0	704	704
Contractors	232	(129)	-	103	103	-	100.0	72	72
Agency and support / outsourced services	1 431	(1 092)	-	339	339	-	100.0	1 555	1 555
Entertainment	28	(28)	-	-	-	-	-	-	-
Consumable supplies	79	(37)	-	42	42	-	100.0	53	53
Consumable: Stationery, printing and office supplies	297	(16)	(224)	57	57	-	100.0	154	154
Operating leases	396	-	(201)	195	195	-	100.0	356	356
Property payments	4 354	12 898	-	17 252	17 252	-	100.0	990	990
Travel and subsistence	3 234	(716)	-	2 518	2 518	-	100.0	2 752	2 752
Training and development	864	295	-	1 159	1 159	-	100.0	992	992
Operating payments	250	(63)	-	187	187	-	100.0	343	343
Venues and facilities	552	(112)	-	440	440	-	100.0	281	281
Rental and hiring	131	(116)	-	15	15	-	100.0	318	318
Transfers and subsidies	1 953 967	(8 589)	(211)	1 945 167	1 945 167	-	100.0	1 937 230	1 937 065
Provinces and municipalities	42 909	(10 681)	-	32 228	32 228	-	100.0	27 456	27 456
Municipalities	42 909	(10 681)	-	32 228	32 228	-	100.0	27 456	27 456
Municipal bank accounts	42 909	(10 681)	-	32 228	32 228	-	100.0	27 456	27 456
Departmental agencies and accounts	-	-	-	-	-	-	-	3 325	3 160
Departmental agencies (non-business entities)	-	-	-	-	-	-	-	3 325	3 160
Higher education institutions	750	-	-	750	750	-	100.0	1 000	1 000
Public corporations and private enterprises	200	(100)	-	100	100	-	100.0	-	-
Public corporations	200	(100)	-	100	100	-	100.0	-	-
Other transfers to public corporations	200	(100)	-	100	100	-	100.0	-	-
Non-profit institutions	3 000	100	-	3 100	3 100	-	100.0	1 610	1 610
Households	1 907 108	2 092	(211)	1 908 989	1 908 989	-	100.0	1 903 839	1 903 839
Social benefits	370	351	(281)	440	440	-	100.0	198	198
Other transfers to households	1 906 738	1 741	70	1 908 549	1 908 549	-	100.0	1 903 641	1 903 641
Total	2 091 036	-	(734)	2 090 302	2 090 302	-	100.0	2 060 271	2 060 106

Subprogramme: 3.1: ADMINISTRATION									
Economic classification	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	66 626	(582)	(523)	65 521	65 521	-	100.0	59 527	59 527
Compensation of employees	62 560	(580)	-	61 980	61 980	-	100.0	57 955	57 955
Goods and services	4 066	(2)	(523)	3 541	3 541	-	100.0	1 572	1 572
Transfers and subsidies	23 599	582	(211)	23 970	23 970	-	100.0	25 622	25 457
Provinces and municipalities	17 631	-	-	17 631	17 631	-	100.0	19 149	19 149
Departmental agencies and accounts	-	-	-	-	-	-	100.0	2 825	2 660
Households	5 968	582	(211)	6 339	6 339	-	100.0	3 648	3 648
Total	90 225	-	(734)	89 491	89 491	-	100.0	85 149	84 984

Subprogramme: 3.2: FINANCIAL INTERVENTIONS									
Economic classification	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	70 443	9 171	-	79 614	79 614	-	100.0	63 514	63 514
Compensation of employees	25 382	459	-	25 841	25 841	-	100.0	13 608	13 608
Goods and services	45 061	8 712	-	53 773	53 773	-	100.0	49 906	49 906
Transfers and subsidies	121 777	29 600	-	151 377	151 377	-	100.0	79 311	79 311
Provinces and municipalities	25 278	(10 681)	-	14 597	14 597	-	100.0	8 307	8 307
Departmental agencies and accounts	-	-	-	-	-	-	-	500	500
Higher education institutions	750	-	-	750	750	-	100.0	1 000	1 000
Public corporations and private enterprises	200	(100)	-	100	100	-	100.0	-	-
Non-profit institutions	3 000	100	-	3 100	3 100	-	100.0	1 610	1 610
Households	92 549	40 281	-	132 830	132 830	-	100.0	67 894	67 894
Total	192 220	38 771	-	230 991	230 991	-	100.0	142 825	142 825

Subprogramme: 3.3: INCREMENTAL INTERVENTION									
Economic classification	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Transfers and subsidies	1 675 542	64 817	-	1 740 359	1 740 359	-	100.0	1 656 505	1 656 505
Households	1 675 542	64 817	-	1 740 359	1 740 359	-	100.0	1 656 505	1 656 505
Total	1 675 542	64 817	-	1 740 359	1 740 359	-	100.0	1 656 505	1 656 505

Subprogramme: 3.4: SOCIAL AND RENTAL INTERVENTION									
Economic classification	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Transfers and subsidies	133 049	(103 588)	-	29 461	29 461	-	100.0	175 792	175 792
Households	133 049	(103 588)	-	29 461	29 461	-	100.0	175 792	175 792
Total	133 049	(103 588)	-	29 461	29 461	-	100.0	175 792	175 792

Programme 4: HOUSING ASSET MANAGEMENT PROPERTY MANAGEMENT

Sub programme	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
1. Administration	24 075	(317)	-	23 758	23 758	-	100.0	21 948	21 948
2. Housing Properties Maintenance	17 358	317	1 477	19 152	19 152	-	100.0	19 603	19 603
Total	41 433	-	1 477	42 910	42 910	-	100.0	41 551	41 551

Economic classification	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	33 593	-	896	34 489	34 489	-	100.0	29 399	29 399
Compensation of employees	21 584	8	-	21 592	21 592	-	100.0	18 805	18 805
Salaries and wages	18 779	44	-	18 823	18 823	-	100.0	16 432	16 432
Social contributions	2 805	(36)	-	2 769	2 769	-	100.0	2 373	2 373
Goods and services	12 009	(8)	896	12 897	12 897	-	100.0	10 594	10 594
Administrative fees	-	2	-	2	2	-	100.0	1	1
Advertising	8	(1)	-	7	7	-	100.0	52	52
Minor assets	12	(12)	-	-	-	-	-	-	-
Catering: Departmental activities	16	(16)	-	-	-	-	-	39	39
Communication (G&S)	38	(2)	-	36	36	-	100.0	46	46
Consultants: Business and advisory services	126	(104)	-	22	22	-	100.0	145	145
Infrastructure and planning services	293	(96)	-	197	197	-	100.0	112	112
Legal services	1 054	(249)	-	805	805	-	100.0	1 479	1 479
Contractors	17	(17)	-	-	-	-	-	7	7
Agency and support / outsourced services	1 888	318	726	2 932	2 932	-	100.0	1 481	1 481
Entertainment	6	(2)	-	4	4	-	100.0	-	-
Consumable supplies	40	(2)	-	38	38	-	100.0	29	29
Consumable: Stationery, printing and office supplies	49	(49)	-	-	-	-	-	13	13
Operating leases	241	(158)	-	83	83	-	100.0	33	33
Property payments	7 629	430	170	8 229	8 229	-	100.0	6 640	6 640
Travel and subsistence	461	(15)	-	446	446	-	100.0	347	347
Training and development	19	2	-	21	21	-	100.0	14	14
Operating payments	99	(24)	-	75	75	-	100.0	144	144
Venues and facilities	13	(13)	-	-	-	-	-	9	9
Rental and hiring	-	-	-	-	-	-	-	3	3
Transfers and subsidies	7 840	-	581	8 421	8 421	-	100.0	12 152	12 152
Provinces and municipalities	7 840	-	581	8 421	8 421	-	100.0	12 152	12 152
Municipalities	7 840	-	581	8 421	8 421	-	100.0	12 152	12 152
Municipal bank accounts	7 840	-	581	8 421	8 421	-	100.0	12 152	12 152
Total	41 433	-	1 477	42 910	42 910	-	100.0	41 551	41 551

Subprogramme: 4.1: ADMINISTRATION									
Economic classification	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	24 075	(317)	-	23 758	23 758	-	100.0	21 948	21 948
Compensation of employees	21 584	8	-	21 592	21 592	-	100.0	18 805	18 805
Goods and services	2 491	(325)	-	2 166	2 166	-	100.0	3 143	3 143
Total	24 075	(317)	-	23 758	23 758	-	100.0	21 948	21 948

Subprogramme: 4.2: HOUSING PROPERTIES MAINTENANCE									
Economic classification	2016/2017							2015/2016	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	9 518	317	896	10 731	10 731	-	100.0	7 451	7 451
Goods and services	9 518	317	896	10 731	10 731	-	100.0	7 451	7 451
Transfers and subsidies	7 840	-	581	8 421	8 421	-	100.0	12 152	12 152
Provinces and municipalities	7 840	-	581	8 421	8 421	-	100.0	12 152	12 152
Total	17 358	317	1 477	19 152	19 152	-	100.0	19 603	19 603

Notes to the Appropriation Statement for the year ended 31 March 2017**1. Detail of transfers and subsidies as per (after Virement):**

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-F) to the Annual Financial Statement.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

1. Explanations of material variances from Amounts Voted (after virement):**4.1 Per programme**

Per programme:	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
Programme 1: Administration	90 526	90 525	1	-
The variance is due to an under-expenditure on travel agency fees				

4.2 Per economic classification

Per economic classification:	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
Current expenditure Goods and services	79 398	79 397	1	-
The variance is due to an under-expenditure on travel agency fees				

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2017

Statement of Financial Performance for the Year Ended 31 March 2017

	Note	2016/17 R'000	2015/16 R'000
REVENUE			
Annual appropriation	1	2 244 424	2 210 878
Departmental revenue	2	112 295	20 173
Aid assistance	3	6 307	8 405
TOTAL REVENUE		2 363 026	2 239 456
EXPENDITURE			
Current expenditure			
Compensation of employees	4	195 774	177 003
Goods and services	5	87 664	78 150
Aid assistance	3	52	148
Total current expenditure		283 490	255 301
Transfers and subsidies			
Transfers and subsidies	7	1 953 957	1 950 109
Aid assistance	3	1 125	1 838
Total transfers and subsidies		1 955 082	1 951 947
Expenditure for capital assets			
Tangible assets	8	6 596	5 217
Intangible assets	8	67	20
Total expenditure for capital assets		6 663	5 237
Payments for financial assets	6	365	214
TOTAL EXPENDITURE		2 245 600	2 212 699
SURPLUS FOR THE YEAR		117 426	26 757
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		1	165
Annual appropriation		1	165
Departmental revenue and PRF Receipts	13	112 295	20 173
Aid assistance	3	5 130	6 419
SURPLUS FOR THE YEAR		117 426	26 757

Statement of Financial Position as at 31 March 2017

	Note	2016/17 R'000	2015/16 R'000
ASSETS			
Current Assets		110 100	194 014
Cash and cash equivalents	9	108 704	193 262
Prepayments and advances	10	24	31
Receivables	11	1 372	721
Non-Current Assets		43 094	46 575
Receivables	11	43 094	46 575
TOTAL ASSETS		153 194	240 589
LIABILITIES			
Current Liabilities		94 635	177 670
Voted funds to be surrendered to the Revenue Fund	12	1	164
Departmental revenue and PRF Receipts to be surrendered to the Revenue Fund	13	7 518	2 689
Payables	14	87 116	174 705
Aid assistance unutilised	3	-	112
Non-Current Liabilities			
Payables	15	15 545	19 826
TOTAL LIABILITIES		110 180	197 496
NET ASSETS		43 014	43 093
Represented by:			
Recoverable revenue		43 014	43 093
TOTAL		43 014	43 093

Statement of Changes in Net Assets as at 31 March 2017

	2016/17 R'000	2015/16 R'000
NET ASSETS		
Recoverable revenue		
Opening balance	43 093	43 305
Transfers	(79)	(212)
Debts revised	(1 080)	(36)
Debts recovered (included in departmental receipts)	(897)	(569)
Debts raised	1 898	393
Closing balance	43 014	43 093
TOTAL	43 014	43 093

Included in the net asset amount are loans and sales debtors which previously were not separately disclosed. The net amount of this, after provision for impairment, amounts to R3.043 million (2015/16: R4.810 million).

