

Personnel Establishment & Vacancies

- Restructured/ Enhanced Organogram
 - Old establishment = 346
 - New establishment (July 07) = 692
 - Phased implementation
 - 450 currently funded
 - Currently recruiting 105 additional staff
 - Current vacancy rate (of funded posts)=24%

Capacity Building, Skills development and training programmes

- A new HR Plan is currently being developed
- Sector-wide skills audit for delivery is completed
- NDoH Human Resource Development Programme
 - skills development initiatives
 - courses, seminars and mentoring
- 56 bursaries for part-time studies to employees across all levels have been granted.
- Scholarship Programme to undergraduate students in relevant built environment (32 Students)
- Beneficiary Empowerment & Public information
- Cuban Professionals assisting in Project delivery



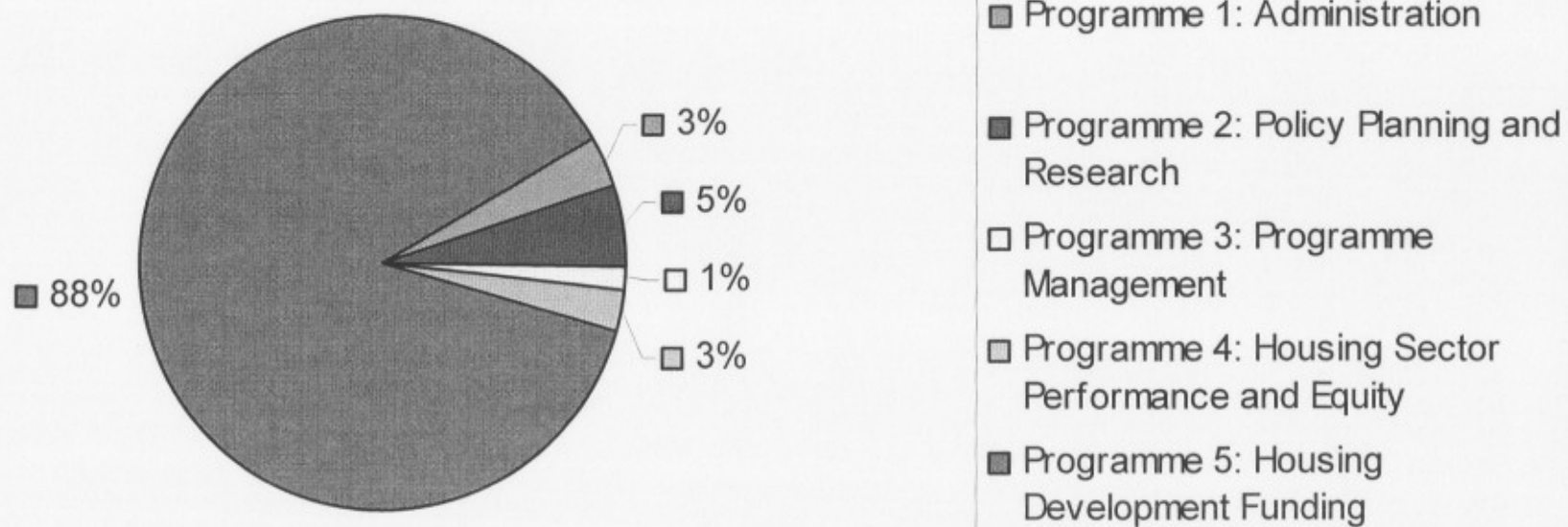
Financial Performance

Financial performance as at 31 March 2007

PROGRAMME R thousands	Adjusted Allocation	Exp. as at 31 Mar 2007	Unspent	% Spent
Programme 1: Administration	117,391	111,837	5,554	95%
Programme 2: Policy Planning and Research	24,112	15,175	8,937	63%
Programme 3: Programme Management	69,893	67,411	2,482	96%
Programme 4: Housing Sector Performance and Equity	292,964	288,370	4,594	98%
Programme 5: Housing Development Funding	6,829,366	6,683,169	146,197	98%
TOTAL	7,333,726	7,165,962	167,764	98%

Financial performance as at 31 March 2007 cont.

Unspent Funds per programme



Financial performance as at 31 March 2007 cont.

CLASSIFICATION	Adjusted budget R'000	Exp. as at 31 Mar 2007 R'000	Variance Unspent R'000	% spent
Current payments	273,959	254,068	19,891	93%
Transfers and subsidies	7,052,318	6,907,689	144,629	98%
Capital assets	7,449	4,205	3,244	56%
TOTAL	7,333,726	7,165,962	167,764	98%

- Contributing factor to under-spending in current expenditure
 - Personnel underspending as a result of vacancies;
 - Outstanding payments for projects in progress at end of the year;
 - Related administrative expenses unspent due to vacancies

Financial performance 2006/07 (cont.)

