



**ANNUAL PERFORMANCE
PLAN

FOR

2022 – 2023

FINAL**

**SOCIAL
HOUSING
REGULATORY
AUTHORITY**

SHRA is an Agency of the
National Department of Human
Settlements

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SOCIAL HOUSING REGULATORY AUTHORITY (SHRA)

Office of the Chief Executive Officer
Sunnyside Ridge Office Complex
Sentinel House, 3rd Floor
32 Princess of Wales Terrace
Parktown
Johannesburg
South Africa

Tel: +27 11 274-6200

Web: www.shra.org.za

EXECUTIVE AUTHORITY STATEMENT

Social Housing Regulatory Authority's (SHRA) mandate straddles the three pillars of the housing delivery system namely regulator, investor and enabler in the social housing subsector. Social housing is our most promising programme that will help us disrupt the apartheid spatial development and thereby making our cities more inclusive. Our approach to social housing has to be responsive to the rising demand while at the same time meeting the primary purposes of social housing which are urban restructuring and regeneration, and increasing the supply of rental housing in good locations for low- to moderate-income earners.

The social housing sector has changed most notably over the past few years in that there has been a shift from social housing provision towards housing allowances in many countries. In our country, sectors such as mining, manufacturing and others including government provide allowances rather than houses. It is for this reason that the unmet demand for social housing is quite huge in our country.

Social housing is financed with a combination of government funding, debt and equity making this subsector more dynamic and attractive for public/private partnership. It is for this reason that social housing has been identified as an integral part of the infrastructure investment, which is central to the success of the Economic Reconstruction and Recovery Plan. SHRA has to be at the centre of creating a social housing investment pipeline that will assist in crowding-in private sector investments. The adopted approach also has to be cognizant of the transformation imperative in our country. The inclusion of blacks, women, youth and people living with disabilities in the social housing development projects will go a long way towards creating a non-racial South Africa.

SHRA's performance achievement was 71% for the 2020/21 year. Out of the 24 performance indicators, 6 indicators (25%) related to transformation, five (5) of these were achieved. Expenditure of the Consolidated Capital Grant (CCG) for 2020/21 was R 587.2 million a decrease of 55% from R1.2 billion expended during the 2019/20 year. A total of 1 856 units were completed in the 2020/21 year and a total of 4 866 units have been completed (16.2%) thus far over the Medium Term Strategic Framework (MTSF) 2019-24 period. There has been a relatively steep growth in the number of units under regulation from 26 328 units in 2015/16 to 40 628 in 2020/2021.

However, we must admit that the demand for social housing still far exceeds the supply. More worryingly, the sector has been facing challenges which include insufficient funding, the sustainability of social housing institutions, low private sector participation in social housing programmes, the viability and sustainability of social housing programmes. These challenges have been worsened by the advent of the Covid-19 pandemic which brought about massive job losses leading to affordability and rental crisis. SHRA has to find innovative and creative strategies of ensuring that the social housing sector can be able to navigate these troubled waters.

I am encouraged by the move by the recently appointed Council to fill the vacant senior executive positions such as that of the Chief Executive Officer (CEO) and others.

Let me thank the Council and executives together with all the staff members at SHRA for the good work and dedication to making a positive contribution to the social housing sector.



MT Kubayi, MP

Minister of Human Settlements

ACCOUNTING AUTHORITY STATEMENT

The Council of the SHRA is pleased to present the Social Housing Regulatory Authority (SHRA) Annual Performance Plan (APP) for the 2022/23 financial year, which has been developed in alignment with the five-year Strategic Plan that outlines the SHRA's mandate, strategic focus, priorities, impact, and outcomes.

This APP carries the results-based approach forward and presents the outcome-aligned outputs, indicators, annual, and quarterly targets for the 2022/23 financial year, as year three of the five-year strategy, on the journey towards achieving the aspirational vision of the SHRA, which is:

"To create an integrated South Africa where citizens live a good quality life in well-located and affordable, quality rental homes."

In striving towards the realisation of this vision, the SHRA is committed to achieving the following strategic medium-term results (outcomes):

- 1) Outcome 1: Functional, efficient, and integrated government.
- 2) Outcome 2: Quality, affordable social housing delivered in strategically located areas.
- 3) Outcome 3: Enhanced performance of delivery agents and projects.
- 4) Outcome 4: Increased capacity of municipalities and provinces to deliver social housing.
- 5) Outcome 5: An effectively regulated and sustainable Social Housing Sector.
- 6) Outcome 6: A transformed Social Housing Sector value chain.

This is the third year of the MTSF 2019-2024 aligned strategic planning period that the Council is overseeing and based on past learnings and emerging trends in the sector, we agree to and take seriously the pronouncements of the Minister of Human Settlements that the social housing programme, if successfully implemented, has great potential to address the injustices of Apartheid spatial planning and to improve the integration and inclusiveness of cities.

However, sustainability of the sector remains a big challenge, and increased focus needs to be given to opening up the sector to more participation by aspiring Social Housing Institutions (SHIs) and strengthening the performance of current ones through the SHRA's accreditation, compliance and capacitation programmes. The dynamic nature of the current Council in its skill set and expertise make it the equally suitable Council to take the vision forward.

