

DEPARTMENT OF HOUSING (KZN)

PRESENTATION TO HOUSING
PORTFOLIO COMMITTEE

Presenters: Lindikhaya Mpambani

Wayne Evans



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BACKGROUND

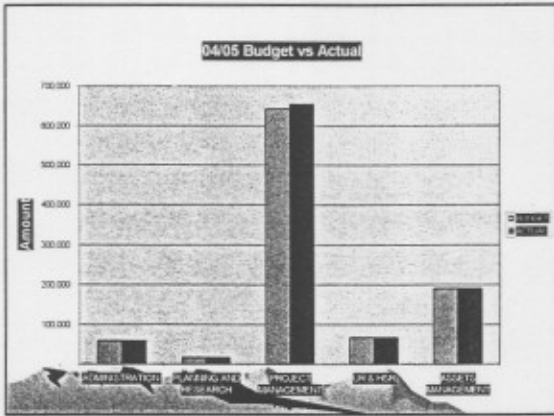
- Information being presented was sourced from the Budget Statements for both fiscal years under review.
- It should be noted that service delivery indicators have since been amended by the Department of Housing and structured such that they reflect contribution towards service delivery.
- Focus is on Service Delivery Programs.



FINANCIAL PERFORMANCE: 2004/05

DESCRIPTION	BUDGET	ACTUAL	VARIANCE
R '000			
ADMINISTRATION	59 009	59 060	(51)
PLANNING AND RESEARCH	16 774	16 774	0
PROJECT MANAGEMENT	642 889	655 129	(12 240)
UR & HSR	67 257	67 129	128
ASSETS MANAGEMENT	189 986	189 986	0
TOTAL		988 078	(12 163)





Program 2 : Housing Planning and Research Objectives

- To provide regulatory framework.
- To develop provincial multi-year housing delivery plans.
- Capacitate/support municipalities with regard to housing delivery.
- Gather information, perform research analysis and report.

Housing Planning and Research (BUDGET)

Budgeted 04/05	Actual 04/05	Variance 04/05
R16 774 000	R16 774 000	R0

Housing Planning and Research

Performance Measure	Estimate 04/05	Actual 04/05	Variance 04/05
Housing Development Plans Reviewed.	1	1	-
Housing Development Plans Developed.	7	7	-
Integrated Development Plans Reviewed.	40	61	+21
Housing Consumers Trained.	6000	6000	-



Housing Planning and Research (Continued)

Performance Measure	Estimate 04/05	Actual 04/05	Variance 04/05
BEE Enterprises and SMME's trained in housing delivery.	50	25	(25)
Number of municipalities Where Housing Components were established and managed.	6	6	0
Municipalities Accredited	-	-	0



EXPLANATORY NOTES

- The reason for a less number of SMME/BEE enterprises trained was due to the fact that, while 50 were registered at the inception of the program, 25 dropped out and only the other 25 was left to complete the program.



**PROGRAM 3 :HOUSING SECTOR
PERFORMANCE (Objectives)**

- To provide subsidies to qualifying beneficiaries.
- To provide support for disaster relief.
- To facilitate installation of internal services.
- To facilitate construction of houses.



**HOUSING PERFORMANCE
(BUDGET)**

Budgeted 04/05	Actual 04/05	Variance 04/05
R642 889 000	R655 129 000	(R12 240 000)



HOUSING PERFORMANCE

Performance Measure	Estimate 04/05	Actual 04/05	Variance 04/05
Number of projects approved in terms of Provincial Housing Development Plans	47	60	13
Number of subsidies approved	39 000	29 981	(9 019)
Number of internal services constructed	20 000	35 816	15 816
Number of Houses Built	20 000	40 437	20 437



Explanatory Notes

- Due to slum clearance program which is time-bound, more projects had to be approved so construction could begin.
- Applications that got processed were more than 39 000, however a sizeable number was rejected due to applicants NOT meeting the qualification criteria.