- This variance can mainly be attributed to:
 - R144m was withheld on the Conditional Grant with respect to Mpumalanga and Eastern Cape at R59 m and R85 m, respectively
 - Spending in these provinces was behind

Sub-programme	2006/07			
	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation
	R'000	R'000	R'000	%
Minister	5,303	5,030	273	95%
Management	24,838	23,105	1,733	93%
Corporate Service	80,548	77,000	3,548	96%
Property Management	6,702	6,702	-	100%
Total	117,391	111,837	5,554	95%

Sub-programme	2006/07			
	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation
	R'000	R'000	R'000	%
National Policy and Strategy	10,312	7,055	3,257	68%
Human Settlement Policy and Integration	6,604	3,266	3,338	49%
Housing Framework Legislation	2,959	1,969	990	67%
Research	4,164	2,812	1,352	68%
Contributions	73	73	-	100%
Total	24,112	15,175	8,937	63%

Subprogramme	2006/07			
	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation
	R'000	R'000	R'000	%
National Housing Subsidy Scheme	5,542	4,531	1,011	82%
Capacity Building	62,323	61,016	1,307	98%
Special Programme Support	2,028	1,864	164	92%
Total	69,893	67,411	2,482	96%

Sub-programme	2006/07			
	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation
	R'000	R'000	R'000	%
Policy and programme monitoring	6,564	6,186	378	94%
Information Management	45,085	43,996	1,089	98%
Industry Analysis	3,261	2,669	592	82%
Development Finance	2,479	1,515	964	61%
Housing Institutions	2,813	2,258	555	80%
Housing Equity	3,324	2,309	1,015	69%
Contributions	229,438	229,437	1	100%
Total	292,964	288,370	4,594	98%

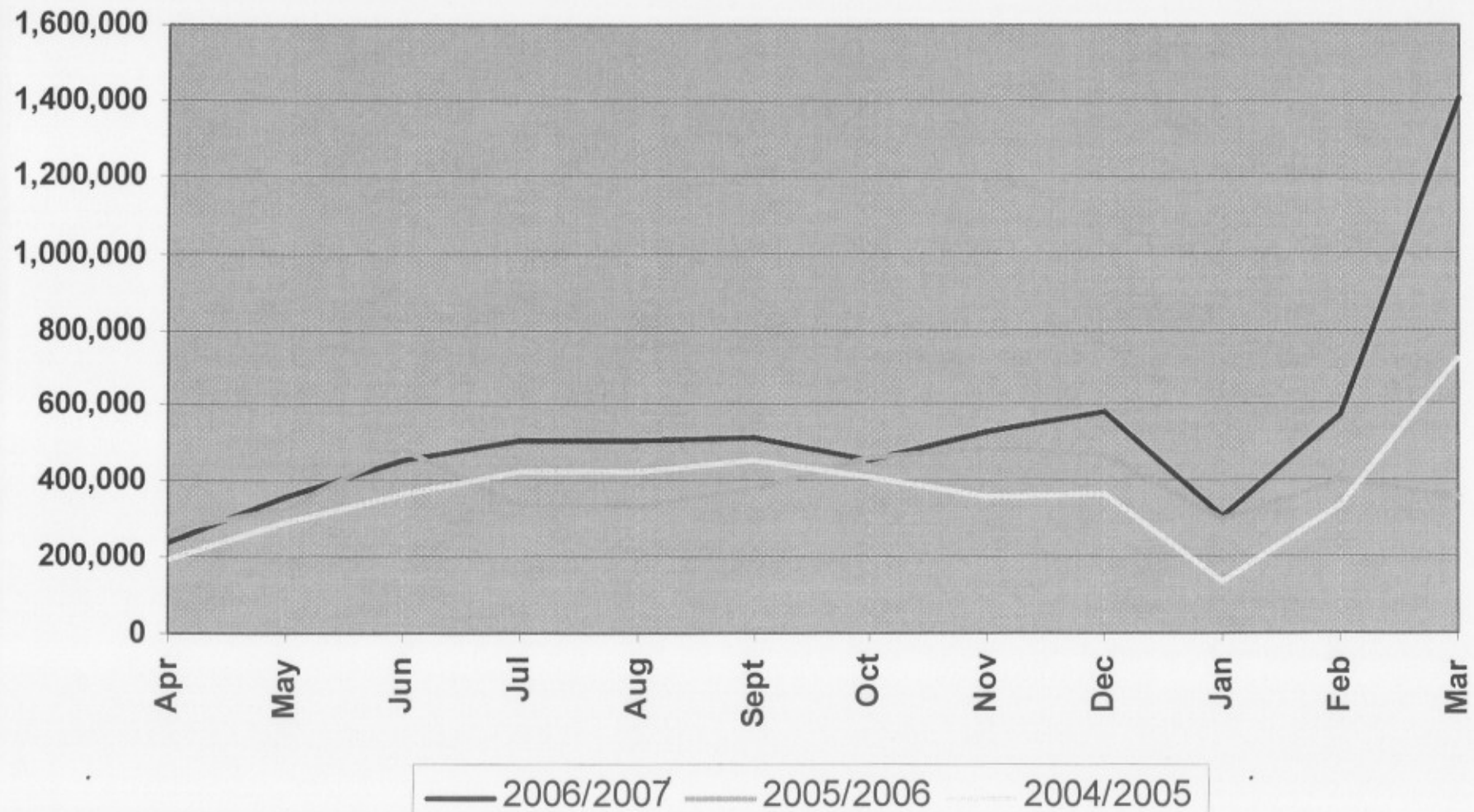
Sub-programme	2006/07			
	Final Appropriation	Actual Expenditure	Variance	Expenditur e as % of final appropriati on
	R'000	R'000	R'000	%
Fund Management	7,197	5,363	1,834	75%
Grant to Housing Funds	6,822,169	6,677,806	144,363	98%
Total	6,829,366	6,683,169	146,197	98%

