



KWAZULU-NATAL
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA



PARLIAMENTARY HUMAN SETTLEMENTS PORTFOLIO COMMITTEE ON HUMAN SETTLEMENTS

Brief On KZN Human Settlements Service Delivery Matters

2023/23 Budget Expenditure & MinMec Priorities

30 AUGUST 2023

COMMITTEE ROOM M515, 5th FLOOR MARKS BUILDING, PARLIAMNT

**MR M O S ZUNGU
HEAD OF DEPARTMENT**

GROWING KWAZULU-NATAL TOGETHER

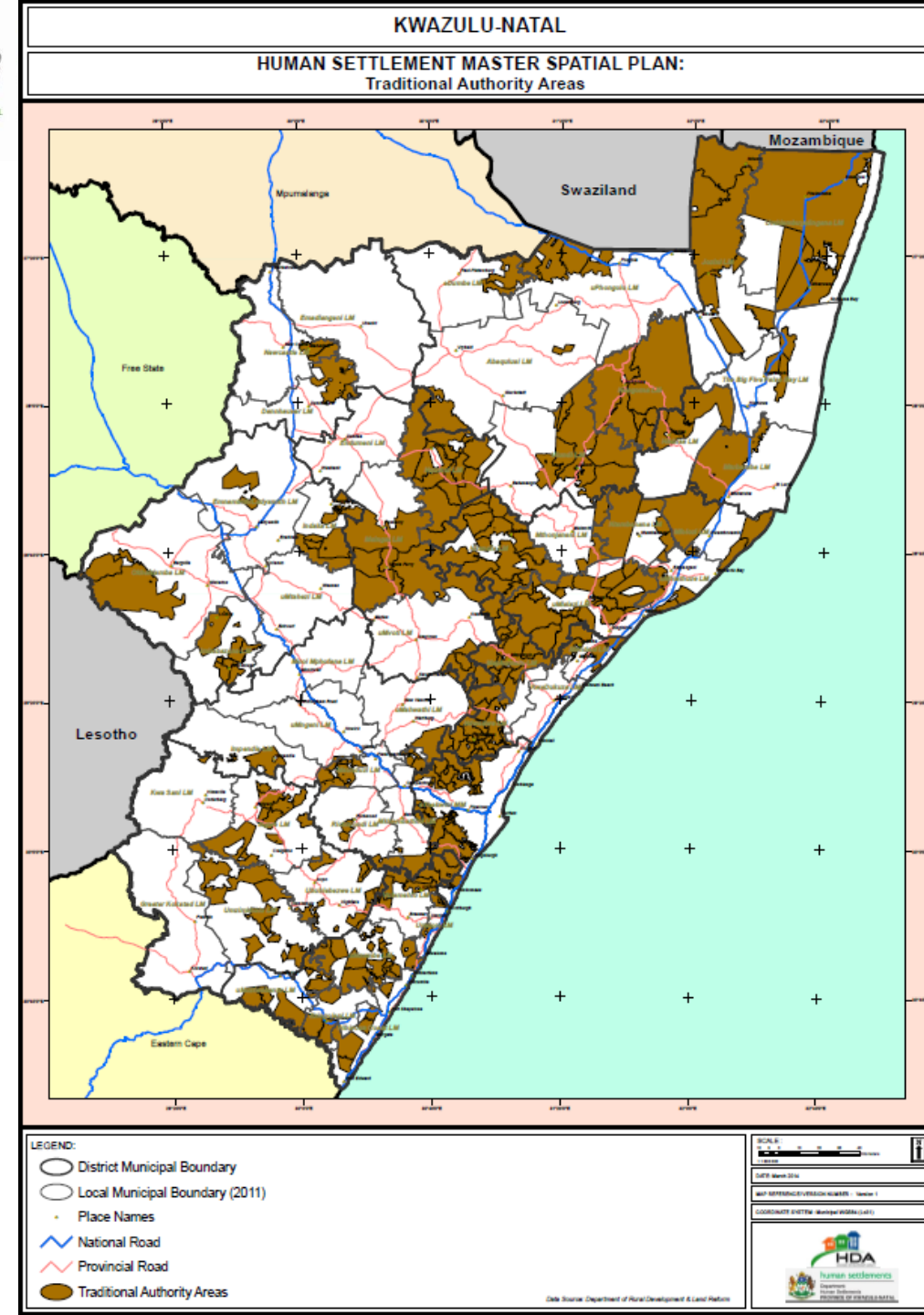
- The KZN Context
- 2022/23 Budget Expenditure
- Unblocking of Blocked Projects
- Eradication of Mud Houses
- Progress In The Eradication of Asbestos Roofs
- Response To Disaster Affected Areas
- Progress Made In the Issuance Of Title Deeds
- Upgrading of Informal Settlements & Serviced Sites
- Military Veterans Housing
- Job Opportunities Created
- 40% Allocation of Procurement to Designated Groups
- Recommendation

The KZN Context



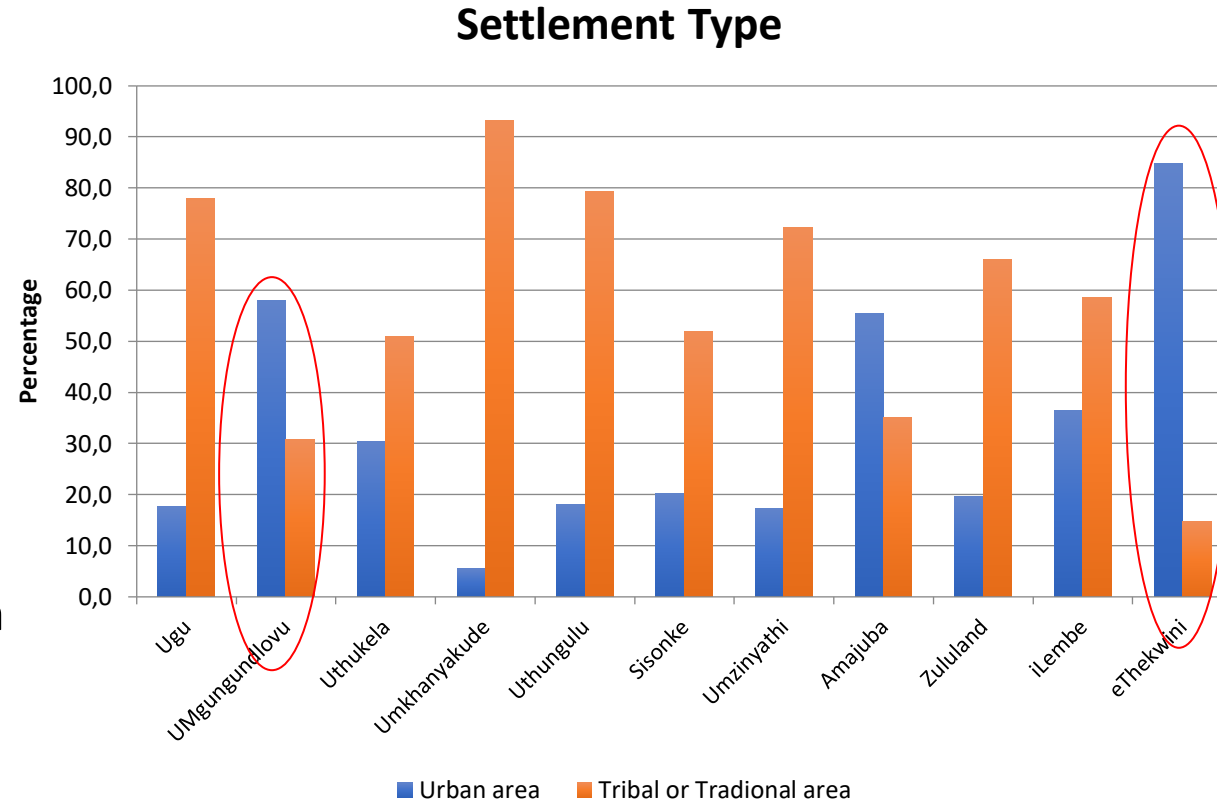
Vast portions of the Province are made up of Traditional Authority Land, approximately 70% of the King Cetshwayo DM and 63% of the iLembe DM are made up of land under the control of Traditional Authorities.