Cash Flow Statement for the year ended 31 March 2017

	Note	2016/17 R'000	2015/16 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		2 423 026	2 302 215
Annual appropriated funds received	1.1	2 244 424	2 210 877
Departmental revenue received	2	157 911	70 196
Interest received	2	14 384	12 737
Aid assistance received	3	6 307	8 405
Net (increase)/decrease in working capital		(84 752)	104 284
Surrendered to Revenue Fund		(167 630)	(85 423)
Surrendered to RDP Fund/Donor		(5 242)	(6 307)
Current payments		(283 490)	(255 301)
Payments for financial assets		(365)	(214)
Transfers and subsidies paid		(1 955 082)	(1 951 947)
Net cash flow available from operating activities	16	(73 535)	107 307
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(6 663)	(5 237)
Net cash flows from investing activities		(6 663)	(5 237)
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in net assets		(79)	(212)
Increase/(decrease) in non-current payables		(4 281)	7 477
Net cash flows from financing activities		(4 360)	7 265
Net increase/(decrease) in cash and cash equivalents		(84 558)	109 335
Cash and cash equivalents at beginning of period		193 262	83 927
Cash and cash equivalents at end of period	17	108 704	193 262

Accounting Policies for the year ended 31 March 2017

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 prepared 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 Rand 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

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

7.1 Appropriated funds

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

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

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

7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue

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

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

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

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

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.

8.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department or in the case of transfers and subsidies when they are due and payable.

Accruals and payables not recognised are measured at cost.

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.

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.

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.

9. Aid Assistance

9.1 Aid assistance received

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

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

9.2 Aid assistance paid

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

10. Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position.

Bank overdrafts are shown separately on the face of the statement of financial position 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. Prepayments and advances

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

Prepayments and advances are initially and subsequently measured at cost.

12. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.

13. Investments

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

14. Financial assets

14.1 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.

14.2 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.

15. Payables

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

16. Capital Assets

16.1 Immovable capital assets

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

Where the cost of immovable capital assets cannot be determined reliably, the immovable capital assets are measured at fair value for recording in the asset register.

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

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

16.2 Movable capital assets

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

Where the cost of movable capital assets cannot be determined 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 is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

16.3 Intangible assets

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

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

Where the cost of intangible assets cannot be determined 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 that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

17. Provisions and Contingents

17.1 Provisions

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

17.2 Contingent liabilities

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

17.3 Contingent assets

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

17.4 Commitments

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

18. Unauthorised expenditure

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

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

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

19. Fruitless and wasteful expenditure

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

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

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

20. Irregular expenditure

Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.

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

21. Changes in accounting policies, accounting estimates and errors

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

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

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

22. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

23. Principal-Agent arrangements

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

The department is party to a principal-agent arrangement with the SA Post Office for the collection of housing debt from beneficiaries. In terms of the arrangement the department is the principal and is responsible for reimbursing the SA Post Office for collecting such revenue on behalf of the Department. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies. Additional disclosures have been provided in the notes to the financial statements where appropriate

24. 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.

25. Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

26. Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

27. Related party transactions

A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. 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.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.

28. Inventories (Effective from date determined in a Treasury Instruction)

At the date of acquisition, inventories are recorded at cost price in the statement of financial performance.

Where inventories are acquired as part of a non-exchange transaction, the cost of inventory is its fair value at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or the lower of cost and current replacement value.

Subsequent measurement of the cost of inventory is determined on the weighted average basis.

29. Public Private Partnerships

Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.

A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.

30. Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

Notes to the Annual Financial Statements for the year ended 31 March 2017

1. Appropriation

1.1 Annual Appropriation

Programme	2016/17			2015/16	
	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Final Appropriation R'000	Actual Funds Received R'000
Administration	90 526	90 526	-	88 324	88 323
Housing Needs, Research and Planning	20 686	20 686	-	20 732	20 732
Housing Development	2 090 302	2 090 302	-	2 060 271	2 060 271
Housing Asset Management Property Management	42 910	42 910	-	41 551	41 551
Total	2 244 424	2 244 424	-	2 210 878	2 210 877

The total expenditure as per the Statement of Financial Performance is R2.2456 billion and the deficit between appropriated funds received and total expenditure amount to R1.176 million. This consists of R1.177 million of expenditure funded from aid assistance and an under-expenditure on total budget of R1 000 (R1.177 million - R1 000).

	Note	2016/17 R'000	2015/16 R'000
1.2 Conditional grants			
Total grants received	32	2 004 237	1 978 612

The conditional grants received consist of the Human Settlement Development Grant (R2.000 811 billion) and the Expanded Public Works Incentive Grant (R3.426 million).

2. Departmental Revenue

Sales of goods and services other than capital assets	2.1	108	80
Interest, dividends and rent on land	2.2	14 384	12 737
Transactions in financial assets and liabilities	2.3	157 803	70 116
Total revenue collected		172 295	82 933
Less: Own revenue included in appropriation	13	60 000	62 760
Departmental revenue collected		112 295	20 173

Included in transactions in financial assets and liabilities is R25.067 million received from the City of Cape Town (CoCT) as a refund for the provision of bulk services funded by the Urban Settlement Development Grant (USDG), land repayments in respect of Nuwe Begin FLISP project (R4.790 million), refunded PHP subsidies in respect of closed projects (R35.453 million) and refunded subsidies in respect of other closed projects, mostly from the CoCT (R79.977 million).

	Note	2016/17 R'000	2015/16 R'000
2.1 Sales of goods and services other than capital assets	2		
Sales of goods and services produced by the department		103	77
Administrative fees		1	1
Other sales		102	76
Sales of scrap, waste and other used current goods		5	3
Total		108	80

Other sales include Commission on insurance and garnishee orders administrated via PERSAL: R58 000, as well as the sale of tender documents: R44 000. The increase in other sales is due to an increase in the sale of tender documents, from R25 000 in 2015/16 to R44 000 in 2016/17.

2.2 Interest, dividends and rent on land	2		
Interest		14 384	12 737
Total		14 384	12 737

Included in the amount for interest is R14.253 million received in respect of closed PHP projects paid back to the Department.

2.3 Transactions in financial assets and liabilities	2		
Loans and advances		11 494	15 050
Other Receipts including Recoverable Revenue		146 309	55 066
Total		157 803	70 116

Included in Transactions in financial assets and liabilities are the following receipts in respect of the former Western Cape Housing Development Board: R4.786 million received for the letting of rental properties, R2.289 million realised through the EEDBS (Note 2.3: Loans and advances). Other receipts including recoverable revenue is mainly in respect of the following receipts: R25.067 million received from the City of Cape Town (CoCT) as a refund for the provision of bulk services funded by the Urban Settlement Development Grant (USDG), land repayments in respect of Nuwe Begin (FLISP project) (R4.790 million), refunded PHP subsidies in respect of closed projects (R35.453 million) and refunded subsidies in respect of other closed infrastructure projects, mostly from the CoCT (R79.977 million).

3. Aid Assistance			
Opening Balance		112	-
Transferred from statement of financial performance		5 130	6 419
Paid during the year		(5 242)	(6 307)
Closing Balance		-	112

R6.307 million was received from the Danish government via the RDP Fund as a donation for the provision of solar water heaters in Joe Slovo, N2 Gateway. R1.125 million was spent during 2016/17 and the balance, R5.182 million was paid back to the RDP Fund at the end of 2016/17. The department applied for the reallocation of the funds as the project is not yet completed. Furthermore, R260 000 was received from the Department of Public Service and Administration (DPSA) for the Global Positioning System (GPS) (Enhancement of the Western Cape Housing Demand Database) in 2015/16, of which R148 000 was spent in 2015/16 and R52 000 in 2016/17. The balance of R60 000 was surrendered to the DPSA.

3.1 Analysis of balance by source	3		
Aid assistance from other sources (DPSA)		-	112
Closing Balance		-	112

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

	Note	2016/17 R'000	2015/16 R'000
3.2 Analysis of balance	3		
Aid assistance unutilised		-	112
Closing balance		<u>-</u>	<u>112</u>
4. Compensation of employees			
4.1 Salaries and wages	4		
Basic salary		134 537	121 970
Performance award		2 867	2 918
Service Based		8 436	7 301
Compensative/circumstantial		5 126	3 383
Periodic payments		2 338	2 163
Other non-pensionable allowances		19 897	19 211
Total		<u>173 201</u>	<u>156 946</u>
<p>Compensation for employees (COE) increased by 10.6% which is due to normal salary increases and filling of vacant posts. The average remuneration per employee increased by 10.3% to R424 670 (2015/16: 6.4% to R385 000). This is due to the Department's decision to reduce administrative staff and appoint professionals at OSD levels on a permanent basis in its line function components to enhance service delivery without exceeding approved COE ceilings.</p>			
4.2 Social contributions	4		
Employer contributions			
Pension		15 026	13 099
Medical		7 513	6 926
Bargaining council		34	32
Total		<u>22 573</u>	<u>20 057</u>
Total compensation of employees		<u>195 774</u>	<u>177 003</u>
Average number of employees		<u>461</u>	<u>460</u>

	Note	2016/17 R'000	2015/16 R'000
5. Goods and services			
Administrative fees		231	130
Advertising		199	1 573
Minor assets	5.1	513	211
Bursaries (employees)		650	433
Catering		216	168
Communication		1 071	1 137
Computer services	5.2	1 206	1 135
Consultants: Business and advisory services		932	2 266
Infrastructure and planning services		30 621	36 158
Legal services		1 447	2 273
Contractors		484	236
Agency and support / outsourced services		3 748	3 548
Entertainment		8	4
Audit cost - external	5.3	7 393	7 852
Fleet services		2 372	2 369
Consumables	5.4	1 772	1 401
Operating leases		1 269	1 342
Property payments	5.5	25 498	7 662
Rental and hiring		71	382
Travel and subsistence	5.6	5 295	4 995
Venues and facilities		517	484
Training and development		1 294	1 337
Other operating expenditure	5.7	857	1 054
Total		87 664	78 150

The amount of R30.621 million for Infrastructure and planning services consist of the following: Engineering civil services (R26.405 million); Engineering electrical services (R2.517 million); Geographical information services (R1.161 million); Land and quantity surveying services (R192 000); Town planning services (R104 000) and project management services (R242 000). The increase in property payments is due to expenditure on municipal services: R15.295 million (2015/16: R2.453 million), property maintenance and repairs: R7.990 million (2015/16: R4.146 million) and deeds searches: R2.151 million (2015/16: R1.030 million).

5.1 Minor assets	5		
Tangible assets		513	211
Machinery and equipment		513	211
Total		513	211

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

	Note	2016/17 R'000	2015/16 R'000
5.2 Computer services	5		
SITA computer services		684	441
External computer service providers		522	694
Total		1 206	1 135
5.3 Audit cost – external	5		
Regularity audits		7 393	7 852
Total		7 393	7 852
5.4 Consumables	5		
Consumable supplies		424	199
Uniform and clothing		16	11
Household supplies		85	67
IT consumables		102	32
Other consumables		221	89
Stationery, printing and office supplies		1 348	1 202
Total		1 772	1 401

Other consumables consist of gardening supplies (R32 000), fuel supplies (R12 000), gift and awards (R28 000), materials and supplies (R28 000) and security access control consumables (R121 000).

5.5 Property payments	5		
Municipal services		15 309	2 457
Property management fees		62	33
Property maintenance and repairs		7 976	4 142
Other		2 151	1 030
Total		25 498	7 662

The comparative amounts for Municipal services (R2 453 000) and property maintenance and repairs (R4 146 000) have been restated as R2 457 000 and R4 142 000 respectively. The amounts paid for municipal services, property management fees and property maintenance and repairs are in respect of properties owned by the Department. The figures for municipal services cannot be determined accurately. The amount of R2 151 000 for "Other" is for Deed searches.

5.6 Travel and subsistence	5		
Local		4 968	4 788
Foreign		327	207
Total		5 295	4 995

5.7 Other operating expenditure	5		
Professional bodies, membership and subscription fees		13	36
Resettlement costs		33	167
Other		811	851
Total		857	1 054

The amount of R811 000 for "Other" is for printing and publication services (R707 000), non-life insurance premiums in respect of subsidised vehicles (R101 000) and courier and delivery services (R3 000).

	Note	2016/17 R'000	2015/16 R'000
6. Payments for financial assets			
Other material losses written off	6.1	270	97
Debts written off	6.2	95	117
Total		365	214

The comparative figures of R116 000 and R1 000 disclosed as other material losses written off in respect of Ex-employees: Salary overpayment & T&S and private telephone calls respectively, have been restated as other debt written off.