We have reflected on the issues of sector performance, and the awareness and impact of the SHRA's interventions and support as the sector regulator. While a number of organisational development initiatives have commenced in the 2021/22 financial year, the 2022/23 financial year will require an added impetus to building the capacity and capabilities of the SHRA to improve sector performance and ensure the sustainability of the Social Housing Programme.

The Council has stressed to management the need to prioritise Outcome 6 – Transformation. Beyond the existing initiatives taken to transform the sector, the SHRA will make a concerted effort to contribute to the Economic Reconstruction and Recovery Plan (ERRP) by implementing the employment targets of the Empowerment Policy of the Department of Human Settlements (October 2021). The policy sets a target of 12 persons employment per annum for every R1 million of construction spend, proportionally directed at the employment of women, youth and people with disabilities.

The SHRA will elevate its focus on gender equality and mainstreaming, the empowerment of women in all areas of the Social Housing Sector value chain, as well as implementing a targeted youth empowerment and graduate development programme. The SHRA's inclusive growth strategy will be enhanced by business units to include the key elements of the Department's Empowerment Policy, as the enabler towards making transformation more tangible, real, and empowering

We are also aware of the challenges that the COVID-19 pandemic has imposed on the social housing market. There has been several challenges that have limited the success rate of the Residential Rental Relief programme in the 2021/22 financial year, which the SHRA seeks to address if an extension to the programme is approved. If approved, the focus will be on alleviating the strain on COVID-19 impacted tenants through support to address tenant arrears.

The reality is that many people have had to downgrade due to the recessionary economic environment, having to use their limited income responsibly, often resorting to buying or renting smaller homes. The management team has been tasked with working closely with the full range of stakeholders, including developers, social housing institutions, finance institutions, and contractors to ensure delivery targets are met, for the betterment of peoples' lives – that is what the SHRA must be about.

We will also continue to drive the implementation of the SHRA's medium to longer-term Growth Plan Framework that seeks to double the production rate of social housing over the five-year period of the 2020-2025 Strategic Plan. Implementation of relevant elements of the Framework have been prioritised and duly incorporated in our APP and business unit operational plans for this financial year. The Plan takes into consideration the capital grant shortfall to deliver the revised 18 000 social housing units target, past performance, partnerships with other human settlement's entities (particularly for the release of strategically located land and the alignment of funding),

partnerships with financiers, and the opportunities presented by the inclusion of the Social Housing Programme as part of the Infrastructure Fund.

We affirm our commitment to providing strategic guidance that will develop the SHRA into a well-resourced entity that is optimally purposed for delivering on its mandate, in a transformational, developmental, and sustainable manner; and realise that this can only be achieved through 100% dedication to the achievement of the strategic intent by the entire SHRA team.

The SHRA Council fully endorses this Annual Performance Plan for 2022/23.



Ms. B Nzo

Chairperson of Council

CHIEF EXECUTIVE OFFICER STATEMENT

This 2022/23 Annual Performance Plan is year three of the SHRA's 2020-2025 Strategic Plan, which has been crafted to align with the priorities of the Sixth Administration.

Carrying forward the work done in the first two years of the five-year planning period, the SHRA will strive to realise the impact of the Social Housing Programme by contributing significantly to the creation of liveable neighbourhoods through the delivery of adequate, quality, and affordable social housing for rental in strategically located areas. This will be achieved through implementation of the three core pillars of our mandate:

- 1) **REGULATE:** We regulate SHIs who develop and manage social housing projects to ensure high quality rental housing is available and affordable to the low to middle-income group.
- 2) **INVEST:** We invest in social housing projects and accredit Social Housing Institutions (SHIs) in order to foster the development of integrated communities through the delivery of quality, affordable social housing in strategically located areas.
- 3) **ENABLE:** We offer several types of grants to accredited SHIs to allow them to manage social housing projects and to develop projects.

In all areas of our business, we commit to the cross-cutting priority of driving the transformation agenda across the Social Housing Sector value chain through interventions that support enterprises owned and managed by black people, women, youth, people with disabilities, and military veterans. In this APP we have made a concerted effort to demonstrate our commitment to the ERRP by including employment targets for construction spend as set by the Empowerment Policy of the Department of Human Settlements (October 2021).

We will strengthen our commitment to transforming the sector through the SHRA's Inclusive Growth Strategy, which is built on providing a supportive, handholding approach to institutions and project applicants that demonstrate the potential and the acumen to participate in the Social Housing Programme. In line with the organisational policy and procedures on transformation, each of the four SHRA business unit executives will continue to implement their transformation plans, which focuses on the preferential deployment of resources applicable to the delivery outcomes and outputs of their programme.

Our bedrock is good administration and governance, which we will continue to strengthen through the implementation of our ICT strategy, one that brings about efficiencies through automation of key business processes. Improved performance means that we need to move with speed in making decisions and acting. Our

leadership team must drive a culture of performance through the organisation. We are looking at key structural changes to optimise our cost of employment to better balance the ratio of administrative to core staff and to reduce the reliance on outsourced services through capacitation of key functions in the areas of regulation, portfolio management, risk, due diligence, and stakeholder management.

