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PART 1

2

GENERAL INFORMATION



1.1 FOREWORD BY THE EXECUTIVE AUTHORITY



MEC Madala Masuku (MPL)

The 2009/2010 Annual Report provides a detailed account of the progress we have made in discharging our responsibilities in compliance with our new mandate. Essential, it assesses our performance against the output targets we had set ourselves at the beginning of 2008/2009 financial year.

Our endeavour to transform and reposition the Department to respond to the newly defined mandate has resulted in our improved delivery of essential services associated with decent and sustainable human settlements. Undoubtedly, over the past financial year, the Department has grown to the expected level of strategic leadership and maturity to make significant contribution to the lives of ordinary citizens.

The Department committed to deliver **10 547** including the **4 132** longstanding housing units. Important milestones during the course of the year includes the delivery of **8 204** out of the planned 10 547 housing units and cleared off the **3 746** houses that remained incomplete from previous years. Part of the feat was the delivery of 34 units for military veterans, 80 for farm worker housing, 400 for Integrated Residential Developments at Thaba Chweu and eMalahleni Municipalities.

The advent of integrated human settlements delivery approach commonly known as Breaking New Ground (BNG) is taking shape. The BNG pilot projects at Mashishing and eMalahleni, conversion of hostels into family units and servicing of sites and the delivery of rental stock in Steve Tshwete and eMalahleni are gaining momentum. Two of the planned six social and economic facilities namely, Community Halls and Child Care Facilities were completed. The remaining ones will be completed within the new financial year.

During the year under review, the Department joined hands with the world and the nation to celebrate the Mandela Day by dedicating 60 minutes of its time to make an impact in society through this world renowned icon. On this day, we raised our hands in celebration and renewed commitment to the making of a just society by building houses for six destitute families. To play our part in embracing the previously marginalised, we constructed 53 houses under the Women’s Build Campaign at Tekwane North. They included people with disabilities, orphans, child headed homes and the aged.

Going forward, we shall pay special attention to the completion of the integrated human settlements projects (BNGs) in the three municipalities, attend to the Auditor General’s comments and strengthen our systems to respond to in-year monitoring reports.

I would like to appreciate the oversight role played by the Portfolio Committee on Human Settlements, Co-operative Governance and Traditional Affairs. The sharpness of the committee under the leadership of Mr. SPD Skhosana has guided and made the Department to be vigilant in its approach.

I would like to thank the Head of Department, his management team and staff for the sterling work and commitment to achieving the target that we have set ourselves during the period under review.

“TOGETHER, WE CAN DELIVER MORE HUMAN SETTLEMENTS AND EVEN BETTER”


MADALA MASUKU (MPL)
MEC: HUMAN SETTLEMENTS



1.2 SUBMISSION OF INFORMATION



Mr D Dube (HOD)

I, have the honour of submitting the 2009/10 Annual Report for the Department of Human Settlements in terms of the Public Finance Management Act, Section 40 (1)(d) 1999.

1.3 INFORMATION ON THE DEPARTMENT

The Department of Human Settlements has successfully ended its first year under the new mandate of integrated and sustainable human settlements. The year under review had its challenges in the form of service delivery protests in some communities. The protests were alleged to be as a result of poor service delivery by government leading to the destruction of state property and creating instability at some municipalities. The swift handling of these cases by the state and its machinery assisted in bringing calm at all those areas – much to the benefit of service delivery.

The Department had clear plans to be carried out in the 2009/10 financial year. The commitment of closing-off all longstanding projects was realized with only 910 houses left to be completed. The monitoring and visits of projects by human settlements practitioners, Portfolio Committee and the MEC made it possible for improved implementation throughout the year. We have managed to detect challenges that could have been costly or compromised quality of service to the Department.

Our extensive consultations with municipalities have assisted the Department to correctly plan in the previous financial year. The delivery of the **8 204** housing units, servicing of stands, conversion of hostels, and social facilities were mainly dependent on the proper planning as informed by Integrated Development Plans (IDP's) of municipalities. The year under review has recorded substantial achievements under the new mandate as reflected below:

- Provided training to municipalities and collected data on the implementation of the National Housing Demand Data Base.
- The rectification of low cost houses built between 1994 - 2002 has managed to deliver **125** out of **146** planned units. This programme looks at housing units that experienced quality challenges after completion.
- Through the project linked programme that includes township establishment, the Department delivered **2 071** units out of the **2 410** planned units.
- Delivered a total of **425** of **512** housing units under individual subsidies.
- This government has made an undertaking to cater for all personnel who were serving in previous defence organisations in the past regime. This programme called – war veterans – has delivered **34** out of the **50** planned housing units.
- Through the Integrated Residential Development Programme (Phase 2), the Department has planned **407** housing units and delivered **304** of those.
- Through the Informal settlements upgrading programme the department managed to deliver **2 300** units out of the **3 585**.
- The Department also delivered **1 940** housing units in Peoples Housing Programme out of a target of **2 386**.
- The Department's extended mandate necessitates the delivery of social and economic amenities like child care centres and community halls. The Department planned to deliver **6** of those infrastructures. A great success has been recorded by the delivery of community halls and child care centres at Thekwane North (Mbombela) and Phola, Uthingo Park (eMalahleni) Municipalities. The other projects are at various stages of completion.

Now that our machinery is being strengthened and the new mandate is being comprehended, we are moving towards mastering the system. The perfection of the system will go a long way in directing the Department to deliver on its core mandate that of Integrated and Sustainable Human Settlements.

A stylized, handwritten signature in black ink, consisting of a large, sweeping 'D' followed by a smaller, more complex flourish.

Mr D Dube
Head of Department





1.4 MISSION STATEMENT

MISSION

To facilitate the creation of integrated sustainable human settlements.

VISION

Sustainable integrated human settlements.

VALUES

- Departmental values as founded on Batho Pele Principles
- Uphold high standard of commitment among staff
- Client driven and the development of a caring team
- Consultation with communities on departmental programmes
- Result driven in service delivery

1.5 LEGISLATIVE MANDATES

The legislative frameworks from which the Department derives its mandate are listed as follows:

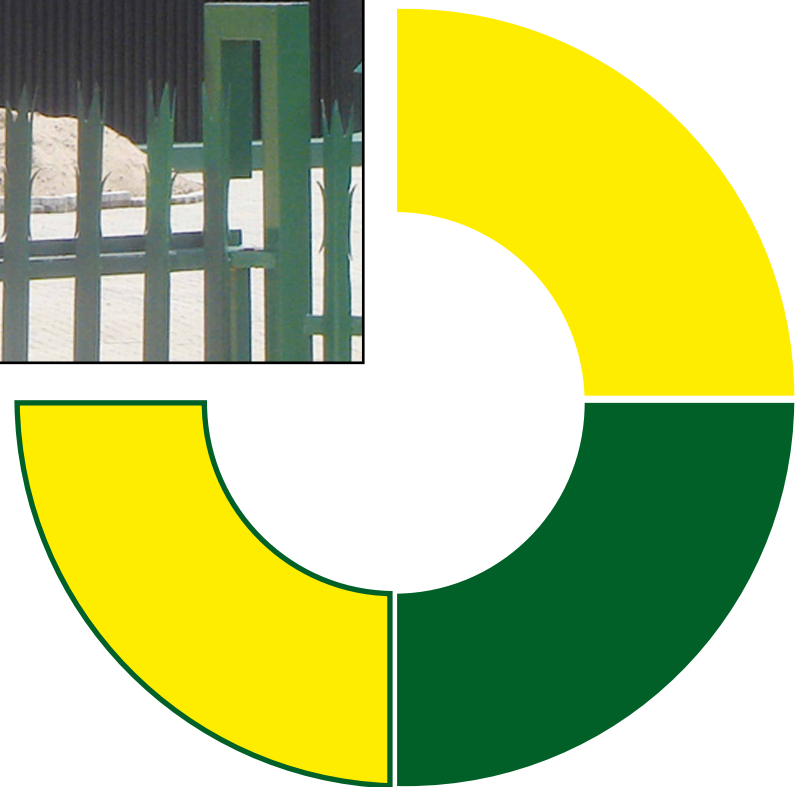
- The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996);
- The Housing Act, 1997 (Act No. 107 of 1997);
- The Rental Housing Act;
- Housing Consumer Protection Measures Act;
- Other Prescripts;
- The Public Service Act, 1994 (Proclamation No. 103 of 1994);
- The Public Finance Management Act, 1999 (Act No. 1 of 1999);
- The Promotion of Access to Information Act, 2000 (Act No. 2 of 2000);
- The Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000);
- The Promotion of Equity and Prevention of Unfair Discrimination Act, 2000 (Act No. 4 of 2000);
- The Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
- The Labour Relations Act, 1995 (Act No. 3 of 2000);
- The Skills Development Act, 1998 (Act No. 97 of 1998);
- The Employment Equity Act, 1998 (Act No. 55 of 1998);
- Affirmative Action in the Public Service White Paper;
- Trading and/or Public Entities controlled by the Department;
- Abolishment of Cross Boundary Municipalities Act 2005
- Breaking New Ground policy





PART
2

PROGRAMME
PERFORMANCE



2. PROGRAMME PERFORMANCE

2.1 VOTED FUNDS

Appropriation	Main appropriation R'000	Adjusted Appropriation R'000	Actual Amount spent R'000	Over/Under expenditure R'000
	968 727	967 859	917 134	50 725
Responsible member of Executive Council	MR MB MASUKU (MPL)			
Administering Department	Department of Human Settlements			
Accounting Officer	MR. D DUBE			

2.2 AIM OF THE VOTE

Provision of sustainable Human Settlement and strengthening of Municipalities to enable them to fulfill their constitutional and other legislative mandates.

2.3 SUMMARY OF PROGRAMMES

PROGRAMME	SUB-PROGRAMME
1. ADMINISTRATION	1.1 Corporate services
2. HOUSING NEEDS, RESEARCH AND PLANNING	SUB-PROGRAMME
	2.1 Planning 1.2 Housing Chapters 1.3 Research 1.4 Technical, Quality Assurance & Inspections and Project Management

3. HOUSING DEVELOPMENT, IMPLEMENTATION, PLANNING AND TARGETS	SUB PROGRAMME 3.1 FINANCIAL INTERVENTIONS SUB-SUB PROGRAMME 3.1.1 Individual subsidies 3.1.2 Rectification of RDP stock 1994-2002 Current 3.1.3 Rectification of RDP stock built pre- 1994 3.1.4. Social and Economic Facilities 3.1.5.Accreditation and Support of Municipalities 3.1.6 Operational Capital Budget 3.1.7 NHBRC Enrolment fees
	SUB PROGRAMME 3.2 INCREMENTAL INTERVENTIONS
	SUB-SUB PROGRAMME
	3.2.1 Project linked Projects 3.2.2 Integrated Residential Development Programme: Phase 1 Planning and Services 3.2.3 Integrated Residential Development Programme: Phase 2 Top Structure 3.2.4 People Housing Process 3.2.5 Consolidation Subsidies 3.2.6 Informal Settlements Upgrading 3.2.7 Emergency Housing Assistance Current projects 3.2.8 Emergency Housing Assistance (As per demand)
	3.2.9 Social Housing 3.2.10 Community Residential Units (CRU)
	RURAL INTERVENTIONS 3.2.11 Rural Housing 3.2.12 Farm Dweller Housing Assistance
4. HOUSING ASSET MANAGEMENT	SUB-PROGRAMME 4.1 Enhanced Extended Discount Benefit Scheme 4.2 Sales and Transfer of Housing Properties



2.4. OVERVIEW OF SERVICE DELIVERY ENVIRONMENT FOR 2009/10

External factors impacting on service delivery	<p>Service Delivery protest hampered the delivery of houses.</p> <p>The availability of suitable land for housing delivery also impacted on the delivery of houses.</p>
Policy Changes and trends	<p>Policy shift from the delivery of housing products to creation of sustainable human settlements.</p> <p>Provision of credit linked subsidies to individual who did not qualify for the low cost housing and bonded houses.</p> <p>Inter-Sectoral planning to fully cater for both primary and secondary needs of human settlements.</p>
Environmental factors and emerging challenges	<p>Some of the areas are sandy, rocky and impassible which makes it difficult for contractors to execute their duties.</p> <p>There is acute water shortage in some areas of the province where settlements depend on borehole water or portable water provided by the local service provider.</p> <p>Contractors are also forced to cut water from available recourses, which are sometimes kilometers away in order for them to complete houses.</p> <p>Furthermore the place in which the contractors must build is not suitable for the delivery of material due to the mountainous areas.</p>
Demographic profile of the province	<p>The province is predominantly rural in nature and that poses serious challenges in respect of service delivery. Example, in some areas around the province building material is scarce and has to be purchased in areas far from the site of the project and that impact negatively in terms of housing delivery. The nature of settlements are also a challenge. There are a number of housing projects in one but separate settlements and that on its own poses serious challenges in respect of the security of material.</p>



2.5 OVERVIEW OF THE ORGANIZATIONAL ENVIRONMENT FOR 2009/10

The Department of Human Settlements has successfully completed its first year of the integrated Human Settlements. It has also managed to finalize the accreditation of Emalahleni Municipality to perform level one accreditation. The accreditation of Municipalities will ensure that the list of qualifying beneficiaries be finalized on time.

The key deliverables of the Department are outlined as follows:

- Provision of Integrated Human Settlements
- Upgrading and formalization of informal settlements
- Promotion of social and rental housing
- Upgrading of community residential units
- Promotion of social and economic facilities

2.6. STRATEGIC OVERVIEW AND KEY POLICY DEVELOPMENT FOR THE 2009/10 FINANCIAL YEAR

The department drafted the Elimination and Prevention of Re-Emergence of Informal Settlements Bill of 2009.