6.1 Other material losses written off	6		
Nature of losses			
Government Vehicle and vehicle accessories damage		-	32
Loss of office equipment (Laptops, 3G cards, cellphone, camera, etc.)		270	-
Loss of garden tools		-	65
Total		270	97

The comparative figures of R116 000 and R1 000 disclosed as other material losses written off in respect of Ex-employees: Salary overpayment & T&S and private telephone calls respectively, have been restated as other debt written off.

6.2 Debts written off	6		
Nature of debts written off			
Irregular expenditure written off			
Previous years' irregular expenditure (Tshawe Communication and Event Management)		8	-
Total		8	-

Other debt written off	6		
Nature of losses			
Ex-employees: Salary and housing subsidy overpayments (Uneconomical to recover)		48	116
Ex-employees: Debt - lost laptop (Uneconomical to recover)		13	-
Private telephone calls		-	1
Overpayment of suppliers		24	-
Post Office claim (Debt collected by Post Office on behalf of the Department, but paid over to another institution by the Post Office)		2	-
Total		87	117
Total debt written off		95	117

The comparative figures of R116 000 and R1 000 disclosed as other material losses written off in respect of Ex-employees: Salary overpayment, T&S and private telephone calls respectively, have been restated as other debt written off.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

	Note	2016/17 R'000	2015/16 R'000
7. Transfers and Subsidies			
Provinces and municipalities	33	40 649	39 609
Departmental agencies and accounts	Annex 1B	4	3 170
Higher education institutions	Annex 1C	750	1 000
Public corporations and private enterprises	Annex 1D	100	22
Non-profit institutions	Annex 1E	3 100	1 610
Households	Annex 1F	1 909 354	1 904 698
Total		1 953 957	1 950 109
Unspent funds transferred to the above beneficiaries			
Provinces and municipalities		980 339	769 730
Total		980 339	769 730

Included in the amount of R40.649 million transferred to Provinces and municipalities is R24.480 million which is unspent at municipalities and included in the amount of R1.909 354 billion transferred to Households is R955.859 million unspent at municipalities. The latter relates to the Human Settlement Development Grant transferred to municipalities. These transfers are classified as transfers to households in accordance with the Standard Chart of Accounts (SCoA). The total unspent balances of R980.339 million at municipalities as at 31 March 2017 consist of R360.970 million unspent at the non-metro municipalities (2015/16: R199.640 million) and R619.369 million unspent at the City of Cape Town (2015/16: R570.090 million). Also included in the amount of R1.909 354 billion is R107.938 million which is unallocated to projects in respect of the City of Cape Town.

8. Expenditure for capital assets

Tangible assets	28	6 596	5 217
Machinery and equipment		6 596	5 217
Intangible assets	29	67	20
Software		67	20
Total		6 663	5 237

The expenditure of R6.663 million for machinery and equipment includes R3.787 million for finance leases and R1.475 million for computer hardware and systems, as well as R390 000 for security equipment.

8.1 Analysis of funds utilised to acquire capital assets - 2016/17

	Voted Funds R'000	Aid Assistance R'000	Total R'000
Tangible assets	6 596	-	6 596
Machinery and equipment	6 596	-	6 596
Intangible assets	67	-	67
Software	67	-	67
Total	6 663	-	6 663

8.2 Analysis of funds utilised to acquire capital assets - 2015/16

	Voted Funds R'000	Aid Assistance R'000	Total R'000
Tangible assets	5 217	-	5 217
Machinery and equipment	5 217	-	5 217
Intangible assets	20	-	20
Software	20	-	20
Total	5 237	-	5 237

The amount spent on machinery and equipment in 2015/16 includes expenditure for finance leases amounting to R3.850 million, mostly in respect of daily tariffs for GG-vehicles allocated to the Department by Government Motor Transport (GMT).

	2016/17 R'000	2015/16 R'000
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8.3 Finance lease expenditure included in Expenditure for capital assets

Tangible assets

Machinery and equipment

3 787 3 850

Total**3 787 3 850**

The finance leases expenditure consists of daily tariffs paid in respect of GG-vehicles allocated to the Department by GMT (R3.709 million) and finance leases for other machinery and equipment, ie. 3G cards and cellular phones (R78 000).

9. Cash and Cash Equivalents

Consolidated Paymaster General Account

108 703 193 262

Cash on hand

1 -

Total**108 704 193 262**

Included in the consolidated paymaster general account is R102.559 million received from the City of Cape Town for bulk services funded from the Urban Settlement Development Grant (USDG). Also included is an amount of R15.027 million which was unspent prior to the implementation of the Human Settlement Development Grant in 2001 that was transferred via the National Housing Fund to the Western Cape Housing Development Fund (WCHDF). The monies are meant to augment provincial funds for liabilities that might exist in the WCHDF. The intention is to request the Provincial Treasury to transfer it to the Provincial Revenue Fund to be appropriated for human settlement purposes.

10. Prepayments and Advances

Travel and subsistence

24 31

Total**24 31**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

11. Receivables

		2016/17			2015/16		
	Note	Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Claims recoverable	11.1	1 159	42 875	44 034	388	46 283	46 671
Recoverable expenditure	11.2	122	176	298	288	120	408
Staff debt	11.3	84	43	127	14	172	186
Other debtors	11.4	7	-	7	31	-	31
Total		1 372	43 094	44 466	721	46 575	47 296

	Note	2016/17 R'000	2015/16 R'000
11.1 Claims recoverable	11		
Provincial departments		2	86
Public entities		24 089	27 446
Private enterprises		19 708	18 973
Households and non-profit institutions		235	165
Local governments		-	1
Total		44 034	46 671

The amount for Public entities includes an amount of R23.903 million owed by Thubelisha Homes. The amount in respect of private enterprises mainly relates to the fraudulent use of PHP subsidies which were held in trust by Account Administrators and private developers of housing projects (R18.775 million). The amount for Households and non-profit institutions relates to out of service staff debt.

11.2 Recoverable expenditure (disallowance accounts)	11		
Disallowance damages and losses		298	408
Total		298	408

The disallowance damages and losses include R160 000 in respect of GG-vehicle damages, as well as losses of computer and other equipment (R138 000), which are under investigation in determining responsibility.

11.3 Staff debt	11		
Breach of contract: Study bursaries		14	11
Salary related debt (salaries overpaid)		113	175
Total		127	186

The above-mentioned debts is in-service staff debt as recognised in the staff debt account.

11.4 Other debtors	11		
Staff tax debt control account		7	31
Total		7	31

The above-mentioned debt owing by in-service staff will be deducted from their salaries programmatically in 2017/18. The description for the comparative figure has been changed from "Salary clearing accounts: SARS" to the description as above.

	Note	2016/17 R'000	2015/16 R'000
11.5 Impairment of receivables			
Estimate of impairment of receivables		43 059	46 767
Total		43 059	46 767
<p>The impairment of receivables was assessed at balance sheet date. The test for impairment was done per individual debtor, as well as per the different classes of debtors. Further consideration was given to all outstanding accounts on which there were little or no movement for more than 1 year. Debtors who have never paid have also been provided for. The amount is mostly in respect of public entities (Thubelisha Homes: R23.903 million) and private enterprises which mainly relates to the fraudulent use of PHP subsidies which were held in trust by Account Administrators and private developers of housing projects (R18.775 million).</p>			
12. Voted Funds to be surrendered to the Revenue Fund			
Opening balance		164	3
Transfer from statement of financial performance (as restated)		1	165
Voted funds not requested/not received	1.1	-	(1)
Paid during the year		(164)	(3)
Closing balance		1	164
13. Departmental revenue and PRF Receipts to be surrendered to the Revenue Fund			
Opening balance		2 689	5 176
Transfer from Statement of Financial Performance		112 295	20 173
Own revenue included in appropriation		60 000	62 760
Paid during the year		(167 466)	(85 420)
Closing balance		7 518	2 689
14. Payables – current			
Advances received	14.1	87 014	174 019
Clearing accounts	14.2	25	-
Other payables	14.3	77	686
Closing balance		87 116	174 705
14.1 Advances received	14		
Local Government: CoCT	Annex 5	87 014	174 019
Total		87 014	174 019
<p>The amount of R87.014 million was received from the City of Cape Town for bulk services being constructed on their behalf.</p>			
14.2 Clearing accounts	14		
Salary clearing accounts		25	-
Total		25	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

	Note	2016/17 R'000	2015/16 R'000
14.3 Other payables	14		
Department of Justice		66	-
WCG: Department of Education		10	-
WCG: Provincial Treasury		1	-
WCG: Department of the Premier		-	117
Basadi enterprise		-	569
Total		77	686

15. Payables – non-current

		2016/17			2015/16	
	Note	One to two years R'000	Two to three years R'000	More than three years R'000	Total R'000	Total R'000
Advances received	15.1	14 454	1 091	-	15 545	19 826
Total		14 454	1 091	-	15 545	19 826

	Note	2016/17 R'000	2015/16 R'000
15.1 Advances received	15		
Other institutions	Annex 5	15 545	19 826
Total		15 545	19 826

The amount of R15.545 million was received from the City of Cape Town (CoCT) for bulk services being constructed on their behalf.

16 Net cash flow available from operating activities

Net surplus/(deficit) as per Statement of Financial Performance	117 426	26 757
Add back non cash/cash movements not deemed operating activities	(190 961)	80 550
(Increase)/decrease in receivables	2 830	(284)
(Increase)/decrease in prepayments and advances	7	4
Increase/(decrease) in payables - current	(87 589)	104 564
Expenditure on capital assets	6 663	5 237
Surrenders to Revenue Fund	(167 630)	(85 423)
Surrenders to RDP Fund/Donor	(5 242)	(6 308)
Own revenue included in appropriation	60 000	62 760
Net cash flow generated by operating activities	(73 535)	107 307

17. Reconciliation of cash and cash equivalents for cash flow purposes

Consolidated Paymaster General account	9	108 703	193 262
Cash on hand		1	-
Total		108 704	193 262

	Note	2016/17 R'000	2015/16 R'000
18. Contingent liabilities and contingent assets			
18.1 Contingent liabilities			
Liable to	Nature		
Claims against the department	Restoration of immovable property (R1.705 million) Recovery of levies (R13 000)	Annex 2 1 718	2 113
Other	Breach of contract	Annex 2 87 158	87 158
Total		88 876	89 271

The amount of R87.158 million for "Other" is in respect of the matter Hawston Sea Farms Foundation v. the Premier and MEC of the Department, which is currently in settlement negotiations. All matters as disclosed are still in process and the timing and amounts of outflows are uncertain.

18.2 Contingent assets

Nature of contingent asset

PILAR cases	2	195
Recovery of fruitless expenditure from Jambela Building Construction	-	71
FIU investigation in the matter New Africa Construction	-	570
Recovery of salary paid into incorrect banking account: Z Mbali	-	24
FIU investigation: Recovery of money paid to Trafalgar high school	120	120
Erf 6225, Delft - G&S Yon	47	47
Total	169	1 027

The amount of R2 000 for PILAR cases is in respect of 1 case pending as at 31 March 2017. In respect of the FIU investigation in the matter New Africa Construction (R570 000), a debt was instated after acknowledgement of the debt by New Africa Construction. The amount is therefor being recovered and the balance as at 31 March 2017 amounted to R216 000. In respect of the cases "Recovery of fruitless expenditure from Jambela Building Construction" (R71 000) and "Recovery of salary paid into incorrect banking account: Z Mbali" (R24 000), the amounts have been recovered. At this stage the Department is not able to reliably measure the contingent asset of the Government Employees Housing Scheme of the Individually Linked Savings Facility (ILSP), relating to resignations and termination of service.