Considering our journey over the past five years and our proven ability to produce 3 000 to 3 500 new social housing units per annum, we are of the view that by implementing our Growth Plan Framework through incorporation of key components in our APP and operational plans, we are ready to enter the next stage of our growth as an organisation by doubling our production rate. This requires us to be resilient, to be agile, and to innovate in addressing project blockages, securing suitable land, and developing funding models that promote the sustainability of the Social Housing Sector. It is the message to the team in planning for the 2022/23 financial year, as we acknowledge the massive task that lies ahead, considering the limited budget that the SHRA has been allocated against the need and demand for well-located, good quality, and affordable social housing.

The President's 2022 State of the Nation Address (SONA) emphasised Infrastructure's pivotal role in the Economic Reconstruction and Recovery Plan. The SHRA, with the support of the NDHS, has made an application to the Infrastructure Fund for inclusion of the Social Housing Programme to be part of the pipeline of projects earmarked for investment. To date, a submission for funding amounting to R305 million from the Budget Facility for Infrastructure (BFI) through the Infrastructure Fund (IF) was made for six (6) social housing projects. This would translate to 2 739 units and 8 934 jobs across four (4) provinces. Given the advanced stages and potential impact of the Social Housing Programme, the SHRA has provided additional projects to the Infrastructure Fund for further assessment and inclusion going forward.

The SHRA has established a healthy and credible project pipeline that is maintained and updated continuously. The project pipeline forms the basis of our efforts to encourage developers, financiers, contractors, delivery agents, provincial and local government, as well as our 'sister' human settlements' agencies to come on board and work with us as we strive to achieve the revised MTSF 2019-2024 target of 18 000 new social housing units delivered.

The total number of social housing units under regulation has increased by 57.2% since the 2015/16 financial year, totalling 42 026 units under regulation at the end of the third quarter of the 2021/22 financial year. The sector faces several challenges related to the ongoing viability and sustainability of the Social Housing Programme. This is reflected in the declining levels of compliance with the set performance benchmarks, maintenance of ageing infrastructure, as well as the number of organised rental boycotts that have taken place in the past few years.

This financial year, the management team will develop the necessary strategies for dealing with these challenges, in partnership with our various stakeholders. The

COVID-19 pandemic has further amplified the problem, with many beneficiaries having lost their jobs or are struggling with affordability due to reduced income. Women, the youth, and people with disabilities continue to bear the brunt of declining job opportunities, thus requiring a concerted effort and focus on their development and access to opportunities on offer through the Social Housing Programme.

To strengthen the SHRA's regulatory role and to build a sector that is capable of delivery and management of social housing at the level of scale and form required, the Compliance, Accreditation and Regulation (CAR) Operational Framework was reviewed in the 2021/22 financial year. This led to the review of the Project Development and Funding (PD&F) Framework. Together, the CAR and PD&F frameworks are geared at improving internal efficiencies and building the capacity of the SHRA to be a more effective regulator, while delivering social housing units at pace. A further enhancement has been the revised Benchmark and Indicator Framework, which was developed in consultation with the SHIs and ODAs that have units under regulation. Implementation is underway, with the SHRA aiming to increase its internal capacity and reduce the past reliance on consultants.

The optimal deployment of scarce resources, particularly for the regulatory function, is therefore a key informant of the review of the SHRA's organisational structure, which will be finalised in the planning period of this APP.

Headline deliverables in support of the SHRA's strategy for the 2022/23 financial year:

- 1) To build sector compliance through competent and efficient social housing property owners, and strengthen regulatory enforcement with non-compliant institutions:
 - a) 65% of reporting SHIs and ODAs achieving a minimum of 3 out of 5 performance benchmarks that measures the effectiveness and efficiencies of the institutions.
 - b) Regulatory enforcement framework to be developed to set the rules and criteria to be used for enforcement.
- 2) To continue to empower beneficiary communities that are responsible citizens:
 - a) Develop and implement an integrated, multistakeholder Rental Boycott Strategy.
 - b) 4 000 subsidised housing units' tenancy audits to be conducted.
 - c) Expand the rollout of subsidised housing projects' safety and security audits in support of the gender mainstreaming strategy.