Conditional grant exp 2006/07

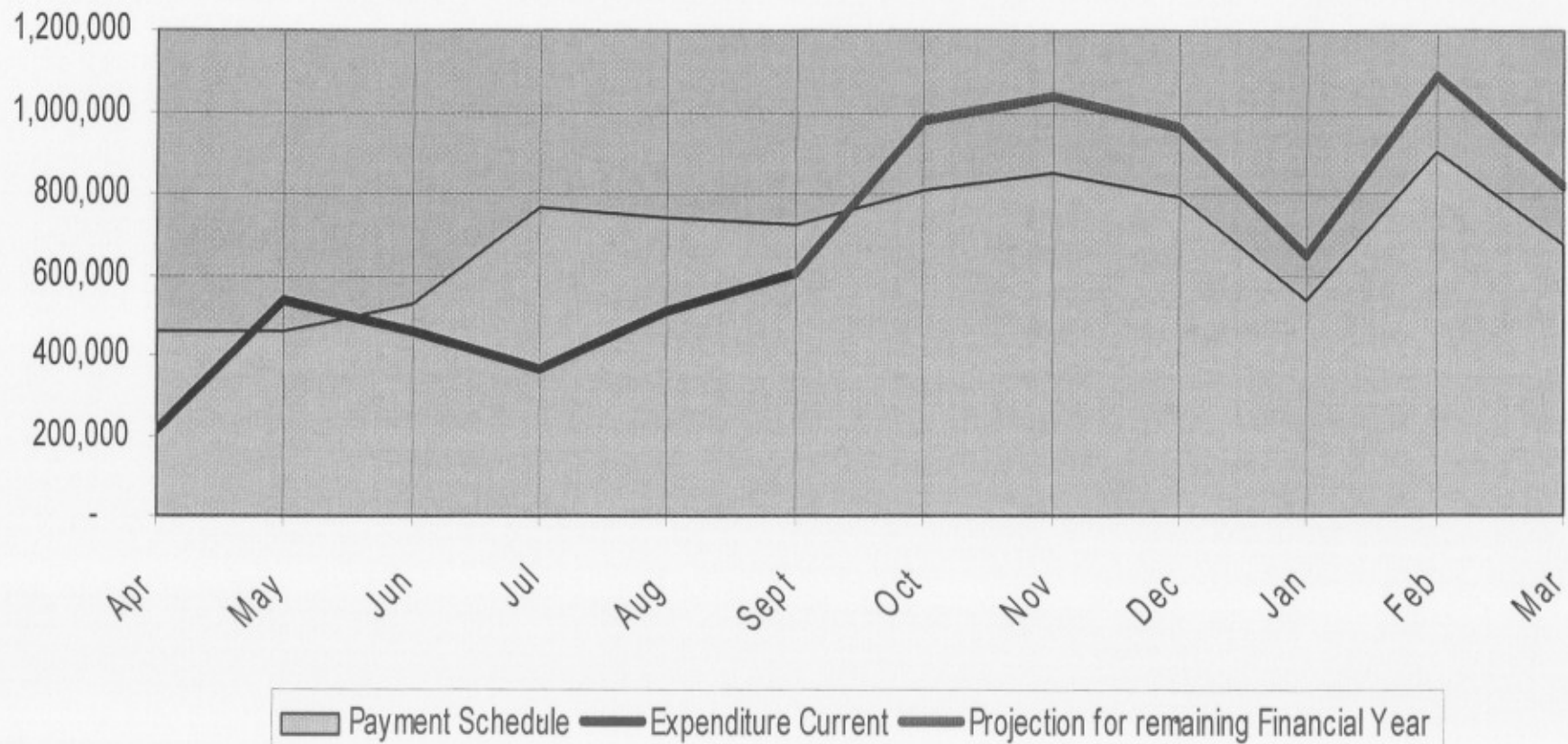
2006/07									
Provinces	Voted R'000	Additional Appropriated R'000	Appropriated at Province R'000	Total Available R'000	Year to date (1 April 2006 - 31 March 2007)				
					Transfer-red Funds R'000	Spent by Provinces R'000	Unspent Funds R'000	Spent as % of Total Available	Unspent as % of Total Available
Eastern Cape	761,994	-	-	761,994	676,700	637,695	124,299	84%	16%
Free State	522,601	-	6,028	528,629	522,601	528,412	217	100%	0%
Gauteng	1,757,666	-	-	1,757,666	1,757,666	1,748,283	9,383	99%	1%
KwaZulu-Natal	1,048,376	-	-	1,048,376	1,048,376	1,074,521	-26,145	102%	-2%
Limpopo	521,331	-	100,236	621,567	521,331	646,732	-25,165	104%	-4%
Mpumalanga	421,002	-	-90,918	330,084	361,933	329,949	135	100%	0%
Northern Cape	104,774	-	-	104,774	104,774	104,774	-	100%	0%
North West	613,405	84,014	2,496	699,915	697,419	696,484	3,431	100%	0%
Western Cape	598,800	388,206	11,137	998,143	987,006	768,209	229,934	77%	23%
Total	6,349,949	472,220	28,979	6,851,148	6,677,806	6,535,059	316,089	95%	5%