19. Commitments

Current expenditure

Approved and contracted	231 441	104 059
Approved but not yet contracted	86	-
	231 527	104 059

Capital Expenditure

Approved and contracted	4 744 753	5 710 442
Approved but not yet contracted	411 948	188 346
	5 156 701	5 898 788
Total Commitments	5 388 228	6 002 847

The majority of commitments for capital expenditure are in respect of infrastructure/housing projects, which are subject to the availability of funds. The projects are multi-year projects. The allocations for approved projects are annually gazetted as transfers to households.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 20172016/17
R'0002015/16
R'000**20. Accruals and payables not recognised****20.1 Accruals**

Listed by economic classification	30 days	30+ days	Total	Total
Goods and services	3 607	18	3 525	2 557
Transfers and subsidies	43 746	187	43 933	38 522
Total	47 353	205	47 558	41 079
Listed by programme level				
Programme 1: Administration			1 384	767
Programme 2: Housing needs, research and planning			2	15
Programme 3: Housing development			43 325	36 246
Programme 4: Housing asset management, Property management			2 847	4 051
Total			47 558	41 079

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

20.2 Payables not recognised

Listed by economic classification	30 days	30+ days	Total	Total
Goods and services	1 104	201	1 305	878
Transfers and subsidies	4 518	6 623	11 141	12 487
Total	5 622	6 824	12 446	13 365
Listed by programme level				
Programme 1: Administration			20	623
Programme 2: Housing needs, research and planning			5	16
Programme 3: Housing development			12 008	12 478
Programme 4: Housing asset management, Property management			413	248
Total			12 446	13 365

21. Employee benefits

Leave entitlement	4 302	3 583
Service bonus (Thirteenth cheque)	4 267	3 770
Performance awards	2 937	2 655
Capped leave commitments	5 223	5 255
Other	371	-
Total	17 100	15 263

Included in the amount of R4.302 million for leave entitlement are leave credit balances amounting to R467 237. Included in "Other" is R352 000 in respect of compensation of employees and R19 000 as a provision for a long service cash award payable to a staff member who qualified for it in March 2017. The amount will be paid to the staff member in the ensuing financial year. At 31 March 2016 there was no liability for the department to pay any long service cash awards in the ensuing financial year (2016/17) as those awards were settled in 2015/16. At this stage the department is unable to reliably measure the long term portion of the long service awards.

	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
22. Lease commitments					
22.1 Operating leases expenditure					
2016/17					
Not later than 1 year	-	-	-	880	880
Later than 1 year and not later than 5 years	-	-	-	715	715
Total lease commitments	-	-	-	1 595	1 595
2015/16					
Not later than 1 year	-	-	-	903	903
Later than 1 year and not later than 5 years	-	-	-	607	607
Total lease commitments	-	-	-	1 510	1 510

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

22.2 Finance leases expenditure

2016/17					
Not later than 1 year	-	-	-	3 473	3 473
Later than 1 year and not later than 5 years	-	-	-	6 640	6 640
Total lease commitments	-	-	-	10 113	10 113
2015/16					
Not later than 1 year	-	-	-	4 103	4 103
Later than 1 year and not later than 5 years	-	-	-	11 918	11 918
Total lease commitments	-	-	-	16 021	16 021

The net present value of the leased assets (data card agreements and cellular phones) under finance leases is R220 000 (2015/16: R146 000). Included above are finance lease commitments for GG vehicles amounting to R10.015 million. The Department leased 63 vehicles from GMT during 2016/17 (74 vehicles: 2015/16). The net present value of the leased GG-vehicles is R10.109 million (2015/16: R10.608 million). No assets are sub-leased.

	2016/17 R'000	2015/16 R'000
23. Accrued departmental revenue		
Transactions in financial assets and liabilities	19 791	23 815
Total	19 791	23 815

The comparative figure 2015/16 has been restated as R23.815 million.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

	Note	2016/17 R'000	2015/16 R'000
23.1 Analysis of accrued departmental revenue			
Opening balance		23 815	23 356
Less: Amounts received		3 343	4 107
Add: Amounts recognised		5 925	5 507
Less: Amounts written-off/reversed as irrecoverable		6 606	941
Closing balance		19 791	23 815

Included in the total amount of R19.791 million for Accrued departmental revenue are fraudulent subsidies previously allocated to non-qualifying beneficiaries which are being recovered by the Special Investigating Unit (SIU). To date a total amount of R8 877 780 (excluding interest) was claimed by the SIU, of which R7 101 131 was received by the Department. (In 2008/09 an amount of R459 825 was paid into the National Revenue Fund by the SIU.) The total amount still to be recovered from the non-qualifying beneficiaries by the SIU is R7 134 274, ie. capital: R666 431 and accumulated interest: R6 467 843 as at 31 March 2017. Also included in the amount of R19.791 million is accrued Departmental revenue of R11.547 million in respect of rental debtors. Of this, R4.880 million is impaired.

23.2 Accrued department revenue written off**Nature of losses**

Irrecoverable rental income written off	6 606	941
Total	6 606	941

The comparative figure 2015/16 has been restated as R941 000.

23.3 Impairment of accrued departmental revenue

Estimate of impairment of accrued departmental revenue	4 880	6 093
Total	4 880	6 093

The impairment of accrued Departmental Revenue was assessed at balance sheet date. The test for impairment was done per individual debtor, as well as per the different classes of debtors. Further consideration was given to all outstanding accounts on which there was little or no movement for more than 120 days. Debtors that have never paid have also been provided for.

24. Irregular expenditure**24.1 Reconciliation of irregular expenditure**

Opening balance	775	-
Add: Irregular expenditure - relating to prior year	-	184
Add: Irregular expenditure - relating to current year	519	591
Less: Prior year amounts condoned	(1 211)	-
Irregular expenditure awaiting condonation	83	775

Analysis of awaiting condonation per age classification

Current year	83	591
Prior years	-	184
Total	83	775

2016/17
R'000**24.2 Details of irregular expenditure - current year**

Incident	Disciplinary steps taken/criminal proceedings	
Expansion of contract in contravention of National Treasury instruction Note 32	Relevant officials were reprimanded	99
Bid not evaluated in terms of the preference points system in terms of the Preferential Procurement Policy Framework Act (PPPF)	No disciplinary steps taken or recovery of the amount necessary	337
Non-compliance to Regulation 9(1) of the Preferential Procurement Regulations of 2011 (Order No. OR-026919 did not include the minimum threshold for local production and content)	Under investigation	82
Non-compliance to section 38(1)(c)(ii) of the PFMA and Treasury Regulation 8.2.1(Total payments amounting to R28 586 in respect of order number OR-027074 exceeded the purchase order amount of R27 468 resulting in an overpayment of R1 118)	Under investigation	1
Total		519

The amounts of R99 000 and R337 000 relate to the findings by the Auditor-General in 2015/16. The amounts however, were expended in 2016/17.

24.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	
The irregular expenditure occurred when a claim from a housing developer was approved and paid without a progress report which resulted in money paid for work not done.	Accounting Officer	184
Non-compliance: B-BBEE status of the supplier not taken into account	Accounting Officer	591
Expansion of contract in contravention of National Treasury instruction note 32	Accounting Officer	99
Bid not evaluated in terms of the preference points system in terms of the Preferential Procurement Policy Framework Act (PPPF)	Accounting Officer	337
Total		1 211

The amount of R184 000 was disallowed and fully recovered from the contractor during the financial year.

25. Related party transactions

The Department has one unlisted public entity under its control, ie. the Western Cape Housing Development Fund (WCHDF). There were no transactions between the Department and the WCHDF as all transactions relating to the WCHDF are accounted for in the books of the Department.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

26. Key management personnel

	No. of Individuals	2016/17 R'000	2015/16 R'000
Political office bearers	1	1 902	2 071
Officials:			
Level 15	2	1 874	2 959
Level 14	3	3 600	3 770
Total		7 376	8 800

The amount for political office bearers is for the MEC of the Department. Included in the total for key management personnel are performance bonuses of R176 300. The decrease in the cost of key management personnel is due to the resignation of the Ministerial advisor (level 15) at the end of May 2016, as well as a Director (level 13) acting in the position of a vacant Chief Director's post (level 14) for 5 months of the financial year, from 1 April to 31 August 2016.

27. Provisions

27.1 Reconciliation of movement in provisions - 2015/16

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Provision 4 R'000	Total Provisions R'000
Opening balance	162	-	-	-	162
Settlement of provision	(149)	-	-	-	(149)
Unused amount reversed	(13)	-	-	-	(13)
Closing balance	-	-	-	-	-

The provision was for 2012/13 performance bonuses payable to certain employees in terms of a ruling by the Commissioner on 4 May 2015 in the matter Nehawu and the Department (Case no. GPBC 1379/2014). An estimated arbitration award of R162 000 was thus payable, within two weeks of date of ruling. The final settlement of the provision in 2015/16 amounted to R149 000. The unused amount of R13 000 was reversed. There were no provisions necessary to be made in 2016/17.

28. Movable Tangible Capital Assets

Movement in Movable Tangible Capital Assets Per Asset Register for the Year Ended 31 March 2017

	Opening Balance R'000	Value Adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
Machinery and Equipment	22 812	-	2 821	1 820	23 813
Transport assets	11 398	-	-	1 316	10 082
Computer equipment	8 091	-	1 396	397	9 090
Furniture and office equipment	2 835	-	385	82	3 138
Other machinery and equipment	488	-	1 040	25	1 503
Total Movable Tangible Capital Assets	22 812	-	2 821	1 820	23 813

The number of movable tangible assets on the Department's assets register, excluding GG-vehicles, is 1164. Included in the Movement in movable tangible assets are GG-vehicles to the value of R10.050 million (63 vehicles), leased from Government Motor Transport (GMT).

Additions

28.1 Additions to Movable Tangible Capital Assets Per Asset Register for the Year Ended 31 March 2017

	Cash R'000	Non-cash R'000	(Capital work-in- progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year R'000	Total R'000
Machinery and Equipment	6 596	12	(3 787)	-	2 821
Transport assets	3 709	-	(3 709)	-	-
Computer equipment	1 396	-	-	-	1 396
Furniture and office equipment	385	-	-	-	385
Other machinery and equipment	1 106	12	(78)	-	1 040
Total Additions to Movable Tangible Capital Assets	6 596	12	(3 787)	-	2 821

Disposals

28.2 Disposals of Movable Tangible Capital Assets Per Asset Register for the Year Ended 31 March 2017

	Sold for cash R'000	Non-cash disposals R'000	Total disposals R'000	Cash received Actual R'000
Machinery and Equipment	-	1 820	1 820	-
Transport assets	-	1 316	1 316	-
Computer equipment	-	397	397	-
Furniture and office equipment	-	82	82	-
Other machinery and equipment	-	25	25	-
Total Disposal of Movable Tangible Capital Assets	-	1 820	1 820	-

The non-cash disposals of transport assets are in respect of GG-vehicles disposed of by GMT. No cash was received for these vehicles as the vehicles are leased from GMT. Included in the amount for disposals are assets to the value (cost) of R37 132 which were donated to schools.

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28.3 Movement for 2015/16

Movement in Movable Tangible Capital Assets Per Asset Register for the Year Ended 31 March 2016

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
Machinery and Equipment	20 764	(39)	4 042	1 955	22 812
Transport assets	10 457	-	2 665	1 724	11 398
Computer equipment	7 080	(39)	1 255	205	8 091
Furniture and office equipment	2 746	-	89	-	2 835
Other machinery and equipment	481	-	33	26	488
Total Movable Tangible Capital Assets	20 764	(39)	4 042	1 955	22 812

Prior period error	Note	2015/16 R'000
Nature of prior period error	28.3	(39)
Relating to 2005/06: Asset price corrections		(8)
Relating to 2006/07: Asset price corrections		(13)
Relating to 2009/10: Asset price corrections		(18)
Relating to 2015/16		-
Heritage assets reclassified as furniture and equipment		(5)
Heritage assets reclassified as furniture and equipment		5
Total		(39)

An office painting of R5 000 was erroneously classified as Heritage assets in 2015/16 and therefore correction has been made and the asset reclassified as furniture and equipment in 2016/17.

28.4 Minor assets

Movement in Minor Assets Per the Asset Register for the Year Ended 31 March 2017

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	4 990	-	4 990
Value adjustments	-	-	-	23	-	23
Additions	-	-	-	2 230	-	2 230
Disposals	-	-	-	459	-	459
Total Minor Assets	-	-	-	6 784	-	6 784

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	-	-	3 946	-	3 946
Total Number of Minor Assets	-	-	-	3 946	-	3 946

Included in the movement in minor assets are assets to the value of R4 045 funded from aid assistance from DPSA. Excluded are redundant assets which were donated as follows: George Municipality (R17 977); Beneficiaries (R7 870) and schools (R193 802).

Minor assets

Movement in Minor Assets Per the Asset Register for the Year Ended 31 March 2016

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	4 856	-	4 856
Value adjustments	-	-	-	8	-	8
Additions	-	-	-	261	-	261
Disposals	-	-	-	135	-	135
Total Minor Assets	-	-	-	4 990	-	4 990

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	2	-	2
Number of minor assets at cost	-	-	-	3 165	-	3 165
Total Number of Minor Assets	-	-	-	3 167	-	3 167

The opening balance of R4.858 million has been restated as R4.856 million due to a prior period error corrected in 2016/17. Due to this the number of assets previously disclosed as 3168 has been restated as 3167.