- 3) To progress towards the achievement of the 18 000 units MTSF 2019-2024 target:
 - a) There are two years left for the SHRA to achieve the 18 000 unit's target. This means that a minimum of 5 200 social housing units will need to be completed per annum over the next two years.
 - b) This, however, will need to be supported with an increase in the current MTSF budget, as the current budget allows for the funding of just under 13 000 units. The SHRA is forecasting delivery of 14 027 units for the same period, thus resulting in a shortfall of 3 973 units by the end of the MTSF period, 2023/24. A cash injection of a further R1.5 billion in grant funding is required to fund these units in the final year of the SHRA's strategic planning period.
 - c) We expect delivery to ramp up significantly once key policy reforms are enacted to enable the effective implementation of the Growth Plan Framework, which has been incorporated in our plans and targets.
 - d) Focus will be given to blocked projects that are struggling to reach financial closure and are experiencing a range of planning and implementation challenges, particularly at a local level.
 - e) Secure strategically located government-owned land and buildings for development in partnership with the HDA.
- 4) To make progress towards achieving an unqualified audit outcome with no material findings:
 - a) To achieve a clean audit outcome for the 2022/23 financial year.
- 5) To ensure we are a public entity at work, with all resources fully deployed:
 - a) To review and gain approval for a revised organisational structure, for optimal capacitation of the regulatory and project delivery functions.
- 6) To ensure a corruption-free environment:
 - a) 100% implementation of the Fraud Prevention Plan.
- 7) To ensure 'real', tangible, and empirically verifiable transformation of the Social Housing Sector value chain:
 - a) Conclude the development of the Property Sector Council Charter and Codes for the Social Housing Sector – to standardise of all transformation elements pending gazette.
 - b) Achievement of the transformation targets through preferential deployment of resources in each of the SHRA programmes. This includes the

achievement of the set employment targets through construction spend, per the Empowerment Policy.

- c) Implement the SHRA's Inclusive Growth Policy, with clear targets, thresholds and criteria set by the SHRA programmes. Implementation will be closely monitored, analysed and reported on to ensure deviations from plan are addressed timeously.
- d) Finalisation of the Implementation Protocol with the HDA and the development of an implementation plan that stipulates actions to increase transformation initiatives.
- e) Approval of the proposal on transformation initiatives for youth unemployment – this will cover enterprise development, training and development, and a youth graduate internship programme.

On behalf of the management team, we present this 2022/23 APP for approval and tabling by the Minister, as the Executive Authority.



Mr. D Koekemoer

Chief Executive Officer (Acting)

OFFICIAL SIGN-OFF

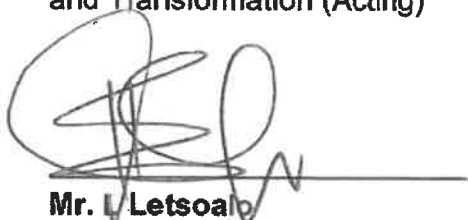
It is hereby confirmed that this Annual Performance Plan for the Social Housing Regulatory Authority:

- 1) Was developed by the management team under the guidance of the Council and the Executive Authority, the Minister of Human Settlements.
- 2) Takes into account all the relevant policies, legislation, and other mandates for which the Social Housing Regulatory Authority is responsible.
- 3) Accurately reflects the Outputs and Targets, which the Social Housing Regulatory Authority will endeavour to achieve over the 2022/23 financial year.



Mr. J. Mofokeng

Executive: Sector Development
and Transformation (Acting)



Mr. I. Letsoalo

Executive: Project Development
and Funding



Ms. M. Nkopane

Executive: Compliance, Accreditation
and Regulation



Mr. V. Fakudze

Corporate Services Manager
(Acting Executive)

08/03/2022

Date



Mr. D Koekemoer
Chief Executive Officer (Acting)

14/03/2022

Date

APPROVED BY:



Mr. B Nzo
Chairperson of Council

14/03/2022

Date



MT Kubayi, MP
Minister of Human Settlements

Date: 04/04/2022

ABBREVIATIONS AND ACRONYMS

ABT	Alternative Building Technology
AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
B-BBEE	Broad-Based Black Economic Empowerment
BCA	Building Condition Audit
BFI	Budget Facility for Infrastructure
CAPEX	Capital Expenditure
CAR	Compliance, Accreditation and Regulation
CCG	Consolidated Capital Grant
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIPC	Companies and Intellectual Property Commission
COVID-19	Coronavirus Disease 2019
CP	Condition Precedent
CSM	Corporate Service Manager
CSOS	Community Schemes Ombud Service
DDM	District Development Model
DHS	Department of Human Settlements
DPME	Department of Planning, Monitoring and Evaluation
DSCR	Debt Service Cover Ratio
ERRP	Economic Reconstruction and Recovery Plan
Exco	Executive Committee
FC	Financial Closure
FLISP	Finance Linked Individual Subsidy Programme
FS	Free State
GBV	Gender-based Violence
GIS	Geographic Information System
GP	Gauteng Province
HDA	Housing Development Agency
ICT	Information and Communication Technology

IIG	Institutional Investment Grant
IIP	Infrastructure Investment Plan
IMF	International Monetary Fund
IP	Implementation Protocol
KIA	Key Intervention Area
KZN	KwaZulu-Natal
LP	Limpopo
MinMEC	Ministers and Members of Executive Council
MOI	Memorandum of Incorporation
MOE	Municipal-owned Entity
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
MV	Military Veteran
NASHO	National Association of Social Housing Organisations
NCI	National Construction Incubator
NDHS	National Department of Human Settlements
NGO	Non-governmental Organisation
NHBRC	National Home Builders Registration Council
NHFC	National Housing Finance Corporation
NPC	Non-profit Company
OD	Organisational Design
ODA	Other Delivery Agent
OECD	Organisation for Economic Co-operation and Development
PD&F	Project Development and Funding
PFMA	Public Finance Management Act
PHSHDAs	Priority Human Settlements and Housing Development Areas
PPP	Public-Private Partnership
PSC	Provincial Steering Committee
PUPM	Per Unit Per Month
PWD(s)	People with Disability/ies
RZ	Restructuring Zone
SAWIC&BE	South African Women in Construction and Built Environment

