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PROGAMMATIC AND COSTING COMPARISON OF THE HOUSING PROGRAMMES

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SECTOR: HOUSING/HUMAN SETTLEMENTS

PUBLIC EXPENDITURE AND POLICY ANALYSIS (PEPA)

Expenditure and Performance Review

Programmatic and Costing Comparison of the Housing Programmes

Final Report (Revised)

National Treasury

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Submitted by:

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Disclaimer:

All care has been taken in the preparation of this document and the information contained herein has been derived from sources believed to be accurate and reliable.

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Note on Model & Version 5.0)

Please note that this model only presents an analysis of data in respect of the six HSDG programmes selected for analysis.

The analytical work in respect of other HSDG programmes has not been undertaken as part of this exercise and as such any analysis that considers these programmes must be treated with caution.

Following review the model has been refined since version 4 to also include Project-Linked subsidy delivery data. On reflection - based on feedback - it is evident that there is confusion and overlap between Project-Linked subsidies and the IRDP programme - as such it is not possible at this stage (given the quality of available data) to full disaggregate delivery in the two programmes.

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Acronyms & Abbreviations

EPR	Expenditure and Performance Review
FFC	Financial & Fiscal Commission
FI-OpsCap	OpsCap Programme
FI-RCP	Rectification Programme
HDA	Housing Development Agency
HDRG	Housing Disaster Relief Grant
HSDG	Human Settlements Development Grant
II-CRU	Community Residential Units Programme
II-IRDP	Integrated Residential Development Programme
II-UISP	Upgrading of Informal Settlements Programme
NDoHS	National Department of Human Settlements
NDP	National Development Plan
NHBRC	National Home Builders Registration Council
NHFC	National Housing Finance Corporation
NT	National Treasury
NURCHA	National Urban Reconstruction & Housing Agency
RHIG	Rural Housing Infrastructure Grant
RHLF	Rural Housing Loan Fund
SHRA	Social Housing Regulatory Authority
SR-SHP	Social Housing Programme
USDG	Urban Services Development Grant

Summary Findings

Programmes reviewed

The Expenditure and Performance Review (EPR) was undertaken on six housing programmes that form the core of the human settlement policy namely: The Rectification of RDP stock Programme, the OpsCap Programme, the Integrated Residential Development Programme the Upgrading of Informal Settlements Programme, the Social Housing Programme and the Community Residential Units Programme.

Outcomes of the costing model

Current spending

1. A total of R 45,4 billion was spent by human settlement departments and entities over the three year review period via Human Settlement (HS) Programmes. Of this expenditure 62% or R 28,3 billion was spent in respect of the six selected programmes.
2. In terms of the overall allocation of R45,4 billion, expenditure occurred primarily through two programmes namely the IRDP Housing Programme (24%) and the Informal Settlement Upgrading Programme (24%). Expenditure in respect of the other selected programmes was 6% on the Community Residential Units, 4% on the OpsCap Programme, 3% on the Rectification of RDP stock and 1% on Social Housing.[1] This indicates a shift in expenditure in order to meet the Outcome 8 targets.
3. In terms of the overall allocation of R 45,4 billion spent on all HS Programmes, just under half was spent in two provinces i.e. 26% was spent in Gauteng Province and 20% in KwaZulu Natal.

Current delivery

4. A total of 369,255 housing units are calculated to have been delivered and rectified over the three-year period. This includes the best estimate of all completed units delivered in respect of all HS Programmes. This implies a delivery rate of approximately 123,085 completed units per annum across all HS Programmes. This is significantly less than what the NDoHS has reported over the period or planned to deliver as evidenced in respect of figures reported in the NDoHS Annual Report for 2012/13 which indicates 253,833 units as actual achievement and 355,693 as a planned target.[2]
5. There is a correlation between expenditure and number of units delivered in that highest delivery occurred in the two provinces that had the highest levels of expenditure i.e. Gauteng Province (delivered 18% of the units) and KwaZulu Natal (delivered 16% of the units). However there are some provinces where the correlation is less clear, for example the Western Cape spent 12% of the overall expenditure but delivered only 8% of the number of units and North West spent 7% of the overall expenditure but delivered 14% of the number of units.
6. With respect to the cost of delivering specific types of units the following was found:
   - By far the programme that results in the highest cost per unit is the Community Residential Units programme where the cost per unit is R 356,375.
   - The cost of the unit in respect of the IRDP Houses Programme is R 119,409. This is higher than the subsidy allocation of R 90,362[3] for this type of unit and supports anecdotal information on the high

[1] This figure is understated as it does not incorporate the full allocation of the Restructuring Capital Grant that flows through the Social Housing Regulatory Authority.

[2] It is acknowledged that there are differences in the way in which the delivery figures are counted as part of the EPR review, as opposed to how the NDoHS is counting delivery. The EPR review assumes a „completed unit" to be a site and top structure regardless of whether they are delivered together or separately. NDOHS will consider these as discrete units and will count each separately at the time when they are delivered.

[3] NDOHS Subsidy Schedules for 2013

cost of these units, as well as the complaint by many municipalities of the need to supplement the subsidy allocation in order to deliver these units.[4]

- The cost of delivering a 'unit' in respect of the Upgrading of Informal Settlements Programme is R 140,432. This is also still higher than the subsidy allocation for this type of unit..
- The cost of the Rectification Programme units are very high (R 127,882), considering that this programme allows for a scaled level of rectification (repairs, substantial repairs or re-build / re services). This is especially concerning given that this programme does not produce new units, but replaces and repairs existing subsidised units.

Scenario modelling

Scenario modelling was undertaken to assess the time and cost of addressing the *housing backlog defined by current policy parameters* in terms of current housing circumstances as defined by Census 2011.[5] The analysis found that if current rates of delivery and expenditure are assumed, it will take between 9 to 63 years to deal with the current backlog across the different programmes. The cost of this is time sensitive in that it is estimated to be R 632 billion during the first 20 years but increases significantly to R 1,7-trillion by 50 years. At these rates of delivery, the calculated backlog decreases over the 50 year period to 950,000 units from the current estimated number of 1,95-million units. If rates of delivery are increased so that the backlog is addressed within a ten year period, the cost is significantly less i.e. R 498 billion. This indicates concern in respect of the sustainability of the current programmes, rates of delivery, expenditure and policy approaches.

Findings from the review of programmes and programme elements

1. The institutional and funding environment for human settlements is extremely complex. This may be attributed to a range of issues, including:
   - The inherent complexity of the human settlements delivery process, given the multiple and crosscutting inputs required to build settlements.
   - The complex financial mechanisms designed to stimulate the housing sector.
   - The concurrent national and provincial competency for housing and the critical and increasing role of Local Government. This creates complexities in funding flows and reporting.
   - The delivery of housing is subject to patronage that undermines decision making and the basis by which resources are allocated.
2. The extent to which National Government is enforcing compliance to the national policy as reflected in legislation and policy documents is weak. This is resulting in a break down in how policy is applied, as well as fiscal discipline and audit clarity.
3. There are over thirty human settlements programmes and sub-programmes on record. This high number of programmes results in a lack of focus and clarity in terms of outcomes.

[4] It should be noted that Project-Linked Subsidy Housing Programme delivery numbers and expenditure have been included in the assessment of IRDP. However the Project-Linked Subsidy programme precedes IRDP and is not equivalent. Nevertheless it is evident in the reporting (and confirmed by housing practitioners) that these two programmes are generally conflated. If the Project-Linked Subsidy delivery data is stripped out the date the average unit cost for IRDP is some R 140,000.

[5] Importantly this analysis has only included a detailed review of 6 of the HSDG programmes. 44% and 66% of the delivery and expenditure comes from the balance of these HSDG programmes. The scenario modelling has assumed that this "Other" delivery would continue and contribute towards the overall target. Clearly to the extent that it does not, the core programmes would be required to deliver at higher rates.

4. There are key questions around the policy and methodological soundness of certain programmes including:
   - There are programmes that are little used or not used at all for example the Finance Linked programmes and the Enhanced Extended Discount Benefit Scheme
   - There are programmes that are currently poorly designed, regulated and managed.
   - There are a significant number of programmes that result from the failure or inefficiencies in others, including OpsCap, Rectification of RDP stock and Unblocking of Blocked Projects. All of these are mechanisms through which additional capital is spent on making projects or programmes work, where there are clear signs of failure in the original programmes implemented.
5. Numerous database systems are being run in parallel to track, record and report on housing expenditure and delivery statistics in respect of the HS programmes, none of which has any defensible level of data integrity. Generally data integrity is very bad across, and within, different systems. In short, Government currently has no trusted source of data on human settlements expenditure and delivery performance.

1 Introduction

1.1 Purpose of the EPR Review

The **Expenditure and Performance Review (EPR)** comprises undertaking a programme performance and expenditure analysis so as to provide a:

- Detailed understanding of the **cost elements, expenditure drivers, and expenditure of a programme.**
- **Allocation and spending patterns** across spheres of government, public entities and others.
- In-depth understanding of the **historical expenditure patterns** in respect of the programme.
- **Proposals for improved budget allocations**
- Proposed improvements on linking policy intent and programmatic design based on extensive interrogations of causal linkages.
- Detailed analysis of the implementation logic of policy initiatives that will allow for **critical performance measures** to be developed across all aspects, and geographical locations.

1.2 Topic and scope

This report sets out the EPR analysis undertaken in respect of six core programmes that are funded through the Human Settlement Development Grant (HSDG) (for more details on this grant and the policy context of the human settlement sector see Appendix 1 attached). It is envisaged that the EPR analysis will be extended to include other HS Programmes in the future. The six HS Programmes selected for inclusion in this EPR analysis are:

1) **The Rectification Programme:** used to effect repairs to existing subsidised houses with defects.
2) **The OpsCap Programme:** used to 'oil the wheels' of project delivery via other programmes (this programme does not deliver units).
3) **The Integrated Residential Development Programme (RDP Housing Programme):** the main delivery programme for subsidised housing in South Africa at present.
4) **The Upgrading of Informal Settlements Programme:** a growing programme aimed at upgrading services and providing houses for households within existing informal settlements.
5) **The Social Housing Programme:** delivered via a combination of SHRA-funded projects by accredited Social Housing Institutions (SHIs).
6) **The Community Residential Units Programme**: aimed at providing good rental stock to households earning below R 3,500 per month incomes.

This report is structured as follows:

- Introduction
- Background
- The Logic Model Framework
- Findings
- Conclusions

1.3 Methodology followed

An EPR analysis is undertaken through the application of a specified methodology, so as to ensure consistency across different programmes (see Appendix 2 attached). The basis by which the methodology was applied in respect of the HS Programmes can be seen in Appendix 3. The information sources used in conducting the review are listed in the References section. Appendix 4 provides an analysis of the limitations and proposed improvements to the data sources.

The project outputs that are linked to each of the EPR methodology steps are:

Step 2 and 3	*EPR Programme Elements*	Slide presentation summarising the process undertaken Excel workbook that sets out the responsibilities of the departments in the different spheres of government, the programme elements, a chain of delivery for each programme element and the performance indicators
Step 4a	*EPR Expenditure Analysis*	Slide presentation that sets out the basis by which costs were allocated. Excel workbook that sets out the -----
Step 4b	*EPR Costing Model*	A costing model of the six HR Programmes
Step 5	*EPR Final Report*	This report

The EPR has been done in consultation with and overseen by the Project Steering Committee (PSC) which comprises of representatives of the National Treasury, the Department of Human Settlements, and the Project Shop (Project Manager).

2 Background

2.1 Legislative and policy intent

Section 26 of the Constitution of the Republic of South Africa, 1996, enshrines the inalienable right to housing, as follows: "(1) Everyone has the right to have access to adequate housing. (2) The State must take reasonable legislative and other measures within its available resources, to achieve the progressive realisation of this right".

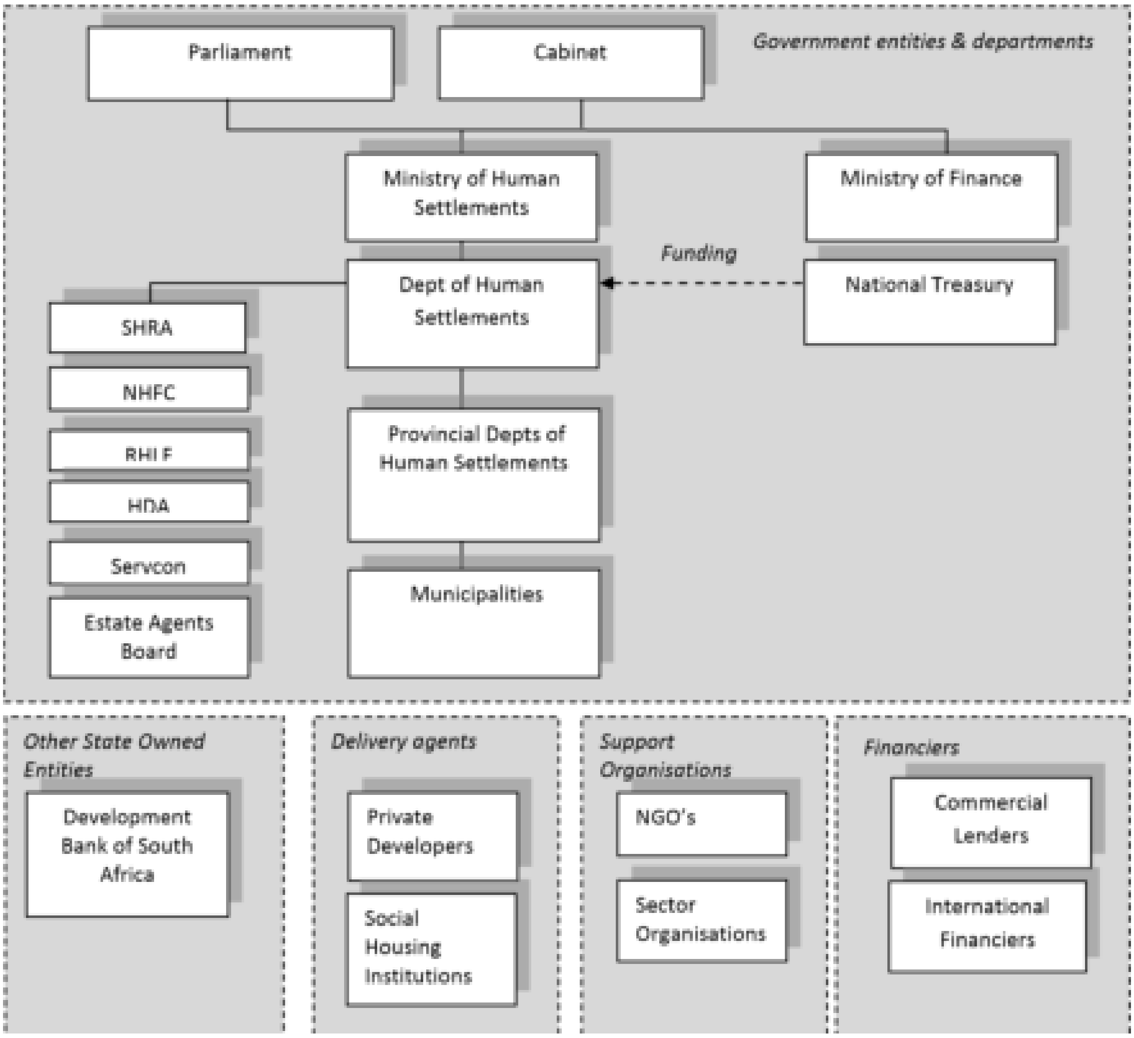
The Housing Code (2009) indicates that South Africa's goal is to improve the quality of living of all South Africans with an emphasis on the poor and those who cannot independently satisfy their basic housing needs. The housing vision is the establishment of viable, socially and economically integrated communities, situated in areas allowing convenient access to economic opportunities, as well as to health, educational and social amenities in which all South Africans will, on a progressive basis, have access to:

a) Permanent residential structures with secure tenure ensuring internal and external privacy and providing adequate protection against the elements; and

b) Potable water, adequate sanitary facilities and domestic energy supply.