Prior period error	Note	2015/16 R'000
Nature of prior period error	28.4	
Relating to 2005 - 2009		8
Price corrections		8
Relating to 2015/16		(2)
Reversal of addition		(2)
Total		6

28.5 Movable assets written off

Movable Assets Written Off for the Year Ended 31 March 2017

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	-	-	963	-	963
Total Movable Assets Written Off	-	-	-	963	-	963

Movable Assets Written Off for the Year Ended 31 March 2016

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	-	-	5 185	-	5 185
Total Movable Assets Written Off	-	-	-	5 185	-	5 185

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29. Intangible Capital Assets

Movement In Intangible Capital Assets Per Asset Register for the Year Ended 31 March 2017

	Opening balance R'000	Value Adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
Software	733	-	67	-	800
Total Intangible Capital Assets	733	-	67	-	800

The Department has 47 intangible assets on its assets register.

29.1 Additions to Intangible Capital Assets Per Asset Register for the Year Ended 31 March 2017

	Cash R'000	Non-cash R'000	Development work-in- progress current costs) R'000	Received current, not paid (Paid current year, received prior year R'000	Total R'000
Software	67	-	-	-	67
Total Intangible Capital Assets	67	-	-	-	67

Movement for 2015/16

29.2 Movement in Intangible Capital Assets Per Asset Register for the Year ended 31 March 2016

	Opening balance R'000	Prior period R'000	Additions R'000	Disposals R'000	Closing balance R'000
Software	460	-	273	-	733
Total Intangible Capital Assets	460	-	273	-	733

	2016/17 R'000	2015/16 R'000
--	------------------	------------------

30. Principal-agent arrangements

30.1 Department acting as the principal

	Fee paid	
SA Post Office (Commision paid to SA Post Office forcollecting housing debt on behalf of the Department)	58	59
Total	58	59

For detail of the Agent-Principal arrangements see the Report of the Accounting Officer. Due to a misinterpretation of the Modified Cash Standard on Principal/Agent arrangements, the individual amounts transferred directly to municipalities for infrastructure projects were incorrectly disclosed as fees paid to municipalities acting as agents for the Department in 2015/16. The total amount disclosed amounted to R1 392 784 000 and has been restated as R0. No agency fees are paid to municipalities.

	Note	2015/16 R'000
31. Prior period errors		
31.1 Correction of prior period errors		
Revenue:		
Secondary information: Accrued departmental revenue:	23	
Opening balance		265
Amounts received		985
Amounts recognised		(805)
Amounts written-off/reversed as irrecoverable		3
Nett effect		448
Expenditure:		
Primary Information:		
Goods and services: Property payments:		
Municipal services		4
Property maintenance and repairs	5.5	(4)
Payments for financial assets:		
Other material losses written off:		
Ex-employees: Salary and housing subsidy overpayments (Uneconomical to recover)	6.1	(116)
Private telephone calls		(1)
Other debt written off:		
Ex-employees: Salary and housing subsidy overpayments (Uneconomical to recover)	6.2	116
Private telephone calls		1
Secondary Information:		
Municipalities		
(Department acting as the principal)		
Transfer payments to municipalities	30	(1 392 784)
Net effect		(1 392 784)

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	Note	2015/16 R'000
31. Prior period errors (continued)		
31.1 Correction of prior period errors (continued)		
Assets:		
Secondary Information:		
Movement in movable tangible capital assets	28.3	
Relating to 2005/06: Asset price corrections		(8)
Relating to 2006/07: Asset price corrections		(13)
Relating to 2009/10: Asset price corrections		(18)
Relating to 2015/16: Heritage assets reclassified as furniture and equipment		(5)
Relating to 2015/16: Heritage assets reclassified as furniture and equipment		5
Movement in minor assets:	28.4	
Relating to 2005 - 2009: Asset price correction		8
Relating to 2015/16: Reversal of addition		(2)
Net effect		(33)

32. Statement of Conditional Grants received

	Grant Allocation					Spent				2015/16	
Name of grant	Division of Revenue Act/ Provincial Grants R'000	Roll Overs R'000	DORA Adjustments R'000	Other Adjustments R'000	Total Available R'000	Amount Received by Department R'000	Amount Spent by Department R'000	Under/ (Over-spending) R'000	% Available funds Spent by Dept %	Division of Revenue Act R'000	Amount Spent by Department R'000
Human Settlement Development Grant	2 000 811	-	-	-	2 000 811	2 000 811	2 000 811	-	100	1 975 122	1 975 122
Expanded Public Works Incentive Grant	3 426	-	-	-	3 426	3 426	3 426	-	100	3 490	3 490
Total	2 004 237	-	-	-	2 004 237	2 004 237	2 004 237	-		1 978 612	1 978 612

It is certified that, in terms of DORA, that all transfers in terms of the Act were deposited into the primary bank account of the Western Cape Government.

33. Statement of Conditional Grants and other transfers paid to municipalities

Name of grant	Grant Allocation				Transfer		
	DORA and Other Transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000
Departmental transfers to municipalities:							
Accreditation assistance grant:							
Municipality: City of Cape Town	10 000	-	-	10 000	10 000	-	-
Settlement assistance grant:							
Municipality: City of Cape Town	1 500	-	-	1 500	1 500	-	-
Provincial contribution towards the acceleration of housing delivery grant:							
Municipality: Prince Albert	916	-	-	916	916	-	-
Municipality: Cederberg	13 315	-	-	13 315	13 315	-	-
Municipality: Mosselbay	3 400	-	-	3 400	3 400	-	-
Other transfers to municipalities:							
Municipal rates and taxes:							
Municipality: City of Cape Town	21 618	-	(10 666)	10 952	10 952	-	-
Municipality: Bitou	-	-	103	103	103	-	-
Municipality: Breede Valley	-	-	53	53	53	-	-
Municipality: Drakenstein	-	-	122	122	122	-	-
Municipality: George	-	-	4	4	4	-	-
Municipality: Kannaland	-	-	2	2	2	-	-
Municipality: Matzikama	-	-	18	18	18	-	-
Municipality: Overstrand	-	-	37	37	37	-	-
Municipality: Saldanha Bay	-	-	142	142	142	-	-
Municipality: Stellenbosch	-	-	1	1	1	-	-
Municipality: Swartland	-	-	47	47	47	-	-
Municipality: Swellendam	-	-	37	37	37	-	-
Total	50 749	-	(10 100)	40 649	40 649	-	-

It is certified that all transfers were paid into the primary bank accounts of the municipalities.
The figures for municipal rates and taxes cannot be determined accurately.

WESTERN CAPE: DEPARTMENT OF HUMAN SETTLEMENTS

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

ANNEXURE 1A

Statement of Conditional Grants and other Transfers Paid to Municipalities

Name of Municipality	Grant Allocation				Transfer			Spent			2015/16
	DORA and Other Transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Dept R'000	Amount Received by Municipality R'000	Amount Spent by Municipality R'000	& of Available Funds Spent by Municipality %	Division of Revenue Act R'000
Accreditation assistance grant:											
Municipality: City of Cape Town	10 000	-	-	10 000	10 000	-	-	10 000	4 651	47%	5 000
Settlement assistance grant											
Municipality: City of Cape Town	1 500	-	-	1 500	1 500	-	-	1 500	-	0%	-
Provincial contribution towards the acceleration of housing delivery grant:											
Municipality: Prince Albert	916	-	-	916	916	-	-	916	-	0%	5 000
Municipality: Saldanha Bay	-	-	-	-	-	-	-	-	-		7 000
Municipality: Cederberg	13 315	-	-	13 315	13 315	-	-	13 315	-	0%	-
Municipality: Swartland	-	-	-	-	-	-	-	-	-		4 000
Municipality: Mosselbay	3 400	-	-	3 400	3 400	-	-	3 400	-	0%	-
Municipality: Witzenberg	-	-	-	-	-	-	-	-	-		3 149
Other transfers to municipalities:											
Municipal rates and taxes:											
Municipality: City of Cape Town	21 618	-	(10 666)	10 952	10 952	-	-	10 952	10 952	100%	14 948
Municipality: Bitou	-	-	103	103	103	-	-	103	103	100%	-
Municipality: Breede Valley	-	-	53	53	53	-	-	53	53	100%	75
Municipality: Drakenstein	-	-	122	122	122	-	-	122	122	100%	106
Municipality: George	-	-	4	4	4	-	-	4	4	100%	-
Municipality: Hessequa	-	-	-	-	-	-	-	-	-	100%	4
Municipality: Kannaland	-	-	2	2	2	-	-	2	2	100%	-
Municipality: Matzikama	-	-	18	18	18	-	-	18	18	100%	16
Municipality: Mossel Bay	-	-	-	-	-	-	-	-	-	100%	4
Municipality: Overstrand	-	-	37	37	37	-	-	37	37	100%	-
Municipality: Saldanha Bay	-	-	142	142	142	-	-	142	142	100%	252
Municipality: Stellenbosch	-	-	1	1	1	-	-	1	1	100%	25
Municipality: Swartland	-	-	47	47	47	-	-	47	47	100%	1
Municipality: Swellendam	-	-	37	37	37	-	-	37	37	100%	6
Municipality: Theewaterskloof	-	-	-	-	-	-	-	-	-		12
Municipality: Witzenberg	-	-	-	-	-	-	-	-	-		11
	50 749	-	(10 100)	40 649	40 649	-	-	40 649	16 169		39 609

It is certified that all transfers were paid into the primary bank accounts of the municipalities.
The figures for municipal rates and taxes cannot be determined accurately.

ANNEXURE 1B

Statement of Transfers to Departmental Agencies and Accounts

Department/Agency Account	Transfer Allocation				Transfer		2015/16
	Adjusted Appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% Available Funds %	Appropriation Act R'000
SABC (TV licences)	4	-	-	4	4	100%	-
Housing Development Agency (HDA)	-	-	-	-	-		4
Social Housing Regulatory Authority (SHRA)	-	-	-	-	-		2 825
Water Research Commission	-	-	-	-	-		500
Compensation Commissioner	-	-	-	-	-		6
Total	4	-	-	4	4		3 335

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ANNEXURE 1C

Statement of Transfers to Higher Education Institutions

Institution Name	Transfer Allocation				Transfer			2015/16
	Adjusted Appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Amount not transferred R'000	% of Available Funds Transferred %	Appropriation Act R'000
University of Cape Town	750	-	-	750	750	-	100%	1 000
Total	750	-	-	750	750	-		1 000

ANNEXURE 1D

Statement of Transfers/Subsidies to Public Corporations and Private Enterprises

	Transfer Allocation				Expenditure				2015/16
Name of Public Corporation/ Private Enterprise	Adjusted Appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available Funds Transferred %	Capital R'000	Current R'000	Appropriation Act R'000
Private enterprises									
Transfers	200	-	(100)	100	100	100%	-	100	22
Transception (Pty) Ltd. (Sponsorship: Mandela Day Khusela Ikhaya Initiative)	-	-	-	-	-		-	-	22
Ikamva Holdings (Sponsorship)	100	-	-	100	100	100%	-	100	-
SA Women in Construction	100	-	(100)	-	-		-	-	-
TOTAL	200	-	(100)	100	100		-	100	22

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ANNEXURE 1E

Statement of Transfers to Non-profit Institutions

Non-profit Institutions	Transfer Allocation				Expenditure		2015/16
	Adjusted Appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% Available Funds Transferred %	Appropriation Act R'000
Transfers							
Cape Craft and Design Institute	3 000	-	-	3 000	3 000	100%	1 610
SA Woman in construction (Sponsorship)	-	-	100	100	100	100%	-
Total	3 000	-	100	3 100	3 100		1 610

ANNEXURE 1F

Statement of Transfers to Households

Households	Transfer Allocation				Expenditure		2015/16
	Adjusted Appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% Available Funds Transferred %	Appropriation Act R'000
Transfers							
Employee social benefits - leave gratuity	563	-	(86)	477	477	100%	754
Post retirement benefits	106	-	56	162	162	100%	148
Injury on duty	1	-	-	1	1	100%	-
T-shirts and peak caps for staff for the Provincial sports day	-	-	126	126	126	100%	110
T-shirts and peak caps for staff for the Departmental golf day	-	-	39	39	39	100%	44
Govan Mbeki awards	-	-	-	-	-	-	94
Subtotal	670	-	135	805	805		1,150
Subsidies							
Human Settlement Development Grant	1,900,770	-	1,811	1,902,581	1,902,581	100%	1,900,058
Expanded Public Works Programme Incentive Grant	3,426	-	-	3,426	3,426	100%	3,490
Provincial contribution towards the acceleration of housing delivery grant	2,542	-	-	2,542	2,542	100%	-
Subtotal	1,906,738	-	1,811	1,908,549	1,908,549		1,903,548
Total	1,907,408	-	1,946	1,909,354	1,909,354		1,904,698

ANNEXURE 1G

Statement of Aid Assistance

Name of Donor	Purpose	Opening Balance R'000	Revenue R'000	Expend- iture R'000	Paid Back on/by 31 Mar R'000	Closing Balance R'000
Received in cash						
Danish government (via the RDP Fund)	Solar water heaters for houses in Joe Slovo, N2 Gateway	-	6 307	1 125	5 182	-
The Department of Public Service and Administration (DPSA)	Global positioning system (GPS)	112	-	52	60	-
Total		112	6 307	1 177	5 242	-

ANNEXURE 1H

Statement of Gifts, Donations and Sponsorships made

Nature of Gift, Donation or Sponsorship	2016/17 R'000	2015/16 R'000
Made in kind		
Govan Mbeki awards (Trophies and picture posters in frame)	20	115
T-shirts and peak caps for staff for the Provincial sports day	126	110
T-shirts and peak caps for staff for the Departmental golf day	39	44
Sympathy flowers and fruit baskets	6	3
Tablet computer as prize for the winner of the Knowledge Management survey/audit competition	1	-
Donation of redundant movable assets to municipalities, beneficiaries and schools at cost	257	110
Total	449	382

Minor assets to the total value (cost) of R219 649 were donated as follows: George municipality (R17977); beneficiaries (R7 870) and schools (R193 802).