SD&T	Sector Development and Transformation
SHA	Social Housing Act (No.16 of 2008)
SHL	Social Housing Landlord
SIDSSA	Sustainable Infrastructure Development Symposium South Africa
SHI	Social Housing Institution
SHIP	Social Housing Investment Plan
SHoRP	Social Housing Regulatory Plan
SHRA	Social Housing Regulatory Authority
SONA	State of the Nation Address
TEC	Technical Evaluation Committee
TID	Technical Indicator Description

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PART A: OUR MANDATE

1. UPDATES TO RELEVANT LEGISLATIVE AND POLICY MANDATES

The establishment mandate of the SHRA is informed by the Social Housing Act (No. 16 of 2008) (SHA). The purpose of the Act is to:

- 1) Establish and promote a sustainable social housing environment.
- 2) Define the functions of national, provincial, and local governments in respect of social housing.
- 3) Provide for the establishment of the SHRA in order to regulate all Social Housing Institutions (SHI) obtaining or having obtained public funds.
- 4) Allow for the undertaking of approved projects by SHIs and other delivery agents with the benefit of public money; and
- 5) Provides for statutory recognition to SHIs.

The Social Housing Act (No. 16 of 2008) prescribes that the SHRA must undertake the following functions:

- 1) Promote the development and awareness of social housing and promote an enabling environment for the growth and development of the Social Housing Sector.
- 2) Provide advice and support to the Department of Human Settlements in its development of policy for the Social Housing Sector and facilitate national social housing programmes.
- 3) Provide best practice information and research on the status of the Social Housing Sector.
- 4) Support provincial governments with the approval of project applications by SHIs and assist, where requested, in the process of the designation of restructuring zones.
- 5) Enter into agreements with provincial governments and the National Housing Finance Corporation to ensure that implementation by these entities is coordinated.
- 6) Provide financial assistance to SHIs through grants to enable them to develop institutional capacity, gain accreditation as SHIs, and submit viable project applications.

- 7) Accredite institutions meeting accreditation criteria as SHIs and maintain a register of SHIs. In addition, conduct compliance monitoring through regular inspections and enforce compliance where necessary.
- 8) Approve, administer, and disburse institutional investment grants and capital grants and obtain applications for such grants through engagement with provincial governments and municipalities.
- 9) Make rules and regulations in respect of the accreditation of SHIs and the disbursement of government funds to them; and
- 10) The SHRA is empowered to intervene if it is satisfied on reasonable grounds that there has been maladministration by a SHI.

There are no updates to the legislative and policy mandates outlined in the 2020-2025 Strategic Plan, summarised as follows:

Legislation

- Constitution of South Africa Act (No. 108 of 1996)
- Housing Act (No. 107 of 1997), as amended
- Rental Housing Act (No. 50 of 1999), as amended by the Rental Housing Amendment Act (No.35 of 2014)
- Social Housing Act (No. 16 of 2008) - The establishment mandate of the SHRA
- Social Housing Regulations (2011)
- Housing Consumer Measures Protection Act (No. 5 of 1998)
- Public Finance Management Act (No. 1 of 1998), as amended (PFMA)
- Spatial Land Use Management Act (No. 16 of 2013)
- Broad-Based Black Economic Empowerment Act (No. 53 of 2003), as amended by Broad-Based Black Economic Empowerment Act (No. 46 of 2013),
- Preferential Procurement Policy Framework Act (No. 5 of 2000) and Preferential Procurement Regulations (2017)
- Intergovernmental Relations Framework Act (No. 13 of 2005)
- Property Practitioners Act (No. 22 of 2019)
- All relevant governance legislation and regulations

Policies

- National Development Plan, Vision 2030 - Chapter 8
- Sustainable Development Goals - Goal 11
- African Union Agenda 2063
- New Urban Agenda (2016)
- Medium-Term Strategic Framework (MTSF 2019-2024) - Outcome 8, Priority 5
- Comprehensive Plan for the Development of Sustainable Human Settlements: Breaking New Ground (BNG) (2004)
- Social Housing Policy (2005)
- National Housing Code (2009)
- Youth Policy 2015-2020, National Youth Policy 2030 under development
- White Paper on the Rights of Persons with Disabilities (2016)
- National Treasury Framework for Infrastructure Delivery and Procurement Management (Instruction No. 3 of 2019/20)
- Gender-Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing Framework (2019)
- Municipal integrated development plans

A key function of the SHRA is to provide advice and support to the NDHS in its development of policy for the Social Housing Sector and to facilitate national social housing programmes. The SHRA is fulfilling this role by collaborating with the NDHS in several key areas of policy review and development, briefly outline below.