District/Metro	Total Municipal Area	Traditional Authority Area km ²	TA portion of DM
Amajuba DM	6 911.86	510.33	7.4%
Ethekwini MM	2 291.33	1 078.67	47.1%
iLembe DM	3 269.31	2 078.75	63.6%
Harry Gwala DM	10 552.00	1 816.38	17.2%
Ugu DM	5 047.57	2 370.70	47.0%
Umgungundlovu DM	9 514.59	1 038.46	10.9%
Umkhanyakude DM	13 861.50	7 064.01	51.0%
Umzinyathi DM	8 589.65	4 010.53	46.7%
Uthukela DM	11 331.20	2 103.38	18.6%
Uthungulu DM	8 214.21	5 757.48	70.1%
Zululand DM	14 799.80	4 961.41	33.5%
Total Traditional Area	94 383.02	32 790.10	34.7%



Land & Tenure Issues

- ❑ More than 90% of Settlements within the uMkhanyakude DM are classified as Tribal or Traditional area and approximately 80% of the King Cetshwayo DM.
- ❑ 35% of the Province are Traditional Authority Land
- ❑ High value dwellings constructed on peri-urban ITB land or state land with Traditional Authority
- ❑ Indications are that the occupants build these houses on Traditional Authority land to evade paying municipal rates.





2023/23 Budget Expenditure

Budget vs Expenditure – 2022/23 Financial year

ALLOCATION	2022/23 ADJUSTED BUDGET	APRIL - MARCH ACTUAL	UNDER/ OVER	BUDGET SPENT FOR YEAR 2022/23
	R'000	R'000	R'000	%
Provincial Allocation - Equitable Share	440 203	438 366	1 837	99,6%
Provincial Allocation - Covid-19	4	4	0	100%
HSDG	2 935 224	2 574 884	360 340	88%
ISUP	756 868	724 592	32 276	96%
EPWP	6 499	6 499	0	100%
PEHG	342 132	318 283	23 849	93%
TOTAL	4 480 930	4 062 628	418 302	91%

APPROVED ROLL OVER AMOUNTS

HSDG	ISUPG	PEHG	TOTAL
R307.678 million	R32.276 million	R23.849 million	R363,803 million

Business Plan Instruments	2022/23		
	Total Allocation	Accumulated Expenditure	Under / Over Expenditure
FINANCIAL	482 088 697	646 394 548	-164 305 851
FINANCIAL - 1.10 NHBRC ENROLMENT	20 000 000	53 012 488	-33 012 488
FINANCIAL - 1.2 HOUSING FINANCE LINKED INDIVIDUAL SUBSIDY PROGRAMME	36 300 000	31 940 323	4 359 677
FINANCIAL - 1.3 ENHANCED EXTENDED DISCOUNT BENEFIT SCHEME (EEDBS)	61 932 000	67 148 855	-5 216 855
FINANCIAL - 1.4 STATE ASSET MAINTENANCE PROGRAMME	5 000 000	8 612 733	-3 612 733
FINANCIAL - 1.5b RECTIFICATION OF RDP STOCK PRE 1994	58 200 000	68 199 999	-9 999 999
FINANCIAL - 1.8 OPERATIONAL CAPITAL BUDGET	126 875 950	153 206 697	-26 330 747
FINANCIAL -1.5a RECTIFICATION OF RDP STOCK POST 1994 - 2002	139 491 747	211 128 607	-71 636 860
FINANCIAL -1.7 ACCREDITED MUNICIPALITIES (LEVEL 1 & 2)	34 289 000	51 847 270	-17 558 270
FINANCIAL -1.6 SOCIAL AND ECONOMIC FACILITIES	0	1 297 575	-1 297 575
INCREMENTAL	908 654 070	462 058 949	446 595 121
INCREMENTAL - 2.2a INTEGRATED RESIDENTIAL DEVELOPMENT PROGRAMME: PHASE 1: P	73 529 366	26 825 464	46 703 902
INCREMENTAL - 2.2c INTEGRATED RESIDENTIAL DEVELOPMENT PROGRAMME: PHASE 2: T	392 955 009	311 871 282	81 083 727
INCREMENTAL - 2.5a CONSOLIDATION SUBSIDIES (EXCLUDING BLOCKED PROJECTS)	31 207 086	10 552 730	20 654 355
INCREMENTAL - 2.6 EMERGENCY HOUSING ASSISTANCE	410 962 609	112 809 473	298 153 136
RURAL	1 295 297 253	1 229 948 302	65 348 951
RURAL - 4.2 RURAL SUBSIDY COMMUNAL LAND RIGHTS	1 295 297 253	1 229 948 302	65 348 951
SOCIAL_RENTAL	249 183 980	236 482 403	12 701 577
SOCIAL_RENTAL - 3.1 INSTITUTIONAL SUBSIDIES	9 183 980	6 405 120	2 778 860
SOCIAL_RENTAL - 3.3b COMMUNITY RESIDENTIAL UNITS CONSTRUCTED	240 000 000	230 077 283	9 922 717
HSDG TOTAL	2 935 224 000	2 574 884 202	360 339 798
UPGRADING OF INFORMAL SETTLEMENTS (ISUPG)	756 868 000	724 592 000	32 276 000
PROVINCIAL EMERGENCY HOUSING GRANT(PEHG)	342 132 000	318 283 000	23 849 000
GRAND-TOTAL	4 034 224 000	3 617 759 202	416 464 798



KWAZULU-NATAL PROVINCE
HUMAN SETTLEMENTS
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BLOCKED PROJECTS- PRESENTATION FOR THE 2023.24 FINANCIAL YEAR

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STALLED PROJECTS PER DISTRICT

DISTRICT	Number of Stalled Projects
UMgungundlovu	7
UMzinyathi	1
UThukela	2
UMkhanyakude	0
UGu	2
Zululand	1
Harry Gwala	3
King Cetshwayo	2
ILembe	15
Amajuba	4
EThekwini	6
TOTAL	43

Main Reasons for the Blocked Projects	
Poor Performing Contractors	13
Bulk Infrastructure	9
Land Issues	15
Socio-political Issues	6
Title Deeds	-
Internal Services	-
Subsidy quantum issues	-
Geo Tech/ or Close down	-
Other (Tranche to Mun)	-
TOTAL	43

INFORMATION ON BLOCKED PROJECTS (PROJECT MANAGEMENT)

Municipality	Project Name	Number of Units/Project Yield	Challenge	Intervention Required	Interventions in Place/Plans to unblock the Project
Amajuba	Siyahlala la	750	Social issues pertaining to objections of the beneficiaries including invasion of some units	Investigations to determine if all the units are affected by this challenge.	There is an investigating team that has been appointed to conduct the analysis on site by the OTP.
	Madadeni H39	500	Project stalled due to a need for funding to connect bulk infrastructure.	Source funding which has been provided by the department and bulks connection installed.	Contractor to increase capacity as they are back on site to cover time lost.
	Emawozeni	100	Insufficient beneficiaries	Municipality and the IA to discuss way forward.	New beneficiaries to be identified or close the project at a lesser number.
	Goedehoop	604	Unavailable of bulk infrastructure.	Municipality to upgrade bulk infrastructure.	Municipality has appointed the service provider to install bulk infrastructure.
eThekweni	Zamani	615	Social Issues (the project is an urban project however, the community wants the a rural housing project in the area even though the land is not owned by ITB)	Intensive social facilitation	No intervention currently in place
	Lamontville	430	There are units that are left in different stages of construction due to a dispute over the allocation	The social conflicts need to be resolved- and beneficiaries need to be substituted.	Municipality and department are in the process to resolve social conflicts
	Kingsburgh West	1000	Sites not developable due to land invasions	Intensive social facilitation	No intervention currently in place Which may result to project closing at a lesser number