The value of major assets donated to schools was R37 132.

In 2015/16 minor and major assets to the total value of R110 000 were donated to a church and an NGO in George.

The total donations made in kind in 2015/16 is therefore restated as R382 000.

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ANNEXURE 2

Statement of Contingent Liabilities as at 31 March 2017

Nature of Liability	Opening Balance 1 April 2016 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 2017 R'000
Claims against the department					
Eureka Bricks and Blocks v. Department of Human Settlements	466	-	466	-	-
Mr. Rudolph Orton t/a Roma Construction & Civils v. The Department of Human Settlements	1 647	-	1 647	-	-
Body Corporate of Zambezi Sectional Title Scheme	-	13	-	-	13
Anthony Fish v. MEC Department of Human Settlements	-	1 705	-	-	1 705
Subtotal	2 113	1 718	2 113	-	1 718
Other					
Hawston Seafarms Foundation v. Premier and the MEC for Dept. Human Settlements	87 158	-	-	-	87 158
Subtotal	87 158	-	-	-	87 158
Total	89 271	1 718	2 113	-	88 876

The matter Hawston Seafarms Foundation v. the Premier and the MEC of the Department is in settlement negotiations.

In all the cases above the timing and amounts of outflows are uncertain.

ANNEXURE 3

Claims Recoverable

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2016/17*	
	31/03/2017 R'000	31/03/2016 R'000	31/03/2017 R'000	31/03/2016 R'000	31/03/2017 R'000	31/03/2016 R'000	Receipt date up to six (6) working days after year end	Amount R'000
Departments								
WCG: Department of Transport and Public Works	-	1	-	-	-	1	-	-
WCG: Department of Environmental Affairs and Development Planning	-	50	-	-	-	50	-	-
WCG: Provincial Treasury	-	-	-	28	-	28	-	-
WCG: Department of Cultural Affairs and Sport	-	1	-	-	-	1	-	-
Province of the Eastern Cape: Department of Human Settlements	-	-	-	2	-	2	-	-
Province of KwaZulu-Natal: Department of Human Settlements	-	-	-	2	-	2	-	-
Subtotal	-	52	-	32	-	84	-	-
Other Government Entities								
CapeNature	2	-	-	2	2	2	-	-
Subtotal	2	-	-	2	2	2	-	-
Total	2	52	-	34	2	86	-	-

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for the year ended 31 March 2017

ANNEXURE 4

Inventories

	2016/17		2015/16	
	Quantity	R'000	Quantity	R'000
Inventory				
Opening balance	4 159	1 977 544	5 903	2 105 907
Add/(Less): Adjustments to prior year balances	(58)	(86 942)	(1 093)	(128 374)
(Less): Disposals	(405)	(139 834)	(651)	(222 585)
Add/(Less): Adjustments	-	26 211	-	222 596
Closing balance	3 696	1 776 979	4 159	1 977 544

The above inventory consists of rental properties relating to the Western Cape Housing Development Fund. It excludes the Department's inventory for infrastructure/housing projects financed from the Human Settlement Development Grant. In this regard the Department is currently in the process to determine the exact number of houses built, but not transferred to beneficiaries. This is part of the title deed restoration programme which is a priority for National and Provincial government. This will assist the Department in reporting the opening balance for inventory in the ensuing financial year. The effective date for the disclosure of inventory will be determined by National Treasury.

ANNEXURE 5

Inter-entity Advances Received (Note 14 and Note 15)

Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2017 R'000	31/03/2016 R'000	31/03/2017 R'000	31/03/2016 R'000	31/03/2017 R'000	31/03/2016 R'000
Other Institutions						
City of Cape Town (USDG funds for bulk services)	-	-	87 014	174 019	87 014	174 019
Subtotal	-	-	87 014	174 019	87 014	174 019
Non-Current						
City of Cape Town (USDG funds for bulk services)	-	-	15 545	19 826	15 545	19 826
Subtotal	-	-	15 545	19 826	15 545	19 826
Total	-	-	102 559	193 845	102 559	193 845
Current	-	-	87 014	174 019	87 014	174 019
Non-current	-	-	15 545	19 826	15 545	19 826



ANNEXURE A - List of Consultants

Provincial Government: Western Cape	Contractor	HDI Status Contractor Level	HDI SCORE	TOTAL Expenditure R'000	HDI Contractor R'000	Percentage of Women	Percentage of Youth
CITY OF CAPE TOWN							
IRDP							
Delft Rosendal (288)	Mellon Housing	Level 4	82%	1 521 504	1 249 003	-	119 910
Delft The Hague (1012 of 2407)	Morateng Investments	Level 1	100%	22 372 484	22 372 484	-	-
Athlone Hazendal (169/153) IRDP	Mellon Housing	Level 4	82%	332 841	273 229	-	-
Heideveld Duinefontein (754)	Mellon Housing	Level 4	82%	34 253 437	28 118 646	-	-
Scottsdene (550) BNG	Global Construction	Level 3	75.23%	9 557 336	7 189 984	-	-
Garden Cities Fisantekraal ph1 (868)	Garden Cities	Non-Compliant	0%	54 140 703	-	-	-
Kleinvlei-City of Cape town	Siba and Siba engineering	Non-Compliant	0%	118 220	8 361 180	-	-
Morningstar	Valostar	Level 1	100%	8 361 180	-	-	-
RENTAL							
Harmony Village	CA Holdings	Level 1	100%	1 537 409	1 537 409	1 537 409	-
EHP Sweet Home-City of Cape town				37 916 849			
PHP							
City PHP	Various Small contractors (See annexure A1)	-	-	167 884 624	165 149 652	13 430 770	8 931 399
PROVINCIAL PROJECTS in City				337 996 587	234 251 587	14 968 179	9 051 309
Provincially managed PHP	Various Small contractors (See annexure A2)	-	-	150 255 154	130 559 896	12 020 412	14 593 340
CITY TOTAL				488 251 741	364 811 483	27 759 457	14 593 340
PROVINCIAL PROJECTS							
Joe Slovo (2886)	Power Construction	Level 3	90%	32 172 510	28 955 259	605 988	-
Delft Symphony 3&5 (485 of 1911)	Asla	level 4	67%	94 232 711	63 135 916	12 879 727	20 645 445
Delft Infill (389)	Linamandla	Level 1	100%	30 814 409	30 814 409	23 881 167	-
Delft 7 (518)	Martin & East	Level 2	95%	37 678 032	35 835 576	440 850	-
Boystown (1367)	Vula	Level 2	74%	43 005 174	31 823 829	-	-
Our Pride (CTCHC)	CA Holdings	Level 1	100%	79 176	79 176	-	-
Blue Downs Veterans	JR Sekwele	Level 2	100%	4 407 296	4 407 296	-	-
Belhar CBD	Calgro	Level 4	57.33%	43 900 917	25 168 396	-	-
Forest Village	Asla	Level 4	67%	12 971 271	8 625 895	-	-
Delft TRA's	Power Construction	Level 3	90%	6 958 484	6 262 636	603 092	-
Thembelhle	Power Construction	Level 3	90%	592 608	533 347	11 162	-
PROVINCIAL PROJECTS TOTAL				274 640 078	235 641 735	38 421 986	20 645 445

Provincial Government: Western Cape	Contractor	HDI Status Contractor Level	HDI SCORE	TOTAL Expenditure R'000	HDI Contractor R'000	Percentage of Women	Percentage of Youth
WINELANDS DISTRICT							
Breede Valley				28 874 897	24 519 302	216,773	146,315
Old Mandela Square (331) PHP Orchards (109) Avian Park (708) Rawsonville De Nova Zwelethemba	Jubelle Power Construction Mellon Housing ASLA Construction Motlekar	Level 2 Level 3 Level 4 Level 4 Level 2	87% 90% 82% 67% 92%	6 570 571 6 646 587 14 442 898 514 307 700 534	5 694 714 5 981 928 11 856 175 344 586 641 899	- 125 494 - 91 279 -	- - - 146 315 -
Drakenstein				14 857 945	14 857 945	-	-
Kingston Town (122) UISP Siyazama	Valostar Broadway Timbers	Level 1 Level 1	100% 100%	11 152 780 3 705 165	11 152 780 3 705 165	- -	- -
Langeberg				37 524 430	24 953 746	6 609 264	10 594 262
Robertson Enkanini (450) IRDPPH1: McGregor : 531 sites IRDPPH2: McGregor : 496 Units	ASLA ASLA ASLA	Level 4 Level 4 Level 4	67% 67% 67%	284 943 10 367 400 26 872 087	189 487 6 894 321 17 869 938	- 1 840 006 4 769 258	- 2 949 422 7 644 840
Stellenbosch				41 155 040	30 211 060	5 840 345	-
Kayamandi: Watergang (258) UISP: Watergang Jamestown (162) IRDP	Amandla Construction Amandla Construction PHP Buidling supplies	Level 4 Level 4 Level 1	65% 65% 100%	9 496 989 21 924 142 9 733 909	6 189 188 14 287 963 9 733 909	- - 5 840 345	- - -
Witzenberg				25 902 479	17 259 403	3 381 256	5 419 955
IRDPPH2: Bella Vista IRDPPH2: Bella Vista Erf7074&2623 Vredebos Bulks	ASLA ASLA ASLA	Level 4 Level 4 Level 4	67% 67% 67%	16 962 561 2 088 918 6 851 000	11 280 103 1 389 130 4 590 170	3 010 515 370 741 -	4 825 679 594 276 -
OVERBERG DISTRICT							
Cape Agulhas				2 760 882	1 849 791	-	-
Bredasdorp Site F (968) (reduced to 650) IRDPPH2: Bredasdorp 184 units (transfers) IRDPPH2: Bredasdorp 251 units (transfers) IRDPPH1: Bredasdorp Site G: 367 sites	ASLA ASLA ASLA ASLA	Level 4 Level 4 Level 4 Level 4	67% 67% 67% 67%	2 185 458 84 000 91 200 400 224	1 464 257 56 280 61 104 268 150	- - - -	- - - -