POLICY NAME	PURPOSE / PROGRESS
Draft National Affordable Rental Framework	The Social Housing Policy was framed and approved in 2005 followed by the Social Housing Act was passed into law in 2008. Sufficient experience has been built up to inform adjustments and enhancements to policy that, if made, would speed up the

POLICY NAME	PURPOSE / PROGRESS
	<p>production rate of the programme and strengthen sector compliance and sustainability.</p> <p>The SHRA will continue to work with the National Department towards the review of the Social Housing Policy and other rental market segments, including but not limited to, community residential units, government-owned rental stock, student accommodation, and backyard rental options.</p>
Draft Rental Housing Regulations (norms and standards)	<p>The draft Rental Housing Regulations had followed a public consultation process, which the SHRA has considered and provided inputs to.</p> <p>The issue of norms and standards is contained within these regulations and contain norms and standards that address inter alia, safety, health, and hygiene; basic living conditions, including access to basic services; size; overcrowding; and affordability.</p> <p>The sector-specific Social Housing norms identified would need to be gazetted by the National Department of Human Settlements and contained within the Housing Code to allow for implementation.</p>
Indexation of the grant quantum and income bands	<p>In July 2021 MinMEC had approved an increase of all Human Settlements subsidy and grant instruments by 20.9% to account for building cost inflation. The Consolidated Capital Grant amount will be a maximum of R328 687 per unit.</p> <p>In relation to changes in the target market definition, based on gross household monthly income,</p> <ul style="list-style-type: none"> ▪ The entry level has been increased from R1 500 to R1 850 to accommodate lower income bands that require subsidisation. ▪ The upper-bound of the primary target has increased from R5 500 to R6 700 to accommodate inflation adjustments of low-income earners; and ▪ The upper limit of the target market has been extended to R22 000 to align with the broader definition of affordable housing found in other national housing programmes such as the Finance Linked Subsidy Programme (FLISP). <p>Social Housing will continue to service the Community Residential Market (households earning less than R3 500) and the net result is that the target market definitions for those who qualify for Social Housing based on households' gross monthly income is as follows:</p> <ul style="list-style-type: none"> ▪ Primary Market: R1 850 – R 6 700

POLICY NAME	PURPOSE / PROGRESS
	<ul style="list-style-type: none"> Secondary Market: R6 701 – R22 000
NDHS Empowerment Policy (October 2021)	<p>This policy aims to support empowerment and the achievement of improved social and economic impacts through Human Settlements construction projects.</p> <p>It provides for the setting of targets and the implementation of measures to create jobs, promote small enterprises, and provide training opportunities during construction projects implemented or funded by the Department of Human Settlements.</p> <p>In particular, it aims to ensure these opportunities are made available, in the first place, to unemployed people, youth, women, and people with disabilities.</p> <p>The SHRA has included an APP job opportunities indicator that aligns with the set target of 12 person-years of employment per R1 million construction spend.</p>

2. UPDATES TO INSTITUTIONAL POLICIES AND STRATEGIES

2.1. MEDIUM-TERM PLANNING PRIORITIES OF THE SIXTH ADMINISTRATION

The SHRA takes its guidance from the National Department of Human Settlements in terms of its contribution to **MTSF Priority 5: Spatial Integration, Human Settlements and Local Government**. The 2024 impact and outcome that the SHRA needs to align with and contribute to, is as follows:

MTSF PRIORITY 5: SPATIAL INTEGRATION, HUMAN SETTLEMENTS AND LOCAL GOVERNMENT	
2024 Impact	Achieving spatial transformation through improved integrated settlement development and linking job opportunities and housing opportunities.
Outcome: Interventions / Targets	Adequate housing and improved quality living environments: <ul style="list-style-type: none"> Deliver 30 000 social housing units in strategically located areas, revised to 18 000 social housing units¹.

The SHRA will contribute to the human settlements' MTSF 2019-2024 outputs as follows:

¹ DPME, Revised MTSF 2019-2020, effective 1 October 2021

INDICATOR	MTSF INTERVENTION / SHRA CONTRIBUTION*
94 area-based integrated multisectoral development plans for priority development areas completed by 2024	<p>In collaboration with NDHS, complete a multiyear development plan for social housing in line with the Priority Development Areas, gazetted as Priority Human Settlements and Housing Development Areas (PHSHDAs):</p> <ul style="list-style-type: none"> ▪ SHRA has assessed the alignment of restructuring zones (RZs) and PHSHDAs in terms of projects being registered on the pipeline. ▪ In order to implement projects that are in the PHSHDAs, they would need to be gazetted as RZs in compliance with the SHA. ▪ The SHRA is currently implementing the Social Housing Growth Plan Framework. Implementation of key components of the Framework is through this APP and the Social Housing Investment Plan (SHIP), which is the operational plan of the Project Development and Funding (PD&F) Programme.
Long-term land development pipeline for human settlements completed	<p>Use GIS and/or remote sensing to spatially reference the restructuring zones and social housing projects:</p> <ul style="list-style-type: none"> ▪ Spatial referencing is included in the District Development Model (DDM) – Annexure D of the APP. ▪ Applicants are required to provide the coordinates, which will be validated through GIS maps and/or SG diagrams for projects. ▪ HDA in conjunction with NDHS will be requested to provide support for the spatial referencing of RZs.
Revised number of 18 000 social housing units delivered <i>(DPME, Revised MTSF 2019-2024, October 2021)</i>	<p>Develop and submit a five-year development plan for the delivery of 30 000, revised to 18 000 social housing units:</p> <ul style="list-style-type: none"> ▪ The Social Housing Growth Plan Framework has been submitted to the NDHS and is currently being implemented. <p>Propose restructuring zones for development of social housing to the Minister:</p> <ul style="list-style-type: none"> ▪ As spatial planning is a municipal function, the SHRA does not have a specific indicator for proposing RZs. ▪ However, in line with Section 11(1)(g) of the SHA, the SHRA provides provinces and municipalities with the facilitative support needed to fulfil their duties in terms of gazetting restructuring zones and managing functional social housing programmes. Municipal support is included in the APP, while provincial support is an operational plan target. ▪ Identified strategically located land opportunities that require RZ approval will be prioritised by supporting and assisting the