DEPARTMENTAL REVENUE, EXPENDITURE AND OTHER SPECIFIC TOPICS

2.7 DEPARTMENTAL RECEIPTS: 2009/10

	2006/07 Actual	2007/08 Actual	2008/09 Actual	2009/10 Target	2009/10 Actual	% deviation from target
Tax revenue	101	75	41	65	114	76%
(Specify)	Commission insurance and dwellings	Commission insurance and dwellings	Commission insurance and dwellings	Commission insurance and dwellings	Commission insurance and dwellings	
Non-tax revenue	2,471	3,274	3,133	1,091	2,438	124%
(Specify) Interest	Interest	Interest	Interest	Interest	Interest	
Sales of capital assets (Capital Revenue)	none	none	none	4	49	1150%
(specify)				auction	auction	
Financial transactions (Recovery of loans and advances)	99	none	9	10	60	500%
TOTAL DEPARTMENTAL RECEIPTS	2,671	3,349	3,183	1,170	2,662	128%



2.8 DEPARTMENTAL PAYMENTS

Programmes	Voted for 2009/10 R'000	Roll-overs and adjustments R'000	Virements R'000	Total Voted R'000	Actual Expenditure R'000	% Deviation
Administration	73,410	9,943	(1,160)	82,193	75,832	8%
Housing needs, Research and Planning	34,929	(5,125)	1,160	30,964	21,994	29%
Housing development, Implementation, Planning and targets	807,055	24,502	-	831,557	801,631	4%
Housing Asset Management	53,333	(28,728)	-	24,605	18,875	23%
Total	968,727	592	-	969,319	918,332	5%



2.9.1. PROGRAMME1: ADMINISTRATION

Strategic Goal: To give administrative and management support to the Department.

Strategic Objective

- Provide Administrative support to Departmental Directorates, SMS leadership and development.
- To provide Legal Services to the Department.
- Coordinate and implement Departmental transversal issues.
- Render security management services to the Department.
- Render human resources and support services to the Department.
- Render financial management services to the Department.
- To provide researched and verifiable information for the Department.
- Improving the image and promoting the activities of the Department.
- Rendering information management services.

SUB-Programmes	Output	Output Performance Measure/ service delivery indicators	Actual Performance against target	
			Target	Actual
DDG and Support staff	Provision of strategic administrative support to the Department	Number of PMC meetings attended to promote intergovernmental liaison	12	15
		Number of Executive Management meetings attended to promote intergovernmental liaison	48	16
		Number of Management meetings for performance management of SMS	11	9
		Number of MUNIMEC attended to promote intergovernmental liaison	8	10
		Number of MUNIMAN meetings attended to promote intergovernmental liaison	4	1
		Number of PCF meetings attended	4	2
		Number of Governance and Criminal Justice Cluster attended to promote intergovernmental liaison	38	14
		Number of Provincial Makgotla attended to account of departmental performance	3	6
		Number of One on One meetings attended to account of departmental performance	4	2



Legal Services	Drafting of Legal opinions	Number of legal opinions drafted	13	13
	Drafting of contracts relating to the appointment of service providers	Number of contracts drafted as requested by Directorates	189	189
	Handling of litigious cases	Number of litigious cases handled	11	11
	Drafting of legislation	Number of legislation drafted	2	0
	Deregistration and registration of housing beneficiaries	Number of properties to be registered with the Deeds Registrar	2475	2475
		Number of townships formalized	86	86
	Anti-corruption and fraud	Number of fraud and corruption cases investigated	57	57
Risk Management	Develop, implement and monitor the implementation of Risk Management Strategy within the Department	Number of fraud prevention plans implemented and monitored	1	1
		Number of risk management strategies implemented and monitored	1	1
		Number of Risk Awareness workshops	10	9
		Number risk management committees meetings facilitated	4	4



Communications	Promote and publicize Departmental activities	Number of media briefs to promote departmental activities	2	1
		Number of Newspapers scanned	896	1344
		Number of media releases, in response public to queries	24	36
		Number of jingles developed to educated public on housing related matters	12	12
		Number of airtime for radio talks media to educated public on housing related matters	56	56
		Number of advertorial space purchased to educated public on housing related matters	4	8
		Number of Departmental Events coordinated to inter act with stakeholders to promote departmental programmes	4	15
		Number of Izimbizo and community meetings	2	2
		Number of budget speeches compiled	1	1
		Number of copies of internal news letter produced	12	12
		Number of external news letter produced	4	4
		Number of departmental calendars produced to publicize the department	750	750
		Number of Departmental folders procured to publicize the department	400	400
		Number of photos for political office bearers procured to publicize the department	150	120
		Number of exhibitions for departmental events held to promote departmental programmes	4	7
Budget	Ensure effective budget control within the department	Number of IYM reports submitted	12	12
		Number financial performance reports compiled	4	4



Revenue and Bookkeeping	To render departmental bookkeeping and revenue	Number of quarterly reports on revenue prepared	4	4
		Number of PMG accounts reconciled	12	12
		Number annual financial statements prepared	1	1
		Number of DORA reports prepared	12	12
Expenditure	Ensure proper expenditure control within the department for the housing conditional grant & Equitable share	Number of quarterly report on creditors prepared	4	4
		Number of creditor's reconciliations compiled	12	12
Salary Administration	Ensure proper control over salary related expenditure	Number of reconciliation from persal to Bas performed	12	12
		Number of payroll certificates certified	12	12
Demand and acquisition	Ensure effective demand management	Number of Bid specification committees convened	7	7
		Number of bid adjudication committees convened	23	23
Logistics Management	Render monitor logistical support to directorates	Number of stationery, refreshments and cleaning material requests managed	28 233	28 233
		Number of stock taking conducted	4	4
Transport and Fleet Management	Ensure effective acquisition and management of Government own vehicles	Number of new vehicles purchased	9	8
		Number of accident, fraud and evaluation committee meetings convened	5	5
		Number of advisory committee meetings on subsidized vehicles convened	5	5
Asset and liabilities	Ensure effective management of departmental assets	Number of asset verifications conducted	4	4
Supply Chain Performance	Monitoring of implementation of proper procurement processes and achievements of desired SCM objectives	Number of quarterly reports on achievements of preferential goals, store & procurement processed, cost variances and SCM objectives prepared	4	4



Human Resource and Support Services	To render Human Resource Management	Number of vacant & funded advertised and posts filled	84	84
		Number of applications screened and interviews held	688	688
		Number of transfers effected	34	34
		Number of probations of new recruits confirmed	11	11
		Number pension benefits processed	4	4
		Number of leave gratuity processed	4	4
		Number of officials terminated on the system	4	4
		Number of officials received long service awards	12	12
		Number of competency assessments for MMS & SMS conducted for appointments	13	13
	Facilitation of Human Resource Development	Number of workplace skills plans developed	1	1
		Number of awareness workshops conducted	3	5
		Number of training needs determined and consolidated	1	1
		Number of external courses designed and developed	10	10
		Number of service providers verified for accreditation	11	11
		Number of bursaries approved	20	20
		Number of learners attending 18.1 learnership	2	2
		Number of learners attending 18.2 learnership	1	1
	To facilitate for Human Resource Planning	Number of HR plans drafted and implemented	1	1
		Number of Employment Equity plans reviewed	1	1
		Number of PMDS workshops conducted	20	28
		Number of SDIPs reviewed	1	1
		Number of quarterly PMDS assessments monitored	4	4
	Ensure sound labour relations	Number of workshops on labour related matters conducted	8	8
		Number of grievances handled as per demand	3	3
		Number disciplinary cases handled as per demand	26	26
		Number of training programmes drafted and implemented	6	6
		Number of grievances handled	5	5
		Number of disciplinary cases handled	8	8
	To maintain effective record management system	Number of Audits & records kept	340	340
		Number of applications profiled	42	7740



Security Management	Security vetting	Number of security vetting to be conducted to personnel	56	56
	Security Payments	Number of Payments for security services	12	12
	Proper functioning of Security Committee	Number of Committee nominations and launched	1	1
	Conduct security inspections to all departmental sites	Number of sites inspected	88	63
	Conduct security investigations	Number of security investigations conducted	6	6
	Conduct security appraisals	Number of security appraisals conducted	9	7
	Conduct security awareness campaigns	Number of security awareness campaigns	4	4
Transversal Services	Implement and monitor the wellness programme	Number of districts implementing wellness programme	3	3
	Hold workshops to set performance indicators	Number of workshops held	3	3
	Facilitate for the construction of houses for child headed households	Number of database developed for child headed households & victims of domestic violence	1	1
	Consultative workshops on the needs of women	Number of workshops conducted on the needs of women	3	3
	Development of a marketing brochure	Number of marketing brochures developed	1	1
	Commemoration of National calendar Days	Number of National events coordinated (Calendar days celebrated)	4	4
	Mainstreaming Transversal services	Number of Departmental plans to mainstream transversal program in the Department	2	2



Planning and Programme Management	Conduct surveys and research for the Department	Number of surveys and research conducted	2	2
	Develop Strategic Planning workshops Directorates on Annual Performance Plans (APP's)	Number of workshops conducted	2	4
	Facilitate for the formulation of policies	Number of policies formulated	21	21
	Develop Strategic Planning Documents -Detailed Implementation and Plan(APP) 2010/11	Number of Documents developed	2 1 APP 1 Five Year Strategic Plan	2 1 APP 1 Five Year Strategic Plan
	Conduct performance reviews for the Department	Number of performance reviews conducted	4	4
	Conduct awareness campaigns on departmental policies to all officials	Number of awareness campaigns on departmental policies conducted	4	4
	Monitor the Departmental projects	Number of Departmental projects monitored	4	4
Management Information System (MIS)	Manage the provision of Network and Desktop support	Number of call-outs attended	1130	1130
		Number of websites re-designs	1	1
		Number of Disaster Recovery Plans Developed	1	1
		Number of Desktops, Notebook computers, Printers, Digital & video cameras purchased	As per demand	- 52 PC's - 42 laptops - 27 printers - 1 projector



2.9.2. PROGRAMME: 2: HOUSING NEEDS, RESEARCH AND PLANNING

Strategic Goals: The provision of administration needs, through policies and verifiable researched information

Strategic objectives:

- To properly plan for housing development based on IDPs, National and Provincial priorities
- To provide capacity and support to municipalities with regard to housing development planning in the following areas: Govan, Mbeki and Lekwa
- Annual revision of housing chapters in the province
- Implementation of bulk sanitation projects relating to housing projects for improvement of healthy life for communities and environment through Engineering Management Services, Quality Assurance and Inspections and Project Management

SUB-Programmes	Output	Output Performance Measure/ service delivery indicators	Actual Performance against target	
			Target	Actual
Planning	Approval of housing business plan by National Housing	Approved a revised business plan 2009/10 and submitted to national housing and Treasury	1	1
Housing Chapters	Review sessions with all municipalities on current Housing Chapters	Number of Municipalities with approved Housing Chapters	18	7
Research	Housing needs database	Collection of data for NHDDDB finalized for all 3 Districts	3	3
Engineering Services	Completion of designs and EIA for the sewer connector line at Emalahleni	Number of designs completed	1	1
	Completion of designs for the installation of internal infrastructure at Phumulani	Number of designs completed	1	1
	Refurbishment of and upgrade of sewer treatment plant at Rockey's Drift	Number of sewer treatment plants to be upgraded	1	1
Quality Assurance and Inspections	Conduct concrete/mortar testing as per demand	Number of concrete/mortar tests conducted	197	197
	Conduct brick testing as per demand	Number of bricks tested	20	240
	Conduct 2000 site inspections	Number of site inspections conducted	6000	57 458



2.9.3 PROGRAMME 3: HOUSING DEVELOPMENT, IMPLEMENTATION, PLANNING AND TARGETS-FINANCIAL AND INCREMENTAL INTERVENTIONS

Strategic Goals: The provision of quality houses to all qualifying beneficiaries and to ensure the development of sustainable human settlements.

Strategic objectives:

- To provide a regulatory framework for housing delivery.
- To provide for housing opportunities to qualifying beneficiaries through the following instruments: Individual, project linked, IRDP, PHP, Informal Settlements upgrading, Rural, Farm dweller etc.
- To provide capacity and support to municipalities with regard to human settlement development in line with the legislative prescripts and breaking new ground.

Programme	Output	Output Performance Measure/service delivery indicators	Actual Performance against target	
			Target	Actual
Individual Subsidy	Provision of houses through individual subsidies	Number of houses built through individual subsidies	512	425
Rectification of RDP stock 1994-2002 (Current)	Planning for the Rectification of houses	Number of houses planned for rectification	146	125
Rectification of RDP stock pre-1994	Assessments of houses to be rectified	Number of houses assessed	100	0
Social and Economic Facilities	Construction of community halls and child care facilities	Number of community halls and child care facilities built	6	3
Accreditation and support of Municipalities	Accreditation and support of Municipalities	Number of municipalities supported	3	3
Project Linked Projects Current Commitments	Provision of houses through Project linked subsidies	Number of houses built through project linked subsidies	2410	2071
Integrated Residential Development Phase 1 Planning and Services	Servicing of sites	Number of sites serviced	1756	-Preliminary designs finalized and tender to be re-advertised at msukaligwa. -Construction at 93% for Govan Mbeki -Construction at 89% for Dr J. S Moroka -Engineering designs and township establishment done for Emalahleni -Sewer and Water reticulation at 96% & roads at 60% for Mkhondo.