South Africa's housing policy is a concurrent function and is implemented by all three spheres of government, State Owned Entities (see figure below), private sector and nongovernmental organizations.

Figure 1: Overview of the human settlement sector



2.2 Housing Programmes

There are a large number of HS Programmes (see **Appendix 5**) that are being implemented so as to achieve the above legislative and policy intent. Table 1 shows the six core programmes selected for the EPR review and the reasons why they were selected.

Table 1: Description of the HS Programmes included in the EPR analysis

Type	Universal Housing Programme Name	Short Name	Universal Code	Housing Code Chapter & Name	Importance and reason for selection
Financial intervention	**Rectification of Certain Residential Properties (1994 -2002)**	**Rectification of RDP Stock (19942002)**	**FI-RRDP**	**No Chapter in Housing Code.**	*This programme is being used extensively by departments. The Programme does not yet have a Chapter in the Housing Code. A regulatory framework has been developed by the Department of Human Settlements*
Subsidy allocation R25,696.00	**AIM:** To provide for the rectification (minor repair, major repair or replacement) of subsidised serviced sites and/or RDP houses constructed between 1994 and 2002. **FOCUS:** To undertake minor or major repairs, or to completely replace defective subsidised units **RESPONSIBILITY:** Implementation by provinces and/or municipalities who access the funding from the Department of Human Settlements via the Human Settlements Development Grant (HSDG)				

Financial intervention	**Operational Capital Budget**	**OpsCap Budget**	**FI-OpsCap**	**Operational Capital Budget**	
No subsidy allocation	**AIM:** To provide funds for facilitating the implementation of human settlements projects funded by other approved National Human Settlements Programmes by Provinces, Municipalities and State Entities. **FOCUS:** Funding for additional costs required to plan and implement housing projects, with a specific focus on professional fees not included in national subsidy quanta. Intended to be used primarily for professional fees requirements, but used for a wide range of expenditure. **RESPONSIBILITY:** Used on a discretionary basis by Provinces, Metros, Municipalities and certain State Entities. Sourced from Provinces via HSDG.				*This programme is used extensively by departments. It does not create new housing stock. It facilitates the processes of project implementation.*
Incremental intervention	**Integrated Residential Development Programme (RDP Houses Programme)**	**Integrated Residential Development**	**II-IRDP**	**Integrated Residential Development Programme**	*This is currently the major human settlements delivery programme implemented by the Department of Human Settlements*
Subsidy allocation R90,362.00	**AIM:** To facilitate the development of integrated human settlements in welllocated areas that provide convenient access to urban amenities, including places of employment. **FOCUS:** Identification and planning of vacant land, and development of serviced sites and top structures to national (and provincial) norms and standards. **RESPONSIBILITY:** Implemented by municipalities who access the funding from Provincial Human Settlements Departments via the HSDG.				
Incremental intervention	**Upgrading of Informal Settlement Programme**	**Informal Settlement Upgrading**	**II-UISP**	**Upgrading of Informal Settlements**	*This programme has become a major focus of the national human settlements delivery programme, since its inclusion in Outcome 8 targets.*
Subsidy allocation approx R33,769.00	**AIM:** To facilitate and fund the upgrading of informal settlements in order to upgrade the living conditions of poor people by providing secure tenure and access to basic services and housing. **FOCUS:** Regularisation of informal settlements, provision of secure tenure, installation of basic services and building of housing structures. **RESPONSIBILITY:** Implementation by municipalities who access the funding from Provinces via the HSDG				

Continued ….

Type	**Universal Housing Programme Name**	**Short Name**	**Universal Code**	**Housing Code Chapter & Name**	**Importance and reason for selection**
Social & Rental Intervention	**Social Housing Programme**	**Social Housing**	**SR-SH**	**5. Social Housing Programme**	*The Social Housing Programme is receiving*

Subsidy allocation R330,000 (SHRA grant & Institutional subsidy)[6]	**AIM:** To establish, capacitate and capitalise social housing institutions which may develop, hold and administer affordable rental units within identified restructuring zones. **FOCUS:** Urban integration and re-structuring, through the provision of affordable rental. Grants must be invested by Social Housing Institutions accredited by SHRA that develop projects within designated Restructuring Zones. **RESPONSIBILITY:** Implemented by the Social Housing Regulatory Authority who accredits, regulates and provides funding to social housing institutions, and facilitates, approves and provides Restructuring Capital Grant Funds for social rental housing projects. Funds transferred directly to SHRA.				*significant increases in capital, due to its restructuring agenda. This is the only Human Settlements programme implemented by a State Entity (Social Housing Regulatory Authority)*
Social & Rental Intervention	**Community Residential Units Programme (Conversion or New)**	**Community Residential Units**	**SR-CRU**	**Community Residential Units Programme**	
Subsidy allocation – not available	**AIM:** To facilitate the provision of secure, stable rental tenure for lower income persons/households earning below R3 500 pm. Includes conversion of public hostels, public rental stock, and existing dysfunctional, abandoned or distressed buildings. **FOCUS:** The programme provides a framework for dealing with the many different forms of existing public sector residential accommodation. Focus is on redevelopment of single-gender public hostels and development of new, affordable subsidised rental stock **RESPONSIBILITY:** Implementation by provinces or municipalities accessing funding for approved projects from Provincial Human Settlements Departments via the HSDG.				*The CRU Programme currently lacks controls at a national level, and is implemented in various ways within and across provinces.*

3 The Logic Model Framework

3.1 Programme Elements

The core intent of the EPR analysis is to produce a dataset of defensible information that can be plotted against an element framework. To this end a universal framework of programme elements was developed so as to ensure a consistent application, use of terminology and also the ability to compare data across HS Programmes by element. The detailed universal elements developed and their application to the selected programmes can be seen in Appendix 6. The table below provides a summary of the universal elements by level of government.

Table 2: Summary of universal elements by level of government

Level of Government	Universal Programme Elements

[6] SHRA State of the Sector report, 2013

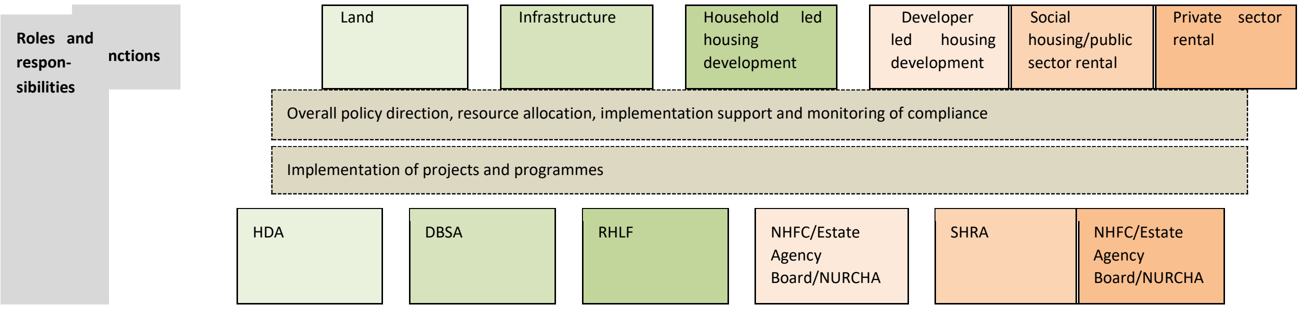
National	1) National Department management and administration 2) Research, analysis & policy development 3) Legislation & regulation development 4) Programme administration & oversight 5) Programme implementation planning & support 6) Programme costing & budgeting 7) Capacity establishment & development 8) Intergovernmental communication & coordination 9) Development support at national & provincial level 10) Oversight of state entities 11) Performance monitoring and evaluation 12) Performance reporting
Provincial	1) Provincial Department management & administration 2) Intergovernmental communication & coordination 3) Provincial research, analysis & policy development 4) Programme administration & oversight 5) Programme implementation planning & support 6) Programme costing and budgeting 7) Capacity establishment & development 8) Development support at municipal level 9) Funding systems & disbursements 10) Beneficiary identification, recording & management 11) State asset management & maintenance 12) Project implementation 13) Entities oversight 14) Performance monitoring & evaluation 15) Performance reporting
Local	1) Municipal Department management & administration 2) Inter government communication & coordination 3) Municipal research & analysis 4) Policy & bylaw development 5) Funding systems & funds disbursement 6) Capacity development 7) Appointment of implementing agents/service providers 8) Implementation planning & project management 9) Beneficiary identification, approval & management 10) Alternative emergency accommodation arrangements
Level of Government	**Universal Programme Elements**

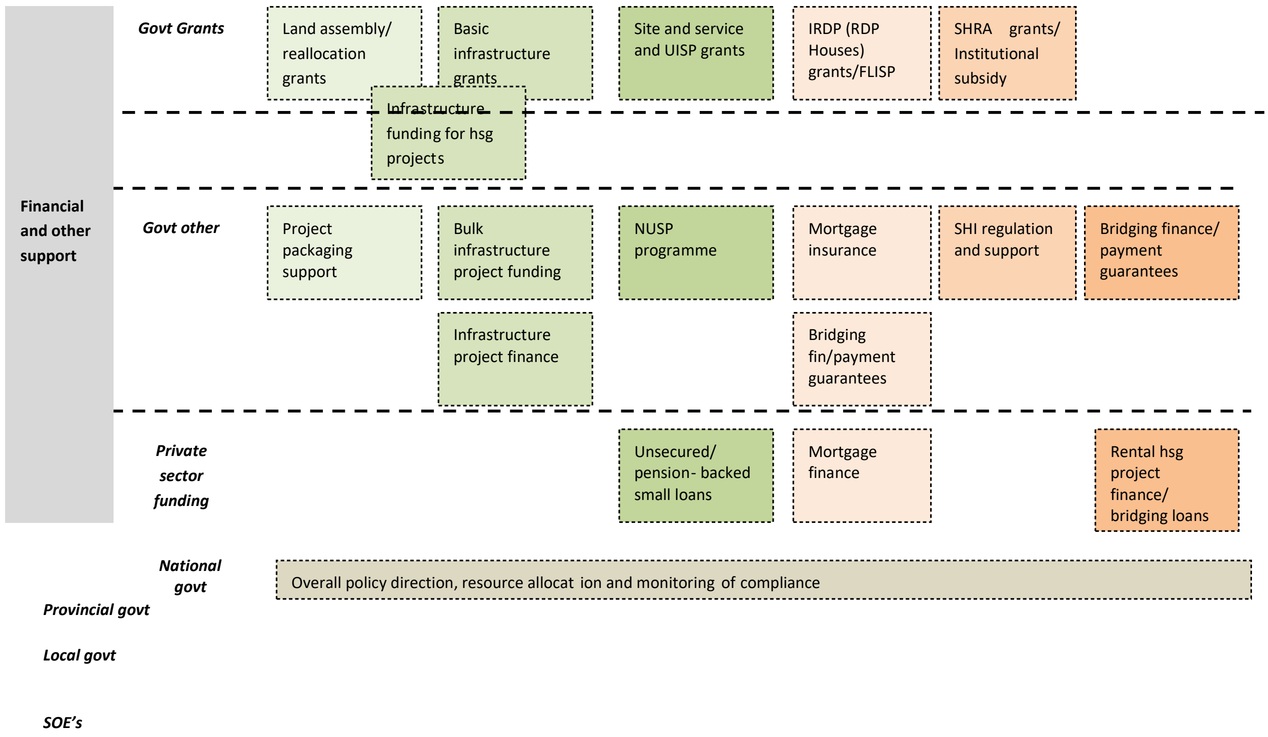
	11) Land assembly, identification and acquisition
	12) Township proclamation
	13) Statutory approvals & enrolments
	14) Internal engineering services installation
	15) Top structure construction
	16) Post construction support
	17) Post construction neighbourhood maintenance
	18) Property asses management
	19) Entities oversight
	20) Performance monitoring & evaluation
	21) Performance reporting

3.2 Chain of delivery

Stage three of the EPR methodology required the development of a logic framework for the identified Human Settlements programmes. This involved identifying Impacts, outcomes and outputs per identified programme. These are included in an excel file that accompanies this report.

Analysis and research into each HS Programme lead to the development of the broad chain of delivery (elements) related to each one. These were then consolidated into a generic set of elements for the six HS programmes. A summary of the elements incorporated and responsibilities for implementation in respect of levels of government, state owned entities and other delivery agents is shown in the figure below. **Figure 2: Summarised delivery chain**





The programme elements and logic framework analysis identified the following key issues:

- While a generic chain of delivery has been developed that is generally valid for all HS Programmes, there is significant variance related to how these are implemented. It was extremely difficult to allocate data to the identified elements which indicates a mismatch between current reporting frameworks and the necessary approach of understanding how expenditure relates to the delivery chain.
- Extensive documentation was consulted to develop the 'logic frameworks'. This process also indicated the uneven approach to specifying the impacts, outcomes, outputs and delivery chains across programmes. For instance, even within the Housing Code, the difference in specificity relating to each programme is varied. This differs from over a hundred pages of explanation for one programme, to less than twenty for another, and in some cases (such as Rectification), policy frameworks and readily accessible implementation frameworks are completely absent.
- Regarding the element analysis, what is evident is that, while some elements are clearly identified and even included in current BAS programmes (such as policy), even where national frameworks exist (such as for Monitoring and Evaluation), there is limited, consistent allocation of funds to these elements within the current delivery process, across programmes.
- While the national reporting framework and a comprehensive set of indicators for the human settlements sector have been developed, these are very unevenly applied across the HS sector, and within HS Programmes. In fact, the only indication of indicators being clearly applied relate to delivery statistics regarding access to services, tenure and housing units. While the business planning and Practice Note reporting process require consideration of indicators, these are not applied in a robust manner.
- Even where clear implementation frameworks and chains of delivery are documented, these are poorly and unevenly executed within provinces. Historically, numerous attempts have been

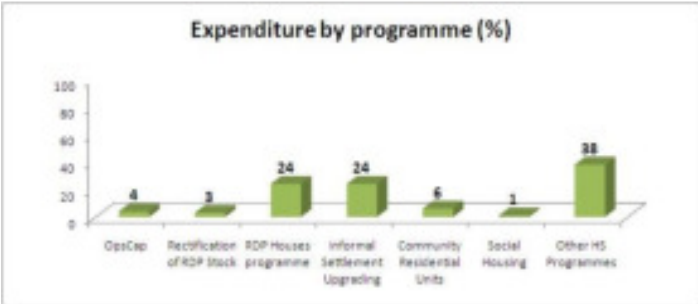
made to codify and structure the delivery and reporting process in housing delivery, but this has inevitably broken down.

4 Findings

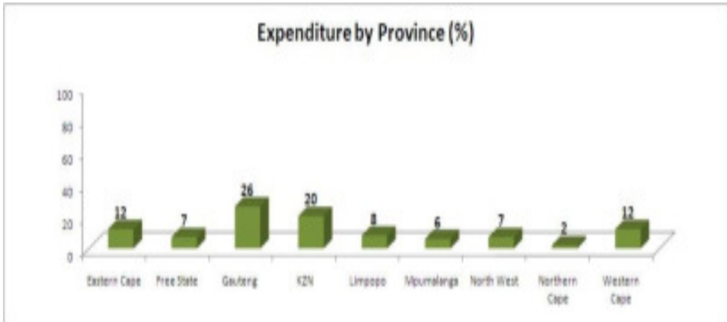
4.1 Expenditure Analysis

Table 2 below details expenditure as determined through the EPR analysis in respect of the six selected HR Programmes by province and overall. The table indicates the following:

- A total of R 45,4 billion was spent by human settlement departments and entities over the three year review period via HS Programmes. Of this expenditure 62% or R 28,3 billion was spent in respect of the six selected programmes.
- In terms of the six selected programmes, by far the greatest expenditure occurred in respect of the IRDP Houses Programme and Informal Settlement Upgrading Programmes where 24% of expenditure occurred respectively. This is a positive indication of the shift in expenditure in order to meet the Outcome 8 targets. The breakdown of expenditure in respect of the other selected programmes are (see figure) is 6% on the Community Residential Units; 4% on the OpsCap Budget; 3% on Rectification of RDP Stock and 1% on Social Housing.