INDICATOR	MTSF INTERVENTION / SHRA CONTRIBUTION*
	relevant municipalities and provinces with the gazetting process to fast-track delivery.
	Manage the delivery of 18 000 (revised from 30 000) social housing units: <ul style="list-style-type: none"> ▪ The indicative budget allocation from National Treasury is R3.8 million over the five-year planning period of the MTSF 2019-2024. ▪ Based on current prices and taking into account inflationary responses, this allows for the funding of approximately 12 885 social housing units for the five-year period. ▪ To achieve the 18 000 social housing units target, a Consolidated Capital Grant (CCG) injection of R1.5 billion would be required. ▪ This is in line with a key proposal of the Growth Plan Framework that the current 2.8% Human Settlements' budget allocation for social housing is significantly increased, considering the potential of the programme to impact on the spatial transformation outcome of the MTSF.
	Develop a comprehensive database of all social housing developments, as well as Social Housing Institutions: <ul style="list-style-type: none"> ▪ Managed and reported in the Social Housing Regulatory Plan (SHoRP), which is the operational plan of the CAR Programme. Support with data requirements and streamlining collation is provided by the Strategy, Research and Policy unit.
	Regulate Social Housing Institutions, and monitor and report on status of compliance to NDHS: <ul style="list-style-type: none"> ▪ The APP has an output indicator on meeting at least 3 of 5 primary benchmarks. ▪ The SHRA Compliance Framework has been reviewed, with revised primary benchmarks and other indicators communicated to the sector – at a project and institution level (MOE, ODA, and SHI).
	Ensure that social housing development projects are enrolled at the NHBRC: <ul style="list-style-type: none"> ▪ All contracts require NHBRC enrolment as one of the conditions to achieve FC. Enrolment activities will be monitored and reported on in the operational plan (SHIP).
	Ensure that rental agreements have a clause indicating that the status of tenants shall be re-evaluated every five years:

INDICATOR	MTSF INTERVENTION / SHRA CONTRIBUTION*
	<ul style="list-style-type: none"> Regulation 11(3)(j) – manage applications to amend their lease agreements. Clause could be included for means testing purposes, further supported by annual tenant audits. SHRA has transmitted a circular to property owners / managers to implement the directive. There is concern regarding the implications pertaining to those tenants that are earning beyond the income threshold, options available and cost of regular means testing and/or regularisation. Policy clarity is required on how to address tenants falling beyond the target market and those tenants with indefinite lease agreements.
Number of persons in the targeted market exposed to education programmes on various aspects of owning and/or renting a home	Implement a borrower, homeownership (Zenzeleni - PHP, Help Me-Buy-a-Home) and Tenant Education Programme: <ul style="list-style-type: none"> SHRA focus will be on tenant education in collaboration with other human settlements entities. The initiatives will form part of the SHRA's communication strategy. The intention is for SHRA compliance officers to provide tenant education during the tenanting phase of projects. Additional regulatory capacity is being sought to increase the SHRA's on-the-ground presence, including during tenanting. Tenant surveys have been piloted in 2021/22. The findings have informed the content of the Tenant Education Programme.
	Monitor and report on the number of persons exposed to education programmes on owning or renting a home: <ul style="list-style-type: none"> The SHRA will plan, monitor, and report on tenant education for tenants allocated into SHRA funded units through the SHoRP (operational plan).
Transactional Support Programme implemented	NHBRC, NHFC, SHRA, and CSOS to establish a presence in transactional support sites: <ul style="list-style-type: none"> The SHRA is in the process of building capacity and capability through the MySHRA online portal, allowing for increased reach by using technology for virtual / remote transacting. The SHRA will collaborate with the Department and key sister entities, such as the HDA on initiatives aimed to establish transactional support sites.
	Monitor and report on transaction support programmes: <ul style="list-style-type: none"> The SHRA reports on various transaction support programmes, including but not limited to the Incubation