Integrated Residential Development (IRD): Phase 2 Top Structure Construction	Provision of houses through IRD	Number of houses built through IRD	407	304
People Housing Process (PHP)	Provision of houses through PHP	Number of houses built through PHP	2386	1940
Informal Settlements Upgrading	Provision of houses through informal Settlements upgrade	Number of houses built through informal Settlements upgrade	3585	2300
Consolidation Subsidies	Provision of houses through consolidation subsidies	Number of houses built through consolidation subsidies	50	50
Emergency Housing Assistance Current Projects	Provision of houses through emergency housing assistance	Number of houses built through emergency housing assistance	245	154
Community Residential Unit (CRU)	Provision of Rental stock	Number of rental stock completed	986	- 36 Completed - 150 units at 45% construction. - 140 units at planning stage - 150 units at 25% construction - contractor appointed for 120 units - consultants appointed for 120 units
Rural Interventions	Provision of houses through rural interventions	Number of houses built through rural interventions	1045	860
Farm Dweller Housing Assistance	Provision of houses through farm dweller housing assistance	Number of houses built through Farm dweller housing assistance	116	80

2.9.4 PROGRAMME 4: HOUSING ASSET MANAGEMENT

Deregistration of untraceable beneficiaries	To deregister untraceable beneficiaries	Number of beneficiaries deregistered	As per demand	0
Resolution of Landlord/Tenant	To resolve cases of rental disputes	Number of cases resolved	60	60



2.9.5 REASONS FOR MAJOR VARIANCES

CHALLENGE 1 <ul style="list-style-type: none">• Municipality is delaying the process of rectification by not submitting the list of affected houses
RESPONSE TO CHALLENGE 1 <ul style="list-style-type: none">• The outstanding projects will be dealt with in the next financial year 2010/11
CHALLENGE 2 <ul style="list-style-type: none">• There is vandalism and theft in some projects
RESPONSE TO CHALLENGE 2 <ul style="list-style-type: none">• The contractors were encouraged to hire security companies in order to guard the building materials
CHALLENGE 3 <ul style="list-style-type: none">• Some of the stands are located on high water table area
RESPONSE TO CHALLENGE 3 <ul style="list-style-type: none">• Municipalities to identify alternative areas
CHALLENGE 4 <ul style="list-style-type: none">• In some programmes, the achievement is greater than the target e.g communication- Number of newspapers scanned
RESPONSE TO CHALLENGE 4 <ul style="list-style-type: none">• Some scanned newspapers are not subscribed by the department; however, they have issues pertaining to the services the department renders.



Mr. D. Dube
Head of Department: Human Settlements

04 /08/ 2010
Date

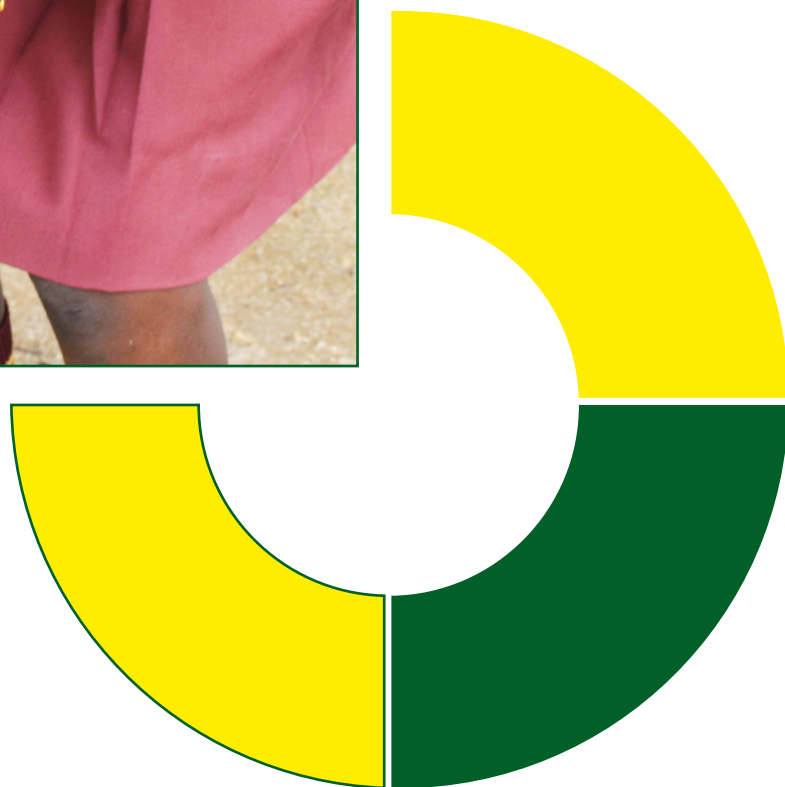






PART
3

REPORT OF
THE AUDIT COMMITTEE



Report of the Audit Committee

We are pleased to present our report for the financial year ended 31 March 2010.

Audit Committee members and attendance

During the current financial year 4 audit committee meetings were held. Interactive meetings are held between the Chairperson and the Internal Audit Unit as the need arises. The meeting attendance details during the 2009/10 financial year were as follows:

Name of the Member (Current Audit Committee)	Number of meetings attended
Ms R Kalidass	4
Ms M Nyathi	1
Dr H Jooste	3
Mr AF Keyser	4
Mr K Buthelezi	2

Audit Committee responsibility

We report that we have adopted appropriate formal terms of reference in our charter in line with the requirements of Section 38(1)(a) of the Public Finance Management Act, No. 1 of 1999 and Treasury Regulation 3.1. We further report that we conducted our affairs in compliance with this charter.

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

The system of internal controls is designed to provide cost effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. The system of internal control applied by the department over financial and risk management is effective, efficient and transparent.

In accordance with the PFMA and the King III Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective.

This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors, the Audit Report on the Annual Financial Statements and the management letter of the Auditor-General, it was noted that no significant or material non compliance with prescribed policies and procedures have been reported. Accordingly, we can report that the system of internal control for the period under review was effective and efficient.

A number of internal control deficiencies were highlighted by the Auditor-Generals Management Letter. Management will be required to compile an “action plan” to ensure that these issues are not reported in forthcoming financial years, of which the Audit Committee will actively monitor the progress being made in this regard.

The quality of in year management and monthly/quarterly reports submitted in terms of the PFMA and the Division of Revenue Act

The Audit Committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer and the Department during the year under review.

It was however noted that the information systems were not appropriate to facilitate the preparation of a performance report that is accurate and complete. Furthermore there are inadequate control processes and procedures designed and implemented to ensure the accuracy and completeness of reported performance information.

The Audit Committee will monitor the processes and procedures designed and implemented to ensure that there an improvement in the quality of performance information for the forthcoming financial year.

Evaluation of Annual 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 and the Accounting Officer.
- Reviewed the Auditor-General South Africa’s management report and management’s response thereto;
- Reviewed the department’s compliance with legal and regulatory provisions
- Reviewed significant adjustments resulting from the audit.

We concur with and accept the Auditor-General of South Africa’s report on the annual financial statements, and are of the opinion that the audited annual financial statements should be accepted and read together with the report of the Auditor-General South Africa.

Internal Audit


We are satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the department in its audits.

Auditor-General South Africa

We have met with the Auditor-General South Africa to ensure that there are no unresolved issues.

Conclusion

We would like to extend our appreciation to the Honorable MEC, HOD and Officials for their tireless efforts and commitment in ensuring that the Department succeeds in meeting their objectives, as well as for the support and co-operation afforded to us during the year. We look forward to a successful 2010/11 financial year.



RACHEL KALIDASS CA(SA)
AUDIT COMMITTEE CHAIPERSON
31 JULY 2010





PART
4

REPORT OF
THE ACCOUNTING OFFICER



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
REPORT OF THE ACCOUNTING OFFICER

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

1. General review of the state of financial affairs

The Department of Human Settlements has completed another eventful and challenging year.

Important policy decisions and strategic issues facing the Department

The mandate of the Department has been broadened to include facilitation of human settlement that includes basic services such as water, sanitation, electricity, access roads, health, education and other amenities. Therefore the Department will facilitate, coordinate and cooperate with other sector Departments and Municipalities such as:

- The Department of Education for the provision of schools.
- Department of Health to provide health facilities such as clinics.
- Department of Culture, Sports and Recreation for the provisioning of recreation facilities and job creation programmes.
- Municipalities for the provision of basic services such as water, sanitation, electricity and roads.

Planned policy initiatives

The revised mandate of the Department from the provision of housing to the creation of human settlements has an implication on both the budget and the organisational structure.

- Shift from Housing delivery to the facilitation of Integrated Human Settlements.
- Decentralization of Housing Delivery at Local Municipalities to promote easy access.

Significant events during the year

- The elections that took place in April 2009 led to the shift from Housing delivery to the facilitation of integrated Human Settlements. The WaterFor all Flagship which used to be with the Office of the Premier was shifted to our department with its funding of R625,000 and the salary of the Chief Executive Officer to the amount of R923,000.
- The new configuration of the department by the new administration resulted in the establishment of the Department of Human Settlements. The function shift necessitated the Department of Corporate Governance & Traditional Affairs and the Department of Human Settlements to have two Executing Authorities.
- After the pronouncement by the Honourable Premier in his provincial address, the Department has been facilitating the merger of the Housing Finance Company (MHFCo), Mpumalanga Economic Growth Agency (MEGA) and Mpumalanga Agricultural Development Corporation (MADC) into one Public entity. The entity will be administered by the Department of Economic Development and Planning.

Any other material matter – Soccer World Cup clothing and tickets.

- The Department did not have expenditure on Soccer World Cup clothing and tickets.

Spending trend

The Department spent 94,7% of the adjusted appropriation. The unspent funds on compensation of employees relate to the delay in filling of vacant funded posts and savings realised by filling posts through promotions of internal staff. This affected goods and services as the Department had made provision for goods and services for vacant funded posts. The Department was allocated an amount R3,5 million for the leasing of office buildings through the adjustment budget which unfortunately could not be secured, therefore the funds could not be spent. The under-spending of R35,170 million on the Integrated Human Settlements grant was due to political unrests in the Lekwa Municipality. The delay in the appointment of contractors in the municipalities for the bulk water projects caused under-expenditure in Capital payments.



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
REPORT OF THE ACCOUNTING OFFICER

- Virements were effected from Administration and Housing Needs to Research and Planning to defray excess expenditure on the latter programme on compensation of employees and capital payments from goods and services to transfers & subsidies (Households). The virements were done in terms of the Public Finance Management Act chapter 5 section (43) and approved by the Acting Head of Department.
- The table below indicates the spending trend of the Departmental programmes:

R Thousands	Main appropriation	Adjusted budget	Shifting of funds	Virement	Final Appropriation	Expenditure as at 31st March 2010	Outcome as % Budget	(over)/ under spending as at 31 March 10
Programmes								
Administration	73,410	83,353	-	(1,160)	82,193	75,832	92%	6,361
Housing Planning and Research	34,929	29,804	-	1,160	30,964	21,994	71%	8,970
Housing Development and Planning	807,055	831,557	-	-	831,557	801,631	96%	29,926
Housing Asset Management	53,333	24,605	-	-	24,605	18,875	77%	5,730
Total expenditure	968,727	969,319	-	-	969,319	918,332	95%	50,987
Economic classification								
R Thousands	Main appropriation	Adjusted budget	Shifting of funds	Virement	Final Appropriation	Expenditure as at 31 March 2010	Outcome as % Budget	(over)/ under spending as at 31 March 10
Compensation of employees	98,017	90,311	-	-	90,311	88,857	98%	1,454
Goods & Services	42,143	49,371	-	(200)	49,171	42,550	87%	6,621
Transfer & Subsidies	813,297	813,297	-	200	813,497	778,317	96%	35,180
Capital payments	15,270	16,340	-	-	16,340	8,608	53%	7,732
Total	968,727	969,319	-	-	969,319	918,332	95%	50,987

2 Service rendered by the Department

2.1 Mandate

The Department of Human Settlement's mandate includes:

- to facilitate the establishment of sustainable Integrated Human Settlement and
- to assist municipalities in the provision of water, sewer, electricity and gas.

2.2 Tariff policy

The Department does not have any tariff policy due to the fact that no goods and services are offered.



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
REPORT OF THE ACCOUNTING OFFICER

2.3 Free Services

There are no free services rendered in the Department.

2.4 Inventories

The total inventories on hand at year-end are included in Annexure 6 on Inventory. There was no specific LOGIS inventory report available that indicated the opening and closing balances for the Financial Statements in 2008/2009 financial year. The report that was used showed inventory on hand. However the Annual Financial Statements report became available in July 2009 when we realized that we had to adjust the inventory opening balance as indicated in Annexure 6.

3 Capacity constraints

The Department's main capacity constraints is on technical and project management skills. This has a negative impact on all our infrastructure delivery programmes. The Department has recruited a Cuban professional and appointed a service provider to assist in the development of capacity within this area.

The Department has provided capacity building programmes to all the districts. A project management Units (PMU) capacity building programme was rolled out to all the districts. The capacity building initiatives include among others:

- the appointment of engineers to assist Municipalities with technical support,
- the establishment of a joint programme with the Department of Water Affairs and Forestry (DWAF) to support Municipalities for sustainable service delivery and
- the guidance given to develop rates policies and by-laws to Municipalities to roll out the property Rates Act.

4 Utilisation of donor funds

The Department did not receive any donor funding for the year under review.

5 Trading entities and public entities

Mpumalanga Housing Finance Company (MHFCo) was established by the provincial Government to act as a Government agent responsible for enabling Mpumalanga communities to have access to finance for housing in the form of home loans and government housing subsidies. The Public entity was established in response to the need to create access to home finance for all citizens of the Province who are not served by commercial institutions.

The Department facilitated the merger of Mpumalanga Housing Finance Company (MHFCo), Mpumalanga Economic Growth Agency (MEGA) and Mpumalanga Agricultural Development Corporation (MADC) into one Public entity which is now called MEGA. The entity will be administered by the Department of Economic Development and Planning.

6 Organisations to whom transfer payments have been made

The Department made transfers to Mpumalanga Housing Finance Company (MHFCo) to the value of R18,850 million. This entity focuses on financing low- income earners to acquire their own houses and also deals with the development of the Social Housing Institution within the Province. The entity was administered by the Department for the year under review.

7 Public private partnerships (PPP)

The Department was not involved in any Public Private Partnerships projects.



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
REPORT OF THE ACCOUNTING OFFICER

8 Corporate governance arrangements

8.1 Risk Management Approach

The Department has established a Risk Management Unit, and the Chief Risk Officer has subsequently been appointed. The Department has also established Risk Management Committees including the districts, in order to facilitate the implementation of the risk management strategy.