- In terms of the overall allocation of R 45,4 billion spent on all HS Programmes (see figure), just under half was spent in two provinces i.e.26% was spent in Gauteng Province and 20% in KwaZulu Natal. A further quarter was spent in an additional two provinces namely Eastern Cape (12%) and Western Cape (12%). The remaining quarter was spent in the other five provinces that spent between 6 to 8%. The province where the least expenditure occurred was the Northern Cape (2%).



- There is variation in respect of how provinces are spending their allocations. This is due to the different interpretations of provincial programme needs, and the very different demographic circumstances per province.
  - Provinces where there is a greater focus on the IRDP Houses programme are the Eastern Cape (33% of their total expenditure), Mpumalanga (49%), North West (62%), Northern Cape (46%) and Western Cape (41%).
  - Provinces where there is a greater focus on the Informal Settlement Upgrading programme are Free State (46% of their total expenditure) and Gauteng (63%). Northern Cape is also spending a significant amount on this programme in addition to the IRDP Houses Programme

(37% of total expenditure)

- There are a few provinces that appear to be spending larger amounts on other programmes including:
    - Eastern Cape : 19% on the Rectification of RDP Stock ○ Limpopo : 18% on the OpsCap Budget ○ North West : 7% on the OpsCap Budget ○ Western Cape: 14% on the Community Residential Units programme.
- There are three provinces that are spending significantly less than the other provinces on the selected programmes. As the selected programmes are the key focus of the current housing policy this is a concern. These provinces are :
    - KwaZulu Natal and Limpopo : Both of these provinces are spending only 29% on the selected programmes and 71% on other HS Programmes respectively
    - Mpumalanga: This province is spending 56% on the selected programmes and 44% on other HS Programmes.
- Certain HS Programmes are not implemented in all provinces. This includes:
    - Social Rental Housing (which is focused in the provinces with large metropolitan populations) namely Eastern Cape (6% of total expenditure), KwaZulu Natal (3%)
    - Rectification of RDP stock namely Eastern Cape (19% of total expenditure), KwaZulu Natal (5%)

Table 3 : EPR Expenditure per HR Prgramme per province (2010/11, 2011/12 & 2012/13)

		Eastern Cape		Free State		Gauteng		KwaZulu Natal		Limpopo Province		Mpumalanga		North West		Northern Cape		Western Cape		Grand Total	
Code	HS Programme Name	(R-Million)	(%)	(R-Million)	(%)	(R-Million)	(%)	(R-Million)	(%)	(R-Million)	(%)	(R-Million)	(%)	(R-Million)	(%)	(R-Million)	(%)	(R-Million)	(%)	(R-Million)	(%)
FI-OPSCAP	OpsCap Budget	154	3%	71	2%	408	3%	28	1%	685	18%	46	2%	225	7%	1	0%	170	4%	1,788	4%
FI-RRDP	Rectification of RDP Stock (19942002)	1,063	19%	-	0%	4	0%	456	5%	-	0%	9	0%	-	0%	-	0%	4	0%	1,536	3%
II-IRDP	RDP Houses Programme	1,803	33%	390	13%	893	8%	1,285	15%	399	10%	1,406	49%	2,049	62%	520	46%	2,205	41%	10,954	24%
II-UISP	Informal Settlement Upgrading	595	11%	1,382	46%	7,352	63%	384	4%	1	0%	120	4%	-	0%	426	37%	616	11%	10,878	24%
SH-CRU	Community Residential Units	5	0%	305	10%	1,226	11%	128	1%	49	1%	39	1%	39	1%	9	1%	776	14%	2,577	6%
SR-SHCG	Social Housing	342	6%	-	0%	-	0%	236	3%	-	0%	-	0%	-	0%	-	0%	-	0%	577	1%
Total Core Programmes		**3,962**	**72%**	**2,148**	**72%**	**9,883**	**85%**	**2,517**	**29%**	**1,134**	**29%**	**1,620**	**56%**	**2,313**	**70%**	**957**	**84%**	**3,770**	**70%**	**28,308**	**62%**
All Other HS Programme Expenditure		1,539	28%	852	28%	1,764	15%	6,084	71%	2,754	71%	1,261	44%	978	30%	181	16%	1,645	30%	17,061	38%
Overall Total Programme Expenditure		**5,500**	**100%**	**2,999**	**100%**	**11,647**	**100%**	**8,600**	**100%**	**3,888**	**100%**	**2,881**	**100%**	**3,291**	**100%**	**1,138**	**100%**	**5,415**	**100%**	**45,368**	**100%**

Province as % of Total for Core Programmes		**12%**		**7%**		**26%**		**20%**		**8%**		**6%**		**7%**		**2%**		**12%**		**100%**

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4.2 Delivery of housing units

Table 3 below sets out the number of housing units delivered by programme and province over the three year review period as reported by the Department of Human Settlements. It is noted that this data is sourced from the NDoHS Practice Notes as these were found to be the most reliable source for this data. On the basis of the date in table 3 below the following is indicated:

- A total of 369,255 housing units are calculated to have been delivered and rectified over the threeyear period. This includes the best estimate of all completed units delivered in respect of all HS Programmes. This implies a delivery rate of approximately 123,085 completed housing units per year across all HS Programmes. The delivery rate of approximately 123,085 completed units per annum. This is significantly less than what the NDoHS has reported over the period or planned to deliver as evidenced in respect of figures reported in the NDoHS Annual Report for 2012/13 which indicates 253,833 units as actual achievement and 355,693 as a planned target[7].

- In terms of the six selected core programmes, total delivery accounts for 56% of claimed delivery by all programmes. The the Informal Settlement Upgrading Programme delivered 22% of the units claimed nationally. The IRDP Houses programme delivered 27% of the claimed units (including Project-linked Subsidy delivery). This is a positive indication of the shift to meet the Outcome 8 targets and is also reflective of the lower cost of the Informal Settlement Upgrading Programmes units (see 5.3 below).The number of units delivered in respect of the other selected programmes (see figure) are:

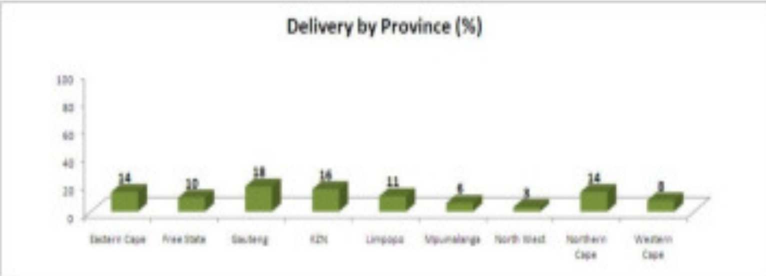
  - 2% in respect of the Community Residential Units programme
  - 4% in respect of the Rectification of RDP Stock programme. It must be noted however that this is not primary delivery, but repairs to already constructed subsidised housing units.
  - 1% in respect of the Social Housing programme. However, this may be affected by a lack of delivery data from SHRA being reported in the Practice Note data.

- In terms of the overall delivery of 369,255 units over three years there is some correlation between expenditure and number of units in that just under one fifth respectively was from the two provinces that had the highest percentages in terms of expenditure i.e. Gauteng Province (delivered 18% of the units) and KwaZulu Natal (which delivered 16% of the units). Eastern Cape also shows a correlation in that claimed delivery (14% of the units and expenditure (12% of the

[7] It is acknowledged that there are differences in the way in which the delivery figures are counted as part of the EPR review, as opposed to how the NDoHS is counting delivery.

funding) are closely matched. However there are some provinces where the correlation is less clear, for example:

- The Western Cape spent 12% of the overall expenditure but claims delivery of only 8% of the number of units.
- North West spent 7% of the overall expenditure but delivered 14% of the number of units.



- There is variation in respect of how provinces are delivering units. This is due to the different interpretations of provincial programme, different provincial needs, and the very different demographic circumstances per province.
  - Provinces where there is greater delivery of units in respect of the IRDP Houses programme are the Eastern Cape (46% of their total number of units), Northern Cape (38% of provincial total) and Western Cape (19% of provincial total). It is noted that the delivery of units in Mpumalanga and North West does not correlate with the high expenditure in terms of this programme in these provinces.
  - Provinces where there is a greater focus on the Informal Settlement Upgrading programme are Free State (60% of the total units delivered) and Gauteng (60%), Mpumalanga (30%), Northern Cape (31%). This correlates with expenditure in these provinces. Again, it is noted that there are provinces where definitions of the programmes are less clear, hence the delivery that is claimed in each programme may not reflect reality.

Table 4: Practice note consolidated summarised delivery data by programme and province (2010/11; 2011/12; 2012/13)

HS Programme	Eastern Cape		Free State		Gauteng		KwaZulu Natal		Limpopo		Mpumalanga		Northern Cape		North West		Western Cape		Total	
	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%
Rectification of RDP Stock (1994-2002)	9,058	18%	549	2%	0	0%	2309	4%	0	0%	211	1%	903	8%	3	0%	460	1%	13,493	4%
OpsCap Budget	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
IRDP Houses Programme	24,204	47%	,085	25%	11,177	17%	6,951	11%	796	2%	3,841	16%	5,728	38%	23,682	46%	13,543	43%	99,007	27%
Informal Settlement Upgrading	1,607	3%	21,940	60%	39,452	60%	5,277	9%	0	0%	7,047	30%	3,319	31%	1,919	4%	0	0%	80,561	22%
Social Housing	312	1%	0	0%	2401	4%	1766	3%	0	0%	48	0%	0	0%	0	0%	578	2%	5,105	1%
Community Residential Units	0	0%	491	1%	2046	3%	301	0%	189	0%	242	1%	81	1%	153	0%	4,849	15%	7,669	2%
Total: Core Programmes	**34,568**	68%	**26,995**	74%	**49,651**	75%	**9,947**	16%	**985**	2%	**9,235**	39%	**8,452**	**78%**	**2377**	5%	**11,897**	38%	**153,424**	42%
Delivery from Other Programmes	16,601	32%	9,575	26%	16,619	25%	50,957	84%	39,404	98%	14,481	61%	2,331	22%	48,925	95%	19,760	62%	215,831	58%
Total Delivery (All Programmes)	**51,169**	100%	**36,570**	100%	**66,270**	100%	**60,904**	100%	**40,389**	100%	**23,716**	100%	**10,783**	**100%**	**51,302**	100%	**31,657**	100%	**369,255**	100%
Proportion of Delivery per Province		**14%**		**10%**		**18%**		**16%**		**11%**		**6%**		**3%**		**14%**		**8%**		**100%**

Notes:

1. This data is collated and consolidated from the Provincial Practice Notes.
2. Certain provinces interpret programmes differently, hence total delivery per programme may not reflect actual delivery in that programme (e.g. IRDP and UISP can be used interchangeably).
3. Delivery numbers are calculated on best estimate basis, with respect to combination of sites and top structures. Where sites and top structures are delivered, these are not both counted.
4. Figures may be entered into incorrect sub-programmes or even programmes in certain provinces. This may affect totals indicated here.
5. Project linked subsidies are not included in IRDP calculations in this table.

4.3 Cost of delivering housing products

The EPR analysis included a modeling component based on the analysis of expenditure and delivery (see 4.1 and 4.2 above). The model was used to determine the cost of delivering housing products through the different HS programmes. Table 5 below sets out the results.

Table 5: EPR Costing Model Overall Results

Programme	Total Expenditure (1)	Total Number of Units (2)	Average Cost per Unit (3)	Average No of Units Delivered (per year)
Rectification Programme (4)	R1,725,518,410	13,493	R127,882	4,498
IRDP Houses Programme	R11,822,356,933	99,007	R 119,409	33,002
Upgrading of Informal Settlements Programme	R11,313,325,288	80,581	R140,432	26,854
Community Residential Units	R2,733,042,648	7,669	R356,375	2,556
Social Housing Programme (5)	R648,808,627	5,105	R127,093	1,702
Total	**R28,243,051,907**	**153,424**	**R184,085**	**51,141**

Notes:

1. Total expenditure includes final allocations calculated from BAS, HSS and PN reallocations and a proportional allocation of overhead costs identified in BAS.
2. As per consolidated NDoHS "Practice Note" data. Note that this includes delivery just for these identified programmes, and not for all HS Programmes nationally. Importantly in this revision it has been assumed that delivery under the Project-linked Subsidy Programme is equivalent to IRDP delivery as this is generally considered in practice as well as reporting approach (even though the two programmes are not identical).
3. Includes a defined housing unit. This excludes planning and serviced sites delivered as interim "housing opportunities" in Phase 1 of IRDP and Phase 1 and 2 of UISP.
4. Rectification does not create new housing units, but repairs and re-builds existing subsidised units.
5. This figure is understated as it does not incorporate the full allocation of the Restructuring Capital Grant that flows through the Social Housing Regulatory Authority.

The table above indicates the following in respect of the average cost per unit as delivered by the selected programmes analysed:

- **By far the programme that results in the highest cost per unit is the Community Residential Units programme where the cost per unit is R 356,375.** This corroborates anecdotal data regarding the non-standard ways in which this programme is being implemented in many provinces. In particular there is evidence that the CRU programmes is being used to fund greenfields municipal-owned and managed rental stock which in many cases is being let at nominal or "free" rentals.
- **The cost of the unit in respect of the IRDP Houses Programme is R 119,409.** This is higher than the subsidy allocation for this type of unit and supports anecdotal information on the cost of these units as well as the complaint by many municipalities of the need to supplement the subsidy allocation in order to deliver these units. (When the Project-Linked subsidy expenditure and delivery data is stripped out this cost per unit increases to R 140,000).
- **The cost of delivering a 'unit' in respect of the Upgrading of Informal Settlements Programme is R 140,432** that is also still higher than the subsidy allocation for this type of unit. It is however less than the units being delivered in the IRDP Houses Programme, which is to be expected.

- The **cost of the Rectification Programme units are very high (R 127,882),** considering that this programme allows for a scaled level of rectification (repairs, substantial repairs or re-build / re services). This is especially concerning given that this programme does not produce new units, but replaces and repairs existing subsidised units.
- The cost of the **Social Housing Programme is lower than the other programmes, at R 127,093** and is due to the fact that SHRA funding spent on projects is not being reflected through BAS and this therefore only reflects the Institutional Subsidy allocations at present. (It must be noted however that this figure is understated as it does not incorporate the full allocation of the Restructuring Capital Grant that flows through the Social Housing Regulatory Authority).

4.4 Eradicating the housing backlog

The modeling component also analysed scenarios for eradicating the housing backlog (see Table 6 below). The housing backlog is determined from StatsSA Census 2011 data. It is very important to note that "backlog" is a policy determination and is based on current Housing Policy which defines the backlog as those households living in informal settlements and informal shacks in backyards.

Table 6: Timetable and cost to eradicate the housing backlog assuming current delivery rate, average unit cost and constant household growth

Programme	Current Backlog (Units)	Estimated Cost (First 20 years)	Estimated Cost (50 Years)	No of Years Reqd to Deal with Backlog	Backlog (Year 50)
Rectification Programme	250,000	R 28,43-Bn	R 356,42-Bn	56	450,914
Integrated Residential Programme	482,964	R 176,40-Bn	R 176,40-Bn	15	0
Upgrading of Informal Settlements Programme	482,964	R 186,38-Bn	R 297,75-Bn	18	0
Community Residential Units	160,988	R 45,03-Bn	R 564,53-Bn	63	324,477
Social Housing Programme	96,419	R 10,69-Bn	R 134,02-Bn	57	177,216
*Other**	*482,964*	*R 185,77-Bn*	*R 185,77-Bn*	*9*	*0*
Total	**1,956,298**	**R 632,69-Bn**	**R1,714,88-Bn**		**952,608**

* *Note: includes all other HSDG delivery programmes. These have not been analysed in this EPR, but are included here for completeness.*

As shown in the table above if current rates of delivery and expenditure are assumed, it will take between 9 to 63 years to deal with the current backlog. The cost of this is time sensitive in that it is estimated to be R 632 billion during the first 20 years but increases significantly to R 1,7 trillion by 50 years.

At these rates of delivery, the calculated backlog decreases over the 50 year period to some 950,000 units from the current calculated number of 1,95-million units.