Provincial Government: Western Cape	Contractor	HDI Status Contractor Level	HDI SCORE	TOTAL Expenditure R'000	HDI Contractor R'000	Percentage of Women	Percentage of Youth
Overstrand				37 948 104	33 076 161	990 148	-
EHP: Hermanus: Zwelihe IRDP:PH2 Hermanus: Zwelihe: Garden Site	Motlekar Cape Asla	Level 2 Level 4	92% 67%	11 209 385 6 884 640	10 271 159 4 612 709	357 299 -	- -
Zwelihe tops (39 of 165 admin site) IRDP:PH1: Zwelihe 39 sites Int: Swartdamroad (Journal to IRDP:PH2)	Motlekar Cape Motlekar Cape Motlekar Cape	Level 2 Level 2 Level 2	92% 92% 92%	2 039 877 2 000 000 15 814 201	1 869 140 1 832 600 14 490 552	65 021 63 750 504 078	- - -
Swellendam				5 182 979	3 472 596	919 875	1 474 506
IRDP:PH1: Railton 950 sites TR1.1 IRDP:PH1&PH2: Suurbraak: 40 units	ASLA ASLA	Level 4 Level 4	67% 67%	1 036 004 4 146 975	694 122 2 778 473	183 870 736 005	294 733 1 179 773
Theewaterskloof				39 822 928	35 088 885	2 550 993	1 088 327
Grabouw Roodakke (1169) Grabouw UISP (1169) PHP: Asande: Hillside 321 UNITS IRDP:PH1+PH2: Villiersdorp: 251 units UISP: Caledon Rectification Slangpark Rectification Villiersdorp	SEVEN SIRS Asande Nexgen ASLA Power construction MARNOL ASLA	Level 2 Level 1 Non-Compliant Level 4 Level 3 Level 2 Level 4	92% 100% 0% 67% 90% 89% 67%	23 209 781 1 197 580 313 600 2 936 736 736 824 10 539 607 888 800	21 241 592 1 197 580 - 1 967 613 663 142 9 423 463 595 496	- 778 427 - 521 212 5 283 - 157 744	- - - 835 472 - - 252 855
SUB TOTAL				26 954 176	17 924 527	4 783 827	7 668 194
CENTRAL KAROO DISTRICT							
IRDP:PH2:Beaufort West: 234 units IRDP:PH1: Beaufort West:PH1:264 sites	ASLA ASLA	Level 4 Level 4	67% 67%	8 829 750 18 124 426	5 871 784 12 052 743	1 567 104 3 216 723	2 511 976 5 156 218
Laingsburg				604 512	402 195	115 364	160 882
IRDP:PH2: Matjiesfontein(transfers) IRDP:PH2: Goldnerville	ASLA ASLA	Level 4 Level 4	67% 67%	39 000 565 512	26 130 376 065	- 115 364	- 160 882
Prince Albert				13 287 082	8 835 910	2 358 191	3 780 042
IRDP:PH1: Prince Albert: Erf 743: 243 Sites	ASLA	Level 4	67%	13 287 082	8 835 910	2 358 191	3 780 042

Provincial Government: Western Cape	Contractor	HDI Status Contractor Level	HDI SCORE	TOTAL Expenditure R'000	HDI Contractor R'000	Percentage of Women	Percentage of Youth
EDEN DISTRICT							
Bitou (Plettenberg Bay)				33 810 982	33 810 982	32 359 790	-
IRDP:PH1: Kwanokuthula: 446 of 1360 sites	Ukhana	Level 1	100%	18 444 515	18 444 515	18 444 515	-
IRDP:PH2: Kwanokuthula: 641 units	Ukhana	Level 1	100%	113 000	113 000	113 000	-
Golweni/Bossiesgif Ph2 (433)	Ukhana	Level 1	100%	648 400	648 400	648 400	-
Green Valley (250)	Ukhana	Level 1	100%	3 239 672	3 239 672	3 239 672	-
IRDP:PH1&PH2: New Horizons	Ukhana	Level 1	100%	9 914 203	9 914 203	9 914 203	-
IRDP:PH2: Kranshoek 21 units	Ukhana	Level 2	100%	1 451 192	1 451 192	-	-
George				40 944 402	30 916 358	586 037	-
Protea Park (76) UISP	Moreki Distributors	Level 1	100%	363 643	363 643	-	-
Protea Park (76) UISP	Moreki Distributors	Level 1	100%	7 242 112	7 242 112	-	-
George Blanco (165) IRDP	-			7 295 770	-	-	-
George Thembalethu	Marnol Projects	Level 2	89%	4 696 360	4 199 015	-	-
George Thembalethu PHP	Aurecon	Level 2	88%	17 639 550	15 559 847	-	-
Uniondale (183)	Golden Rewards	Level 1	100%	3 551 740	3 551 740	586 037	-
Haarlem	Abraham Kiewietz	Non-Compliant	0%	155 227	-	-	-
Hessequa				27 698 872	18 419 750	4 711 589	7 552 401
Melkhoutfontein (170) IRDP	ASLA	Level 4	67%	11 175 465	7 431 684	1 983 421	3 179 308
Melkhoutfontein (170) IRDP	ASLA	Level 4	67%	1 046 735	696 079	185 774	297 786
Heidelberg (122)	ASLA	Level 4	67%	14 324 957	9 526 096	2 542 393	4 075 307
Heidelberg (250)	ASLA	Level 4	67%	1 151 716	765 891	-	-
Kannaland				35 109 578	23 347 869	1 405 902	9 101 625
Zoar Protea Park Infill	ASLA	Level 4	67%	2 500 000	1 662 500	443 700	711 225
Calitzdorp (671)	ASLA	Level 4	67%	29 492 778	19 612 697	962 202	8 390 400
Calitzdorp ph1	ASLA	Level 4	67%	3 116 800	2 072 672		
Knysna				49 225 960	32 336 802	19 497 664	10 982 822
Vision (1393) UISP	Colarossi Housing T/A SC Housing (PTY) LTD	Level 4	69%	2 092 879	1 441 994	865 196	648 897
Vision	Sinethemba Trading,	Level 1	100%	11 007 408	11 007 408	11 007 409	3 852 593
Hlalani (165)	Colarossi Housing T/A SC Housing (PTY) LTD	Level 4	69%	2 870 336	1 977 662	1 186 597	889 948
Ethembeni (200)	Colarossi Housing T/A SC Housing (PTY) LTD	Level 4	69%	6 183 290	4 260 287	2 556 172	1 917 129
Ethembeni TRA	Contractor not Appointed	Level 5		1 910 756	-	-	-
Happy Valley (120)	Colarossi Housing T/A SC Housing (PTY) LTD	Level 4	69%	3 040 417	2 094 847	1 256 908	942 681
Hornlee (359) ABSA	B&V Contractors	Level 6	45%	4 236 317	1 924 559	1 016 716	1 525 074
Bloemfontein (152)	Benver Civils	Level 1	100%	6 948 936	6 948 936	-	-
Golweni (220)	Colarossi Housing T/A SC Housing (PTY) LTD	Level 4	69%	10 935 621	2 681 110	1 608 666	1 206 500

ANNEXURES

Provincial Government: Western Cape	Contractor	HDI Status Contractor Level	HDI SCORE	TOTAL Expenditure R'000	HDI Contractor R'000	Percentage of Women	Percentage of Youth
Mossel Bay				36 120 517	-	-	-
Asazani/Zinyoka Herbertsdale (154) IRDP	RK Sauer	Level 4	71%	13 966 632	9 927 482	-	-
Sonskyn Vallei/Powertown (152)	RK Sauer	Level 4	71%	8 087 784	5 748 797	-	-
Sonskyn Vallei/Powertown (616)	Umwebo-Transsand	Level 2	87%	11 337 273	-	-	-
Consolidations (Joe Slovo/Civic)	Marnol projects	Level 2	87%	2 327 660	2 025 064	-	-
PHP: Civic Park	Marnol projects	Level 2	87%	249 002	216 632	-	-
	Planning			152 166	-	-	-
Oudtshoorn				34 458 602	22 914 970	6 115 713	9 803 128
Rose Valley (875)	ASLA	Level 4	67%	26 772 959	17 804 018	4 751 665	7 616 639
Rosebank Infill (146) IRDP	ASLA	Level 4	67%	7 685 643	5 110 953	1 364 048	2 186 489
WEST COAST DISTRICT							
Berg River				10 935 091	10 209 035	4 380 626	-
Velddrif Noordhoek (137)	Ruwacon	Level 3	91%	8 491 885	7 765 829	2 181 740	-
Velddrif Laaiplek (34)	KP construction	Level 1	100%	2 443 206	2 443 206	2 198 885	-
Cederberg				-	-	-	-
Matzikama				30 030 500	19 970 283	5 329 813	8 543 377
Vredendal North (268 of 1036) IRDP	ASLA	Level 4	67%	11 606 699	7 718 455	2 059 957	3 301 990
Klawer (283) UISP	ASLA	Level 4	67%	18 423 801	12 251 828	3 269 856	5 241 387
Saldanha Bay				39 845 572	31 643 409	1 377 755	-
Daizville	New Africa	Level 2	93%	14 113 094	13 094 128	-	-
IRDP:PH1 Middelpos	Dunamis	Level 6	50%	2 296 258	1 148 129	1 377 755	-
PHP: Middelpos; Bongweni	Dunamis	Level 6	50%	13 404 162	6 702 081	-	-
Paternoster (202)	THAW TRADING	Level 3	76%	7 866 012	5 989 182	-	-
Hopefield (62)	T and T Trading	Level 1	0%	2 166 046	-	-	-
Swartland				7 620 794	5 067 828	1 171 466	1 877 791
Malmesbury Phola Park Ph1 (245) PHP	ASLA	Level 4	67%	6 600 553	4 389 368	1 171 466	1 877 791
Riebeck West (270)	ASLA	Level 4	67%	1 020 241	678 460	-	-
TOTAL				1 415 740 652	1 004 595 921	185 852 013	122 483 721
					50.21%	9.29%	6.12%

ANNEXURE A 1 - City of Cape Town PHP Projects

Municipality and Project Description	Company	BEE Level	HDI Status	Percent-age of Youth	Percent-age of Women	Budget	HDI	Women	Youth
CITY OF CAPE TOWN									
IRDP:DDIS: Fisantekraal: Garden Cities	Garden City	Non-Compliant	-	-	-	147 429 227.12	-	-	-
IRDP: Kraaifontein: Scottsdene						58 056 820.00	-	-	-
IRDP: Blackheath: Happy Valley						102 842 452.00	-	-	-
IRDP: Delft: The Hague	Global Construction	Level 3	75%	-	-	121 431 371.00	-	-	-
IRDP: Kleinvelei						5 584 408.00	-	-	-
IRDP: Hazendal Infill						18 966 052.00	-	-	-
EHP: Oceanview: Erf3018&sacramento	Mellon Housing Initiative	Level 3	82%	-	-	167 694.00	137 660.00	-	-
EHP: Sweet Homes Ida						21 320 000.00	17 162 600.00	3 091 134.00	-
EHP: Coct Fire Kits						15 000 000.00	-	-	-
EHP: Langa 35 Units	Applewood	Level 3	0.81	15%	0%	1 429 155.00	-	-	-
EEDBS: City Of Cape Town						38 380 966.39	-	-	-
SOC: Glenhaven 416 Units						9 000 000.00	-	-	-
NHBRC	NHBRC	-	-	-	-	10 260 836.85	-	-	-
PHP: Atlantis: Witsand Eeeco	VHP	Level 1	100%	-	-	-	1 314 816.00	-	-
PHP: Happy Valley: Masijongane	Chaphani Construction	Level 1	100%	-	-	21 700 895.36	2 163 777.00	-	-
PHP:khaye: Ikhwazi Lomso	T and T Trading	Level 1	100%	-	-	14 163 616.00	1 929 751.00	-	-
PHP: Khaye: Sizamile	Vondo Construction	Level 1	100%	-	-	5 325 456.00	2 884 622.00	-	-
PHP: Khaye: Khululeka	Lawula Projects	Level 4	75%	-	-	23 013 580.00	1 554 174.00	-	-
PHP: Khaye: Silvertown	Nokhanya Services	Level 1	100%	-	51%	19 545 919.00	205 102.00	-	104 602.02
PHP: Khaye: Vukuzenzele	VHP	Level 1	100%	-	-	21 971 180.00	4 795 177.76	-	-
PHP: Khaye: Masakhe	Chaphani Construction	Level 1	100%	-	-	35 371 700.00	6 626 524.00	-	-
PHP: Khaye: Nonqubela 2	T and T Trading	Level 1	100%	-	-	11 537 248.00	5 050 030.00	-	-
PHP: Khaye: Isiqalo	Nonqubela	Level 1	100%	100%	50%	25 431 189.00	1 779 016.00	1 772 040.65	880 612.92
PHP: Khaye: Masinyameka	Sbu Leno Construction	Level 1	100%	-	-	20 206 559.00	2 132 214.00	-	-
PHP: Khaye: Siyaphumelela	T and T Trading	Level 1	100%	-	-	27 981 254.00	315 348.00	-	-
PHP: Khaye: Odwa	Lawula Projects	Level 4	75%	-	-	23 313 172.00	4 336 237.90	-	-
PHP: Khaye: Sophumelela	Sizukhanyo	Level 1	100%	11%	100%	20 267 571.00	173 108.00	18 176.34	173 108.00
PHP: Khaye: Moses Kotane	T and T Trading	Level 1	100%	-	-	6 335 395.00	333 920.00	-	-