Explanatory Notes (Continued)

- Most of the units/services which were completed in 04/05 are those that were under construction in 03/04. E.g. Number of houses completed in 03/04 is a small 5 900 units, thus the bulk was completed in 04/05.
- The unblocking of projects also contributed towards an increased construction.



PROGRAM 4: URBAN RENEWAL AND HUMAN SETTLEMENT REDEVELOPMENT PROGRAM (OBJECTIVES)

- To ensure that there is social, economic and spatial integration with the regions.
- To develop sustainable socio-economic environment.



**URBAN RENEWAL & HUMAN
SETTLEMENT REDEVELOPMENT
(BUDGET)**

Budgeted 04/05	Actual 04/05	Variance 04/05
R67 257 000	R67 129 000	(R128 000)



**URBAN RENEWAL AND HUMAN
SETTLEMENT REDEVELOPMENT
PROGRAM**

Performance Measure	Estimate 04/05	Actual 04/05	Variance 04/05
Number of projects approved in terms of Human Resettlement Program.	28	25	(3)
Number of projects completed.	25	25	0



**PROGRAM 5: HOUSING ASSETS
MANAGEMENT (OBJECTIVES)**

- To ensure housing assets are maintained.
- To ensure efficient and effective transfer and sale of Housing Assets.
- To promote, facilitate and regulate rental housing within the province.
- To manage devolution of housing assets to municipalities.
- To contribute towards the upgrade of hostels.



HOUSING ASSETS MANAGEMENT (BUDGET)

Budgeted 04/05	Actual 04/05	Variance 04/05
R189 986 000	R189 986 000	R0



HOUSING ASSETS MANAGEMENT

Performance Measure	Estimate 04/05	Actual 04/05	Variance 04/05
Number of Housing units maintained	13 200	8 147	(5 053)
Number of Discount Benefits granted	5 000	10 918	5 918
Number of units transferred to local authorities.	1 000	1 133	133
Number of cases resolved.	1 200	766	(434)
Number of Hostel Units upgraded	2 300	2 015	(285)



Explanatory Notes

- Maintenance of houses is a reactive service, so it depends on complaints received. Unspent funds went to Rates and Taxes.
- Discount benefit scheme is a cyclical process, there are various in between which need to be paid for, however performance is only realized on completion.



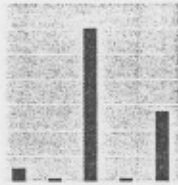
Explanatory Notes

- Rental complaints are also re-active so it depends on a number of complaints that were received.
- Hostel upgrade delayed a bit due to a prolonged tender process by municipalities due to the introduction of SCM concept at the specific municipality.



BUDGET 2005/06

Description	Amount R '000
Administration	55 978
Planning and Research	16 954
Housing Sector Performance	603 322
UR &HSR	16 193
Asset Management	277 433
TOTAL	969 880



Program 1 Administration

Description	R '000
OFFICE OF THE MEC and HOD.	9 187
CORPORATE SERVICES	46 791
TOTAL	55 978



Program 2 : Housing Planning and Research

Description	R '000
Administration	8 121
Policy and Reserach	1 760
Planning	2 267
Municipal Support	4 806
TOTAL	16 954



Program 3: Housing Sector Performance

Description	R '000
Administration	5 147
Individual Subsidies	45 965
Project Linked	414 054
PHP	27 162
Consolidation	7 790



Program 3: Housing Sector Performance - Continued

Description	R '000
Institutional	60 070
Relocation	2 089
Disaster Management	5 865
Rural Housing Stock	35 180
TOTAL	603 322



Program 4 – Urban Renewal and
Human Settlement Redevelopment
(2005/06)

Description	R '000
Human Settlement Redevelopment	-



Housing Asset Management
(BUDGET)

Description	R '000
Administration	57 568
Maintenance	79 395
Management of Assets	38 447
Discount Benefit Scheme	36 023
Hostel	66 000
TOTAL	277 433



THE END