If rates of delivery are increased so that the backlog is addressed within a ten year period, the cost is significantly less i.e. R617 billion (see Table 7 below).

Table 7: Cost of ten-year delivery programme to eradicate the current housing backlog assuming current delivery rate, average unit cost and constant household growth

Programme	Current Backlog (Units)	Estimated Cost to meet Backlog	No of Years Reqd to Deal with Backlog	Backlog (Year 11)
Rectification Programme	250,000	R 50,02-Bn	10	0
Integrated Residential Programme	482,964	R 90,23-Bn	10	0
Upgrading of Informal Settlements Programme	482,964	R 106,11-Bn	10	0
Community Residential Units	321,976	R 89,76-Bn	10	0
Social Housing Programme[8]	96,419	R 19,17-Bn	10	0
*Other**	*482,964*	*R 143,34-Bn*	*10*	*0*
Total	**1,956,298**	**R 498,64-Bn**	**10**	**0**

* *Note: includes all other HSDG delivery programmes. These have not been analysed in this EPR, but are included here for completeness.*

This scenario indicates the benefit of a focused delivery programme to eradicate backlogs within a defined period.

The above findings indicate concerns in respect of the sustainability of the current programmes, rates of delivery, expenditure and policy approaches.

4.5 Findings from the review of programmes and programme elements

On the basis of the review of programmes and programme elements this section sets out key issues pertaining to the human settlement sector.

1. The institutional and funding environment for human settlements is extremely complex. This may be attributed to a range of issues, including:
   - The concurrent national and provincial competency for housing and the critical and increasing role of Local Government. This creates complexities in funding flows and reporting.
   - The inherent complexity of the human settlements delivery process, given the multiple and crosscutting inputs required to build settlements.
   - The complex financial mechanisms designed to stimulate the housing sector.
   - The delivery of housing is subject to patronage that undermines decision making and the basis by which resources are allocated.
2. The extent to which National Government is enforcing compliance to the national policy as reflected in legislation and policy documents is weak. This is resulting in a break down in how policy is applied, as well as fiscal discipline and audit clarity.
3. There are over thirty human settlements programmes and sub-programmes on record. This high number of programmes results in a lack of focus and clarity in terms of outcomes.
4. There are key questions around the policy and methodological soundness of certain programmes including:

[8] Note: The Social Housing Programme does not calculate full programme costs as RCG costs implemented by SHRA are not included in the figures

- There are programmes that are little used or not used at all for example the Finance Linked programmes and the Enhanced Extended Discount Benefit Scheme
- There are programmes that are currently poorly designed, regulated and managed such as the Community Residential Unit Programme which is being implemented without national regulations.
- There are a significant number of programmes that result from the failure or inefficiencies in others, including OpsCap, Rectification of RDP stock and Unblocking of Blocked Projects. All of these are mechanisms through which additional capital is spent on making projects or programmes work, where there are clear signs of failure in the original programmes implemented.

5. The review required the identification of programme elements against which costs could be allocated. In the case of the HS Programmes a significant variance was found in terms of how different HS programmes are implemented and this required the development of generic programme elements. It was extremely difficult to allocate data to the identified elements indicating high levels of mismatch between current reporting frameworks and an understanding of how expenditure relates to the delivery chain. It was found that there is an uneven approach to specifying the impacts, outcomes, outputs and delivery chains across programmes. Further it was found that while some elements are clearly identified and even included in current BAS programmes (such as policy), even where national frameworks exist (such as for Monitoring and Evaluation), there is limited, consistent allocation of funds to these elements within the current delivery process, across programmes.

6. Numerous database systems are being run in parallel to track, record and report on housing expenditure and delivery statistics in respect of the HS programmes, NONE of which has any defensible level of data integrity. Generally data integrity is very bad across, and within, different systems. In short, Government currently has no trusted source of data on human settlements expenditure and delivery performance.

7. On the basis of the review undertaken a number of gaps in the current policy are identified:

   - A consolidated Community Residential Unit development, regulation, management and maintenance programme is urgently required.
   - A clear programme related to the R1-billion under the NHFC's management for the Mortgage Default Insurance is lacking
   - A national programme to deal with Transitional Housing needs is required. This is especially urgent in inner city areas, where a lack of clear policy is affecting the overall performance of the housing market in these areas.
   - A national backyard units programme, with the intent of generating positive outcomes from the organic backyarding processes that occurs in many areas
   - A national programme on Public Rental Stock is required.
   - A review of the current rural housing programme and the basis by which it is being implemented

5 Conclusions

The policy intent of the HS Programmes is to facilitate the delivery of human settlements with a key focus on creating access for low-income households. The EPR Review focused on six core HAS Programmes and was conducted in four distinctive stages. The inception phase provided an opportunity for the consultants to engage with all stakeholders, clarify expectations and the methodology, and obtain all available information. Stage 2 involved the identification of the programme elements and the subsequent construction of the logic model framework (LMF) to explain the chain of delivery (Stage 3). Based on this framework a costing model was developed (Stage 4), and scenario modeling undertaken. Key findings from the analysis are set out in Section 4 above. On the basis of these findings the following preliminary conclusions are made.

1. **Success of Outcome 8 targets:** There is clear evidence in the data that implementing entities in the human settlements sector are shifting their expenditure to meet the targets as set by Outcome 8. The fact that there is equal expenditure in respect of the IRDP Houses Programme and Informal Settlement Upgrading programmes is a positive indication. The increased delivery of units through the Informal Settlement Upgrading programme, at a lower average cost, is a positive trend.

   On the basis of this, the end date of 2014 for the current Outcome 8 deliverables is a concern. However, whether or not the targets specified are met, the impact that this policy document has had is significant enough that thought should be given to a revised and extended Outcome 8 with new targets and requirements to continue this trajectory.

2. **Areas requiring further investigation:** The data highlights some key areas which require urgent further investigation including:

   - The Community Residential Units programme results in the highest cost of unit being delivered and there are key concerns as to the basis by which this programme is being implemented. Further detailed investigation into this programme is required, and consideration must be given to bringing it in line with national social housing legislation and regulations.
   - The OpsCap Budget appears to be high in some provinces for example Limpopo and North West. There is also limited control on how this programme is used.
   - The inclusion of full Social Housing figures from SHRA is needed to complete the Social Housing analysis. However, at the time of completing this document data requested directly from SHRA had not yet been received by the consultants. However, it is already evident that a lack of foresight into the allocation of institutional subsidies by provinces to match the Reconstruction Capital Grant from SHRA is affecting delivery of social housing. This has the ability to limit the impact of the Social Housing Investment Programme (SHIP) in the future.
   - The need for and value for money as delivered through the Rectification of RDP stock programme is a concern. Indications are that units being delivered through many programmes are costing significantly more than regulated subsidy amounts.
   - The extent to which accurate delivery statistics are forthcoming in the current reporting process by the provinces and the DHS is a concern. Furthermore, the basis for reporting (that is, reporting on tenure regularisation, emergency service coverage, serviced site delivery and full unit delivery) is not clear, and results in much uncertainty in the current reporting framework. The ability to determine delivery rates and value for money remains a serious concern.

3. **Sustainability of the current programmes and approach:** The analysis undertaken does identify as a concern the sustainability of the current programmes and policy approach. Given the current policy determination of "backlog", the significant cost escalation in respect of construction and the slow rate of delivery, the current approach is not fiscally sustainable.

4. **Strengthening the focus of HS Programmes :** The number of programmes, as well as the lack of clarity around the implementation approach in terms of the housing programmes needs to be addressed, so that there is a stronger focus and impact in terms of resources.

6 Appendices

6.1 Appendix 1: Policy Context

6.1.1 Policy and legislative intent

The key legislation and policy documents that frame South Africa's housing programme include the following[9]:

- The Constitution of South Africa, 1996 (Act No. 108 of 1996)
- The Housing Act, 1997 (Act No. 107 of 1997 as amended in 2001)
- The Comprehensive Housing Plan 'Breaking New Ground in Housing Delivery', National Department of Housing, September 2004
- The Social Housing Act (Act No. 16 of 2008)
- The Housing Code, 2009
- Outcome 8, Sustainable Human Settlements and an improved quality of household life, 2010
- The National Development Plan, Vision for 2030, National Planning Commission, November 2011
- Fiscal and Finance Commission (FFC), Review of the Housing Sector 2011/12

Table 8: Overview of key policy and legislation, Human Settlements Sector

Legislation/Policy	Overview
The Constitution of South Africa, 1996 (Act No. 108 of 1996)	– Sets out the key obligation of the state to individuals in society in respect of access to housing. Section 26 states governments duties in this regard.
The Housing Act, 1997 (Act No. 107 of 1997 as amended in 2001)	– Upholds Section 26 of the Constitution. In addition, it outlines general principles which must be adhered to by Government, roles and responsibilities of the different spheres of government and financing arrangements.
The Comprehensive Housing Plan 'Breaking New Ground in Housing Delivery', National Department of Housing, September 2004	– Shifts the focus from the delivery of a house to a wider spatial and economic framework. In particular: shifts from the provision of "housing units", to "sustainable human settlements"; refers to spatial restructuring of cities; introduces the idea of housing being an asset and emphasises the need for the upgrading of informal settlements.
The Social Housing Act (Act No. 16 of 2008)	– Provides the regulatory framework that reinforces government's support to the social housing sector and sets the framework through which social housing is currently implemented, funded and regulated.

[9] It is noted that there are a number of other legislation that impact on South Africa"s Housing Programme including: The Local Government, Municipal Systems Act, 2000 (Act No 32, 2000) (Municipal Systems Act) ; The Financial Sector Charter, 2003 ; The Rental Housing Act (Act No 50 of 1999);and the Housing Development Agency Act, 23 of 2008. These are more specific in their focus and are considered where they relate to a particular programme element

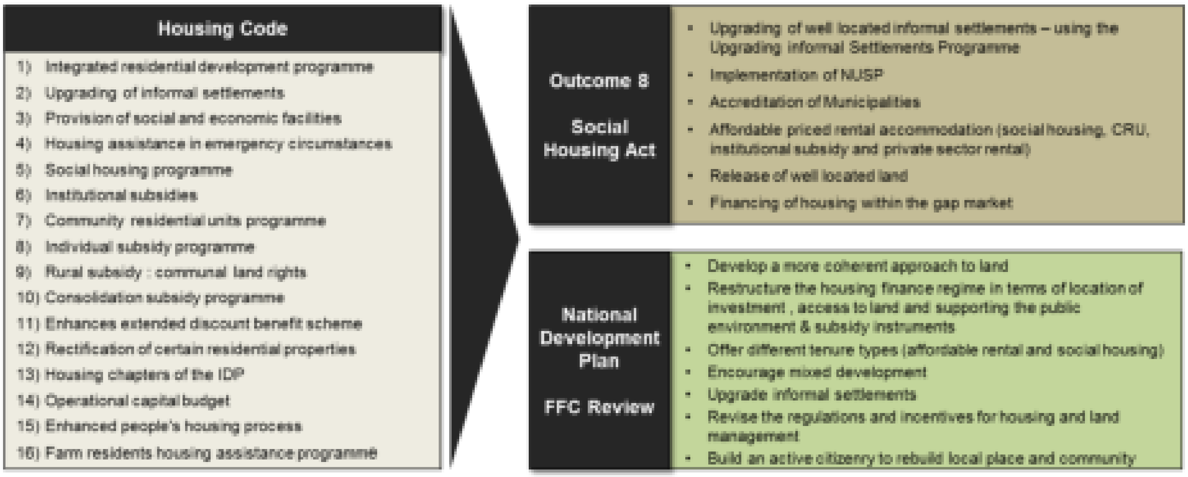
Legislation/Policy	Overview
The Housing Code, 2009	– Outlines the underlying policy principles, guidelines and norms and standards which apply to Government's housing assistance programmes including the various housing subsidy instruments and programmes available and how they are to be applied. Incorporates the Comprehensive Housing Plan.
Outcome 8, Sustainable Human Settlements and an improved quality of household life, 2010	– Sets targets for Government delivery in terms of housing. These targets are the basis by which all spheres of government are measured in terms of delivery. The target date for delivery is 2014,
The National Development Plan, Vision for 2030, National Planning Commission, November 2011	– The National Development Plan aims to eliminate poverty and reduce inequality in South Africa by 2030. All spheres of government are required to amend their programmes and budgets so as to implement the plan.
Fiscal and Finance Commission, Review of the Housing Sector 2011/12	– The Fiscal and Finance Commission reviewed the human settlement sector and concluded that the current housing financing framework should be reviewed from an economic and fiscal standpoint. In addition there is a need to evaluate and develop alternative housing delivery and funding models to improve the efficacy of the housing sector.

On the basis of the review of above policy and legislation it was determined that the Housing Code sets out a wide range of programmes to be implemented and policy objectives to be achieved by Government. Outcome 8 focuses these policy objectives into key focus areas. The Social Housing Act reinforces these key focus areas particularly in respect of social housing. The National Development Plan (NDP) suggests an emphasis on particular areas and suggests additional areas of focus. The Financial & Fiscal Commission (FFC) review reinforces the importance of restructuring the subsidy regime.

On the basis of the analysis it was determined that the key documents to be used in formulating the basis for the EPR analysis are the Housing Code and Outcome 8 as follows:

- The Housing Code is the basis from which the programmes to be analysed should be selected.
- Outcome 8 defines the key targets for the sector as a whole.

Figure 3: Implications of key policy and legislation



6.1.2 Human Settlements Funding Flows and Programmes

The Human Settlement Programmes are implemented primarily using funds from the Human Settlements Development Grant (HSDG). However, there are also other channels through which funds are invested in human settlements and related infrastructure such as land, bulk services and public services such as transportation systems. The major routes within the Human Settlements sphere are:

- The Human Settlements Development Grant (HSDG)
- The Urban Services Development Grant (USDG)
- The Rural Housing Infrastructure Grant (RHIG)
- The Housing Disaster Relief Grant (HDRG)
- Other conditional and discretionary fund allocations from the Department of Human Settlements

In addition to these, other non-human settlements sources of funds are directly or indirectly used in the creation of human settlements, including (but are not limited to):

- Other Division of Revenue Act contributions via provinces to metropolitan and Municipal governments
- Capital appropriations through other line departments, including those responsible for water, sanitation, energy and other social services such as healthcare and education.

The housing programmes as defined in the Housing Code are being delivered through the Provinces, as well as accredited Metropolitan Municipalities (most recent information suggests that there are 3 that have been accredited).

Additionally there are six housing agencies that are responsible for the implementation of various components of the housing programme - these include:

- National Housing Finance Corporation (NHFC)
- Rural Housing Loan Fund (RHLF)
- Social Housing Regulatory Authority (SHRA)
- National Urban Reconstruction & Housing Agency (NURCHA)
- Housing Development Agency (HDA)
- National Home Builders Registration Council (NHBRC)

In the 2012/13 financial year, the NDoHS is implementing five programmes as detailed in the table below.[10]

Table 9: Programmes being implemented by the NDoHS (2012/13)

Programme	Funds spent		Key elements
	R m	%	
1. Administration	166	0,6	– Provides strategic leadership, administrative and management support services to the Department. Includes executive support, internal audit, corporate support, HR, legal services and information technology and systems
2. Housing policy, research and monitoring	33	0,2	– Develops and promotes human settlements and housing policies supported by a responsive research agenda, and monitors and assesses the implementation, performance and impact of national housing policies and programmes. Includes policy development, research, ME
3. Housing planning and delivery support	187	0,7	– Supports implementation and delivery, builds capacity, liaises and communicates with stakeholders for effective human settlement programmes, and coordinates and monitors implementation of priority projects and the sanitation programme. Includes capacity development, human settlement planning, priority projects, rental housing and people housing projects, sanitation, stakeholder mobilisation.
4. Housing Development Finance	22 105	98	– Comprises conditional grants and earmarked funds (see slide that follows). Funds housing and human settlement development programmes and provides financial and grant management services.
5. Strategic relations and governance	105	0,5	– Coordinates the Departments mandate within the intergovernmental relations framework, manages international relations, promotes good governance practices
Total	**22 526**	**100**	

Source: NDoHS Annual Report, 2012/13, NDoHS website (http://www.dhs.gov.za)

As shown in the table above by far the most significant expenditure occurs in respect of Programme 4 the Housing Development Finance programme. This programme comprises conditional grants and earmarked funds which are provided to provinces based on a formula related to population and previous expenditure in terms of three programmes (see table below):

[10] **Annual Report, 2012/13.**

- The Human Settlements Development Grant (HSDG)
- Urban Settlements Development Grant (USDG)
- Housing Disaster Relief Grant

Table 10: Expenditure in terms of Programme 4, Housing Development Finance Programme (2012/13)

Programme	Funds transferred		Key elements
	R bil	%	
Human Settlements Development Grant	14,9	67	– Purpose is to provide funding for the creation of sustainable human settlements
Urban Settlements Development Grant	6,2	28	– Purpose is to assist metropolitan municipalities to improve urban land usage/availability to the benefit of poor households
Housing Disaster Relief Grant	1,0	5	– Available to provinces to prove emergency relief in respect of housing
Total	**22,1**	**100**	

Source: NDoHS Annual Report, 2012/13, NDoHS website (http://www.dhs.gov.za)

In addition to the above, the NDoHS transfers funding to five public entities as shown in the table below. It is noted that there are two entities which report to the NDoHS but which do not access regular funding namely the National Housing Finance Corporation (which has a large equity base and is required to gear this with funds raised outside of government) and the National Home Builders Registration Council (that receives enrolment fees for each house it registers).