INFORMATION ON BLOCKED PROJECTS (PROJECT MANAGEMENT)

Municipality	Project Name	Number of Units/Project Yield	Challenge	Intervention Required	Interventions in Place/Plans to unblock the Project
King Cetshwayo	Mhlana /Masakhisane	1000	Developer and IA had dispute which resulted in litigation however both parties agreed to go back to negotiation and revive the project.. The project have units which were left in different milestones and need to be rectified.	Funding to rectify left unfinished units and complete project	IA and Developer currently quantifying the cost and work left unfinished for Departments consideration
Zululand	Ncotshane	730	Bulk capacity which resulted to units not constructed as they could not be accommodated in the infrastructure	Upgrade of the bulk infrastructure	The Department has appointed the Service Provider to investigate the conditions of the sewer line connections with the intention to source funding to assist uPhongolo Municipality with the rectification of both the internal and bulk services. The extent of the intervention would be determined following an assessment by an independent Service Provider (Structural Engineer). The Contract is currently being drafted.

Why is work incomplete?

Province	Common Reasons
Kwa Zulu Natal	<ul style="list-style-type: none">• Beneficiary unrest/ social issues• Bulk Infrastructure• Construction Mafia• Land issues/ Invasions• Subsidy quantum issues• Tittle deeds



Eradication of Mud Houses



MinMEC Priorities: Eradication of Mud Houses

BEFORE

AFTER



Mr Dlamini, uMkhanyakude District

Priorities: Eradication of Mud Houses



OSS Intervention for Eradication of Mud Houses

- The Province is implementing OSS programme that targets the most vulnerable, including those in mud houses that can not wait for projects due to the state of the houses.
- War rooms profile families that have urgent housing needs for assistance by the department.
- The rural housing programme targets areas that would be most affected by mud houses and ensures the provision of decent shelter in these areas.

OSS Intervention for Eradication of Mud Houses for 2022/23

Municipality	Total Annual Project Budget	Project Accumulated Expenditure
MSINGA(UMSINGA)	R0,00	R49 808,34
MPOFANA	R0,00	R0,00
UMHLATHUZE	R0,00	-R92 157,99
MKHAMBATHINI	R0,00	R406 400,00
MPOFANA	R0,00	R94 087,80
ETHEKWINI	R0,00	R0,00
UMDONI	R0,00	R474 405,97
NDWEDWE	R0,00	R1 173 002,69
INGWE	R2 332 335,00	R273 298,32
INGWE	R3 982 300,00	R0,00
UBUHLEBEZWE	R1 250 104,00	R744 812,52
UMZIMKHULU MUNICIPALITY	R9 575 340,00	R0,00
NDWEDWE MUNICIPALITY	R15 450 990,00	R177 617,56
HIBISCUS COAST MUNICIPALITY	R6 216 848,00	R0,00
HIBISCUS COAST MUNICIPALITY	R7 064 600,00	R0,00

Municipality	Total Annual Project Budget	Project Accumulated Expenditure
UMUZIWABANTU MUNICIPALITY	R4 180 122,00	R564 108,29
UMUZIWABANTU MUNICIPALITY, UMSHWATHI MUNICIPALITY	R1 412 920,00	R0,00
MTUBATUBA MUNICIPALITY	R7 451 616,00	R0,00
MTUBATUBA MUNICIPALITY	R7 744 947,95	R4 355 587,17
MTUBATUBA MUNICIPALITY	R0,00	R0,00
NQUTHU MUNICIPALITY	R0,00	R3 108 945,37
NQUTHU MUNICIPALITY	R0,00	R199 233,36
UMVOTI MUNICIPALITY	R18 869 040,00	R1 891 889,78
ABAQULUSI MUNICIPALITY	R15 662 255,00	R1 003 800,34
DR NKOSAZANA DLAMINI ZUMA MUNICIPALITY	R0,00	R671 481,44
DR NKOSAZANA DLAMINI ZUMA MUNICIPALITY	R0,00	R1 442 884,46



Examples Of OSS Cases





PROGRESS ON ALLOCATION 1 FOR 397M (FINANCIALS)

DISTRICT	BUDGET	EXPENDITURE	BALANCE
UMgungundlovu	R 52 740 100,00	R60 300.00	R 52 679 800,00
UMzinyathi	R 28 426 020,00	-	R 28 426 020,00
UThukela	R 20 738 480,00	-	R 20 738 480,00
UMkhanyakude	R 35 756 000,00	-	R 35 756 000,00
UGu	R 47 555 480,00	R646 117.00	R 46 909 363,00
Zululand	R53 732 280,00	R255 474.00	R53 476 806,00
Harry Gwala	R 35 756 000,00	R226 341.00	R 35 529 659,00
King Cetshwayo	R 14 302 400,00	-	R 14 302 400,00
ILembe	R 35 756 000,00	-	R 35 756 000,00
Amajuba	R 35 756 000,00	-	R 35 756 000,00
EThekwini	R 37 186 240,00	R 37 186 240.00	-
TOTAL	R397 705 000,00	R 37 365 313,00	R359 330 528,00



PROGRESS ON ALLOCATION 2 FOR 474M (FINANCIALS)

DISTRICT	BUDGET	EXPENDITURE	BALANCE
UMgungundlovu	R63 109 340,00	-	R63 109 340,00
UMzinyathi	R26 817 000,00	-	R26 817 000,00
UThukela	R28 962 360,00	-	R28 962 360,00
UMkhanyakude	R45 231 340,00	-	R45 231 340,00
UGu	R52 382 540,00	-	R52 382 540,00
Zululand	R27 710 900,00	-	R27 710 900,00
Harry Gwala	R42 728 420,00	-	R42 728 420,00
King Cetshwayo	R34 325 760,00	-	R34 325 760,00
ILembe	R62 751 780,00	-	R62 751 780,00
Amajuba	R16 090 200,00	-	R16 090 200,00
EThekwini	R74 863 360,00	-	R74 863 360,00
TOTAL	R474 973 000.00	-	R474 973 000.00



**2019 DISASTER
ALLOCATION 1
(Roll-Over Approved)**





PROGRES ON PRE-CONSTRUCTION – ALLOCATION 1

DISTRICT	CONSTRUCTION SCOPE	PRE-CONSTRUCTION ACTIVITIES SCOPE		
DISTRICT	NUMBER OF UNITS	NUMBER OF UNITS	SERVICE PROVIDER	STATUS
UMGUNGUNDLOVU	295	411	BVI CONSULTING ENGINEERS	<ul style="list-style-type: none"> • Service provider is on site for beneficiary admin. • Beneficiaries issued for Construction = 268
UTHUKELA	116			
UMZINYATHI	159	359	MABUNE CONSULTING	<ul style="list-style-type: none"> • Service provider is on site for beneficiary admin. • Beneficiaries issued for Construction = 185
AMAJUBA	200			
UMKHANYAKUDE	200	200	PHILA DEVELOPMENT AGENCY	<ul style="list-style-type: none"> • Service provider is on site for beneficiary admin. • Beneficiaries issued for Construction = 134



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2019 DISASTER ALLOCATION 2





PROGRESS ON CONTRACTOR ALLOCATION 2 (R474M)