The risk assessment for the financial year 2009/10 was conducted on the 01st April 2009. This exercise is intended to assess any possible high-risk areas within the Department. The Department has also developed the whistle blowing policy, risk management framework, the risk management policy and the risk management strategy (inclusive of the fraud prevention plan).

8.2 Fraud Prevention Policy

A fraud prevention plan was developed and is reviewed on an annual basis. The plan contains practices, procedures, reports and other mechanisms to monitor and safeguard the assets of the Department. The internal audit unit monitors from time to time the compliance to these procedures. Reports on these findings are directed to the Accounting Officer.

8.3 Internal Audit and Audit Committees

The shared Internal Audit has been facilitating the risk assessment exercise and all the audits to the Department were conducted as per their audit plan. The shared Audit committee sits once a quarter and analyses the financial and non- financial data of the Department.

8.4 Other Governance Structures (including management processes to minimise conflict of interest)

The Department has set up the following structures to ensure compliance to legislative requirements, policies and procedures:

- The Departmental five-year strategic plan. This document provides the objectives that are to be achieved over the strategic plan period;
- The annual performance plan (MTEF Period). This planning document details the Departments priorities for the three years MTEF period;
- The annual performance plan (1 year). This documents details the outputs to be achieved during the current financial year and the budgeted funds to achieve each out-put. This document forms the basis for performance agreements with officials at all levels.

The Department has the following Team Committees to ensure participatory management and sound governance:

- The Bid Specification and Evaluation committees;
- The Bid Adjudication committee;
- The Risk Management committee;
- The Bursary committee, that recommends the allocation of bursaries;
- Regular audits by the internal audit unit;
- Performance monitoring by managers;



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
REPORT OF THE ACCOUNTING OFFICER

- Loss and Disposal Committee;
- Policy and Development Committee;
- Transport Advisory Committee;
- Accident, Fraud, Theft and Evaluation Committee;
- Occupation Health and Safety Committee;
- Bereavement Committee;
- Transversal and Employee Health and Wellness Committee;

8.5 Code of Conduct

The Department has a Supply Chain Management Code of conduct displayed in all departmental offices. The Department is also guided by the Code of Conduct as contained in the Public Service Act.

8.6 Health and Safety and Environmental issues

The Department has a Health and Wellness Programme which provides, among other things Occupational Health Services. The Department has also established an Occupational Health and Safety Committee as required by the Occupational Health and Safety Act.

9 Discontinued activities/activities to be discontinued

The Department will no longer administer the Mpumalanga Housing Finance Company. The public entities have configured into one entity. The Department has revised its Medium Term Expenditure Framework with all the funds that were allocated to the entity and the indicative figures have been shifted to the Department of Economic planning and Development. We do not anticipate any significant negative effects because the new entity will continue to be a stakeholder in Human Settlements (Housing Loans).

10 New/proposed activities

The revised mandate requires that we do not only provide Housing but also facilitate sustainable Integrated Human Settlements which include the following:

- the provision of access roads/streets
- proper water and sewer reticulation
- provision of electricity and gas
- provision of social and economic facilities

The Department has included the new activities on its 5 year Strategic Plan 2010-2015 and the Annual Performance Plan. The organizational structure has been reviewed to accommodate the new function.

11 Asset management

The Department has complied with the minimum requirements of the asset management reforms (AMR). The asset management unit and asset team has been established, physical asset counts were completed and reconciliations of capital and minor assets are prepared on a monthly basis.

12 Events after the reporting date

No major events happened after the reporting date.



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
REPORT OF THE ACCOUNTING OFFICER

13 Performance information

Quarterly reviews are being conducted on performance information by the management of the Department. The quarterly reports are prepared and submitted to Portfolio Committee for oversight and Macro Policy in the Office of Premier for monitoring.

14 SCOPA resolutions

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
2008/9 Audit report and SCOPA resolutions	Material under-spending	The Department has reviewed the salaries of technical staff as a retention strategy and attract scarce skills as the Department mainly under- spend on vacant funded posts
2008/9 Audit report and SCOPA resolutions	Non-compliance with the requirement of Section 38(i) (f) of the PFMA and Treasury Regulations 8.2.3	The Department has reviewed its finance process flows to centralise the management of invoices to supply chain management instead of chief users
2008/9 Audit report and SCOPA resolutions	Key Governance responsibilities	The Department has improved on its filing system in order that documentation should be easily available when needed. The Department will further review the financial statements to ensure quality

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15 Prior modifications to audit reports

Same as the SCOPA resolutions.

16 Exemptions and deviations received from the National Treasury

There were no exemption or deviations received from National Treasury.

17 Approval

The Annual Financial Statements as set out on pages 38 to 84 have been approved by the Accounting Officer.



MR D. DUBE

HEAD OF DEPARTMENT

DATE: 31 MAY 2010

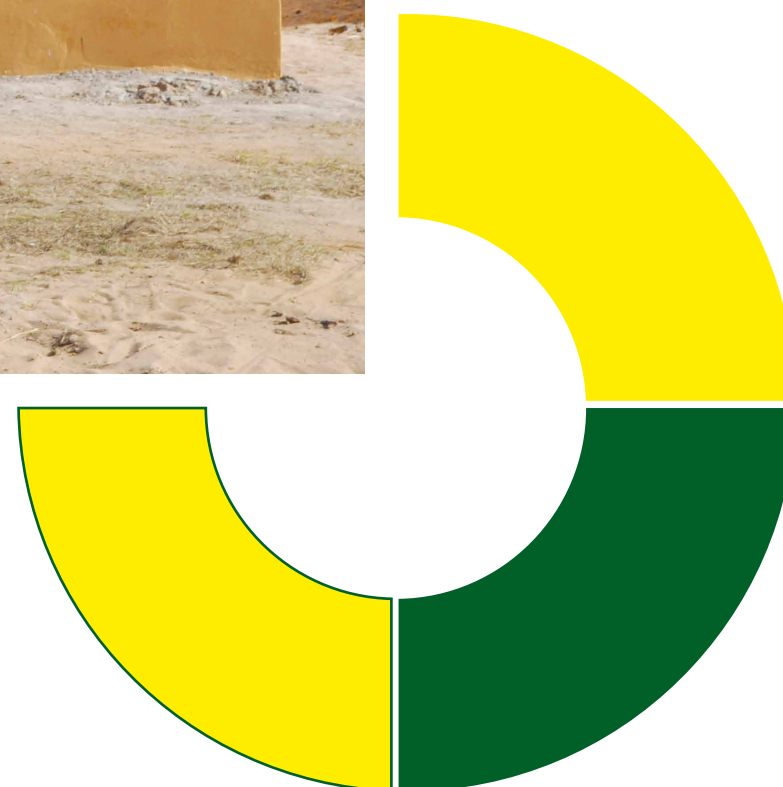




PART
5

REPORT OF
THE AUDITOR - GENERAL

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DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
REPORT OF THE AUDITOR GENERAL
for the year ended 31 March 2010

**REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA LEGISLATURE ON THE FINANCIAL STATEMENTS OF
VOTE NO. 14: DEPARTMENT OF HUMAN SETTLEMENTS FOR THE YEAR ENDED 31 MARCH 2010**

REPORT ON THE FINANCIAL STATEMENTS

Introduction

I have audited the accompanying financial statements of the Department of Human Settlements, which comprise the appropriation statement, the statement of financial position as at 31 March 2010, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 38 to 84.

Accounting officer's responsibility for the financial statements

The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1 and in the manner required by the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2009 (Act No. 12 of 2009) (DoRA). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor-General's responsibility

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As required by section 188 of the Constitution of South Africa and section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with International Standards on Auditing and *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures elected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

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 2010 and its financial performance and its cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1 and in the manner required by the PFMA and DoRA.

Emphasis of matters

I draw attention to the matters below. My opinion is not modified in respect of these matters:

Basis of accounting

The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1.



Material underspending of the budget

As disclosed in the appropriation statement, the department materially underspent its budget on all four programmes, namely programme 1: administration, programme 2: housing planning and research, programme 3: housing development and planning, and programme 4: housing asset management, to the total amount of R50 987 000. As a consequence, the department did not achieve all its objectives.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the PAA and *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*, I include below my findings on the report on predetermined objectives, compliance with the PFMA and DoRA, and financial management (internal control).

Findings

Predetermined objectives

Non-compliance with regulatory and reporting requirements

Lack of effective, efficient and transparent systems and internal controls regarding performance management

The department did not maintain an effective, efficient and transparent system and internal controls regarding performance management, which describe and represents how the institution’s processes of performance planning, monitoring, measurement, review and reporting would be conducted, organised and managed, as required in terms of section 38(1)(a)(i) and (b) of the PFMA.

Usefulness of reported performance information

The following criteria were used to assess the usefulness of the planned and reported performance:

- Consistency: Has the department reported on its performance with regard to its objectives, indicators and targets in its approved annual performance plan, i.e. are the objectives, indicators and targets consistent between planning and reporting documents?
- Relevance: Is there a clear and logical link between the objectives, outcomes, outputs, indicators and performance targets?
- Measurability: Are objectives made measurable by means of indicators and targets? Are indicators well defined and verifiable, and are targets specific, measurable and time bound?

The following audit findings relate to the above criteria:

Reported performance information not relevant

For the selected programme, 55% of the planned and reported targets were not specific in clearly identifying the nature and required level of performance and measurable in identifying the nature and required level of performance.

Planned and reported indicators or measures not well defined

Sixty-seven per cent of the planned and reported indicators for programme 3 were not clear, with an unambiguous definition to allow for data to be collected consistently.

Reliability of reported performance information

The following criteria were used to assess the usefulness of the planned and reported performance:

- Validity: Has the actual reported performance occurred and does it pertain to the entity i.e. can the reported performance information be traced back to the source data or documentation?
- Accuracy: Amounts, numbers and other data relating to reported actual performance has been recorded and reported appropriately.
- Completeness: All actual results and events that should have been included in the reported performance information.

The following audit findings relate to the above criteria:

No supporting sourcing source documentation

Sufficient appropriate audit evidence in relation to programme 3 could not be obtained as the supporting documentation was not submitted in time. There were also no satisfactory audit procedures that I could perform to obtain the required assurance as to the validity, accuracy and completeness of the reported information.

Compliance with laws and regulations

Housing Code

Non-adherence to legislation

Individuals awarded subsidies above the stipulated threshold

The department did not ensure that some individuals awarded housing subsidies did not earn an income above the stipulated threshold of R3 500 per month, as required by the Housing Code.

INTERNAL CONTROL

I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives and compliance with the PFMA and DoRA, but not for the purposes of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the deficiencies identified during the audit.

Financial and performance management

Financial statements were subject to material amendments resulting from the audit, as the department did not have a well-documented system to ensure that pertinent information relating to disclosures in the financial statements and performance information was identified and captured in a form and time frame to support financial and performance reporting.

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Auditor-General

Nelspruit

28 August 2010



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence





PART
6

ANNUAL FINANCIAL STATEMENTS

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DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
APPROPRIATION STATEMENT
for the year ended 31 March 2010

Appropriation per programme									
2009/10								2008/09	
APPROPRIATION STATEMENT	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	78,178		(1,200)	76,978	71,070	5,908	92.3%	42,189	42,128
Transfers and subsidies			200	200	107	93	53.5%		
Payment for capital assets	3,715		(160)	3,555	3,457	98	97.2%	3,607	3,715
2. Housing Needs, Research and Planning									
Current payment	17,179		1,000	18,179	16,843	1,336	92.7%	13,684	7,024
Transfers and subsidies									
Payment for capital assets	12,625		160	12,785	5,151	7,634	40.3%	8,033	8,033
3. Housing Development, Implementation, Planning and Targets									
Current payment	42,865			42,865	42,296	569	98.7%	32,697	32,697
Transfers and subsidies	788,692			788,692	759,335	29,357	96.3%	818,669	818,729
Payment for capital assets									
4. Housing Asset Management									
Current payment									
Transfers and subsidies	24,605			24,605	18,875	5,730	76.7%		
Payment for capital assets									
Subtotal	967,859			967,859	917,134	50,725	94.8%	918,879	912,326
Statutory Appropriation									
Current payment	1,460			1,460	1,198	262	82.1%		
Transfers and subsidies									
Payment for capital assets									
TOTAL	969,319			969,319	918,332	50,987	94.7%	918,879	912,326



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
APPROPRIATION STATEMENT
for the year ended 31 March 2010

	2009/10			2008/09	
	Final Appropriation	Actual Expenditure		Final Appropriation	Actual Expenditure
TOTAL (brought forward)	969,319	918,332		918,879	912,326
Reconciliation with statement of financial performance					
ADD					
Departmental receipts	2,662			3,183	
Direct Exchequer receipts					
Aid assistance					
Actual amounts per statement of financial performance (total revenue)	971,981			922,062	
ADD					
Aid assistance					
Direct Exchequer payments					
Prior year unauthorised expenditure approved without funding					
Actual amounts per statement of financial performance (total expenditure)		918,332			912,326



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
APPROPRIATION STATEMENT
for the year ended 31 March 2010

Appropriation per economic classification									
2009/10								2008/09	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	90,311			90,311	88,857	1,454	98.4%	61,011	56,582
Goods and services	49,371		(200)	49,171	42,550	6,621	86.5%	27,498	25,267
Public corporations and private enterprises	18,850			18,850	18,850		100.0%	22,000	22,000
Households	794,447		200	794,647	759,467	35,180	95.6%	796,669	796,729
Payments for capital assets									
Buildings and other fixed structures	12,625			12,625	5,000	7,625	39.6%	8,033	8,033
Machinery and equipment	3,715			3,715	3,608	107	97.1%	3,607	3,662
Software and other intangible assets								61	53
Total	969,319			969,319	918,332	50,987	94.7%	918,879	912,326



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
APPROPRIATION STATEMENT
for the year ended 31 March 2010

Statutory Appropriation									
2009/10								2008/09	
Direct charges against the National/ Provincial Revenue Fund	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
List all direct charges against the National / Provincial Revenue Fund:									
Member of executive committee / parliamentary officers	1,460			1,460	1,198	262	82.1%		
Total	1,460			1,460	1,198	262	82.1%		

DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
APPROPRIATION STATEMENT
for the year ended 31 March 2010

Statutory Appropriation per economic classification									
2009/10								2008/09	
Programme 1 Per Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	1,460			1,460	1,198	262	82.1%		
Total	1,460			1,460	1,198	262	82.1%		



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
DETAIL PER PROGRAMME
for the year ended 31 March 2010

Detail per programme 1 - ADMINISTRATION
for the year ended 31 March 2010

2009/10								2008/09	
Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1 Administration									
Current payment	78,178		(1,200)	76,978	71,070	5,908	92.3%	42,189	42,128
Transfers and subsidies			200	200	107	93	53.5%		
Payment for capital assets	3,715		(160)	3,555	3,457	98	97.2%	3,607	3,715
Total	81,893		(1,160)	80,733	74,634	6,099	92.4%	45,796	45,843



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
DETAIL PER PROGRAMME
for the year ended 31 March 2010

2009/10								2008/09	
Programme 1 Per Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	43,632		(1,000)	42,632	41,551	1,081	97.5%	23,275	23,297
Goods and services	36,006		(200)	35,806	30,717	5,089	85.8%	18,853	18,831
Transfers and subsidies to:									
Households			200	200	107	93	53.5%		
Payment for capital assets									
Machinery and equipment	3,715		(160)	3,555	3,457	98	97.2%	3,607	3,662
Software and other intangible assets								61	53
Total	83,353		(1,160)	82,193	75,832	6,361	92.3%	45,796	45,843



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
DETAIL PER PROGRAMME
for the year ended 31 March 2010

Detail per programme 2 - HOUSING NEEDS, RESEARCH AND PLANNING
for the year ended 31 March 2010

Detail per sub-programme	2009/10							2008/09	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Administration									
Current payment	16,258		1,000	17,258	16,089	1,169	93.2%	13,684	7,024
Transfers and subsidies									
Payment for capital assets	12,000			12,000	5,000	7,000	41.7%	8,033	8,033
2.2 Needs									
Current payment									
Transfers and subsidies									
Payment for capital assets									
2.3 Policy									
Current payment									
Transfers and subsidies									
Payment for capital assets									
2..4 Planning									
Current payment	921			921	754	167	81.9%		
Transfers and subsidies									
Payment for capital assets	625		160	785	151	634	19.2%		
2.5 Research									
Current payment									
Transfers and subsidies									
Payment for capital assets									
Total	29,804		1,160	30,964	21,994	8,970	71.0%	21,717	15,057



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
DETAIL PER PROGRAMME
for the year ended 31 March 2010

2009/10								2008/09	
Programme 2 Per Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	13,708		1,000	14,708	14,577	131	99.1%	10,226	5,775
Goods and services	3,471			3,471	2,266	1,205	65.3%	3,458	1,249
Payment for capital assets									
Buildings and other fixed structures	12,625			12,625	5,000	7,625	39.6%	8,033	8,033
Machinery and equipment			160	160	151	9	94.4%		
Total	29,804		1,160	30,964	21,994	8,970	71.0%	21,717	15,057



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
DETAIL PER PROGRAMME
for the year ended 31 March 2010

Detail per programme 3 - HOUSING DEVELOPMENT, IMPLEMENTATION, PLANNING AND TARGETS
for the year ended 31 March 2010

Detail per sub-programme	2009/10							2008/09	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Administration									
Current payment	42,865			42,865	42,296	569	98.7%	32,697	32,697
Transfers and subsidies					83	(83)		22,000	22,526
Payment for capital assets									
3.2 Financial Interventions									
Current payment									
Transfers and subsidies	203,119			203,119	91,804	111,315	45.2%	168,219	71,177
Payment for capital assets									
3.3 Incremental Interventions									
Current payment									
Transfers and subsidies	485,204			485,204	491,429	(6,225)	101.3%	544,326	557,352
Payment for capital assets									
3..4 Social and Rental Intervention									
Current payment									
Transfers and subsidies	37,451			37,451	95,223	(57,772)	254.3%	34,046	31,625
Payment for capital assets									
3.5 Rural Intervention									
Current payment									
Transfers and subsidies	62,918			62,918	80,796	(17,878)	128.4%	50,078	136,049
Payment for capital assets									
Total	831,557			831,557	801,631	29,926	96.4%	851,366	851,426



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
DETAIL PER PROGRAMME
for the year ended 31 March 2010

2009/10								2008/09	
Programme 3 Per Economic classification	Adjusted Appropriation	Shifting of Funds	Vire-ment	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	32,971			32,971	32,729	242	99.3%	27,510	27,510
Goods and services	9,894			9,894	9,567	327	96.7%	5,187	5,187
Transfers and subsidies to:									
Public corporations and private enterprises								22,000	22,000
Households	788,692			788,692	759,335	29,357	96.3%	796,669	796,729
Total	831,557			831,557	801,631	29,926	96.4%	851.366	851.426



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
DETAIL PER PROGRAMME
for the year ended 31 March 2010

Detail per programme 4 - HOUSING ASSET MANAGEMENT
for the year ended 31 March 2010

2009/10								2008/09	
Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Administration									
Current payment									
Transfers and subsidies	18,850			18,850	18,850		100.0%		
Payment for capital assets									
4.3 Sale and Transfer of Housing Properties									
Current payment									
Transfers and subsidies	5,500			5,500		5,500	0.0%		
Payment for capital assets									
4.3 Devolution of Housing Properties									
Current payment									
Transfers and subsidies									
Payment for capital assets									
4..4 Housing Property Management									
Current payment									
Transfers and subsidies	255			255	25	230	9.8%		
Payment for capital assets									
Total	24,605			24,605	18,875	5,730	76.7%		

DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
DETAIL PER PROGRAMME
for the year ended 31 March 2010

2009/10								2008/09	
Programme 4 Per Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies to:									
Public corporations and private enterprises	18,850			18,850	18,850		100.0%		
Households	5,755			5,755	25	5,730	0.4%		
Total	24,605			24,605	18,875	5,730	76.7%		



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2010

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1E and 1H to the Annual Financial Statements.

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 financial transactions in assets and liabilities

Detail of these transactions per programme can be viewed in the note on Financial transactions in assets and liabilities to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1	Per Programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	Administration	82,193	75,832	6,361	92%
	Housing Needs, Research and Planning	30,964	21,994	8,970	71%
	Housing Development, Implementation, Planning and Targets	831,557	801,631	29,926	96%
	Housing Asset Management	24,605	18,875	5,730	77%
4.2	Per Economic classification	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation R'000
	Current payments:				
	Compensation of employees	90,311	88,857	1,454	98%
	Goods and services	49,171	42,550	6,621	87%
	Transfers and subsidies:				
	Public corporations and private enterprises	18,850	18,850		100%
	Households	794,647	759,467	35,180	96%
	Payments for capital assets:				
	Buildings and other fixed structures	12,625	5,000	7,625	40%
	Machinery and equipment	3,715	3,608	107	97%



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2010

PERFORMANCE	Note	2009/10 R'000	2008/09 R'000
REVENUE			
Annual appropriation	1	967,859	918,879
Statutory appropriation	2	1,460	
Departmental revenue	3	2,662	3,183
TOTAL REVENUE		971,981	922,062
EXPENDITURE			
Current expenditure			
Compensation of employees	4	88,856	56,583
Goods and services	5	42,551	26,082
Total current expenditure		131,407	82,665
Transfers and subsidies		778,317	818,729
Transfers and subsidies	6	778,317	818,729
Expenditure for capital assets			
Tangible capital assets	7	8,608	10,879
Software and other intangible assets	7		53
Total expenditure for capital assets		8,608	10,932
TOTAL EXPENDITURE		918,332	912,326
SURPLUS FOR THE YEAR		53,649	9,736
Reconciliation of Net Surplus for the year			
Voted funds		50,987	6,553
Annual appropriation		15,817	6,553
Conditional grants		35,170	-
Departmental revenue	11	2,662	3,183
SURPLUS FOR THE YEAR		53,649	9,736



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
STATEMENT OF FINANCIAL POSITION
as at year ended 31 March 2010

POSITION	Note	2009/10 R'000	2008/09 R'000
ASSETS			
Current assets		54,644	6,576
Cash and cash equivalents	8	50,590	6,173
Receivables	9	4,054	403
TOTAL ASSETS		54,644	6,576
LIABILITIES			
Current liabilities		50,996	6,576
Voted funds to be surrendered to the Revenue Fund	10	50,987	6,553
Departmental revenue to be surrendered to the Revenue Fund	11	9	17
Payables	12		6
TOTAL LIABILITIES		50,996	6,576
NET ASSETS		3,648	-

	Note	2009/10 R'000	2008/09 R'000
Represented by:			
Recoverable revenue		3,648	-
TOTAL		3,648	-



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2010

NET ASSET	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Recoverable revenue			
Opening balance			
Transfers:		3,648	
Debts raised		3,648	-
Closing balance		3,648	-
TOTAL		3,648	-



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
CASH FLOW STATEMENT
for the year ended 31 March 2010

CASH FLOW	<i>Note</i>	2009/10 R'000	2008/09 R'000
CASH FLOWS FROM OPERATING ACTIVITIES		971,931	922,062
Receipts			
Annual appropriated funds received	1.1	967,859	918,879
Statutory appropriated funds received	2	1,460	-
Departmental revenue received	3	2,612	3,183
Net (increase) in working capital		(3,657)	(3,586)
Surrendered to Revenue Fund		(9,223)	(3,166)
Current payments		(131,407)	(82,665)
Transfers and subsidies paid		(778,317)	(818,729)
Net cash flow available from operating activities	13	49,327	13,916
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(8,608)	(10,932)
Proceeds from sale of capital assets	3.3	50	-
Net cash flows from investing activities		(8,558)	(10,932)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in net assets		3,648	-
Net cash flows from financing activities		3,648	-
Net increase in cash and cash equivalents		44,417	2,984
Cash and cash equivalents at beginning of period		6,173	3,189
Cash and cash equivalents at end of period	14	50,590	6,173



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
ACCOUNTING POLICIES
for the year ended 31 March 2010

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, 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, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 2 of 2006.

1. Presentation of the Financial Statements

1.1 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

1.2 Presentation currency

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the Department.

1.3 Rounding

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

1.4 Comparative figures

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.

1.5 Comparative figures - Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

2. Revenue

2.1 Appropriated funds

Appropriated funds comprises of Departmental allocations as well as direct charges against revenue fund (i.e. statutory appropriation).

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

The total appropriated funds received during the year are presented in the statement of financial performance.

Unexpended appropriated funds are surrendered to the National/Provincial Revenue Fund. Any amounts owing to the National/Provincial Revenue Fund at the end of the financial year are recognised as payable in the statement of financial position.

2.2 Departmental revenue

All Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the National/Provincial Revenue Fund is recognised as a payable in the statement of financial position.



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
ACCOUNTING POLICIES
for the year ended 31 March 2010

No accrual is made for the amount receivable from the last receipt date to the end of the reporting period. These amounts are however disclosed in the disclosure note to the annual financial statements.

2.3 Direct Exchequer receipts / payments

All direct exchequer receipts are recognised in the statement of financial performance when the cash is received and subsequently paid into the National / Provincial Revenue Fund, unless otherwise stated. All direct exchequer payments are recognised in the statement of financial performance when final authorisation for payment is effected on the system (by no later than 31 March of each year). Any amount owing to the National/Provincial Revenue Funds at the end of the financial year is recognised as a payable in the statement of financial position.

2.4 Aid assistance

Aids assistance is recognised as revenue when received.

All in-kind aid assistance is disclosed at fair value on the date of receipt in the annexures to the Annual Financial Statements.

The cash payments made during the year relating to aid assistance projects are recognised as expenditure in the statement of financial performance when final authorisation for payments is effected on the system (by no later than 31 March of each year).

The value of the assistance expensed prior to the receipt of funds is recognised as a receivable in the statement of financial position.

Inappropriately expensed amounts using aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the year relating to CARA earmarked projects are recognised as expenditure in the statement of financial performance when final authorisation for payments effected on the system (by no later than 31 March of each year).

Inappropriately expensed amounts using CARA funds are recognised as payables in the statement of financial position. Any unutilised amounts are transferred to retained funds as they are not surrendered to the revenue fund.

3. Expenditure

3.1 Compensation of employees

3.1.1 Short-term employee benefits

The cost of short-term employee benefits are expensed in the statement of financial performance when financial authorisation for payment is effected on the system (by no later than 31 March each year).

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts must not be recognised in the statement of financial performance or position.

Employee cost are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time in the project. These payments form part of expenditure for capital assets in the statement of financial performance.

3.1.2 Post retirement benefits

Employer contributions (i.e. social contributions) are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March each year).

No provision is made for retirement benefits in the financial statements of the Department. Any potential liabilities are disclosed in the financial statements of the National Revenue Funds and not in the financial statements of the employer Department.

Social contribution (such as medical benefits) made by the Department for certain of its ex-employees are classified as transfers to households in the statement of financial performance.



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
ACCOUNTING POLICIES
for the year ended 31 March 2010

3.1.3 Termination benefits

Termination benefits such as severance packages are recognised as an expense in the statement of financial performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.1.4 Other long-term employee benefits

Other long-term employee benefits (such as capped leave) are recognised as an expense in the statement of financial performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Long-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements.

3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

The expense is classified as capital if the goods and/or services were acquired for a capital project or if the total purchase price exceeds the capitalisation threshold (currently R5, 000). All other expenditures are classified as current.

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

3.4 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or under spending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but an estimate is included in the disclosure notes to the financial statements amounts.

All other losses are recognised when authorisation has been granted for the recognition thereof.

3.5 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.6 Unauthorised expenditure

When confirmed unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

Unauthorised expenditure approved with funding is derecognised from the statement of financial position when the unauthorised expenditure is approved and the related funds are received.