Table 11: Funding transferred to public entities (2012/13)

Programme	Funds spent		Key elements
	R m	*%*	
1. SHRA, operational	19	4	– Accredits, regulates and provides funding for social housing institutions particularly in restructuring zones
2. Rural Housing Loan Fund	50	10	– Provides unsecured loans in rural areas for the development of new and upgrading of affordable houses
3. HAD	89	18	– Identifies and releases state owned land for the establishment of human settlements. Also provides project support services to provinces and municipalities particularly in respect of informal settlement development
4. NURCHA	100	21	– Provides bridging finance to developers to develop affordable housing units predominantly in the gap market
5. SHRA, Capital Restructuring Grant	226	47	– Provides grants to social housing institutions in respect of capacity building

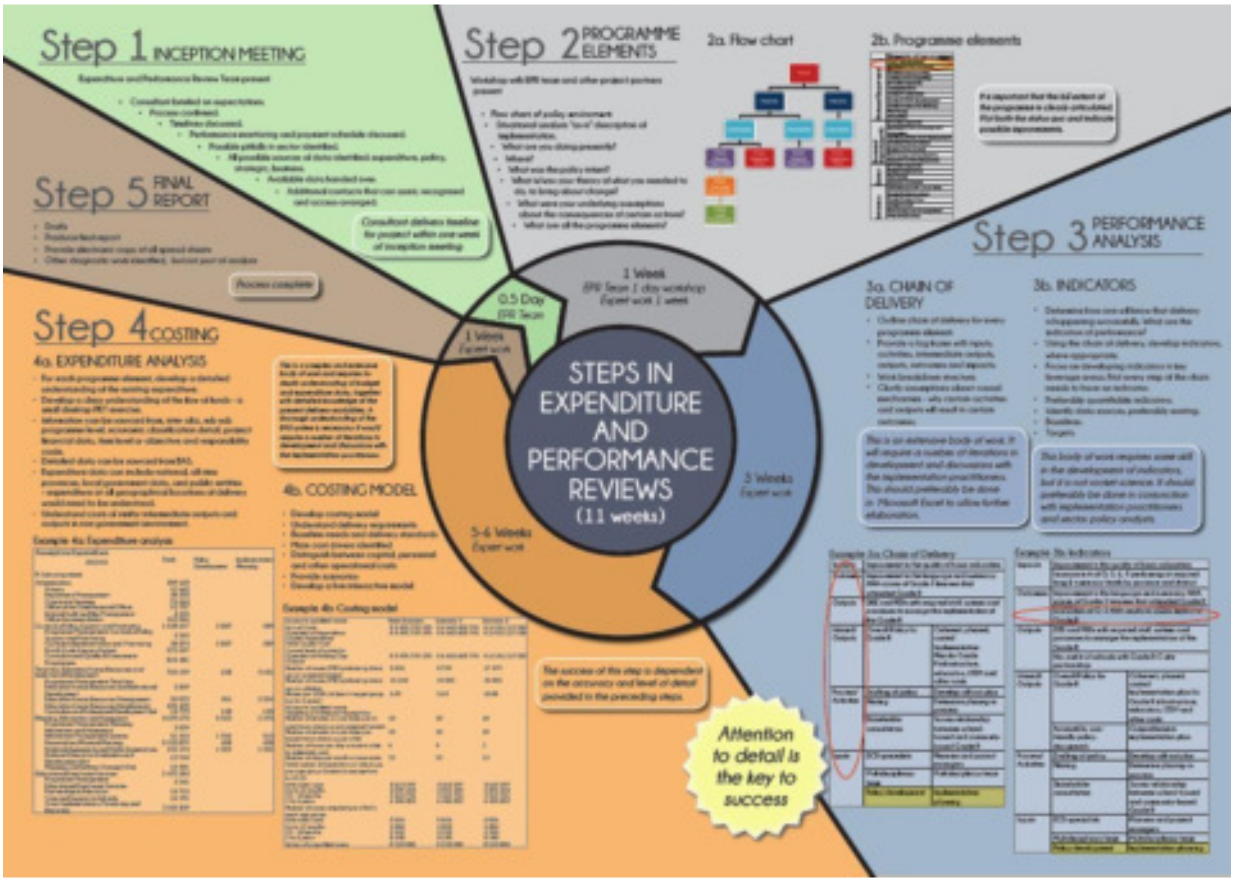
Total	**484**	**100**	

Source: NDoHS Annual Report, 2012/13, NDoHS website (http://www.dhs.gov.za)

6.2 Appendix 2: EPR Framework

An EPR analysis is undertaken through the application of a specified methodology, so as to ensure consistency across different programmes. An overview of the methodology is shown in Figure 1 below.

Figure 4: Overall EPR Approach



Source: National Tresaury 2013

The generic methodology comprises the application of specific steps or activities as follows:

1. **Step 1: Inception:** This comprises the holding of an inception meeting and the development of a detailed work plan.
2. **Step 2: Programme Description:** This comprises the development of a clear description of the programme elements of the policy initiative/ programme. The programme elements describe the present design.
3. **Step 3: Logic Model / Performance Analysis**: This includes:
   - The provision of a log frame, or equivalent analysis, of the programme/ policy initiative showing a clear work breakdown structure organised into inputs, activities, intermediate outputs, outputs, outcomes and impacts.
   - The development of performance measures, in quantifiable terms, along the chain of delivery focussing on key leverage areas.

4. **Step 4: Develop costing model:** This comprises demonstrating how explicit use was made of existing budget and expenditure data. The detailed analysis of the historical expenditure trends and cost drivers based on data from national, all 9 provinces and where appropriate local government is undertaken. Where data is not available, modelling assumptions are made.
5. **Step 5: Final Report**: This comprises the provision of a final report (this report).

The specific way in which the methodology was applied in the case of housing programmes in order to undertake the EPR analysis for the human settlement sector is outlined in Appendix 2 that follows.

6.3 Appendix 3: Methodology applied

The process applied in undertaking the EPR analysis generally followed the specified methodology as set out in Appendix 2 above. However given the complexity of the human settlements sector and because of the difficulties experienced with data available, a more detailed process was adopted. Accordingly this section outlines the scope of the EPR analysis undertaken, the datasets used and how they were analysed, the element mapping undertaken, the mapping of expenditure data and the basis on which the performance analysis was undertaken.

6.3.1 Scope of the EPR Analysis for Human Settlements

Given the complexity of funding flows within the Human Settlements sector, and the large number of HS Programmes, it was agreed that this EPR analysis of the human settlement sector would f**ocus on six core programmes that are funded through the HSDG**, and that the EPR analysis would be extended to include other HS Programmes in the future.

The six HS Programmes selected for inclusion in this EPR analysis are:

1) **The Rectification Programme (FI-RCP)** is used to effect repairs to existing subsidised houses with defects.
2) **The OpsCap Programme (FI-OpsCap**) is used to 'oil the wheels' of project delivery via other programmes (this programme does not deliver units).
3) **The Integrated Residential Development Programme (II-IRDP)** is the main delivery programme for subsidised housing in South Africa at present.
4) **The Upgrading of Informal Settlements Programme (II-UISP**) is a growing programme aimed at upgrading services and providing houses for households within existing informal settlements.
5) **The Social Housing Programme (SR-SH)** is delivered via a combination of SHRA-funded projects by accredited Social Housing Institutions (SHIs).
6) **The Community Residential Units Programme (SR-CRU)** is aimed at providing good rental stock to households earning below R 3,500 per month incomes.

It was further agreed that only state entities that are directly engaged in implementing these six programmes would included in the analysis, where they operate as conduits for funding flows into these HS Programmes. In this case this included only the Social Housing Regulatory Authority (SHRA) which funds social rental housing projects through its Restructuring Capital Grant (RCG) programme.

6.3.2 Human Settlements Datasets and basis of analysis

Datasets

On the basis of the initial workshop, meetings with the Review Team and the NDoHS and a review of the data available, it was determined that additional sources of data should be interrogated for the EPR analysis, as the data in BAS was not sufficient to develop a detailed understanding of expenditure patterns within the human settlements sector. The following datasets were considered:

1) **Basic Accounting System (BAS):** This is the core financial dataset of this EPR analysis. BAS is controlled by National Treasury.

2) **The Housing Subsidy System (HSS):** This is a system designed and implemented by the NDoHS, and used by provinces and Metros to log human settlements projects and subsidy beneficiaries. This system is designed to capture financial and non-financial (delivery) data. An interface module has been designed (and implemented) from HSS to BAS, but this is not in regular use.

3) **Practice Note Reports (PN):** These are manually-produced reports completed by provinces based on a standard national reporting template. The PN reports are then submitted to the NDoHS for record purposes, and are consolidated by the NDoHS into a national consolidated Practice Note report each year.

4) **Provincial business plans**: These are reports produced by provinces that set out the work that they plan to undertake on an annual basis. The work undertaken is specified in terms of programmes, number of units and financial data.

5) **Provincial proprietary project tracking systems:** A number of provinces run parallel, different project tracking and project management systems, which do not integrate with any of the above data sources and only produce outputs.

Overall Data Manipulation & Modeling Method

On the basis of a review of the above datasets it was determined that none of them provided sufficient, robust and disaggregated data to undertake the EPR analysis alone. Accordingly it was determined that there was a need to develop a consolidated useable dataset comprising data from BAS, HSS, PN data and the Business Plans in order to undertake the EPR analysis. The Provincial proprietary project tracking systems were not easily available given time and resource constraints of this EPR exercise and were therefore not used.

A data analysis methodology was developed to compile the consolidated dataset. This methodology comprised the following:

- The key information and datasets available were defined in terms of the financial and non-financial data that they provided on the selected HS programmes;
- The applicability and reliability of these datasets was determined at national, provincial and local level;
- A framework was produced that allowed the correlation of financial and non-financial (delivery) data at national, provincial and local level to the HS programmes; and
- A base dataset was created that offered the best consolidated data from the above datasets, and could be used to commence the process of allocating expenditure data to defined Human Settlements elements.

In undertaking the above, a data manipulation approach was adopted that identified, re-coded and consolidated every line of data in the BAS system in a consistent way, where this was feasible. This decision resulted in a number of benefits:

- It ensures that outputs can be dynamically generated and ensures that each line of data can be manipulated now and in the future, rather than being hard-coded. This applies to basic allocations of funds to provinces and programmes, as well as to elements;

- It enables all identifiable data to be allocated to a consistent naming framework, and allocated to different HS Programmes or elements if required;
- It provides basic data mapping sheets on a national and provincial basis that create associations between existing BAS codes and potential future universal codes; and
- Creates more flexibility for the future completion of the HS Programme mapping, as it enables individual transactions to be recoded where necessary.

The data consolidation was undertaken through a **ten step process shown** in the figure below and the steps are described below:

- **Step 1: Defining the Human Settlements programmes and sub-programmes**: A review was undertaken of the data sets and on the basis of this review a full list of HS Programmes was generated. Each of the HS Programmes was defined and given a unique code that was used in later steps.

- **Step 2: Defining which programmes apply in what provinces**: Based on a correlation of the BAS budget data, annual reports, Practice Notes and Business Plans data the extent to which the defined programmes apply in the provinces was determined. Generally this was easy to do however certain provinces report expenditure in one programme, but may be implementing another.

- **Step 3: Defining the Elements per programme**: Programme elements were developed for each of the six selected programmes. In addition a process was undertaken of refining and consolidating all the programme elements developed into a single comprehensive list, as this was required for the assumptions matrix at a later stage.

- **Step 4: Defining BAS data:** This step comprised defining and understanding each line of expenditure in the BAS data down to Level 5, and understanding where discrepancies and irregularities exist. This included:
    - **Splits**: Large Allocations not disaggregated to Programmes / Categories (e.g. Limpopo Province): Requires specific 'Forensic Exercise' to determine splits (PN & BP Data, Province Interactions?)
    - **Alternative Capital Allocation Flows**: e.g. Social Housing (NT > DHS > SHRA > Provincial Projects)

- **Step 5: Matching BAS Level 1, 2 and 3** (and at times 4) categories across provinces and to national programmes. This has identified that very few provinces have consistent BAS categories, even where these are intended for the same purpose. A further complexity here is the three provinces where housing is included with local government functions. This requires a detailed sieving of nonrelevant BAS programmes, and extraction of budget items from local government expenditure that are (or might) be relevant to housing

- **Step 6: Re-coding BAS data in a uniform coded format**. This was a highly intensive manual process, that comprised the team working together, one with BAS data, one with Practice Note and delivery data, and one with oversight of national programmes to determine expenditure categories' best fit to Human Settlements programmes. This process achieved the following:

- Consolidating Provincial BAS categories that are different, yet represent the same expenditure items (L2 and L3) by re-coding them.
- Excluding BAS categories that are not relevant to housing
- Matching Provincial BAS categories to national BAS categories where these do not match directly (L1 to L2).
- Matching BAS categories to HS Programmes where there are clear matches.
- Splitting BAS Level 3 and 4 programmes into two or more programmes where their expenditure crosses these boundaries.
- Making assumptions or separate analyses into unidentifiable expenditure items as to which HS Programmes they best match to.

- **Step 7: Match to Reported Human Settlements (& Provincial) Data** - This data is matched to programmes, projects and other expenditure items in the Practice Note summaries, Business Plans and Annual Reports. This enable the ability to track what unidentified sums of capital have been applied to, where it is not clear in BAS.