DISTRICT	CONSTRUCTION SCOPE		STATUS
DISTRICT	NUMBER OF UNITS	APPOINTED CONTRACTOR	COMMENTS
UMGUNGUNDLOVU	353	LINGELA HOLDINGS	<ul style="list-style-type: none"> The agreement has been concluded 307 Beneficiaries issued to the Service Provider
UTHUKELA	162	MABUNE CONSULTING	<ul style="list-style-type: none"> The agreement has been concluded 114 Beneficiaries issued to the service provider
UMZINYATHI	150	MAJIMNTANA TRADING ENTREPRISE	<ul style="list-style-type: none"> The agreement has been concluded 74 Beneficiaries issued to the service provider
AMAJUBA	90	MAKHAOSTE NARASIMULU & ASSOCIATES	<ul style="list-style-type: none"> The agreement has been concluded 90 Beneficiaries issued to the service provider
UMKHANYAKUDE	253	MASHI-MOLO CIVIL ENGINEERING	<ul style="list-style-type: none"> The agreement has been concluded 99 beneficiaries sent to the service provider
KING CETSHWAYO	192	BDSCM HOLDINGS (PTY) LTD	<ul style="list-style-type: none"> The agreement has been concluded 192 Beneficiaries sent to the service provider
ILEMBE	351	NOTHI GROUP (PTY) LTD	<ul style="list-style-type: none"> The agreement has been concluded 194 beneficiaries sent to the service provider
UGU	293	MIANDS TRADING	<ul style="list-style-type: none"> The agreement has been concluded 143 Beneficiaries issued to the service provider
HARRY GWALA	239	MN AFRICA CONSULTING ENGINEERS	<ul style="list-style-type: none"> The agreement has been concluded 239 beneficiaries sent to the service provider
ZULULAND	155	MOTEKO CONSTRUCTION COST CONSULTANTS & PM CC	<ul style="list-style-type: none"> The agreement has been concluded 148 beneficiaries sent to the service provider
ETHEKWINI (418)	200	THEMBAKELE CONSULTING ENGINEERS	<ul style="list-style-type: none"> The agreement has been concluded 121 beneficiaries sent to the service provider
TOTAL	2656		

CHALLENGES AND WAY FORWARD

CHALLENGES

- New projects are still doing beneficiary administration therefore; there was no expenditure on them for the month of June 2023.
- There have been stoppages in numerous areas due to socio political demands, the office of the EA is required to resolve.
- Beneficiary lists on the disaster are a challenge in some districts.
- The contracts for the social facilitators in the disaster Programme are expiring and they have not finalized the work.

WAY FORWARD

- Planned project launches to be done speedily to allow progress on sites.
- Where no launches will be done, go ahead be clearly communicated with local structures.

Asbestos Roof Housing Projects

District	Local Municipality	Area	Number of Asbestos houses	Progress on Project in Construction
Umgungundlovu	Msunduzi	Azalea	120 units R12 500 000.00	Completed assessments. Procurement is underway
Amajuba	Newcastle	Madadeni	1000 units R100 000 000.00	Assessment underway
Uthukela	Inkosi Langelibalela	Colita	110 R10 000 000.00	Construction Stage
uthukela	Inkosi Langelibalela	Fodarville	242 R18 000 000.00	Construction Stage
			1472 Units	



KWAZULU-NATAL PROVINCE

HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA



Briefing Report on Resettlement of 2022 Flood Victims

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EXAMPE OF A TRU

1765 Delivered



OVERALL, TRU DELIVERY

Against the total allocation of 1810 TRUs

DISTRICT	DELIVERED	Allocation	REMAINING
ETHEKWINI	300	17,0%	Completed
HARRY GWALA	150	8,5%	Completed
ILEMBE	500	28,3%	Completed
KING CETSHWAYO	140	7,9%	Completed
UGU	156	8,8%	44
UMGUNGUNDLOVU	199	11,3%	Complete
UMKHANYAKUDE	40	2,3%	Completed
AMAJUBA	100	5,7%	Completed
UMZINYATHI	70	4,0%	Completed
UTHUKELA	70	4,0%	Completed
ZULULAND	40	2,3%	Completed
TOTAL	1765 (98%)		44



BREAKDOWN OF FUNDING FOR APRIL/MAY 2022 DISASTERS

- The National Department has since granted a total amount of **R342 127 797-00** from the Provincial Emergency Housing Grant for the provision of Emergency Housing solutions.

Cost centers	Allocated Funds
Phase 1 procurement of TRU's 1810 Units	R127 809 060,00
Approved implementation of Rental Assistance Scheme for TEAs (11 Rented Facilities)	R161 314 544,95
Establishment of TEAs (Acquisition of Montclair Lodge from Transnet)	R33 673 000,00
Material Supply ,Indirect Costs and new assignments	R19 331 193,00
Total	R342 127 797,32

Provincial Emergency Housing Grant Performance		
2022/23 Final Budget	Spent as at 31 March 2023	% Spent
R342 127 797	R318 284 000	93%



EXAMPLE OF MATERIAL SUPPLY

567 Families Delivered



Status of Shelters as at 24 December 2022

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Municipality	Original Number of Mass Care Centre	Mass Care Centres- Closed	Mass Care Centres- Remaining
eThekweni	120	120	0
KwaDukuza	11	11	0
Ugu	3	3	0
Msunduzi	1	1	0
Total	135	135	0

- It is noted that **135 (100%)** of the mass care centres have been closed down following the flood disaster in April 2022.
- Target for closing all Mass Care Centres was 24 December 2022 and it was achieved



CONDITION OF TRANSITIONAL EMERGENCY ACCOMODATION

120 O'Flaherty Road,





CONDITION OF TRANSITIONAL EMERGENCY ACCOMODATION



ASTRA Building,



CONDITION OF TRANSITIONAL EMERGENCY ACCOMODATION

POINT ROAD BUILDING





CONDITION OF TRANSITIONAL EMERGENCY ACCOMODATION

6 ISHWARI,





CONDITION OF TRANSITIONAL EMERGENCY ACCOMODATION



200 KING EDWARD Road, Scottsville



CONDITION OF TRANSITIONAL EMERGENCY ACCOMODATION

LUDUMO HILLS, Adams Mission





RECOMMENDATIONS

- **The Portfolio Committee To note that:**
 - 1765 TRU were delivered (98%) & 567 Material Vouchers were distributed
 - 11 Transitional Emergency Accommodations were established accommodating about 4700 families
 - The TEA Leases have a duration of 12 to 24 months meaning the first group should vacate the TEAs by November 2023.
 - All 11 TEAs have been linked to 13 Land Parcels that are in the following development milestones:
 - Detailed Planning (SPLUMA)
 - Environmental Authorisation (EIA)
 - Top Structure Contractor Appointment



KWAZULU-NATAL PROVINCE

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Upgrading of Informal Settlements & Serviced Sites

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INFORMAL SETTLEMENTS

SUMMARY OF INFORMAL SETTLEMENTS IN KZN PROVINCE

The identification and verification exercise commissioned by the National Department of Human settlements through The National Upgrading Support Programme (NUSP) in collaboration with the Province and municipalities culminated in approximately **937 informal** settlements being identified. **78% of Informal Settlements are in Ethekwini**

District Municipality	No. of Informal Settlements
EThekwini Metro	730
Amajuba	7
Harry Gwala	9
Ilembe	22
King Cetshwayo	8
Ugu	10
Umgungundlovu	115
Umkhanyakude	5
Umzinyathi	8
uThukela	8
Zululand	15
Total	937



BREAKDOWN OF INFORMAL UPGRADING PARTNESHIP GRANT

- The Provincial Department receives a total amount of **R790 226 000,00** from the Informal Settlement Upgrading Partnership Grant which is further allocated as follows

Cost centers	Allocated Funds
PROJECTS IN BULKS	R423 381 210,45
PROJECTS IN PLANNING	R103 070 142,51
LAND ACQUISITION FUNDING	R15 000 000,00
PROJECTS IN SERVICING	R248 774 647,04
Total	R790 226 000,00