Municipality and Project Description	Company	BEE Level	HDI Status	Percent-age of Youth	Percent-age of Women	Budget	HDI	Women	Youth
PHP: Khaye: Makhaza Zone 14	Mellon Housing Initiative	level 3	82%	-	-		252 017.94	-	-
PHP: Nyanga KTC	Sbu Leno Construction	Level 1	100%	-	-		3 365 338.00	-	-
PHP: Kraaifontein: Masizakhele 5	Mellon Housing Initiative	level 3	82%	-	-	46 477 945.00	17 529 428.40	-	-
PHP: Manenberg: The Downs	Mellon Housing Initiative	level 3	82%	-	-	71 843 068.00	7 892 590.20	-	-
PHP: Mfuleni: Bardale: Ilitha	Sbu Leno Construction	level 1	100%	-	-	40 842 823.00	17 125 702.00	-	-
PHP: Mfuleni: Bardale 1	Nokhanya Services	Level 1	100%	50%	51%	46 048 235.00	11 586 355.00	5 786 202.15	5 908 850.83
PHP: Mfuleni: Siluncedo	Lawula Projects	Level 4	75%	-	-	40 736 445.00	11 370 731.25	-	-
PHP: Mfuleni: Habitat	Habitat	NGO	100%	-	-	29 790 329.00	2 177 220.00	-	-
PHP: Mfuleni: Ikhwezi Lomso	Sbu Leno Construction	Level 1	100%	-	-	40 078 842.00	15 937 369.16	-	-
PHP: Nyanga: Iqhayiyalethu	TXG Construction	Level 4	75%	-	100%	9 410 627.00	354 364.50	-	472 486.00
PHP: Nyanga: Ilinge Labahlali	Chiware	Level 4	75%	-	-	28 742 636.00	1 267 618.50	-	-
PHP: Philippi: Luxolo	African Compass Trading	Level 1	100%	9%	-	15 098 442.00	301 858.00	27 167.22	-
PHP: Philippi: Ilitha Labantu 2	Nokhanya Services	Level 1	100%	-	51%	18 482 447.00	-	-	-
PHP: Wallace: Sisonke 2	Masiqhame Trading	level 3	80%	-	-	6 222 738.00	541 844.00	-	-
PHP: Wallace: Sekunjalo	VHP Holdings	Level 1	100%	-	-	32 021 559.00	11 553 028.76	-	-
PHP: Wallace: Intsika	T and T Trading	Level 1	100%	-	-	22 827 365.00	2 065 563.00	-	-
PHP: Wallace: Masiqhatasane Ph6	New Africa construction	Level 1	98%	-	15%	46 368 405.00	3 346 984.20	-	502 047.63
PHP: Wallace: Nomzabalazo Pr4	Lawula Projects	Level 4	75%	-	10%	19 529 321.00	2 512 617.00	-	335 015.60
PHP: Vrygrond: Sophumelela	Nonkqubela	Level 1	100%	100%	50%	10 733 125.00	1 109 352.00	1 102 376.64	554 676.00
PHP: Oceanview Mountainview	Mellon Housing Initiative	level 3	82%	-	-	54 774 905.00	331 919.42	-	-
PHP: Retreat: Rondevlei	PHP Building Supplies	Level 1	100%	100%	-	25 365 256.00	1 633 673.00	1 633 673.00	-
IRDP:PH2: CoCT Title Deeds						11 558 023.12	-	-	-
Total expenditure							165 149 652.00	13 430 770.00	8 931 399.00

ANNEXURE A 2 - Provincial Projects in City

Municipality and Project Description	Company	BEE Level	HDI Status	Percent-age of Youth	Percent-age of Women	HDI	Women	Youth
CITY OF CAPE TOWN								
PHP: VHP: Bardale: Masilingane (Ph1&Ph2)	A and P construction	Level 2	95%	10%	13%	18 565 124.01	2 442 779.48	1 954 223.58
PHP: Bardale: Masilingane	A and P construction	Level 2	95%	10%	13%	47 198 336.15	6 210 307.39	4 968 245.91
PHP: Bardale: Project 2	Chiware civil	Level 3	75%	-	-	33 300 690.15	-	-
PHP: TNT: Philippi: Nompumelelo	T and T Trading	Level 1	100%	40%	-	832 006.65	-	332 802.66
PHP: NOKHANYA: Khaye: Nonqubela	T and T Trading	Level 1	100%	40%	-	1 662 164.00	-	664 865.60
PHP/EHP: VALOSTAR: Morning Star 20 Units	Valostar	Level 1	100%	100%	-	981 191.25	-	981 191.25
PHP: Facilitator: B Mpulampula	Mellon Housing	Level 3	82%	-	-	16 807.93	-	-
PHP: Tusk: Strand: Macincedane	Civils developments	Level 1	100%	-	-	1 638 652.00	-	-
PHP: Macassar Utshani (UB)	DAG	Level 4	67%	20%	40%	69 399.16	41 432.33	20 716.17
PHP: Individual Consolidation Project (UB)	DAG	Level 4	67%	20%	40%	142 450.90	85 045.31	42 522.66
PHP: Nyanga: Millers Camp (UB)	Masiqhame Trading	Level 3	80%	30%	-	654 069.52	-	245 276.07
PHP: Nyanga: Black & White (UB)	New Africa construction	Level 3	75%	-	-	108 982.50	-	-
PHP: Mfuleni: Bantu Bonke (UB)	Civils developments	Level 1	100%	-	-	125 562.88	-	-
PHP: Mfuleni: Sibabaliwe(UB3)	Castle hill trading	Level 3	75%	-	50%	278 417.83	185 821.36	-
PHP: Mfuleni: Someleze	Mambamba	Level 1	100%	-	50%	503 334.00	251 667.00	-
PHP: Mfuleni: Sizamele (UB)	Simoc trading	Level 3	80%	-	-	452 093.00	-	-
PHP: Gugulethu: Phatisanani (UB)	Inyameko Trading	Level 1	100%	-	80%	557 895.67	446 316.54	-
PHP: Gugulethu: New Rest Inzame Zethu (UB)	Jambela Construction	Level 1	100%	-	30%	1 290 670.95	387 201.29	-
PHP: Wallacedene: Igugulethu (UB)	Vicmol	Level 4	67%	100%	-	29 127.53	-	-
PHP: Wallacedene:Sakhuxolo (UB)	Mbawuli construction	Level 1	100%	100%	-	218 064.90	-	-218 064.90
PHP: Wallacedene:Sakhuxolo 2 (UB)	Mbawuli construction	Level 1	100%	-	-	109 032.45	-	109 032.45
PHP: Philippi: Heinz Park (Ub3)	Applewood	Level 4	67%	-	-	324 918.75	-	-
PHP: Philippi:Yukani Mornwood (UB)	Masiqame construction	Level 3	80%	30%	-	26 246.40	-	9 842.40
PHP: Philippi Browns Farm Ph5.2 (UB)	Dodosi Construction	Level 1	100%	100%	-	323 043.18	-	323 043.18
PHP: Philippi East: Vietnam (UB)	Applewood	Level 4	67%	-	-	1 318 880.72	-	-
PHP: Philippi Browns Farm Mornwood (UB)	Masiqame construction	Level 3	80%	30%	-	47 567.16	-	17 837.69
PHP: Philippi Browns Farm: Sophakama (UB)	Ndzakayi construction	Level 3	75%	60%	-	198 413.35	-	158 730.68
PHP: Philippi Park 35 units	TM construction	Level 4	67%	40%	-	101 042.70	-	60 324.00

ANNEXURES

Municipality and Project Description	Company	BEE Level	HDI Status	Percent-age of Youth	Percent-age of Women	HDI	Women	Youth
PHP: Philippi Masimanyane (DAG)(UB)	DAG	Level 4	67%	-	40%	1 602 013.93	956 426.22	-
PHP: Khayelitsha: Mandela Park 2	Thodi Project	Level 1	100%	-	-	1 237 233.20	-	-
PHP: Khayelitsha: Yondela (DAG)(UB)	DAG	Level 4	67%	20%	40%	60 076.89	35 866.80	17 933.40
PHP: Khayelitsha: Iyabuyiafrika (DAG)(UB)	DAG	Level 4	67%	20%	40%	50 853.00	30 360.00	15 180.00
PHP: Khayelitsha: Masivuke (DAG)(UB)	DAG	Level 4	67%	20%	40%	16 858.54	10 064.80	5 032.40
PHP: Khayelitsha: Phakamani	Abaphantsi	Level 1	100%	-	-	19 200.00	-	-
PHP: Khayelitsha: Kode Kubenini	Sakubuhlobo construction	Level 3	80%	20%	-	555 649.76	-	138 912.44
PHP: Khaeyilitsha: Sikhusele (UB)	DAG	Level 4	67%	20%	40%	108 487.61	64 768.72	32 384.36
PHP: Khayelitsha: Inkwenkwezi (UB)	DAG	Level 4	67%	20%	40%	1 209 855.40	722 301.73	361 150.87
PHP: Khayelitsha: Siyomelela (UB)	FFC	Level 4	70%	-	-	996 915.98	-	-
PHP: Khayelitsha: Sinethemba (UB)	Mamzizi development	Level 1	100%	-	-	4 878 862.45	-	-
PHP: Khayelitsha: Kuthale (UB)	TWB plumbing	Level 1	100%	-	-	276 853.52	-	-
PHP: Khayelitsha: Iyabonga	Ergoflex	Level 4	67%	100%	15%	78 477.39	17 569.57	117 130.44
PHP: Khayelitsha: Masakhane	Chipani construction	Level 3	75%	-	-	101 200.08	-	-
PHP: Khayelitsha: Kuyasa (UB)	TM construction	Level 4	67%	-	-	100 594.74	-	-
PHP: Khayelitsha: Siyazama (UB)	Civils developments	Level 4	67%	-	-	89 802.06	-	-
PHP: Khayelitsha: Ncedsizwe (UB)	Ndzakayi construction	Level 3	75%	-	-	282 161.56	-	-
PHP: Khayelitsha: Jondev Phase 6 (UB)	Vuks	Level 1	100%	-	10%	214 154.13	21 415.41	-
PHP: Khayelitsha: Jondev (UB)	FFC	Level 2	93%	-	-	199 842.34	-	-
PHP: Khayelitsha: Senzeni (UB)	Vuks	Level 1	100%	-	10%	401 524.37	40 152.44	-
PHP: Khaye: Ithembalabantu(UB)	Lawula	Level 3	75%	60%	-	1 429 254.63	-	1 142 397.58
PHP: Khaye: Noluthando (UB)	TXG Construction	Level 3	75%	100%	-	60 721.88	-	80 962.51
PHP: Khayelitsha: Masiphumelele (UB)	Vicmol	Level 4	67%	-	-	219 303.22	-	-
PHP: Khayelitsha: Sinakho Ukuzenzela (UB)	Sakubuhlobo construction	Level 2	90%	13%	-	1 840 234.78	-	265 811.69
PHP: Khayelitsha: Sinakho Ukusensele (UB)	Civils developments	Level 4	67%	30%	-	1 799 032.40	-	805 225.88
PHP: Khayelitsha: Vukani Sakhe Ma Afrika (UB)	Masiqame construction	Level 3	80%	30%	-	615 113.18	-	229 661.34
PHP: DAG: Khaye: Masiophuhle (Est Grant)	DAG	Level 4	67%	20%	40%	11 706.24	6 988.80	3 494.40
PHP: DAG: Khaye: Khanyolwethu (Est Grant)	DAG	Level 4	67%	20%	40%	15 241.16	9 099.20	4 549.60

Municipality and Project Description	Company	BEE Level	HDI Status	Percent-age of Youth	Percent-age of Women	HDI	Women	Youth
PHP: DAG: Khaye: Masibambane (Est Grant)	DAG	Level 4	67%	20%	40%	11 681.45	6 974.00	8 571.81
PHP: DAG: Khaye: Nomzamo (Est Grant)	DAG	Level 4	67%	20%	40%	28 715.57	17 143.62	15 256.80
PHP: DAG: Khaye: Zenzele (Est Grant)	DAG	Level 4	67%	20%	40%	51 110.28	30 513.60	98.20
PHP: DAG: Khaye: Sophumelela (Est Grant)	DAG	Level 4	67%	20%	40%	328.97	196.40	1 239 380.10
Khaye: Site C: Zakhele	New Rest	Level 4	67%	90%	0%	922 649.63	-	
Total Expenditure						130 559 896.00	12 020 412.00	14 593 340.00