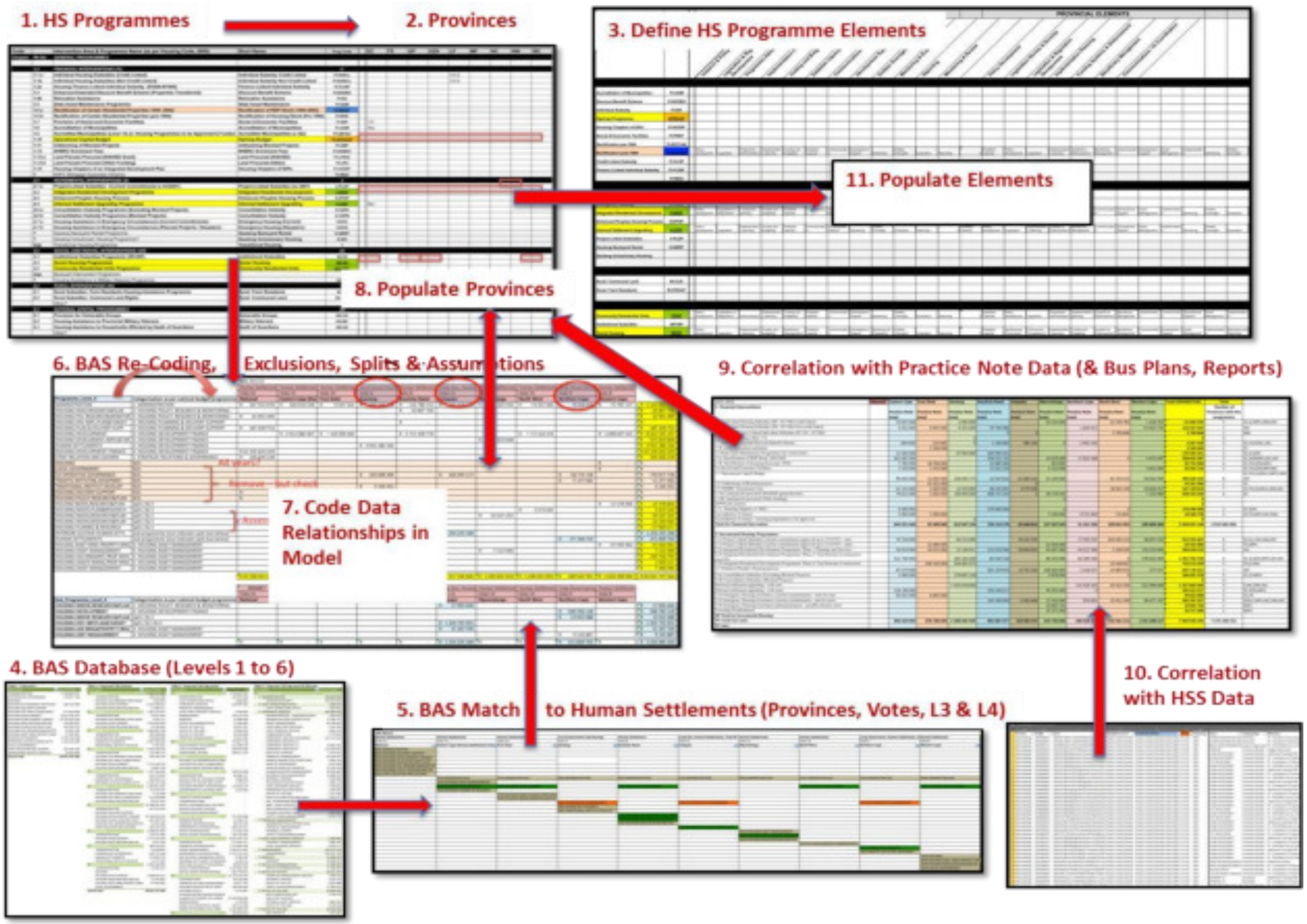
- **Step 8: Data Correlation with HSS and Provincial Systems**. This comprised correlating the BAS data with HSS data, to ensure that there is a full picture of what money was applied to.

- **Step 9: Model Development & Coding.** On the basis of relationships identified and hand-coded, a model was developed to automate these relationships and to provide a basis for automatically matching data from other years within the model.

- **Step 10: Element Mapping.** On the basis of this framework and model, the detailed process of matching BAS data to housing programmes and elements was undertaken as follows:
  - Code matches between re-coded and analysed BAS data to the Elements where these are a direct match
  - Develop an assumptions matrix that will enable an allocation of budget items across elements on a logical basis. In order to do this, a consolidated element list is being developed (See Step 1). The assumptions matrix can be seen in Appendix 7 attached.

Of the total BAS expenditure over the three year review period it was possible to allocate 93% of expenditure to human settlement (HS) Programmes using the EPR analysis methodology. The remaining 7% could not be allocated due to a lack of sufficient data.

Figure 5: Data analysis framework and methodology


1. HS Programmes
2. Provinces
3. Define HS Programme Elements
11. Populate Elements
8. Populate Provinces
6. BAS Re-Coding, Exclusions, Splits & Assumptions
9. Correlation with Practice Note Data (& Bus Plans, Reports)
7. Code Data Relationships in Model
4. BAS Database (Levels 1 to 6)
10. Correlation with HSS Data
5. BAS Match to Human Settlements (Provinces, Votes, L3 & L4)

Scenario modeling

The scenario modeling addresses the following:

- Defining the main cost drivers, being the number of and nature of units delivered, the unit cost and the timelines for overall delivery to backlog eradication;
- An assessment of the average cost per unit per programme delivered over the last 3 years on the basis of the recalculated and reallocated BAS financials;
- The total cost per programme at current as well as targeted unit cost to deliver against the defined national backlog; and
- The delivery rates required per annum in order to eliminate backlogs over the next 10 years (the findings of this component of the modelling can be seen in section 3.4 below).

The model combines the expenditure allocated to each HS programme with a pro-rata amount of programme overhead to each HS Programme to give a total cost per programme. Using the claimed units delivered in the Practice Note over the 3 year period analysed, the model calculates an average cost per unit delivered for each HS Programme.

This average cost per unit and the average delivery rate of units per programme are used in the model to determine the rate (in number of years) and cost (escalate annually) of meeting the backlog for each of the programme (see separate note on calculation of backlog of each Housing Programme).

The model then calculates the cost and time to meet the backlog (including new household demand) under various scenarios. The following scenarios have been modeled:

- The time and cost to meet the backlog at current rates of delivery of units;
- The time and cost to meet the backlog using a targeted rate of delivery of units; and
- The cost of delivering the backlog within a given timeframe.

6.4 Appendix 4: Data and Modeling Issues

6.4.1 Key limitations of the data bases used for the EPR Analysis

1) Limitations with BAS

- BAS data is only likely to be an accurate source of data regarding allocation of expenditure at programme and project level for two or three provinces (WC, KZN and possibly NW).While all expenditure must be authorised and is theoretically recorded in BAS, most provinces are not using it properly nor recording their expenditure accurately. Tracking what expenditure was applied to (i.e. which programme or project) was problematic in most provinces.

2) Limitations with HSS

The HSS is a read-only system at DHS level, as it is reliant on provinces to input data. Provinces utilise the HSS very unevenly from the following perspectives:

- First, even though use of HSS is meant to be mandatory in order to ensure project tracking via unique project numbers generated by the system, only some provinces rely on HSS as their primary housing project management system (e.g. KZN, NW and possibly WC). This also changes over time
  (e.g. Free State was excellent up to three years ago, but data quality is now very poor)
- Second, provinces that use HSS do not do so on a consistent basis (i.e. data may not be comparable or even there for some provinces)
- Third, amongst provinces that use HSS, under which housing programmes data is implemented may not be consistent with the nature of projects being implemented (e.g. NW still inputs all IRDP data under an old, defunct programme named “Project-Linked Subsidy”)
- Fourth, some provinces list expenditure under project numbers generated by HSS (the correct method), while others list it under project names (which may be duplicated, and/or include multiple phases, and/or may include projects related to multiple programmes).

Certain programmes (specifically CRU and Rectification) have other primary implementation approaches and agents involved in their project cycles, and accurate data may be difficult to find anywhere. These will require further analysis.

3) Provincial Systems

Many provinces run parallel systems to track housing project progress and expenditure (mostly Excel-based systems). These are used to then compile statutory reporting that is submitted to DHS and Treasury.

- Where BAS and HSS cannot offer accurate data to allocate provincial expenditure to programmes, the consulting team may need to consider accessing these provincial systems.
- This will require special permissions, as well as most likely spending time at each province where this is the case (up to six provinces).

4) Limitations of the Practice Note

The following key issues exist in relation to the Practice Note Data:

- The Practice Notes are not always accurate and are sometimes poor (data provided does not add up) etc.
- Allocations both in respect of expenditure and number of units are sometimes incorrect
- The quality of the Practice Note is applied unevenly across provinces

5) Poor delivery data

It was extremely difficult to access and analyse delivery data, which was often not available or was not clear as to what it was reporting on i.e. number of units, number of sites, type of programme etc.

6.4.2 Key issues in relation to the modeling process and data sets

A number of key issues in relation to the modeling process and the data sets should be noted:

- There is a high level of naming inconsistency in BAS and across and within the other datasets. There is a need to ensure consistent naming and recoding to ensure parity between Practice Notes and BAS data. This is primarily due to the open ability for Provinces and Metros to enter new (and inconsistent) naming conventions in the system.
- Programmes and Sub-Programmes are sometimes reported together and sometimes separately, and sub-programmes are often used interchangeably to report data (such as Phases 1, 2, 3 and 4 of the IRDP and UISP).
- There are missing or defunct Programmes in some datasets, some of which are still used by province to report data (e.g. use of Project-Linked Subsidies to record IRDP data in some provinces).
- There are Provincial “Add-On” Programmes, for example the Gauteng Backyard Rental programme.
- There are significant changes to the number of programmes, programme naming and recording across the three year data time series.

There is no consistency in the basis by which expenditure allocations are made in BAS, HSS the Practice Notes, Business Plans and Annual Reports. The implication of this is that the data integrity is very bad across, and within, different systems.

- Different provinces rely on different systems as their main source of record and reporting i.e. BAS, HSS or proprietary systems), and most are not reliable across all systems.
- A number of provinces report across four different systems concurrently (BAS, PN reports, HSS and own systems) and some are not reporting accurately on BAS.
- BAS varies from very accurate allocations to no allocations to HS Programmes in different provinces.
- The Practice Note data is compiled from very variable and difficult to interpret reporting formats (word reports). Errors and omissions occur regularly in the report calculations. The Practice Notes are however the only regular (but not necessarily accurate) source of non-financial (delivery) statistics.
- The HSS financial information is generally accurate in most provinces, but does not seem to be universally in line with expenditure allocations in the Practice Notes, even at programme level, and

especially at expenditure level (e.g. three systems record OpsCap in one province at R 46 m, R 99 m and R 109 m respectively).

- Provinces are doing their own thing to a large extent with autonomous use of BAS and HSS, and poor consistency in Practice Note data.

6.5 Appendix 5: Comprehensive List of Human Settlements Programmes

Human Settlements Programmes (HS Programmes) are determined according to the National Housing Code (2009) which should set out full programme parameters including their application and funding. Currently the Housing Code lists 16 programmes.

On the basis of a review of BAS accounting system data, Housing Subsidy System (HSS) data, Practice Notes (NDoHS internal data) and Provincial business plans, some 30 programmes were identified that are being implemented at the national, provincial and municipal level by human settlements departments and state entities. A summary of the programmes is shown in the table below.

Table 12: Comprehensive List of Human Settlements Programmes

No.	Intervention Area & Universal Programme Name	Short Name	Universal Code
PN No.	GENERAL PROGRAMMES		
1.0	**FINANCIAL INTERVENTIONS (FI)**	**FINANCIAL INTERVENTIONS (FI)**	**FI**
1.1	**Individual Housing Subsidies**	**Individual Subsidies**	**FI-IS**
1.1 a	Individual Housing Subsidies (Credit Linked) <R3 500	Individual Subsidy Credit Linked	FI-IHSCL
1.1 b	Individual Housing Subsidies (Non-Credit Linked) < R3 500	Individual Subsidy Non-Credit Linked	FI-IHSNCL
1.2 a	**Housing Finance Linked Individual Subsidy (R3500-R7000)**	**Finance Linked Individual Subsidy**	**FI-FLISP**
1.3.1	**Inclusionary Housing**	**Inclusionary Housing**	**FI-INH**

1.3.2	**Enhanced Extended Discount Benefit Scheme (Properties Transferred)**	**Discount Benefit Scheme**	**FI-EEDBS**
1.3.3	Relocation Assistance (Defunct)	Relocation Assistance	FI-RA
1.4	**State Asset Maintenance Programme**	**State Asset Maintenance**	**FI-SAM**
1.5	**Rectification of Certain Residential Properties**	**Rectification**	**FI-R**
1.5 a	**Rectification of Certain Residential Properties (1994 -2002)**	**Rectification of RDP Stock (19942002)**	**FI-RRDP**
1.5 b	Rectification of Certain Residential Properties (pre-1994)	Rectification of Housing Stock (Pre 1994)	FI-RHS
1.6	**Provision of Social and Economic Facilities**	**Social & Economic Facilities**	**FI-SEF**
1.7	**Operational Capital Budget**	**OpsCap Budget**	**FI-OpsCap**
1.8	**Unblocking of Blocked Projects**	**Unblocking Blocked Projects**	**FI-UBP**
1.9	**NHBRC Enrolment Fees**	**NHBRC Enrolment Fees**	**FI-NHBRC**
1.10	**Land Parcels Procured**	**Land Procured**	**FI-LP**
1.10 a	Land Parcels Procured (IHAHSD Grant)	Land Procured (IHAHSD)	FI-LPIHA
1.10 b	Land Parcels Procured (Other Funding)	Land Procured (Other)	FI-LPO
1.11	**Housing Chapters of an Integrated Development Plan**	**Housing Chapters of IDPs**	**FI-HCIDP**
1.12	**Accreditation of Municipalities**	**Accreditation of Municipalities**	**FI-AOM**
1.12 a	Accredited Municipalities (Level 1& 2): Hsng Progs to be Approved & Funded	Accredited Municipalities (L1&2)	FI-AM1&2
?	NHFC Mortgage Guarantee Scheme	**Mortgage Guarantee**	**FI-MGS**

No.	**Intervention Area & Universal Programme Name**	**Short Name**	**Universal Code**
PN No.	**GENERAL PROGRAMMES**		
2.0	**INCREMENTAL INTERVENTIONS (II)**	**INCREMENTAL INTERVENTIONS (II)**	**II**
2.1 a	**Project-Linked Subsidies (Sites & Units Approved to 03/2007)**	**Project-Linked Subsidies Sites<2007)**	**II-PLSS**
2.1 b	**Project-Linked Subsidies (Units Approved to 03/2007)**	**Project-Linked Subsidies Houses<2007**	**II-PLSH**
2.2	**Integrated Residential Development Programme**	**Integrated Residential Development**	**II-IRDP**
2.2 a	IRDP Phase 1 (Planning & Services)	IRDP-Planning & Services	II-IRDP P1
2.2 b	IRDP Phase 2 (Top Structure)	IRDP-Top Structure?	ii-IRDP P2
2.2 c	UISP Phase 4 (Top Structure Construction) - UISP	UISP-Top Structure	~~II-UISP P4~~
2.3	**Enhanced Peoples Housing Process**	**Enhanced Peoples Housing Process**	**II-EPHP**
2.4	**Consolidation Subsidy Programme**	**Consolidation Subsidy**	**II-CS**

2.4 a	Consolidation Subsidy Programme (Excluding Blocked Projects)	Consolidation Subsidy (Not Blocked)	II-CSPA
2.4 b	Consolidation Subsidy Programme (Blocked Projects)	Consolidation Subsidy (Blocked)	II-CSPB
2.5	**Upgrading of Informal Settlement Programme**	**Informal Settlement Upgrading**	**II-UISP**
2.5 a	UISP Phase 1: Planning	UISP Phase 1: Planning	II-UISP P1
2.5 b	UISP Phase 2: Temporary Services	UISP Phase 2: Temporary Services	II-UISP P2
2.5 c	UISP Phase 3: Permanent Site & Services	UISP Phase 3: Site & Services	II-UISP-P3
2.5 d	UISP Phase 4: Top Structure	UISP: Phase 4: Top Structure	II-UISP-P4
2.7	**Housing Assistance in Emergency Circumstances**	**Emergency Housing**	**II-EH**
2.7 a	Emergency Housing (Current Commitments -sites & houses)	Emergency Housing (Current)	II-EHC
2.7 b	Emergency Housing (planned projects -possible disaster areas)	Emergency Housing (Disasters)	II-EHD
2.8	Township Establishment (Mpumalanga)	Township Establishment	II-TE
?	Gauteng Inclusionary Housing Programme?	**Gauteng Inclusionary Housing**	**II-GIH**
Gap	Transitional Housing Programme	**Transitional Housing**	**II-TH**
3.0	**SOCIAL & RENTAL INTERVENTIONS (SR)**	**SOCIAL & RENTAL INTERVENTIONS (SR)**	**SR**
3.1	**Institutional Subsidies Programme**	**Institutional Subsidies**	**SR-IS**
3.2	**Social Housing Programme**	**Social Housing**	**SR-SH**
3.2 a	Social Housing Programme: Operational Support	Social Housing: Operational Support	SR-SHOS
3.2 b	Social Housing Programme: Capital Grants for Rental Housing	Social Housing: Capital Grants	SR-SHCG
3.3	**Community Residential Units Programme (Conversion or New)**	**Community Residential Units**	**SR-CRU.**
3.3 a	CRU Conversion	CRU Conversion	
3.3 b	CRU New	CRU New	
3.4	Gauteng Backyard Rental Programme	Gauteng Backyard Rental	SR-GBY
Gap	Backyard Intervention Programme	**Backyard Programme**	**SR-BY**
No.	**Intervention Area & Universal Programme Name**	**Short Name**	**Universal Code**
PN No.	**GENERAL PROGRAMMES**		
4.0	**RURAL INTERVENTIONS (RI)**	**RURAL INTERVENTIONS (RI)**	**RI**
4.1	**Rural Housing: Farm Residents Housing Assistance Programme**	**Rural: Farm Residents**	**RI-FR**
4.2	**Rural Housing: Communal Land Rights**	**Rural: Communal Land**	**RI-CLR**
4.2 a	Rural Housing: Communal Land Rights (Serviced Sites)	Rural: Communal Land (Sites)	RI-CL P1
4.2 b	Rural Housing: Communal Land Rights (Planning)	Rural: Communal Land (Planning)	RI-CL P2