PROGRESS ON CONTRACTOR ALLOCATION 2 (R474M)

ISUPG PROJECTS IN PLANNING

DISTRICT	NUMBER OF UNITS
UMGUNGUNDLOVU	13
UTHUKELA	3
AMAJUBA	3
UMKHANYAKUDE	1
KING CETSHWAYO	8
ILEMBE	1
HARRY GWALA	1
ZULULAND	3
ETHEKWINI	22
TOTAL	55 (R103 070 142,51)

PROJECTS WITH BULKS FUNDING

Umgungundlovu	Kwa 30 Informal Settlement Upgrade-Bulks(400 sites)	R13 282 976,00
	Khalanyoni Informal Settlement Upgrade-Bulks(687 sites)	R45 112 438,95
	Harewood-Bulks(1000 sites)	R57 800 000,00
King Cetshwayo	Empangeni IRDP Phase 3(735 sites)	R62 185 795,50
	Thubalethu Retaining Walls(512 sites)	R12 000 000,00
	Slovas Phase 2-Bulks(1000 sites)	R80 000 000,00
Ilembe	Inyoni –Bulks(3020 sites)	R75 000 000,00
	Sheffield-Bulks(900 sites)	R18 000 000,00
	Groutville Priority 1 Phase 2 Lloyd-Bulks(1000 sites)	R60 000 000,00
Umzinyathi	Nquthu-Bulks	
TOTAL BULKS FUNDING		R423 381 210,45



KWAZULU-NATAL PROVINCE

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UPDATE ON THE SERVICED SITES PROGRAMME

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SUMMARY

Serviced Sites Projects	Yield
Servicing Completed/ Ready for Release	884
SPLUMA in place/Servicing to commence in 2022/2023-Pipeline	3010
Awaiting SPLUMA Approval/Servicing to commence in 2022/2023-Pipeline	140
SSP Projects Long Term(Various stages of Planning) –Pipeline	3023
Total	7057

- A total of **884 sites** have been serviced
- Valuations have been concluded for all sites serviced (to cater for the R22001,00-R40000,00 beneficiaries)
- Approval of the **Disposal of Serviced Sites at market value** to persons earning R22 001-R40 000 obtained. **Limited to 30% of the project.**
- **The appointment of Contractors has been concluded** to facilitate the construction of houses for Wembezi B Project.
- House plans finalized and approved for Wembezi B Project.
- **Wembezi B Project Launch for scheduled for June 2023.**
- **Creation of Panel of Developers completed, land parcels with planning milestones completed to be allocated for development.**



UPGRADING PLANS CONDUCTED IN KZN (2019 TO DATE)

District Municipality	No. of Informal Settlements	Number of upgrading plans
Harry Gwala	9	9
iLembe	22	16
uGu	9	9
uMgungundlovu	115	39
uMzinyathi	8	7
uThukela	10	10
Zululand	15	15





Issuance of Title Deeds



2. NATIONAL & PROVINCIAL MTSF TARGETS 2019 UP TO 2023/24 FINANCIAL YEARS

TABLE 1: NATIONAL & PROVINCIAL MTSF TARGETS: 2019 UP TO 2024		
Category	National MTSF	Provincial MTSF
Pre 94	45 535	15 629
Post 94	500 845	32 733
Post 2014	346 842	39 705
New	300 000	9 292
Total	1 193 222	97 359



3. AUDITED MTSF PERFORMANCE REPORT AS @ Q3 OF 2022/23 FINANCIAL YEAR

TABLE 2: AUDITED MTSF PERFORMANCE REPORT

APP Targets	2019/20		2020/21		2021/22		2022/23		2023/24		MTSF			
Transfers	Target	Actual	Target	Actual	Target	Actual	Target	Q1 - Q3 Preliminary	Target	Actual	Target	Actual to date	Variance	Percentage
Pre -1994	5 500	626	3 911	504	2 702	653	1 879	445	1 637	N/A	15 629	2 228	-13401	14%
Post-1994 (April 1994-March 2014)	11 759	2 514	7 168	981	5 497	1 187	4 163	575	4 146	N/A	32 733	5 257	-27476	16%
Post-2014 (April 2014 to March 2020)	33 521	1 524	3 015	990	2 020	874	650	93	499	N/A	39 705	3 481	-36224	9%
New (from April 2020)	N/A	N/A	3 722	448	730	1 303	1 485	557	3 355	N/A	9 292	2 308	-6984	25%
Total	50780	4664	17816	2923	10949	4017	8177	1670	9637	N/A	97359	13274		

4. CHALLENGES / REASONS BEHIND NON – ACHIEVEMENTS OF MTSF TARGETS

- There is a fragmented approach on title activities;
- Unavailability / outdated base data (HSS; Municipal Stock Data)
- Reluctancy of service providers emanating from the current tariff fees i.e. conveyancers
- Title Deeds & Restoration Grant (TRPG) limitations on milestones i.e. grants only pays for Town Planning; Surveying; Beneficiary Verification; Dispute & Conveyancing and excludes other activities such as project management; regulation 68 requirements; conducting traffic impact assessments where applicable and etc.
- Delays in SCM processes by Local municipalities & appointment of incompetent service providers
- Lost of parent title deed /Certificate of Registered Title (CRT)
- Incomplete township establishment processes hinders the intended outputs
- Additions emanating from projects (inherited projects) that were initially not part of the original TRP list i.e Zululand District and others.
- Various beneficiary issues i.e. deceased estates; missing beneficiaries; disputes and etc.
- Municipalities are lacking to fully implement EEDBS policy.



6. POST 94: ANALYSIS / OVERALL SUMMARY

TABLE 4: PRE 94 ANALYSIS / OVERALL SUMMARY

DISTRICT NAME	TOTAL NO. OF PROJECTS	ORIGINAL BACKLOG	CURRENT BACKLOG	TOWNSHIP ESTABLISHMENT		BENEFICIARY STAGE		TRANSFER STAGE		COMPLETED	
				NO. OF PROJECTS	NO. OF UNITS	NO. OF PROJECTS	NO. OF UNITS	NO. OF PROJECTS	NO. OF UNITS	NO. OF PROJECTS	NO. OF UNITS
AMAJUBA	5	5119	579	0	0	0	0	5	579	0	0
ETHEKWINI	127	72 323	60 263	68	49 521	24	4 143	35	6 599	8	991
HARRY GWALA	16	4 153	1 476	3	568	5	566	8	342	1	16
ILEMBE	19	3 251	5 408	5	2 987	9	953	5	1 468	0	0
KING CETSHWAYO	7	1 797	1 126	1	433	5	588	1	105	0	0
UGU	4	7 468	3 303	2	1 164	1	272	1	1 867	0	0
UMGUNGUNDLOVU	31	17 685	15 256	11	12 522	12	1 372	8	1 362	18	668
UMZINYATHI	4	4 405	1 422	1	500	1	312	2	610	2	380
UTHUKELA	50	7 034	4 774	5	2 375	41	1 715	4	684	0	0
UMKHANYAKUDE	3	N/A	198	0	0	3	198	0	0	0	0
ZULULAND	9	2 828	2 195	2	538	6	1 470	1	187	1	474
TOTAL	275	126 063	96 000	98	70608	107	11589	70	13 803	30	2529

NB: 74% of the total Post 94 Backlog is affected by incomplete Township Establishment processes
Other Issues: Hindering targeted outputs includes various beneficiary issues (Deceased; Disputes etc).