Where the amount is approved without funding it is recognised as expenditure in the statement of financial performance on the date of approval.

3.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the statement of financial performance according to the nature of the payment and not as a separate line item on the face of the statement. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
ACCOUNTING POLICIES
for the year ended 31 March 2010

3.8 Irregular expenditure

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

4. Assets

4.1 Cash and cash equivalents

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

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

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.

4.2 Other financial assets

Other financial assets are carried in the statement of financial position at cost.

4.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made and where the goods and services have not been received by year end.

Prepayments and advances outstanding at the end of the year are carried in the statement of financial position at cost.

4.4 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party or from the sale of goods/ rendering of services.

Receivables outstanding at year-end are carried in the statement of financial position at cost plus any accrued interest. Amounts that are potentially irrecoverable are included in the disclosure notes.

4.5 Investments

Capitalised investments are shown at cost in the statement of financial position.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any impairment loss is included in the disclosure notes.

4.6 Loans

Loans are recognised in the statement of financial position when the cash is paid to the beneficiary. Loans that are outstanding at year-end are carried in the statement of financial position at cost plus accrued interest.

Amounts that are potentially irrecoverable are included in the disclosure notes.

4.7 Inventory

Inventories that qualify for recognition must be initially reflected at cost. Where inventories are acquired at no cost, or for nominal consideration, their cost shall be their fair value at the date of acquisition.

All inventory items at year-end are reflected using the weighted average cost or FIFO cost formula.



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
ACCOUNTING POLICIES
for the year ended 31 March 2010

4.8 Capital assets

4.8.1 Movable assets

Initial recognition

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

All assets acquired prior to 1 April 2002 are included in the register at R1.

Subsequent recognition

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as “expenditure for capital asset” and is capitalised in the asset register of the Department on completion of the project.

Repairs and maintenance is expensed as current “goods and services” in the statement of financial performance.

4.8.2 Immovable assets

Initial recognition

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

Subsequent recognition

Work-in-progress of a capital nature is recorded in the statement of financial performance as “expenditure for capital asset”. On completion, the total cost of the project is included in the asset register of the Department that legally owns the asset or the provincial/national Department of public works.

Repairs and maintenance is expensed as current “goods and services” in the statement of financial performance.

5. Liabilities

5.1 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are carried at cost in the statement of financial position.

5.2 Contingent liabilities

Contingent liabilities are included in the disclosure notes to the financial statements when it is possible that economic benefits will flow from the Department, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.

5.3 Contingent assets

Contingent assets are included in the disclosure notes to the financial statements when it is possible that an inflow of economic benefits will flow to the entity.

5.4 Commitments

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.5 Accruals

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
ACCOUNTING POLICIES
for the year ended 31 March 2010

5.6 Employee benefits

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the statement of financial performance or the statement of financial position.

5.7 Lease commitments

Finance lease

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as an expense in the statement of financial performance and are apportioned between the capital and interest portions. The finance lease liability is disclosed in the disclosure notes to the financial statements.

Operating lease

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the disclosure notes to the financial statement.

5.8 Provisions

Provisions are disclosed 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 will be required to settle the obligation and a reliable estimate of the obligation can be made.

6. Receivables for Departmental revenue

Receivables for Departmental revenue are disclosed in the disclosure notes to the annual financial statements.

7. Net Assets

7.1 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 underlining asset is disposed and the related funds are received.

7.2 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.

8. Related party transactions

Specific information with regards to related party transactions is included in the disclosure notes.

9. Key management personnel

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

10. Public private partnerships

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.



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1. Annual Appropriation

1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Appropriation received 2008/09
	R'000	R'000	R'000	R'000
Corporate Services	80,733	80,733	-	45,796
Housing Needs, Research & Planning	30,964	30,964	-	21,717
Housing Development, Implementation, Planning & Target	831,557	831,557	-	851,366
Housing Asset Management	24,605	24,605	-	-
Total	967,859	967,859	-	918,879

1 Conditional grants

	<i>Note</i>	2009/10 R'000	2008/09 R'000
Total grants received	25	795,447	796,669
Provincial grants included in Total Grants received		-	100,000

2 Statutory Appropriation

	2009/10 R'000	2008/09 R'000
Member of executive committee/parliamentary officers	1,460	-
Total	1,460	-
Actual Statutory Appropriation received	1,460	



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3 Departmental revenue

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Tax revenue			
Sales of goods and services other than capital assets	3.1	113	41
Interest, dividends and rent on land	3.2	2,439	3,133
Sales of capital assets	3.3	50	-
Financial transactions in assets and liabilities	3.4	60	9
Total revenue collected		2,662	3,183
Departmental revenue collected		2,662	3,183

3.1 Sales of goods and services other than capital assets

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Sales of goods and services produced by the Department		113	41
Sales by market establishment		52	13
Other sales		61	28
Total		113	41

3.2 Interest, dividends and rent on land

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Interest	3	2,439	3,133
Total		2,439	3,133

3.3 Sale of capital assets

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Tangible capital assets		50	-
Machinery and equipment	22.2	50	-
Total		50	-



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3.4 Financial transactions in assets and liabilities

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Other Receipts including Recoverable Revenue	3	60	9
Total		60	9

4 Compensation of employees

4.1 Salaries and Wages

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Basic salary		61,184	37,188
Performance award		1,088	1,015
Service Based		116	150
Compensative/circumstantial		2,437	2,708
Periodic payments		8	-
Other non-pensionable allowances		12,174	7,819
Total		77,007	48,880

4.2 Social contributions

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Employer contributions			
Pension		7,955	4,879
Medical		3,884	2,807
Bargaining council		10	17
Total		11,849	7,703

Total compensation of employees		88,856	56,583
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Average number of employees		341	267
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DEPARTMENT OF HUMAN SETTLEMENTS
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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5 Goods and services

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Administrative fees		35	17
Advertising		1,620	1,652
Assets less than R5,000	5.1	429	825
Bursaries (employees)		389	228
Catering		1,717	507
Communication		4,077	1,518
Computer services	5.2	139	118
Consultants, contractors and agency/outsourced services	5.3	7,711	2,853
Audit cost – external	5.4	1,530	1,530
Government motor transport		1,883	1,661
Inventory	5.5	2,529	1,641
Operating leases		4,061	1,300
Owned and leasehold property expenditure	5.6	4,303	2,927
Travel and subsistence	5.7	9,700	6,268
Venues and facilities		801	1,891
Training and staff development		707	792
Other operating expenditure	5.8	920	354
Total		42,551	26,082

5.1 Assets less than R5,000

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Tangible assets			
Machinery and equipment		429	825
Total		429	825

5.2 Computer services

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
SITA computer services		63	-
External computer service providers		76	118
Total		139	118



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5.3 Consultants, contractors and agency/outsourced services

	<i>Note</i>	2009/10	2008/09
	5	R'000	R'000
Business and advisory services		2,563	1,104
Infrastructure and planning		3,000	-
Legal costs		1,972	1,479
Contractors		28	270
Agency and support/outsourced services		148	-
Total		7,711	2,853

5.4 Audit cost – External

	<i>Note</i>	2009/10	2008/09
	5	R'000	R'000
Regularity audits		1,530	1,530
Total		1,530	1,530

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5.5 Inventory

	<i>Note</i>	2009/10	2008/09
	5	R'000	R'000
Learning and teaching support material		16	-
Food and food supplies		103	25
Other consumable materials		570	166
Stationery and printing		1,840	1,450
Total		2,529	1,621

5.6 Owned and leasehold property expenditure

	<i>Note</i>	2009/10	2008/09
	5	R'000	R'000
Municipal services		948	1,193
Property maintenance and repairs		3,229	-
Other		126	1,734
Total		4,303	2,927

5.7 Travel and subsistence

	<i>Note</i>	2009/10	2008/09
	5		
Local		9,634	6,264
Foreign		66	4
Total		9,700	6,268



DEPARTMENT OF HUMAN SETTLEMENTS
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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5.8 Other operating expenditure

	<i>Note</i>	2009/10	2008/09
	5	R'000	R'000
Learnerships		37	-
Resettlement costs		56	51
Other		827	303
Total		920	354

6 Transfers and subsidies

		2009/10	2008/09
		R'000	R'000
	<i>Note</i>		
Public corporations and private enterprises	<i>Annex 1E</i>	18,850	22,000
Households	<i>Annex 1H</i>	759,467	796,729
Total		778,317	818,729

7 Expenditure for capital assets

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Tangible assets		8,608	10,879
Buildings and other fixed structures	24	5,000	8,033
Machinery and equipment	22.1	3,608	2,846
Software and other intangible assets			53
Other intangibles	23	-	53
Total		8,608	10,932

7.1 Analysis of funds utilised to acquire capital assets – 2009/10

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	8,608		8,608
Buildings and other fixed structures	5,000	-	5,000
Machinery and equipment	3,608	-	3,608
Total	8,608	-	8,608



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7.2 Analysis of funds utilised to acquire capital assets – 2008/09

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	10,879		10,879
Buildings and other fixed structures	8,033	-	8,033
Machinery and equipment	2,846	-	2,846
Software and other intangible assets	53		53
Other intangibles	53	-	53
Total	10,932	-	10,932

8 Cash and cash equivalents

	Note	2009/10 R'000	2008/09 R'000
Consolidated Paymaster General Account		50,590	6,173
Total		50,590	6,173

9 Receivables

		R'000	R'000	R'000	2009/10 R'000	2008/09 R'000
		Less than one year	One to three years	Older than three years		
					Total	Total
Recoverable expenditure	Note 9.1	37	-	-	37	-
Staff debt	9.2	316	2	6	324	288
Other debtors	9.3	89		3,604	3,693	115
Total		442	2	3,610	4,054	403



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9.1 Recoverable expenditure (disallowance account)

	<i>Note</i>	2009/10	2008/09
	9	R'000	R'000
SAL: Income Tax		37	-
Total		37	-

9.2 Staff debt

	<i>Note</i>	2009/10	2008/09
	9	R'000	R'000
Employees		47	288
Ex-employees		277	-
Total		324	288

9.3 Other debtors

	<i>Note</i>	2009/10	2008/09
	9	R'000	R'000
Suppliers		3,693	115
Total		3,693	115

10 Voted funds to be surrendered to the Revenue Fund

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Opening balance		6,553	-
Transfer from statement of financial performance		50,987	6,553
Paid during the year		(6,553)	-
Closing balance		50,987	6,553

11 Departmental revenue to be surrendered to the Revenue

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Opening balance		17	-
Transfer from Statement of Financial Performance		2,662	3,183
Paid during the year		(2,670)	(3,166)
Closing balance		9	17



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12 Payables – current

	<i>Note</i>	2009/10	2008/09
		Total	Total
Clearing accounts	12.1	-	6
Total		-	6

12.1 Clearing accounts

	<i>Note</i>	2009/10	2008/09
	12	R'000	R'000
SAL: Income Tax		-	6
Total		-	6

13 Net cash flow available from operating activities

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Net surplus as per Statement of Financial Performance		53,649	9,736
Add back non cash/cash movements not deemed operating activities		(4,322)	4,180
(Increase) in receivables – current		(3,651)	(150)
(Decrease) in payables – current		(6)	(3,436)
Proceeds from sale of capital assets		(50)	
Expenditure on capital assets		8,608	10,932
Surrenders to Revenue Fund		(9,223)	(3,166)
Net cash flow generated by operating activities		49,327	13,916

14 Reconciliation of cash and cash equivalents for cash flow purposes

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Consolidated Paymaster General account		50,590	6,173
Total		50,590	6,173



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These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.

15 Contingent liabilities and contingent assets

15.1 Contingent liabilities

		<i>Note</i>	2009/10	2008/09
			R'000	R'000
Liable to	Nature			
Housing loan guarantees	Employees	<i>Annex 3A</i>	914	979
Claims against the Department		<i>Annex 3B</i>	6,737	7,237
Total			7,651	8,216

15.2 Contingent assets

Claims against the Contractors	8,676	-
Total	8,676	-

16 Commitments

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Current expenditure			
Approved and contracted		126	116
Approved but not yet contracted			
		126	116
Capital expenditure			
Approved and contracted		1,148,679	1,071,315
Retention amounts		31,557	34,200
		1,180,236	1,105,515
Total Commitments		1,180,362	1,105,631



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17 Accruals

	2009/10			2008/09
	R'000			R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	1,122	3	1,125	1,393
Transfers and subsidies	11,402	-	11,402	32,162
Total	12,524	3	12,527	33,555

<i>Note</i>	2009/10	2008/09
	R'000	R'000

Listed by programme level

Administration	967	1,305
Housing Needs, Research and Planning	16	5
Housing Dev, Implementation, Planning & Targets	11,544	32,245
Total	12,527	33,555

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18 Employee benefits

<i>Note</i>	2009/10	2008/09
	R'000	R'000
Leave entitlement	4,635	3,315
Service bonus (Thirteenth cheque)	2,498	1,629
Performance awards	1,920	1,470
Capped leave commitments	6,256	5,077
Total	15,309	11,491

19 Lease commitments

Operating leases expenditure

	Land	Buildings and other fixed structures	Machinery and equipment	Total
2009/10				
Not later than 1 year		-	120	120
Later than 1 year and not later than 5 years		1,301	1,183	2,484
Total lease commitments		1,301	1,303	2,604



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	Land	Buildings and other fixed structures	Machinery and equipment	Total
2008/09				
Not later than 1 year		4,409	641	5,050
Later than 1 year and not later than 5 years		849	590	1,439
Total lease commitments		5,258	1,231	6,489

20 Receivables for Departmental revenue

	Note	2009/10 R'000	2008/09 R'000
Other		4,522	4,117
Total		4,522	4,117

21 Key management personnel

	No. of Individuals	2009/10 R'000	2008/09 R'000
Political office bearers Level 16	1	1,420	-
Level 15	2	1,953	-
Level 14 (incl. CFO if at a lower level)	5	1,842	1,504
Total		5,215	1,504