4.2 c	Rural Housing: Communal Land Rights (Housing Units Completed)	Rural: Communal Land (Units)	RI-CLP3
5.0	**NATIONAL SPATIAL PROGRAMMES**	**NATIONAL SPATIAL PROGRAMMES**	**NS**
5.1	**Provision for Vulnerable Groups**	**Vulnerable Groups**	**NS-VG**
5.2	**Housing Assistance to Provincial Military Veterans**	**Military Veterans**	**NS-MV**
5.3	**Housing Assistance to Households Affected by Death of Guardians**	**Death of Guardians**	**NS-DG**
NATIONAL CONDITIONAL GRANT ALLOCATIONS TO PROVINCES AND METROS			
A	Human Settlements Development Grant		**N-HSDG**
B	Urban Services Development Grant		**N-USDG**
C	Rural Housing Infrastructure Grant		**N-RHIG**
D	Disaster Relief Grant		**N-DRG**
E	Conditional Funding Allocation to Province or Municipality		**N-CF**

KEY:

Programme &/or Sub-Programme included in this analysis

Programme or Sub-Programme included in National and Provincial reporting formats (Practice Notes), but is a part of another identified programme

Programme identified in official documentation (e.g. Practice Notes) but not universally reported on or formally identified as a National Programme

Programme Gap identified by the Consulting Team

6.6 Appendix 6: Detailed programme elements: National, Provincial and Local

KEY

Yellow	*Programme Included in Analysis*
Blue	*Not Applicable to Programme*
Green	*Applicable to Programme, well executed*
Peach	*Applicable to Programme, poorly executed*
Olive	*Relevance to Programme to be determined*
Lilac	*Applicable to Programme, provincial variation in execution*

Table 13: National elements & applicability to selected HS programmes

Programme Short Name	Prog Code	National Depart-ment Management & Administration	Research Analysis & Policy Development	Legislation & Regulation Development	Prog-ramme Administration & Oversight (National level)	Prog-ramme Implementation Planning & Support	Programme Costing & Budgeting	Capacity Establishment & Development National, Provinces, (Municipalities & State Entities)	Inter-Government Communication & Coordination	Development Support at National & Provincial Level	Oversight of State Entities	Performance Monitoring & Evaluation	Performance Reporting
		A.1	A.2	A.3	A.4	A.5	A.6	A.7	A.8	A.9	A.10	A.11	A.12
FINANCIAL INTERVENTIONS (FI)													
Rectification of RDP Stock (1994-2002)	***FI-RRDP***	*N/A*	*Research, Analysis & Policy Development*	*Legislation & Regulation Development*	*Programme Administration & Oversight (National level)*	*Programme Implementation Planning & Support*	*Programme Costing & Budgeting*	*Capacity Establishment & Development (National, Provinces, Municipalities & State Entities)*	*Inter-Government Communication & Coordination*	*N/A*	*Oversight of State Entities*	*Performance Monitoring & Evaluation*	*Performance Reporting*

OpsCap Budget	***FI-OpsCap***	*N/A*	*Research, Analysis & Policy Development*	*Legislation & Regulation Development*	*Programme Administration & Oversight (National level)*	*Programme Implementation Planning & Support*	*Programme Costing & Budgeting*	*??*	*Inter-Government Communication & Coordination*	*??*	*N/A*	*Performance Monitoring & Evaluation*	*Performance Reporting*
Programme Short Name	**Prog Code**	**National Depart-ment Management & Administration**	**Research Analysis & Policy Development**	**Legislation & Regulation Development**	**Prog-ramme Administration & Oversight (National level)**	**Prog-ramme Implementation Planning & Support**	**Programme Costing & Budgeting**	**Capacity Establishment & Development National, Provinces, (Municipalities & State Entities)**	**Inter-Government Communication & Coordination**	**Development Support at National & Provincial Level**	**Oversight of State Entities**	**Performance Monitoring & Evaluation**	**Performance Reporting**
		A.1	**A.2**	**A.3**	**A.4**	**A.5**	**A.6**	**A.7**	**A.8**	**A.9**	**A.10**	**A.11**	**A.12**
INCREMENTAL INTERVENTIONS (II)													
Integrated Residential Development	***II-IRDP***	*N/A*	*Research, Analysis & Policy Development*	*Legislation & Regulation Development*	*Programme Administration & Oversight (National level)*	*Programme Implementation Planning & Support*	*Programme Costing & Budgeting*	*Capacity Establishment & Development (National, Provinces, Municipalities & State Entities)*	*Inter-Government Communication & Coordination*	*??*	*N/A*	*Performance Monitoring & Evaluation*	*Performance Reporting*
Informal Settlement Upgrading	***II-UISP***	*N/A*	*Research, Analysis & Policy Development*	*Legislation & Regulation Development*	*Programme Administration & Oversight (National level)*	*Programme Implementation Planning & Support*	*Programme Costing & Budgeting*	*Capacity Establishment & Development (National, Provinces, Municipalities & State Entities)*	*Inter-Government Communication & Coordination*	*Development Support at National & Provincial Level*	*Oversight of State Entities*	*Performance Monitoring & Evaluation*	*Performance Reporting*
SOCIAL & RENTAL INTERVENTIONS (SR)													
Social Housing	***SR-SH***	*N/A*	*Research, Analysis & Policy Development*	*Legislation & Regulation Development*	*Programme Administration & Oversight (National level)*	*Programme Implementation Planning & Support*	*Programme Costing & Budgeting*	*Capacity Establishment & Development (National, Provinces, Municipalities &*	*Inter-Government Communication & Coordination*	*Development Support at National & Provincial Level*	*Oversight of State Entities*	*Performance Monitoring & Evaluation*	*Performance Reporting*

								State Entities)					
Community Residential Units	***SR-CRU***	*N/A*	*Research, Analysis & Policy Development*	*Legislation & Regulation Development*	*Programme Administration & Oversight (National level)*	*Programme Implementation Planning & Support*	*Programme Costing & Budgeting*	*Capacity Establishment & Development (National, Provinces, Municipalities & State Entities)*	*Inter-Government Communication & Coordination*	*Development Support at National & Provincial Level*	*N/A*	*Performance Monitoring & Evaluation*	*Performance Reporting*

Table 14: Provincial elements & applicability to selected HS programmes

			Provincial Department Management & Administration	**Inter-Government Communication & Coordination**	**Provincial Research, Analysis & Policy Development**	**Provincial Legislation & Regulation Development**	**Programme Administration & Oversight (National & Provincial Programmes)**	**Programme Implementation Planning & Support (Province, Municipal & State Entity)**	**Programme Costing and Budgeting**	**Capacity Establishment & Development (Provincial, Municipal & State Entities)**	**Development Support at Municipal Level**	**Funding Systems & Disbursement**	**Beneficiary Identification, Recording & Management**	**State Asset Management & Maintenance**	**Project Implementation (By Province)**	**Entities Oversight (Provincial)**	**Performance Monitoring & Evaluation**	**Performance Reporting**
Section	**Programme Short Name**	**Prog Code**	**B.1**	**B.2**	**B.3**	**B.4**	**B.5**	**B.6**	**B.7**	**B.8**	**B.10**	**B.11**	**B.12**	**B.13**	**B.14**	**B.15**	**B.16**	**B.17**
FINANCIAL INTERVENTIONS (FI)																		

1.5 a	***Rectification of RDP Stock (1994-2002)***	***FI-RRDP***	*N/A*	*N/A*	*Provincial Research, Analysis & Policy Development*	*N/A*	*Programme Administration & Oversight (National & Provincial Programmes)*	*Programme Implementation Planning & Support (Province, Municipal & State Entity)*	*Programme Costing and Budgeting*	*Capacity Establishment & Development (Provincial, Municipal & State Entities)*	*Development Support at Municipal Level*	*Funding Systems & Disbursement*	*Beneficiary Identification, Recording & Management*	*N/A*	*Project Implementation (By Province)*	*N/A*	*Performance Monitoring & Evaluation*	*Performance Reporting*
1.7	***OpsCap Budget***	***FI-OpsCap***	*N/A*	*N/A*	*N/A*	*N/A*	*Programme Administration & Oversight (National & Provincial Programmes)*	*Programme Implementation Planning & Support (Province, Municipal & State Entity)*	*Programme Costing and Budgeting*	*Capacity Establishment & Development (Provincial, Municipal & State Entities)*	*Development Support at Municipal Level*	*Funding Systems & Disbursement*	*N/A*	*N/A*	*Project Implementation (By Province)*	*N/A*	*Performance Monitoring & Evaluation*	*Performance Reporting*
			Provincial Department Management & Administration	**Inter-Government Communication & Coordination**	**Provincial Research, Analysis & Policy Development**	**Provincial Legislation & Regulation Development**	**Programme Administration & Oversight (National & Provincial Programmes)**	**Programme Implementation Planning & Support (Province, Municipal & State Entity)**	**Programme Costing and Budgeting**	**Capacity Establishment & Development (Provincial, Municipal & State Entities)**	**Development Support at Municipal Level**	**Funding Systems & Disbursement**	**Beneficiary Identification, Recording & Management**	**State Asset Management & Maintenance**	**Project Implementation (By Province)**	**Entities Oversight (Provincial)**	**Performance Monitoring & Evaluation**	**Performance Reporting**

Section	Programme Short Name	Prog Code	B.1	B.2	B.3	B.4	B.5	B.6	B.7	B.8	B.10	B.11	B.12	B.13	B.14	B.15	B.16	B.17
INCREMENTAL INTERVENTIONS (II)																		
2.2	***Integrated Residential Development***	***II-IRDP***	*N/A*	*Inter-Government Communication & Coordination*	*Provincial Research, Analysis & Policy Development*	*N/A*	*Programme Administration & Oversight (National & Provincial Programmes)*	*Programme Implementation Planning & Support (Province, Municipal & State Entity)*	*Programme Costing and Budgeting*	*Capacity Establishment & Development (Provincial, Municipal & State Entities)*	*Development Support at Municipal Level*	*Funding Systems & Disbursement*	*Beneficiary Identification, Recording & Management*	*N/A*	*Project Implementation (By Province)*	*N/A*	*Performance Monitoring & Evaluation*	*Performance Reporting*
2.5	***Informal Settlement Upgrading***	***II-UISP***	*N/A*	*Inter-Government Communication & Coordination*	*Provincial Research, Analysis & Policy Development*	*N/A*	*Programme Administration & Oversight (National & Provincial Programmes)*	*Programme Implementation Planning & Support (Province, Municipal & State Entity)*	*Programme Costing and Budgeting*	*Capacity Establishment & Development (Provincial, Municipal & State Entities)*	*Development Support at Municipal Level*	*Funding Systems & Disbursement*	*Beneficiary Identification, Recording & Management*	*N/A*	*Project Implementation (By Province)*	*N/A*	*Performance Monitoring & Evaluation*	*Performance Reporting*

			Provincial Department Management & Administration	Inter-Government Communication & Coordination	Provincial Research, Analysis & Policy Development	Provincial Legislation & Regulation Development	Programme Administration & Oversight (National & Provincial Programmes)	Programme Implementation Planning & Support (Province, Municipal & State Entity)	Programme Costing and Budgeting	Capacity Establishment & Development (Provincial, Municipal & State Entities)	Development Support at Municipal Level	Funding Systems & Disbursement	Beneficiary Identification, Recording & Management	State Asset Management & Maintenance	Project Implementation (By Province)	Entities Oversight (Provincial)	Performance Monitoring & Evaluation	Performance Reporting
Section	**Programme Short Name**	**Prog Code**	**B.1**	**B.2**	**B.3**	**B.4**	**B.5**	**B.6**	**B.7**	**B.8**	**B.10**	**B.11**	**B.12**	**B.13**	**B.14**	**B.15**	**B.16**	**B.17**
SOCIAL & RENTAL INTERVENTIONS (SR)																		
3.2	***Social Housing***	***SR-SH***	*N/A*	*Inter-Government Communication & Coordination*	*Provincial Research, Analysis & Policy Development*	*N/A*	*Programme Administration & Oversight (National & Provincial Programmes)*	*Programme Implementation Planning & Support (Province, Municipal & State Entity)*	*Programme Costing and Budgeting*	*Capacity Establishment & Development (Provincial, Municipal & State Entities)*	*Development Support at Municipal Level*	*Funding Systems & Disbursement*	*N/A*	*N/A*	*Project Implementation (By Province)*	*N/A*	*Performance Monitoring & Evaluation*	*Performance Reporting*

3.3	***Community Residential Units***	***SR-CRU***	*N/A*	*Inter-Government Communication & Coordination*	*Provincial Research, Analysis & Policy Development*	*N/A*	*Programme Administration & Oversight (National & Provincial Programmes)*	*Programme Implementation Planning & Support (Province, Municipal & State Entity)*	*Programme Costing and Budgeting*	*Capacity Establishment & Development (Provincial, Municipal & State Entities)*	*Development Support at Municipal Level*	*Funding Systems & Disbursement*	*N/A*	*State Asset Management & Maintenance*	*Project Implementation (By Province)*	*N/A*	*Performance Monitoring & Evaluation*	*Performance Reporting*

Table 15: Local elements & applicability to selected HS programmes

			Municipal Department Management & Administration	Inter-Government Communication & Coordination	Municipal Research & Analysis	Policy & Bylaw Development	Project Planning & Budgeting	Funding Systems & Funds Disbursement	Capacity Development	Appointment of Implementing Agents / Service Providers	Implementation Planning & (Project) Management	Beneficiary Identification, Approval & Management	Alternative / Emergency Accommodation Arrangements	Land Assembly (Identification & Acquisition)	Township Proclamation (Design, Establishment, Deeds Registry)	Statutory Approvals & Enrolments	Internal) Engineering Services Installation	Top Structure Construction	Post-Construction Support	Post-Construction Neighbourhood Maintenance	Property Asset Management	Entities Oversight (Metro)?	Performance Monitoring & Evaluation	Performance Reporting
Sec	**Programme Short Name**	**Prog Code**	**C.1**	**C.2**	**C.3**	**C.4**	**C.5**	**C.6**	**C.7**	**C.8**	**C.9**	**C.10**	**C.11**	**C.12**	**C.13**	**C.14**	**C15**	**C.16**	**C.17**	**C.18**	**C.19**	**C.20**	**C.21**	**C.22**
FINANCIAL INTERVENTIONS (FI)																								