7. CURRENT MTEF TARGETS 2023/24 UP TO 2025/26

TABLE 5: 2023/24 UP TO 2025/26 MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF) TARGETS

Outcome	Output	Output Indicator	MTEF Target	Quarterly Target				MTEF Targets	
			Annual Target 2023/24	Q1	Q2	Q3	Q4	2024/25 Target	2025/26 Target
Improved Security of Tenure	Title Deeds Registered (Pre 94)	No. of Title Deeds Registered (Pre 94)	1 645	178	184	623	712	1 181	3 566
	Title Deeds Registered (Post 94)	No. of Title Deeds Registered (Post 94)	5 530	90	515	1 385	3 540	6 017	5 932
	Title Deeds Registered (Post 2014)	No. of Title Deeds Registered (Post 2014)	204	75	9	105	15	101	134
	Title Deeds Registered (New)	No. of Title Deeds Registered (New)	1 614	146	286	746	436	743	1 010
			8 993	489	994	2859	4703	8 042	10 642

NB: Under Pre 94: Analysis Table 3 from slide no. 7 above indicate that projects at transfer stage equates to **6 590** properties & this is within MTEF targets totalling to **6 392** (realistic)

NB: Under Post 94: Analysis Table 4 from slide no. 8 above indicate that projects at beneficiary & transfers stage equates to **25 392**, so the proposed MTEF contribute about **17 479** properties (69%) which allows for 31% of beneficiary issues (realistic)



8. OTHER ACHIEVEMENTS ATTAINED WITHIN THE CURRENT MTSF

- a) Itemized project analysis for pre 94 & post 94 is in place (Master Plan) & is being tested in Eastern Cape.
- b) Action plan for addressing the identified challenges for pre 94 & post 94 is in place.
- c) Standard TRP certificates linked to DORA outputs are in place.
- d) All audit queries obtained before 2020, have been fully addressed (action done)
- e) Level of compliance from municipalities has increased from **0%** to **70%** (roll overs)
- f) Township registers opened for **12** projects translating to **11 046** properties that have moved to other TRP milestones i.e. beneficiary verification; conveyancing etc.
- g) A total number of **9** dispute committees have been established & this activity is ongoing.
- h) Post 94 projects affected by land issues has been reduced to only **17** projects translating to **10 280** properties and activities to eradicate land issues are being undertaken.
- i) Post 94 projects that have progressed to the compliance certification stage with approved GP's total to **18** projects translating to **11 148** properties.
- j) To date there are about a total number of **37** projects that have progressed to a close out stage & will be closed on or before the end of 2023/24 financial year.

CHALLENGES & PROPOSED ACTIONS

CHALLENGES	PROPOSED REMEDIAL ACTIONS
1. The unchanged professional tariffs has led to some service providers being reluctant in undertaking the required tasks i.e. service providers are prioritizing other activities than the departmental activities	1. Professional tariffs for title deeds related activities needs to be reviewed.
2. Generally, projects that have progressed to beneficiary verification and conveyancing stages have about 30% of the properties being affected by various beneficiary issues hence targeted transfers are not met	2. Project level targets for transfers should be set around 60% & the balance of 40% will be for accommodating various beneficiary issues & properties that have already been transferred.
3. Municipalities are unable to issue some available title deeds, because beneficiaries are untraceable.	3. To address this challenge deregistration of missing beneficiaries and regularization processes is required
4. The deregistration process is likely to be costly, because there would be cases where high court applications may be a requirement prior to the cancellation of the existing title deed. Other costs involved includes advertisement and compliances with regulation 68 thereon	4. There should be further discussions regarding deregistration & a standard approach / guidelines is required & this would fluctuate title deeds backlogs.
5. There are some projects that are affected by swaps where transfers undertaken ages ago are not matching with the general plan erf descriptions (numbers) & Rectification of title deeds may be required	5. Rectification of title deeds is required & donation agreement between the parties should be concluded for evading high court applications.
6. HSS is not reflecting properties that were transferred ages ago, therefore requires update	6. Regular update of Housing Subsidy Scheme (HSS) is being undertaken by TRP directorate.
7. There is a confusion regarding the project categorization in terms of the periods i.e. Post 94; Post 2014 & New. This is directly affecting the MTSF targets.	7. Reduction of projects categories from four to three should be considered to cater for Pre 94; Post 94 & New Projects. Integrated TRP Master Plan should be utilized as the source / base documents for all title deeds related activities.



9. RECOMMENDATIONS / WAY FORWARD

- a) Integrated approach on title activities including centralizing the programme under one directorate should be considered and implemented.
- b) Create base data for pre 94 to determine the backlog and for all post 94 projects HSS must be updated as and when properties are registered.
- c) Tariffs for title deeds restoration need to be reviewed and such discussions must be facilitated prior to the end of 2023/24 financial year.
- d) Further engagements with National is required to address hindrances emanating from the limitations of Title Deeds & Restoration Grant (TRPG) funding and where applicable promote flexibility.
- e) Where there are delays caused by slow SCM processes, the department needs to consider recalling funds and thereafter utilize the internal existing panel of service providers.
- f) Title Deeds Restoration Grant to make provision for facilitation of parent title deed /Certificate of Registered Title (CRT) and regulation 68 applications where applicable.
- g) More effort and focus is required for addressing Incomplete township establishment processes i.e. MTSF targets should be set for addressing township establishment.
- h) In future the department needs to consider the establishment of shared dispute & resolution committees for addressing various beneficiary issues.
- i) Workshop for municipal officials & councilors on EEDBS policy requirements, should urgently be undertaken starting from 2023/24 financial year.



AVAILABLE TITLE DEEDS READY FOR HANDOVER

Municipality	Project Name	Number of Available Title Deeds
Newcastle	Madadeni	166
	Osizweni E	211
eThekweni	KwaMashu C	58
	White City	10
	Chesterville	60
	Burbreeze	84
	Kingsburgh West	285
Mandeni	Hlomendlini	250
KwaDukuza	Lindelani	25
Mpofana	Bruntville	27
Msunduzi	Ambleton	36
	Edendale	15
Nquthu	Nquthu Phase 2	621
Total Title Deeds Available		1848



KWAZULU-NATAL PROVINCE
HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA



Military Veterans Housing

GROWING KWAZULU-NATAL TOGETHER



KZN MILITARY VETERANS HOUSING BACKLOG

Military Veterans Housing Programme	
APPLICATION STATUS	No.
Total Beneficiaries Approved on HSS to date	403
Beneficiaries Verified and confirmed on DMV database but have previously benefited on normal BNG subsidy and requiring upgrade of their houses to meet MV housing Specification	112
Beneficiaries Verified and confirmed on DMV database but appear on HSS as owning property and requiring override on HSS so that their applications can be processed	4



The Invaded Aloe Ridge Social Housing

KZN - PROGRESS TO DATE

The construction of MV houses is in progress in different districts within the province. The progress is as per the below table, from April 2023

DISTRICT	Area	NHBRC-enrolled	Surveyed	Earthworks	Slabs	Wallplate	Roof	Complete
eThekweni	Lovu	26	6	6	4	3	1	1
	Makhutha	5	5					
	Savannah	7	7					
	Zeokoe Vallei	3						
	KwaMashu	38						
UMgungundlovu	Unit Q	10	10					
	Edendale cc and Sinathing	100						
	Copesville	20	20	10	10	4		
	uMshwathi	30	30	12	12	12	12	
Harry Gwala	Umzimkulu	3	3	3				
Ugu	Ezingolweni	1	1	1				
iLembe	Glendale							
UMkhanyakude	Ngwavuma	7	7	7	5	4		
Rural Sites.	Various Districts	19						
TOTALS		250	89	39	31	23	13	1

POA for 2023

Utilize Implementing Agents currently on site to build the houses for Military Veterans

100 units to be completed

UMSHWATHI MIL: PROJECT INFORMATION...cont

Roofs under Construction: 17/08/2023





Aloe Ridge Invaded Property

- The Aloe Ridge Social Housing Units (261 Units) were invaded by illegal occupants in February 2018. The Social Housing Institute, Capital City Housing applied for an eviction order. The order was granted on the 25th of February 2021 by the High Court in Pietermaritzburg.
- The erstwhile National Minister for Human Settlements, Water and Sanitation, Ms L.N. Sisulu visited the Msunduzi Municipality on the 1st of February 2021, to discuss the invasion matter of Aloe Ridge.