22 Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Opening balance R'000	Curr Year Adjustments to prior year balances R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	9,883	(641)	4,187	396	13,033
Transport assets	5,913	(220)	2,069	267	7,495
Computer equipment	2,272	(466)	1,553	-	3,359
Furniture and office equipment	1,685	3	502	129	2,061
Other machinery and equipment	13	42	63	-	118
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	9,883	(641)	4,187	396	13,033



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DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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22.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	3,608	579			4,187
Transport assets	1,763	306	-	-	2,069
Computer equipment	1,280	273	-	-	1,553
Furniture and office equipment	502	-	-	-	502
Other machinery and equipment	63	-	-	-	63
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	3,608	579	-	-	4,187

22.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	347	49	396	50
Transport assets	267		267	48
Furniture and office equipment	80	49	129	2
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	347	49	396	50



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22.3 Movement for 2008/09

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	-	9,883	-	9,883
Transport assets	-	5,913	-	5,913
Computer equipment	-	2,272	-	2,272
Furniture and office equipment	-	1,685	-	1,685
Other machinery and equipment	-	13	-	13
TOTAL MOVABLE TANGIBLE ASSETS	-	9,883	-	9,883

22.4 Minor assets

MINOR ASSETS OF THE DEPARTMENT AS AT 31 MARCH 2010

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Minor assets	1	-	4,429	-	4,430
TOTAL	1	-	4,429	-	4,430

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets					
Number of minor assets at cost	1	-	2797	-	2798
TOTAL NUMBER OF MINOR ASSETS	1	-	2797	-	2798

MINOR ASSETS OF THE DEPARTMENT AS AT 31 MARCH 2009

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Minor assets	-	-	4,969	-	4,969
TOTAL	-	-	4,969	-	4,969



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23 Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Opening balance	Current Year Adjust-ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	113	-	-	-	113
OTHER INTANGIBLES	53	-	-	-	53
TOTAL INTANGIBLE CAPITAL ASSETS	166	-	-	-	166

23.1 Movement for 2008/09

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	113	-	-	113
OTHER INTANGIBLES	-	53	-	53
TOTAL INTANGIBLE CAPITAL ASSETS	113	53	-	166

24 Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Opening balance	Curr Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	-	-	-	-
Other fixed structures	-	-	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	-	-	-	-	-



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24.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	5,000	-	(5,000)	-	-
Other fixed structures	5,000	-	(5,000)	-	-
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	5,000	-	(5,000)	-	-

24.2 Movement for 2008/09

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	8,033	8,033	-
Other fixed structures	-	8,033	8,033	-
TOTAL IMMOVABLE TANGIBLE ASSETS	-	8,033	8,033	-



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25 STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION					SPENT			2008/09	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by Department	Amount spent by Department	% of available funds spent by Department	Division of Revenue Act	Amount spent by Department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
National Housing	795,447	-	-	-	795,447	795,447	760,277	96%	796,669	796,669
TOTAL	795,447	-	-	-	795,447	795,447	760,277	96%	796,669	796,669



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ANNEXURE 1E

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2008/09
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public Corporations									
MHFCo	17,850	-	1,000	18,850	18,850	100%	-	22,000	22,000
TOTAL	17,850	-	1,000	18,850	18,850	100%	-	22,000	22,000



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ANNEXURE 1H

STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2008/09
	Adjusted Appropriation Act	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
HOUSEHOLDS							
Transfers							
Integrated Housing and HSD	794,447	-	1,000	795,447	759,277	95%	796.669
H/H EMPL S/BEN: Leave Gratuity		-	-	-	83	-	-
H/H EMPL S/BEN: Injury on duty	200	-	-	200	107	54%	-
H/H EMPL Social Benefit		-	-	-	-	-	112
Total	794,647	-	1,000	795,647	759,467	-	796,781



DEPARTMENT OF HUMAN SETTLEMENTS
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ANNEXURE 1L

STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT

Grant Type	Apr 2009 R'000	May 2009 R'000	Jun 2009 R'000	Jul 2009 R'000	Aug 2009 R'000	Sept 2009 R'000	Oct 2009 R'000	Nov 2009 R'000	Dec 2009 R'000	Jan 2010 R'000	Feb 2010 R'000	Mar 2010 R'000	Total R'000
Housing Grant	81,117	74,779	56,481	64,657	58,371	68,109	67,026	48,925	63,949	29,797	52,001	95,065	760,277
	81,117	74,779	56,481	64,657	58,371	68,109	67,026	48,925	63,949	29,797	52,001	95,065	760,277



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

ANNEXURE 3A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2010 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2009	Guarantees draw downs- during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2010	Guaranteed interest for year ended 31 March 2010	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Standard Bank			116		-		116	-	-
Nedbank Ltd			24		-		24	-	-
First Rand Bank Ltd			109		-		109	-	-
ABSA			214		(30)		184	-	-
Peoples Bank Ltd			126		(31)		95	-	-
First National Bank Ltd			51		8		59	-	-
Mpumalanga Housing Finance Company			193		8		201	-	-
Old Mutual			129		(20)		109	-	-
Nedcor			17				17	-	-
TOTAL			979		(64)		914	-	-



DEPARTMENT OF HUMAN SETTLEMENTS
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ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2010

Nature of Liability	Opening Balance 1 April 2009 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 2010 R'000
Claims against the Department					
Bahlangene Integrated	5,849	-	-	-	5,849
Amakotheni Business Enterprise	500	-	(500)	-	-
DSM Trading	544	-	-	-	544
Siyabuswa Treatment Plant	344	-	-	-	344
TOTAL	7,237	-	(500)	-	6,737



DEPARTMENT OF HUMAN SETTLEMENTS
VOTE 14
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

ANNEXURE 6

INVENTORY

	<i>Note</i>	Quantity	2009/10
Inventory			R'000
Opening balance		12032	375
Add/(Less): Adjustments to prior year balance			
Add: Additions/Purchases - Cash		39999	241,453
Add: Additions - Non-cash		35	-
(Less): Disposals		(16)	(1)
(Less): Issues		(31635)	(1,378)
Add/(Less): Adjustments		112	(105)
Closing balance		20527	240,344





PART
7

HUMAN RESOURCE MANAGEMENT

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OVERSIGHT REPORT

HR OVERSIGHT - APRIL 2009 to MARCH 2010

TABLE 1.1 - Main services delivered and standards

Main services	Actual Customers	Potential Customers	Standard of service	Actual achievements
<ul style="list-style-type: none">Provide houses to qualifying beneficiaries	<ul style="list-style-type: none">The ElderlyDisabledFarm dwellersIndigentsChild headed house holdsPensionersFarm Dwellers	<ul style="list-style-type: none">MunicipalitiesTraditional leaders	<ul style="list-style-type: none">Quality housesQuantityValue for moneyPrompt response to queries or complaintsReliabilityPayment of claims within 30 working days	<ul style="list-style-type: none">Provided 425 individual subsidy houses,3 community halls,2071 under project linked consolidate,304 under Integrated Residential Development: phase 2 top structure construction1940 houses under PHPUpgraded 2300 houses- Informal Settlements154 emergency house built

TABLE 1.2 - Consultation arrangements with customers

Type of arrangement	Actual Customers	Potential Customers	Actual achievements
Consultation through: <ul style="list-style-type: none">IzimbizoCabinet outreachMedia statementsRadio jinglesUse of community radio stations	<ul style="list-style-type: none">The ElderlyDisabledFarm dwellersIndigentsChild headed house holdsPensionersFarm Dwellers	<ul style="list-style-type: none">MunicipalitiesTraditional leaders	<ul style="list-style-type: none">Held 4 izimbizo'sUsed 12 radio jinglesUsed community radio stations and radio jingles for consultation purposes

TABLE 1.3 - Service delivery access strategy

Access Strategy	Actual achievements
Access through: <ul style="list-style-type: none">MunicipalitiesRegional officesThusong Service CentresVisits to Child household	Held meetings with Municipalities and Traditional Leaders regarding land and identification of beneficiaries

TABLE 1.4 - Service information tool

Types of information tool	Actual achievements
<ul style="list-style-type: none">Service Delivery improvement Plan	Developed the Service Delivery improvement Plan for the period 2008 to
<ul style="list-style-type: none">Implementation Plan	The implementation Plan was monitored in each Directorate.

TABLE 1.5 - Complaints mechanism

Complaints Mechanism	Actual achievements
<ul style="list-style-type: none">Through the President's hotlineCustomers are encouraged to phone directly to the Head office when need help or complaints	Complaints were handled accordingly though some of the cases are still outstanding as a result of the process of registration for houses.



HR OVERSIGHT - APRIL 2009 to MARCH 2010 - Mpumalanga - Human Settlement
TABLE 2.1 - Personnel costs by Programme

Programme	Total Voted Expenditure (R'000)	Compensation of Employees Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Compensation of Employees as percent of Total Expenditure	Average Compensation of Employees Cost per Employee (R'000)	Employment		
Mhs:administration	75,832	41,551	0	0	54.8	123	339		
Mhs:housing asset management	17,875	0	0	0	0	0	339		
Mhs:housing dev,impl,plan&target	802,631	32,729	0	0	4.1	97	339		
Mhs:housing needs,research&plan	21,994	14,577	0	0	66.3	43	339		
Mhs:technical services	0	0	0	0	0	0	339		
Z=Total as on Financial Systems (BAS)	918,332	88,857	0	0	9.7	262	339		

TABLE 2.2 - Personnel costs by Salary band

Salary Bands	Compensation of Employees Cost (R'000)	Percentage of Total Personnel Cost for Department	Average Compensation Cost per Employee (R)	Total Personnel Cost for Department including Goods and Transfers (R'000)	Number of Employees				
Lower skilled (Levels 1-2)	553	0.6	138,250	93,567	4				
Skilled (Levels 3-5)	6,562	7	104,159	93,567	63				
Highly skilled production (Levels 6-8)	27,209	29.1	215,944	93,567	126				
Highly skilled supervision (Levels 9-12)	42,504	45.4	326,954	93,567	130				
Senior management (Levels 13-16)	9,478	10.1	677,000	93,567	14				
Contract (Levels 3-5)	71	0.1	71,000	93,567	1				
Contract (Levels 9-12)	1,186	1.3	0	93,567	0				
Contract (Levels 13-16)	163	0.2	163,000	93,567	1				
Abnormal Appointment	8	0	8,000	93,567	1				
TOTAL	87734	93.8	258041	93567	340				

TABLE 2.3 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Programme

Programme	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Programme (R'000)
Pr1: administration	29575	68.9	202	0.5	945	2.2	1769	4.1	42895
Pr2: housing needs research & plan	11300	70.7	0	0	319	2	456	2.9	15984
Pr3: housing develop impenentation & target	23004	67	14	0	761	2.2	1614	4.7	34321
Pr4: technical services	285	77.4	0	0	23	6.3	1	0.3	368
TOTAL	64164	68.6	216	0.2	2048	2.2	3840	4.1	93568



TABLE 2.4 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Salary Band

Salary bands	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Salary Band (R'000)
Lower skilled (Levels 1-2)	372	67.1	5	0.9	38	6.9	64	11.6	554
Skilled (Levels 3-5)	4498	67.7	52	0.8	316	4.8	599	9	6643
Highly skilled production (Levels 6-8)	19561	69.9	59	0.2	724	2.6	1600	5.7	27993
Highly skilled supervision (Levels 9-12)	30730	66.8	100	0.2	783	1.7	1383	3	46014
Senior management (Levels 13-16)	7582	69.5	0	0	188	1.7	194	1.8	10907
Contract (Levels 3-5)	71	100	0	0	0	0	0	0	71
Contract (Levels 9-12)	1186	97.8	0	0	0	0	0	0	1213
Contract (Levels 13-16)	163	100	0	0	0	0	0	0	163
Abnormal Appointment	0	0	0	0	0	0	0	0	8
TOTAL	64163	68.6	216	0.2	2049	2.2	3840	4.1	93566



HR OVERSIGHT - APRIL 2009 to MARCH 2010 - Mpumalanga - Human Settlement
TABLE 3.1 - Employment and Vacancies by Programme at end of period

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Pr1: administration, Permanent	230	158	31.3	0
Pr2: housing needs research & plan, Permanent	171	39	77.2	0
Pr3: housing develop impenentation & target, Permanent	280	144	48.6	0
Pr4: technical services, Permanent	14	3	78.6	0
TOTAL	695	344	50.5	0

TABLE 3.2 - Employment and Vacancies by Salary Band at end of period

Salary Band	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower skilled (Levels 1-2), Permanent	29	2	93.1	0
Skilled (Levels 3-5), Permanent	76	66	13.2	0
Highly skilled production (Levels 6-8), Permanent	232	129	44.4	0
Highly skilled supervision (Levels 9-12), Permanent	334	131	60.8	0
Senior management (Levels 13-16), Permanent	23	15	34.8	0
Contract (Levels 3-5), Permanent	0	0	0	0
Contract (Levels 13-16), Permanent	1	1	0	1
TOTAL	695	344	50.5	1

TABLE 3.3 - Employment and Vacancies by Critical Occupation at end of period

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Administrative related, Permanent	16	8	50	0
Engineering sciences related, Permanent	5	0	100	0
Engineers and related professionals, Permanent	33	6	81.8	0
Messengers porters and deliverers, Permanent	1	1	0	0
Other occupations, Permanent	637	328	48.5	0
Secretaries & other keyboard operating clerks, Permanent	3	1	66.7	0
TOTAL	695	344	50.5	0



HR OVERSIGHT - APRIL 2009 to MARCH 2010 - Mpumalanga - Human Settlement
 TABLE 5.1 - Annual Turnover Rates by Salary Band