			Municipal Department Management & Administration	Inter-Government Communication & Coordination	Municipal Research & Analysis	Policy & Bylaw Development	Project Planning & Budgeting	Funding Systems & Funds Disbursement	Capacity Development	Appointment of Implementing Agents / Service Providers	Implementation Planning & (Project) Management	Beneficiary Identification, Approval & Management	Alternative / Emergency Accommodation Arrangements	Land Assembly (Identification & Acquisition)	Township Proclamation (Design, Establishment, Deeds Registry)	Statutory Approvals & Enrolments	Internal) Engineering Services Installation	Top Structure Construction	Post-Construction Support	Post-Construction Neighbourhood Maintenance	Property Asset Management	Entities Oversight (Metro)?	Performance Monitoring & Evaluation	Performance Reporting
1.5 a	***Rectification of RDP Stock (1994-2002)***	***FI-RRDP***	*N/A*	*Inter-Government Communication & Coordination*	*Municipal Research & Analysis*	*N/A*	*Project Planning & Budgeting*		*N/A*	*Appointment of Implementing Agents / Service Providers*	*Implementation Planning & (Project) Management*	*Beneficiary Identification, Approval & Management*	*Alternative / Emergency Accommodation Arrangements*	*N/A*	*N/A*	*Statutory Approvals & Enrolments*	*(Internal) Engineering Services Installation*	*Top Structure Construction*	*N/A*	*PostConstruction Neighbourhoo d Maintenance*	*N/A*	*N/A*	*Performance Monitoring & Evaluation*	*Performance Reporting*
1.7	***OpsCap Budget***	***FI-OpsCap***	*N/A*	*N/A*	*Municipal Research & Analysis*	*Policy & Bylaw Development*	*Project Planning & Budgeting*		*Capacity Development*	*Appointment of Implementing Agents / Service Providers*	*Implementation Planning & (Project) Management*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*Performance Monitoring & Evaluation*	*Performance Reporting*
INCREMENTAL INTERVENTIONS (II)																								
2.2	***Integrated Residential Development***	***II-IRDP***	*N/A*	*Inter-Government Communi*	*Municipal Research & Analysis*	*N/A*	*Project Planning & Budget*		*Capacity Developme*	*Appointment of Implementing*	*Implementation Plannin*	*Beneficiary Identification,*	*N/A*	*Land Assembly (Identifi*	*Township Proclamation (Design, Establishme*	*Statutory Approvals &*	*(Internal) Engineering Services Installation*	*Top Structure Constru*	*PostConstructi on*	*PostConstruction Neighb*	*N/A*	*N/A*	*Performance Monit*	*Performance Repo*

Sec	Programme Short Name	Prog Code	C.1	C.2	C.3	C.4	C.5	C.6	C.7	C.8	C.9	C.10	C.11	C.12	C.13	C.14	C15	C.16	C.17	C.18	C.19	C.20	C.21	C.22
				cation & Coordination			*ing*		*nt*	*Agents / Service Providers*	*g & (Project) Management*	*Approval & Management*		*cation & Acquisition)*	*nt, Deeds Registry)*	*Enrolments*		*ction*	*Support*	*ourhood Maintenance*			*oring & Evaluation*	*rting*
2.5	***Informal Settlement Upgrading***	***II-UISP***	*N/A*	*Inter-Government Communication & Coordination*	*Municipal Research & Analysis*	*N/A*	*Project Planning & Budgeting*		*Capacity Development*	*Appointment of Implementing Agents / Service Providers*	*Implementation Planning & (Project) Management*	*Beneficiary Identification, Approval & Management*	*Alternative / Emergency Accommodation Arrangements*			*Statutory Approvals & Enrolments*	*(Internal) Engineering Services Installation*	*Top Structure Construction*	*PostConstruction Support*	*PostConstruction Neighbourhood Maintenance*	*N/A*	*N/A*	*Performance Monitoring & Evaluation*	*Performance Reporting*
SOCIAL & RENTAL INTERVENTIONS (SR)																								
3.2	***Social Housing***	***SR-SH***	*N/A*	*Inter-Government Communication & Coordination*	*Municipal Research & Analysis*	*Policy & Bylaw Development*	*Project Planning & Budgeting*		*Capacity Development*	*N/A*	*Implementation Planning & (Project) Management*	*N/A*	*N/A*	*Land Assembly (Identification & Acquisition)*	*Township Proclamation (Design, Establishment, Deeds Registry)*	*N/A*	*(Internal) Engineering Services Installation*	*N/A*	*N/A*	*PostConstruction Neighbourhood Maintenance*	*N/A*	*N/A*	*Performance Monitoring & Evaluation*	*Performance Reporting*

Sec	Programme Short Name	Prog Code	Municipal Department Management & Administration C.1	Inter-Government Communication & Coordination C.2	Municipal Research & Analysis C.3	Policy & Bylaw Development C.4	Project Planning & Budgeting C.5	Funding Systems & Funds Disbursement C.6	Capacity Development C.7	Appointment of Implementing Agents / Service Providers C.8	Implementation Planning & (Project) Management C.9	Beneficiary Identification, Approval & Management C.10	Alternative / Emergency Accommodation Arrangements C.11	Land Assembly (Identification & Acquisition) C.12	Township Proclamation (Design, Establishment, Deeds Registry) C.13	Statutory Approvals & Enrolments C.14	Internal) Engineering Services Installation C15	Top Structure Construction C.16	Post-Construction Support C.17	Post-Construction Neighbourhood Maintenance C.18	Property Asset Management C.19	Entities Oversight (Metro)? C.20	Performance Monitoring & Evaluation C.21	Performance Reporting C.22
3.3	***Community Residential Units***	***SR-CRU***	*N/A*	*Inter-Government Communication & Coordination*	*Municipal Research & Analysis*	*Policy & Bylaw Development*	*Project Planning & Budgeting*		*Capacity Development*	*Appointment of Implementing Agents / Service Providers*	*Implementation Planning & (Project) Management*	*N/A*	*Alternative / Emergency Accommodation Arrangements*	*Land Assembly (Identification & Acquisition)*	*Township Proclamation (Design, Establishment, Deeds Registry)*	*Statutory Approvals & Enrolments*	*(Internal) Engineering Services Installation*	*Top Structure Construction*	*PostConstruction Support*	*PostConstruction Neighbourhood Maintenance*	*Property Asset Management*	*N/A*	*Performance Monitoring & Evaluation*	*Performance Reporting*

6.7 Appendix 7: Assumptions Matrices

KEY

Programme Included in Analysis

Not Applicable to Programme

Applicable to Programme, well executed

Applicable to Programme, poorly executed

Relevance to Programme to be determined

Applicable to Programme, provincial variation in execution

Table 16: Element allocations assumptions: National

		National Department Management & Administration	Research, Analysis & Policy Development	Legislation & Regulation Development	Programme Administration & Oversight (National level)	Programme Implementation Planning & Support	Programme Costing & Budgeting	Capacity Establishment & Development (National, Provinces, Municipalities & State Entities)	Inter-Government Communication & Coordination	Development Support at National & Provincial Level	Oversight of State Entities	Performance Monitoring & Evaluation	Performance Reporting	Other National 1?	Other National 2?	
No.	**HOUSING PROGRAMME NAME**	**A.1**	**A.2**	**A.3**	**A.4**	**A.5**	**A.6**	**A.7**	**A.8**	**A.9**	**A.10**	**A.11**	**A.12**	**A.13**	**A.14**	**Sub-Total**
								NATIONAL								**National**
1.0	**FINANCIAL INTERVENTIONS (FI)**															
1.5 a	**Rectification of RDP Stock (1994-2002)**	*N/A*								*N/A*				*N/A*	*N/A*	**0.0%**
1.7	**OpsCap Budget**	*N/A*						*??*		*??*	*N/A*			*N/A*	*N/A*	**0.0%**
2.0	**INCREMENTAL INTERVENTIONS (II)**															
2.2	**Integrated Residential Development**	*N/A*								*??*	*N/A*			*N/A*	*N/A*	**0.0%**
2.5	**Informal Settlement Upgrading**	*N/A*												*N/A*	*N/A*	**0.0%**
3.0	**SOCIAL & RENTAL INTERVENTIONS (SR)**															

3.2	Social Housing Programme	N/A												N/A	N/A	0.0%
3.3	Community Residential Units	N/A												N/A	N/A	0.0%
4.0	RURAL INTERVENTIONS (RI)															
5.0	NATIONAL SPATIAL PROGRAMMES															

Table 17: Element allocations assumptions: Provincial

				Provincial Department Management & Administration	Inter-Government Communication & Coordination	Provincial Research, Analysis & Policy Development	Provincial Legislation & Regulation Development	Programme Administration & Oversight National & Provincial Programmes	Programme Implementation Planning & Support (Province, Municipal & State Entity)	Programme Costing and Budgeting	Capacity Establishment & Development Provincial, Municipal & State Entities		Development Support at Municipal Level	Funding Systems & Disbursement	Beneficiary Identification, Recording & Management	State Asset Management & Maintenance	Project Implementation (By Province)	Entities Oversight (Provincial)	Performance Monitoring & Evaluation	Performance Reporting
No.	HOUSING PROGRAMME NAME	Sub-Total		B.1	B.2	B.3	B.4	B.5	B.6	B.7	B.8	B.9	B.10	B.11	B.12	B.13	B.14	B.15	B.16	B.17
		National		PROVINCIAL																
1.0	FINANCIAL INTERVENTIONS (FI)																			
1.5 a	Rectification of RDP Stock (1994-2002)	0.0%		N/A	N/A	5.0%	N/A	2.5%	5.0%	2.5%	2.5%	N/A	5.0%	1.0%	1.5%	N/A	72.0%	N/A	2.0%	1.0%
1.7	OpsCap Budget	0.0%		N/A	N/A	N/A	N/A	5.0%	2.0%	2.0%	5.0%	N/A	20.0%	2.0%	N/A	N/A	61.0%	N/A	2.0%	1.0%
2.0	INCREMENTAL INTERVENTIONS (II)																			
2.2	Integrated Residential Development	0.0%		N/A	5.0%	2.5%	N/A	2.5%	2.5%	2.5%	5.0%	N/A	5.0%	2.0%	1.5%	N/A	68.5%	N/A	2.0%	1.0%

2.5	Informal Settlement Upgrading	0.0%		N/A	2.5%	2.5%	N/A	2.5%	2.5%	2.5%	5.0%	N/A	5.0%	2.0%	1.5%	N/A	71.0%	N/A	2.0%	1.0%
3.0	SOCIAL & RENTAL INTERVENTIONS (SR)																			
3.2	Social Housing Programme	0.0%		N/A	1.0%	5.0%	N/A	2.5%	2.5%	10.0%	20.0%	N/A	20.0%	1.0%	N/A	N/A	35.0%	N/A	2.0%	1.0%
3.3	Community Residential Units	0.0%		N/A	1.0%	2.5%	N/A	2.5%	2.5%	2.5%	9.0%	N/A	7.5%	2.0%	N/A	7.5%	60.0%	N/A	2.0%	1.0%
4.0	RURAL INTERVENTIONS (RI)																			
5.0	NATIONAL SPATIAL PROGRAMMES																			

Table 18: Element allocations assumptions: Municipal

						Municipal Department Management & Administration	Inter-Government Communication & Coordination	Municipal Research & Analysis	Policy & Bylaw Development	Project Planning & Budgeting	Funding Systems & Funds Disbursement	Capacity Development	Appointment of Implementing Agents / Service Providers	Implementation Planning & (Project) Management	Beneficiary Identification, Approval & Management	Alternative / Emergency Accommodation Arrangements	Land Assembly (Identification & Acquisition)	Township Proclamation (Design, Establishment, Deeds Registry)	Statutory Approvals & Enrolments	Internal) Engineering Services Installation	Top Structure Construction	Post-Construction Support	Post-Construction Neighbourhood Maintenance	Property Asset Management	Entities Oversight (Metro)?	Performance Monitoring & Evaluation	Performance Reporting
No.	HOUSING PROGRAMME NAME	Sub-Total National		Sub-Total Province		C.1	C.2	C.3	C.4	C.5	C.6	C.7	C.8	C.9	C.10	C.11	C.12	C.13	C.14	C15	C.16	C.17	C.18	C.19	C.20	C.21	C.22
						METRO & LOCAL																					

1.0	**FINANCIAL INTERVENTIONS (FI)**																										
1.5 a	**Rectification of RDP Stock (1994-2002)**	**0.0%**		**100.0%**		*N/A*			*N/A*		*0.0%*	*N/A*					*N/A*	*N/A*				*N/A*		*N/A*	*N/A*		
1.7	**OpsCap Budget**	**0.0%**		**100.0%**		*N/A*	*N/A*				*0.0%*				*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*		
2.0	**INCREMENTAL INTERVENTIONS (II)**																										
2.2	**Integrated Residential Development**	**0.0%**		**100.0%**		*N/A*			*N/A*							*N/A*								*N/A*	*N/A*		
2.5	**Informal Settlement Upgrading**	**0.0%**		**100.0%**		*N/A*			*N/A*								*0.0%*	*0.0%*						*N/A*	*N/A*		
3.0	**SOCIAL & RENTAL INTERVENTIONS (SR)**																										
3.2	**Social Housing Programme**	**0.0%**		**100.0%**		*N/A*					*0.0%*		*N/A*		*N/A*	*N/A*			*N/A*		*N/A*	*N/A*		*N/A*	*N/A*		
3.3	**Community Residential Units**	**0.0%**		**100.0%**		*N/A*									*N/A*										*N/A*		
4.0	**RURAL INTERVENTIONS (RI)**																										
						Municipal Department Management & Administration	**Inter-Government Communication & Coordination**	**Municipal Research & Analysis**	**Policy & Bylaw Development**	**Project Planning & Budgeting**	**Funding Systems & Funds Disbursement**	**Capacity Development**	**Appointment of Implementing Agents / Service Providers**	**Implementation Planning & (Project) Management**	**Beneficiary Identification, Approval & Management**	**Alternative / Emergency Accommodation Arrangements**	**Land Assembly (Identification & Acquisition)**	**Township Proclamation (Design, Establishment, Deeds Registry)**	**Statutory Approvals & Enrolments**	**Internal) Engineering Services Installation**	**Top Structure Construction**	**Post-Construction Support**	**Post-Construction Neighbourhood Maintenance**	**Property Asset Management**	**Entities Oversight (Metro)?**	**Performance Monitoring & Evaluation**	**Performance Reporting**
				Sub-Total		**C.1**	**C.2**	**C.3**	**C.4**	**C.5**	**C.6**	**C.7**	**C.8**	**C.9**	**C.10**	**C.11**	**C.12**	**C.13**	**C.14**	**C15**	**C.16**	**C.17**	**C.18**	**C.19**	**C.20**	**C.21**	**C.22**

No.	HOUSING PROGRAMME NAME	Sub-Total National	Province	METRO & LOCAL
5.0	NATIONAL SPATIAL PROGRAMMES			

Table 19: Element allocations assumptions: Entities

No.	HOUSING PROGRAMME NAME	Sub-Total National	Sub-Total Province	Sub-Total Local	D.1 Research & Policy Development	D.2 Contribution to Legislation & Regulations	D.3 Strategic Engagement / Implementation Planning	D.4 Regulation of Institutions / Stock	D.5 Costing and Budgeting	D.6 Investment' of Public Funds Funding Systems & Disbursement	D.7 Capacity Development Institutions, p rojects)	D.8 Implementation Planning	D.9 Funding Systems & Disbursement	D.10 Beneficiary Management	D.11 Performance Monitoring & Evaluation	D.12 Performance Reporting
					STATE ENTITY											
1.0	FINANCIAL INTERVENTIONS (FI)															
1.5 a	Rectification of RDP Stock (1994-2002)	0.0%	100.0%	0.0%										*N/A*		
1.7	OpsCap Budget	0.0%	100.0%	0.0%	*N/A*	*N/A*	*0*	*0*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*		
2.0	INCREMENTAL INTERVENTIONS (II)															
2.2	Integrated Residential Development	0.0%	100.0%	0.0%		*N/A*				*N/A*	*N/A*	*N/A*	*N/A*	*N/A*		

2.5	Informal Settlement Upgrading	0.0%		100.0%		0.0%			N/A										
3.0	SOCIAL & RENTAL INTERVENTIONS (SR)																		
3.2	Social Housing Programme	0.0%		100.0%		0.0%													
3.3	Community Residential Units	0.0%		100.0%		0.0%													
4.0	RURAL INTERVENTIONS (RI)																		
5.0	NATIONAL SPATIAL PROGRAMMES																		

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