The following interventions are requested:

- The process to evict occupants who belong to the following categories must be initiated as soon as possible:
 - Occupants who did not cooperate with Profiling Initiative
 - Occupants who already own houses elsewhere
 - Occupants who earn salaries that are above income thresholds for govt support
- The timelines be reviewed for the delivery houses for bona fide military veterans that are awaiting the construction of their houses
- The timelines be reviewed for the delivery houses for the destitute occupants who have been screened and are awaiting the construction of their RDP house



40% Set Aside and Jobs Created

Job Creation for SMMEs

Number of Qualified Companies per District in compulsory sub-contracting programme (Siyakha Incubation Programme and Material Supply)

DISTRICT	YOUTH	WOMEN	DISABLED	VETERANS	BLACK MALES	TOTAL
Amajuba	7	5	0	0	7	19
eThekwini	50	70	1	3	44	168
Harry Gwala	1	4	0	0	4	9
ILembe	1	4	0	0	2	7
King Cetshwayo	12	10	1	0	20	43
uGu	9	9	0	0	3	21
uMgungundlovu	9	7	0	2	10	29
uMkhanyakude	5	6	0	0	2	12
uMzinyathi	1	0	0	0	0	1
uThukela	5	5	0	0	5	15
Zululand	9	9	0	0	4	22
Total	109	129	2	5	101	346

Job Creation through Human Resource Development Programmes

Graduates internship	38 (2022)	48(2023)
Work integrated learning programme	20 (2022)	21 (2023)
Candidacy development support program (Bursary Graduates)	58 (2022)	11 (2023)

POLICY ON PREFERENTIAL PROCUREMENT

- ❑ The Department has developed and approved Preferential Procurement Policy which stipulates RDP goals which must be achieved to achieve transformation.
- ❑ The policy prescribes amongst other things, the following:
 - Race, (HDP) or
 - Gender (HDP) or;
 - Disability (HDP) or;
 - Youth.

 - The promotion of South African owned enterprises;
 - The promotion of export orientated production to create jobs;
 - The promotion of SMMEs;
 - The creation of new jobs or the intensification of labour absorption;
 - The promotion of enterprises located in a specific province for work to be done or services to be rendered in that province;
 - The promotion of enterprises located in a specific region for work to be done or services to be rendered in that region;
 - The promotion of enterprises located in a specific municipal area for work to be done or services to be rendered;
 - The promotion of enterprises located in rural areas;

ENABLING LEGISLATION

CIDB Practice Note 29

- Legal opinion obtained by the CIDB confirms that government departments can:
- Identify projects which by their nature have the ability to assist in the development of a contractor;
- Allocate a portion of their budget for these developmental projects for the exclusive expenditure only to contractors within their predetermined development programmes – this portion of the budget must be reasonable in relation to the delivery standard required from government; and
- Award individual projects to contractors enrolled in the CDPs through a competitive tendering process within the CDP.

Instruction Note 3 of 2021/22

- Application for a deviation from normal procurement processes in terms of Paragraph 4.2 of the Instruction Note in the allocation of work to CDP participants instead of advertising following the competitive bid process. The SCM policy defines and allows procurement by other means. i.e “Limited Bidding”

SCM Practice Note 3 of 2003

- Establishment of a panel of approved service providers specifically for the CDP. Noting that the Practice Note excludes Construction related works and services; the principles may however be adopted.

SIYAKHA INCUBATION PROGRAMME



human settlements

Department:
Human Settlements
PROVINCE OF KWAZULU-NATAL

ERRATUM:

INVITATION FOR EXPRESSION OF INTEREST: SIYAKHA INCUBATION PROGRAMME

Reference: EOI 01/2019/20HSE

The KwaZulu Natal Department of Human Settlements hereby invites Expressions of Interest from suitably qualified service providers with a CIDB grading of 1 to 4 GB and/or CE to be placed on a panel of service providers of designated groups for the purposes of sub-contracting and implementation of the Siyakha Incubation Programme for a period of three (3) years.

The Compulsory Briefing Sessions will be held as follows:

DISTRICT	DATE	VENUE	TIME (S)
Amajuba; UMzinyathi & UThukela	11 November 2019	Fairleigh Town Hall, Newcastle	10:00 & 13:00
UGu	12 November 2019	Port Shepstone Civic Hall, Port Shepstone	12:00
EThekweni	13 November 2019	Umkhumbane Hall, Ethekwini	11:00
UMgungundlovu	15 November 2019	Sobantu Hall, Pietermaritzburg	11:00
Harry Gwala	18 November 2019	Peace Initiative Hall, Ixopo	12:00
ILembe	20 November 2019	KwaDukuza Town Hall, KwaDukuza	11:00
King Cetshwayo	21 November 2019	Mpushini Park Hall, Umlalazi	11:00
UMkhanyakude	25 November 2019	Msiyane Hall, Jozini	12:00
Zululand	26 November 2019	Nongoma Multipurpose Centre, Nongoma	11:00

Closing Date: 10 December 2019

Closing Time: 11:00

- In 2019 – 2020 financial year, the Department undertook a supply chain management process to appoint companies of designated groups into a panel for a period not exceeding three (3) years.
- The process began in earnest in November 2019 through a Call of Expression of Interest (EOI) inviting all companies of designated groups throughout the Province of KwaZulu Natal to apply to be apply and participate in the Siyakha Incubation Programme and other human settlements programmes through sub-contracting.
- Briefing sessions were conducted between the 11th - 26th November 2019, where approximately 6000 companies of designated groups attended the briefing sessions with the intention to participate in the programme.
- A Total number of 1256 companies forwarded their applications. Following the evaluation process, a total of 346 companies.

NUMBER OF QUALIFIED COMPANIES PER DISTRICT

DISTRICT	YOUTH	WOMEN	DISABLED	VETERANS	BLACK MALES	TOTAL
Amajuba	7	5	0	0	7	19
eThekwini	50	70	1	3	44	168
Harry Gwala	1	4	0	0	4	9
ILembe	1	4	0	0	2	7
King Cetshwayo	12	10	1	0	20	43
uGu	9	9	0	0	3	21
uMgungundlovu	9	7	0	2	10	28
uMkhanyakude	5	6	0	0	2	13
uMzinyathi	1	0	0	0	0	1
uThukela	5	5	0	0	5	15
Zululand	9	9	0	0	4	22
Total	109	129	2	5	101	346



CIDB GRADING

DISTRICT	TOTAL RECEIVED	QUALIFIED	DISQUALIFIED	GRADE 1	GRADE 2	GRADE 3	GRADE 4
ILEMBE	48	7	41	3	1	2	1
HARRY GWALA	27	9	18	3	4	2	0
ZULULAND	59	22	37	7	9	2	4
UGU	60	21	39	11	3	4	3
ETHEKWINI	547	168	379	67	41	20	40
UMKHANYAKUDE	99	13	86	7	3	0	3
AMAJUBA	73	19	54	13	4	2	0
UMZINYATHI	9	1	8	0	0	1	0
KING CETSHWAYO	147	43	104	13	11	10	9
UMGUNGUNDLOVU	115	28	87	13	8	4	3
UTHUKELA	72	15	57	7	2	0	6
TOTAL	1256	346	910	144	86	47	69



IMPLEMENTATION OF SIYAKHA INCUBATION PROGRAMME

- A Departmental Transformation Allocations Committee has been established with an aim of allocating work to emerging businesses as part of the Siyakha Incubation Programme.
- The process for allocation of work through the Committee has been finalised.
- The Committee aims to allocated work in two ways:
 - a) Through a quotation process on projects with the contract value of R1 million or below (Individual OSS and Disaster cases)
 - b) Compulsory sub-contracting on projects with contract value equaling or more than R30 million.
 - The specific amount to be allocated to companies will be done in line with the prescribed by Construction Industry Development Board (CIDB) grading and the tender value range.
 - Companies which have been allocated work will not be sub-contracted until such time that all other companies have had an opportunity to undertake some work.
 - Sub-contracting work must be allocated only to companies in the panel of designated groups.
- Panel Rules for the sitting of the Committee and allocation of work has been finalised and approved by the Committee. These will be forwarded to the Accounting Officer for Noting and approval.