Salary Band	Employment at Beginning of Period (April 2009)	Appointments	Terminations	Turnover Rate
Lower skilled (Levels 1-2), Permanent	2	3	0	0
Skilled (Levels 3-5), Permanent	60	11	1	1.7
Highly skilled production (Levels 6-8), Permanent	102	13	2	2
Highly skilled supervision (Levels 9-12), Permanent	102	11	1	1
Senior Management Service Band A, Permanent	8	0	0	0
Senior Management Service Band B, Permanent	2	0	0	0
Other, Permanent	2	0	0	0
Contract (Levels 3-5), Permanent	0	1	0	0
Contract (Levels 9-12), Permanent	5	0	5	100
Contract (Band C), Permanent	0	1	0	0
TOTAL	283	40	9	3.2

TABLE 5.2 - Annual Turnover Rates by Critical Occupation

Occupation	Employment at Beginning of Period (April 2009)	Appointments	Terminations	Turnover Rate
Administrative related, Permanent	9	3	0	0
Bus and heavy vehicle drivers, Permanent	1	1	0	0
Civil engineering technicians, Permanent	1	0	0	0
Cleaners in offices workshops hospitals etc., Permanent	5	0	1	20
Client inform clerks(switchb recept inform clerks), Permanent	3	0	0	0
Communication and information related, Permanent	2	0	0	0
Engineering sciences related, Permanent	0	1	0	0
Engineers and related professionals, Permanent	0	1	1	0
Finance and economics related, Permanent	1	0	0	0
Financial clerks and credit controllers, Permanent	7	0	0	0
Human resources & organisat developm & relate prof, Permanent	3	0	0	0
Human resources clerks, Permanent	3	0	0	0
Human resources related, Permanent	1	0	1	100
Messengers porters and deliverers, Permanent	0	1	0	0
Motor vehicle drivers, Permanent	1	0	0	0
Other administrat & related clerks and organisers, Permanent	6	0	0	0
Other administrative policy and related officers, Permanent	5	0	0	0
Other occupations, Permanent	216	32	5	2.3
Rank: Unknown, Permanent	2	0	0	0
Secretaries & other keyboard operating clerks, Permanent	11	1	1	9.1
Senior managers, Permanent	4	0	0	0
Social work and related professionals, Permanent	1	0	0	0
Trade related, Permanent	1	0	0	0
TOTAL	283	40	9	3.2



TABLE 5.3 - Reasons why staff are leaving the department

Termination Type	Number	Percentage of Total Resignations	Percentage of Total Employment	Total	Total Employment
Death, Permanent	2	22.2	0.7	9	283
Resignation, Permanent	1	11.1	0.4	9	283
Expiry of contract, Permanent	5	55.6	1.8	9	283
Retirement, Permanent	1	11.1	0.4	9	283
TOTAL	9	100	3.2	9	283

Resignations as % of Employment

3.2

TABLE 5.4 - Promotions by Critical Occupation

Occupation	Employment at Beginning of Period (April 2009)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Administrative related	9	3	33.3	6	66.7
Architects town and traffic planners	0	1	0	0	0
Bus and heavy vehicle drivers	1	0	0	1	100
Civil engineering technicians	1	0	0	0	0
Cleaners in offices workshops hospitals etc.	5	0	0	5	100
Client inform clerks(switchb recept inform clerks)	3	0	0	1	33.3
Communication and information related	2	0	0	1	50
Engineers and related professionals	0	1	0	0	0
Finance and economics related	1	1	100	0	0
Financial clerks and credit controllers	7	4	57.1	11	157.1
Human resources & organisat developm & relate prof	3	0	0	2	66.7
Human resources clerks	3	0	0	1	33.3
Human resources related	1	1	100	1	100
Information technology related	0	1	0	0	0
Motor vehicle drivers	1	0	0	0	0
Other administrat & related clerks and organisers	6	0	0	3	50
Other administrative policy and related officers	5	1	20	3	60
Other occupations	216	40	18.5	81	37.5
Rank: Unknown	2	0	0	0	0
Secretaries & other keyboard operating clerks	11	0	0	11	100
Senior managers	4	0	0	1	25
Social work and related professionals	1	0	0	1	100
Trade related	1	0	0	0	0
TOTAL	283	53	18.7	129	45.6



TABLE 5.5 - Promotions by Salary Band

Salary Band	Employment at Beginning of Period (April 2009)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Lower skilled (Levels 1-2), Permanent	2	0	0	2	100
Skilled (Levels 3-5), Permanent	60	1	1.7	34	56.7
Highly skilled production (Levels 6-8), Permanent	102	26	25.5	47	46.1
Highly skilled supervision (Levels 9-12), Permanent	102	23	22.5	46	45.1
Senior management (Levels 13-16), Permanent	10	3	30	0	0
Other, Permanent	2	0	0	0	0
Contract (Levels 9-12), Permanent	5	0	0	0	0
TOTAL	283	53	18.7	129	45.6

HR OVERSIGHT - APRIL 2009 to MARCH 2010 - Mpumalanga - Human Settlement

TABLE 6.1 - Total number of Employees (incl. Employees with disabilities) per Occupational Category (SASCO)

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian
Legislators, senior officials and managers, Permanent	36	0	1	37	0	18	0	0
Professionals, Permanent	52	1	1	55	0	33	0	0
Technicians and associate professionals, Permanent	46	1	1	48	2	73	1	0
Clerks, Permanent	10	0	0	10	0	15	0	0
Craft and related trades workers, Permanent	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers, Permanent	0	0	0	0	0	0	0	0
Elementary occupations, Permanent	9	0	0	9	2	30	0	0
TOTAL	153	2	3	159	4	169	1	0

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian
Employees with disabilities	2	0	0	2	0	6	0	0

TABLE 6.2 - Total number of Employees (incl. Employees with disabilities) per Occupational Bands

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian
Top Management, Permanent	2	0	0	2	0	0	0	0
Senior Management, Permanent	7	0	1	8	0	4	0	0
Professionally qualified and experienced specialists and mid-management, Permanent	29	1	1	31	2	15	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	52	1	1	54	2	33	1	0
Semi-skilled and discretionary decision making, Permanent	54	0	0	54	0	87	0	0
Unskilled and defined decision making, Permanent	9	0	0	9	0	30	0	0
Contract (Top Management), Permanent	0	0	0	0	0	0	0	0
Contract (Semi-skilled), Permanent		0	0	0	0	0	0	0
TOTAL	153	2	3	158	4	169	1	0



TABLE 6.3 - Recruitment

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian
Professionally qualified and experienced specialists and mid-management, Permanent	6	0	0	6	0	4	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	7	0	0	7	0	6	0	0
Semi-skilled and discretionary decision making, Permanent	3	0	0	3	0	8	0	0
Unskilled and defined decision making, Permanent	3	0	0	3	0	0	0	0
Contract (Top Management), Permanent	0	0	0	0	0	0	0	0
Contract (Semi-skilled), Permanent	1	0	0	0	0	0	0	0
TOTAL	20	0	0	19	0	18	0	0

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian
No data	0	0	0	0	0	0	0	0

TABLE 6.4 - Promotions

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian
Top Management, Permanent	1	0	0	1	0	0	0	0
Senior Management, Permanent	1	0	1	2	0	0	0	0
Professionally qualified and experienced specialists and mid-management, Permanent	40	0	1	41	4	21	2	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	30	0	0	30	0	41	0	0
Semi-skilled and discretionary decision making, Permanent	10	0	0	10	0	24	0	0
Unskilled and defined decision making, Permanent	1	0	0	1	0	1	0	0
TOTAL	83	0	2	85	4	87	2	0

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian
Employees with disabilities	0	0	0	0	0	5	0	0

TABLE 6.5 - Terminations

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian
Professionally qualified and experienced specialists and mid-management, Permanent	1	0	0	1	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	0	0	0	0	0	2	0	0
Semi-skilled and discretionary decision making, Permanent	0	0	0	0	0	1	0	0
Contract (Professionally qualified), Permanent	0	0	0	0	2	0	0	0
TOTAL	1	0	0	1	2	3	0	0



HR OVERSIGHT - APRIL 2009 to MARCH 2010 - Mpumalanga - Human Settlement

TABLE 8.1 - Foreign Workers by Salary Band

Salary Band	Employment at Beginning Period	% of Total	Employment at End of Period	% of Total	Change in Employment	% of Total	Total Employment at Beginning of Period	Total Employment at End of Period	Total Change in Employment
Contract (Levels 9-12)	1	100	0	0	0	0	1	0	0
TOTAL	1	100	0	0	0	0	1	0	0

TABLE 8.2 - Foreign Workers by Major Occupation

Major Occupation	Employment at Beginning Period	% of Total	Employment at End of Period	% of Total	Change in Employment	% of Total	Total Employment at Beginning of Period	Total Employment at End of Period	Total Change in Employment
Other occupations	1	100	0	0	0	0	1	0	0
TOTAL	1	100	0	0	0	0	1	0	0

HR OVERSIGHT - APRIL 2009 to MARCH 2010 - Mpumalanga - Human Settlement

TABLE 9.1 - Sick Leave for Jan 2009 to Dec 2009

Salary Band	Total Days	% Days with Medical	Number of Employees using Sick Leave	% of Total Employees using Sick Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of Employees using Sick Leave
Lower skilled (Levels 1-2)	5	100	1	0.6	5	1	173
Skilled (Levels 3-5)	277	90.3	42	24.3	7	69	173
Highly skilled production (Levels 6-8)	511	90.8	72	41.6	7	255	173
Highly skilled supervision (Levels 9-12)	262	92.7	52	30.1	5	241	173
Senior management (Levels 13-16)	63	100	6	3.5	11	146	173
TOTAL	1118	91.7	173	100	6	712	173

TABLE 9.2 - Disability Leave (Temporary and Permanent) for Jan 2009 to Dec 2009

Salary Band	Total Days	% Days with Medical	Number of Employees using Disability Leave	% of Total Employees using Disability Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of days with medical certification
Skilled (Levels 3-5)	37	100	2	22.2	19	8	37
Highly skilled production (Levels 6-8)	67	100	6	66.7	11	32	67
Highly skilled supervision (Levels 9-12)	7	100	1	11.1	7	5	7
TOTAL	111	100	9	100	12	45	111



TABLE 9.3 - Annual Leave for Jan 2009 to Dec 2009

Salary Band	Total Days Taken	Average days per Employee	Number of Employees who took leave
Lower skilled (Levels 1-2)	30	15	2
Skilled (Levels 3-5)	1159	21	56
Highly skilled production (Levels 6-8)	2284	20	116
Highly skilled supervision (Levels 9-12)	2075	17	125
Senior management (Levels 13-16)	184	17	11
Contract (Levels 3-5)	2	2	1
TOTAL	5734	18	311

TABLE 9.4 - Capped Leave for Jan 2009 to Dec 2009

	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2009	Number of Employees who took Capped leave	Total number of capped leave available at 31 December 2009	Number of Employees as at 31 December 2009
Skilled (Levels 3-5)	46	8	64	6	1659	26
Highly skilled production (Levels 6-8)	19	5	63	4	2315	37
TOTAL	65	7	63	10	3974	63

TABLE 9.5 - Leave Payouts

Reason	Total Amount (R'000)	Number of Employees	Average Payment per Employee (R)
Leave payout for 2009/10 due to non-utilisation of leave for the previous cycle	32	2	16000
Capped leave payouts on termination of service for 2009/10	105	9	11667
TOTAL	137	11	12455

HR OVERSIGHT - APRIL 2009 to MARCH 2010 - Mpumalanga - Human Settlement

TABLE 11.1 - Collective Agreements

Subject Matter	Date
xxx	xxx
xxx	xxx

TABLE 11.2 - Misconduct and Discipline Hearings Finalised

Outcomes of disciplinary hearings	Number	Percentage of Total	Total
Final written warning	6	120	5
No outcome	0	0	5
Suspended without payment	0	0	5
TOTAL	6	120	5



TABLE 11.3 - Types of Misconduct Addressed and Disciplinary Hearings

Type of misconduct	Number	Percentage of Total	Total
Possesses or wrongfully uses property of state	1	25	4
Prejudices admin/discipline of state(edu)	0	0	4
Prejudices administration of organisation or dept	25	625	4
TOTAL	26	650	4

TABLE 11.4 - Grievances Lodged

Number of grievances addressed	Number	Percentage of Total	Total
Not resolved	0	0	4
TOTAL	4	100	4

TABLE 11.5 - Disputes Lodged

Number of disputes addressed	Number	% of total
Upheld	0	0
Dismissed	0	0
TOTAL	0	0

TABLE 11.6 - Strike Actions

Strike Actions	—
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 11.7 - Precautionary Suspensions

Precautionary Suspensions	—
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

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TABLE 9.1 TRAINING PROVIDED

Skills Programme	Male	Female	Total
Salary Band	3	8	11
Lower Skilled(ABET)	12	8	20
Highly Productive(6-12)	27	35	62
Highly Supervision(6-12)	0	0	0
Senior Management(13-16)	1	0	1
Unemployed Youth	43	51	94



TABLE 9.2 TRAINING PROVIDED

Bursaries	Male	Female	Total
Salary Band			
Lower Skilled (Abet)	1	2	3
Highly Productive(6-12)	4	3	7
Highly Supervision(9-12)	6	4	10
Senior Management(13-16)	0	0	
Unemployed Youth	0	0	
TOTAL	11	9	20

TABLE 9.3 TRAINING PROVIDED

ANNUAL TRAINING EXPENDITURE	
Total Amount Spent for training	R 1,281,038.00
Amount Spent for ABET	0
Amount Spent for Skills Programme	R 664,781.00
Project Khaedu and EDP	0
Amount spent for Competency	R 226,902.34
Amount spent on Bursaries	R389 355

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TABLE 13.1 - Injury on Duty

Nature of injury on duty	Number	% of total
Required basic medical attention only	01	33.33
Temporary Total Disablement	01	33.33
Permanent Disablement	01	33.4
Fatal	00	0
TOTAL	03	100

14. Utilization of Consultants

TABLE 14.1 - Report on consultant appointments using appropriated funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
1 Skills Audit	2		1 day per audit skill

TABLE .14.2 - Analysis of consultant appointments using appropriated funds, i.t.o. HDIs

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
Moruo Bathong Investments	100%	100%	1



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