Exp trends over 3 fin years

Expenditure trends over three years



Exp to 30 Sept 2007 and projected exp to 31 Mar 2007 based on previous financial years exp trends.



Transfer and grant management

- DORA Framework is used to manage the funding provided to provinces.
- Funding is transferred on a monthly basis to the provinces according to a National Treasury approved payment schedule and in terms of Section 33 of the Act.
- Compilation of the payment schedule is a joint exercise between the National and Provincial Housing Departments.
- Performance Reviews and monitoring
 - Quarterly provincial visits by multi-disciplinary teams
 - Provinces submit monthly expenditure reports
 - Analysed and consolidated for monitoring purposes
 - Quarterly reports considered by MINMEC

Number of planned units approved

PROV	TOTAL NUMBER OF SUBSIDIES APPROVED						
	02/03	03/04	04/05	94/95 to 04/05	05/06	06/07	94/95 to Mar 07
EC	16,849	20,811	13,882	278,008	2,189	22,532	302,729
FS	18,096	16,084	16,768	146,246	8,770	14,334	169,350
GP	404,432	39,086	54,045	1,082,147	56,373	53,234	1,191,754
KZN	23,437	43,397	42,776	351,625	13,766	21,906	387,297
LP	18,223	32,681	17,503	178,487	27,456	2,138	208,081
MP	7,861	14,378	2,407	170,278	1,153	14,281	185,712
NC	4,161	7,452	1,763	48,466	812	5,671	54,949
NW	1,790	7,570	23,543	177,831	14,778	19,440	212,049
WC	32,952	8,143	77,354	306,543	12,449	12,987	331,979
TOTAL	527,801	189,602	250,041	2,739,631	137,746	166,523	3,043,900

Housing units completed & in process of completion

PROV	HOUSING UNITS COMPLETED & IN PROCESS OF COMPLETION					
	02/03	03/04	04/05	05/06	06/07	94/95 to Mar 07
EC	58,662	27,119	37,524	19,825	16,526	288,231
FS	9,155	16,746	16,447	20,536	19,662	161,250
GP	24,344	49,034	66,738	59,310	77,044	592,457
KZN	24,485	33,668	36,734	35,872	38,290	390,098
LP	14,953	15,810	16,514	46,813	23,609	217,513
MP	21,649	21,232	18,000	14,986	10,651	169,962
NC	6,056	3,787	3,598	8,667	3,880	49,145
NW	23,784	10,484	10,037	35,515	46,972	228,361
WC	20,500	15,735	11,756	11,310	34,585	258,896
TOTAL	203,588	193,615	217,348	252,834	271,219	2,355,913

Audit Report

- The department received an unqualified audit report with the following matter of emphasis:
 - Balances differences as a result of the classification of Assets under R5 000.00 ;
- Other matters raised by the Auditor-General were as follows:
 - Material corrections;
 - Human resources plan;
 - Internal control issues on asset management;
 - Information systems user management controls;
 - South African Housing Trust investigation by the SIU;
 - Special audit into the N2 Gateway Project.
 - Inconsistencies in presentation of Strategic Objectives per ENE, Strategic Plan and Annual Report