WORK ALLOCATION THROUGH COMPULSORY SBU- CONTRACTING

- The Department, through SCM provides the list of contractors to be allocated work to appointed IA's as part of compulsory sub-contracting.
- The allocated contractors are be from district or where possible municipality/ward where project is being implemented.
- The sub-contractors are allocated work in line with their capacity to prevent them from being overwhelmed, and in the process contributing to none-performance on projects.
- The Department undertakes the process of evaluating progress made by sub-contractors as part of the supplier development programme.



CHALLENGES – SUBCONTRACTING

A number of challenges have been encountered in the implementation of compulsory sub-contracting:

- Lengthy pre-construction activities which slow commencement on construction work on site. Of the five (indicated projects, only one has commenced on site).
- Already existing business structures (including traditional leadership structures) which need to be engaged prior to availing companies to the appointed service provider.
- Mainstreaming the incubation programme in all programmes within the Department.



BUSINESS ASSESSMENT PROCESS

- As part of customizing business training and skills development of emerging companies, the Department undertook a process of business needs assessment between April – June 2022.
- The process assessed business needs of all 346 companies in the panel of CIDB L 1 – 4.
- From the Assessment, the following cross-cutting issues were broadly identified:
 - Lack of access to the market and procurement opportunities
 - Lack of adequate access to finance
 - Pricing & Costing
- The Department has set-aside a total amount of **R29,4 million** for business training of emerging business in the next three (3) years.



BUSINESS TRAINING & CAPACITY BUILDING

- As part of the Incubation Programme, the Department undertook a process to capacitate businesses on business administration and management.
- In 2022/23 FY, the Department trained a total number of **120 companies** as part of the incubation programme.
- For 2023/24 fy, a total od **200 companies** are targeted for business training in the following areas:

S/N	COURSE DESCRIPTION	#US
1	Applying Health & Safety in the workplace	9964
2	Understanding of Entrepreneurship & Developing Entrepreneurial Qualities	10006
3	Determine Financial Requirements of a New Venture	119666
4	Implement Site Administration Procedures in a Construction Project	9987
5	Understand and Apply Business Finances	9989
6	Demonstrate Understanding of Business Planning and Adapting it to a Selected Business Idea	14444
7	Tender for Construction Contracts	9981
8	Application of Basic HR Principles in a New Venture	119713
9	Manage Finance for New Venture	119674
10	Excel Training	116937



FUNDING APPLICATION TO THE NSF

- The Department has finalised an application for funding totaling an amount of R306 million to the NSF for skills training and capacity development.
- The Department met with NSF to undertake due diligence of the application on the 17th Mar. 2023. It is envisaged that the process will be finalised by Jul-2023.
- The funding will cover the following areas:

Budget Item	Unit #	Cost per Unit	Total
1. Learning Delivery (inclusive of :)			
1.1 Recruitment and Selection	2 154	R4 500	R 9 693 000.00
1.2 Medical Test	2 154	R2 000	R 4 308 000.00
1.3 Personal Protective Equipment (PPE)	2154	R4 200	R 9 046 800.00
1.4 Consumables and Toolboxes	2154	R 6000	R12 924 000.00
1.5 Training fees	2154	R44 800	R 96 499 200.00
1.6 Trade Test (as per trade test regulation) and Certification	2154	R2 900	R 6 246 600.00
1.7 Mentorship	2 154	R9 600	R 20 678 400.00
1.8 Learning Material	2 154	R 7 000	R 15 078 000.00
2. Stipend	2 154	R48 000	R103 392 000.00
Sub Total 1:			R277 866 000.00
3. Business Development Skills Training	346	R7 999	R6 921 000.00
Sub Total 2:			R284 787 000.00
4. Project Management (7.5% of sub-total 2)			R21 359 025.00
Grand Total			R306 146 025.00



EXPENDITURE 2022/23 FY

S/N	Programme	Expenditure
1	Bursaries	R462 000,00
2	Internship Programme	R2 900 000,00
3	Work Integrated Learning Programme	R1 300 000,00
4	Candidate Development Programme	R12 312 552,00
5	EPWP	R6 499 000,00
6	Business Training	R7 400 000,00
7	Business Opportunities (through sub-contracting)	R26 800 800,00
8	Construction Work (through Panels)	R 1 271 658 985,46

The department has spent **30,2%** of its total HSDG allocation on vulnerable groups through the following:

- Training of unskilled EPWP learners
- Skills training and development of graduates,
- Business training of emerging businesses between CIDB Level 1 & 4 and
- Allocation of work to companies owned by designated groups.

Challenges and Proposed Interventions

CHALLENGES

- District/Local Municipalities poor performance in fulfilling their mandate, namely land acquisition, spatial planning and Insufficient bulk infrastructure [water/sanitation/electricity];
- Monies paid to municipalities for human settlements projects is utilized for paying ESKOM, salaries and other bad debts
- Monies paid to municipalities for human settlements projects is utilized for paying ESKOM, salaries and other bad debts
- Municipalities not enforcing bylaws with land invasions and occupation of flood line/non developable areas resulting in families being affected by flood disaster
- Weather conditions – heavy rains delays construction work days
- A declining provincial budget allocation due to global economic recession;
- Limited well located urban land;
- ITB Land - approvals
- Rapid urbanization resulting in increase in informal settlements;
- Construction Business Forums [Madelá Ngokubona]
- Housing Entities [SHRA] not effectively performing its regulation function in the province- resulting in Social Housing Institutions going under business rescue putting massive occupied developments in risk

INTERVENTIONS

- **Support eThekweni Metro through the appointment of IA/Service providers through Provincial SCM process and Data Base. //Housing Development Agency (HDA) supporting EtheKwini with land acquisition and temporary residential units for flood disaster families.// Accreditation support funding for Human Settlements Business Unit**
- Transformation of State - Take over Developer Role from non performing Municipalities
- **Establish and capacitate a Technical Support Unit with Professionals to undertake professional work related to fast tracking Outcome 8 priorities including the provision of Bulk Infrastructure / Services Sites, etc.**
- **Rationalize business units to meet service delivery demands due to budget cuts in the equitable share**
- Top slice 30% of Upgrading of Informal Settlement Grant for Bulk Infrastructure
- Upscale the provision of serviced sites;
- Increase planning and implementation of human settlements projects within the priority development areas through Technical Support Unit [insourced];
- Community Safety and law Enforcement to assist in dealing with Business Forums challenges
- Enforcement of Land Use Controls by Municipalities
- National Department of Human Settlements to decentralize Housing Entity Offices (SHRA) and capacitate it to perform their functions.

RECOMMENATION

- It is recommended that the National Human Settlements Portfolio Committee:
 - Notes a Brief On KZN Human Settlements Service Delivery Matters & MINMEC Priorities including
 - Unblocking of Blocked Projects
 - Eradication of Mud Houses
 - Progress In The Eradication of Asbestos Roofs
 - Response To Disaster Affected Areas
 - Progress Made In the Issuance Of Title Deeds
 - Upgrading of Informal Settlements & Serviced Sites
 - Military Veterans Housing & Aloe Ridge Invasion
 - Job Opportunities Created
 - 40% Set Aside Implementation
 - Provides guidance where necessary



KWAZULU-NATAL
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA



THANK YOU