INDICATOR	MTSF INTERVENTION / SHRA CONTRIBUTION*
	Programme, PSCs, Municipal Support Programme, and matters related to disputes and rental tribunals.
Consumer protection programmes implemented	<p>Number of consumer disputes submitted and resolved within 90 days:</p> <ul style="list-style-type: none"> ▪ Rental tribunals are legislated as the dispute resolution function. Disputes brought to the attention of the SHRA are referred to the respective rental tribunals. ▪ Where tenants claim non-compliance to the social housing legislation and requirements, the SHRA investigates and takes action if required. This includes mediation between tenants and landlords. ▪ Furthermore, the SHRA will report on the cases that the SHRA is dealing with in conjunction with the rental tribunals.
Transformation of the residential property market	<p>In collaboration with NDHS, ensure the finalisation of the legislation for the residential sector transformation and develop an implementation strategy with targets for the transformation of the Residential Property Sector:</p> <ul style="list-style-type: none"> ▪ The SHRA is working with the Property Sector Charter Council on developing the Transformation Charter and scorecards for the Social Housing Sector. ▪ Transformation is included in the impact statement of the SHRA, enabled by a Transformation Outcome indicator. The indicator includes the development of a <u>transformation barometer</u>, independently verified and reported on by the Property Sector to measure transformation across the Social Housing Sector value chain. ▪ The SHRA intends to intervene in all touch points of the Social Housing Sector value chain to drive the transformation agenda. The primary focus will be to ensure women-owned and managed enterprises gain full benefit from the capital grant. ▪ Each programme of the SHRA has APP and operational plan transformation targets for B-BBEE and preferential targets for designated groups.

2.2. SOUTH AFRICAN ECONOMIC RECONSTRUCTION AND RECOVERY PLAN

The Economic Reconstruction and Recovery Plan (ERRP) recognises that to support a rapid economic rebound, South Africa needs to focus on a few high-impact interventions and ensure that these are executed swiftly and effectively. The

overarching goal of the plan is to create sustainable, resilient and inclusive economy. The SHRA contributes to the following priority areas:

- 1) Infrastructure investment and delivery.
- 2) Macro-economic interventions.

The President's 2022 State of the Nation (SONA) address emphasised Infrastructure's pivotal role in the Economic Reconstruction and Recovery Plan. *"Through innovative funding and improved technical capabilities, we have prioritised infrastructure projects to support economic growth and better livelihoods, especially in energy, roads and water management. The Infrastructure Fund, at the centre of this effort, has been provided with a R100 billion allocation from the fiscus over ten years."*

The SHRA, with the support of NDHS, made an application to the Infrastructure Fund for inclusion of the Social Housing Programme to be part of the pipeline of projects earmarked for investment. To date, a submission for funding amounting to R305 million from the Budget Facility for Infrastructure (BFI) through the Infrastructure Fund (IF) was made for six (6) social housing projects. Term sheets are being finalised and the debt contracts are soon to be concluded. This would translate to 2 739 units and 8 934 jobs across four (4) provinces.

Given the advanced stages and potential impact of the Social Housing Programme, the SHRA has further provided additional projects to the Infrastructure Fund for further assessment and possible inclusion going forward.

Further supporting the ERRP, the SHRA has included an employment target, disaggregated to the designated groups, for the spend of the construction budget component of the CCG. This is in line with the recently finalised Empowerment Policy of the NDHS and the Inclusionary Growth Policy of the SHRA.

2.3. SHRA GROWTH PLAN FRAMEWORK

The Social Housing Growth Plan Framework was approved by the SHRA Council in March 2020 as the implementation framework of the 2020-2025 Strategic Plan. As such, it is discussed in this APP as the SHRA's institutional strategy, with policy implications, that will guide and inform the performance plans of the SHRA for the medium term. Key components of the Framework are duly incorporated into this APP and the programme operational plans of the SHRA.

The purpose of the Growth Plan Framework is to outline the factors, interventions, and key policy considerations / reforms that are needed for the SHRA to double the production rate for social housing in the 2020/21–2024/25 term compared with the previous term, and to triple it in the 2025/26–2029/30 period, thus adding a further 87 500 affordable rental housing units and growing the size of the social housing portfolio in the country to 125 000 units by 2030.

2.4. SHRA GENDER MAINSTREAMING STRATEGY

In terms of the provisions of Section 2(1)(a) of the Social Housing Act (SHA), the SHRA must ensure that social housing responds to local demand and that special priority must be given to the needs of women, children, child-headed households, persons with disabilities, and the elderly.

It is evident that provision for gender mainstreaming has been made in the SHA and the regulations thereto and that this can find further expression in policy, as well as rules to be made and directives to be issued by the SHRA, as contemplated in Section 4 of the SHA. This will facilitate implementation across social housing programmes and projects.

A Gender Equality Strategy for the Social Housing Sector was developed in 2018. The strategy was developed in partnership with the Equal Spaces Project. This project was a collaboration between the Government of Canada and South Africa, where it aimed to address the spatial and economic legacies of Apartheid. The outcomes of this work align with the areas outlined by the Commission for Gender Equality, where seven key intervention areas (KIAs) were identified.

The SHRA has developed a detailed action plan to address the priorities of the KIAs. Summarised below are the key actions informing this Annual Performance Plan.

KEY INTERVENTION AREA (KIA)	ACTIONS INFORMING APP AND OPS PLANNING
KIA 1: Improving safety and security	Conduct safety and security audits: <ul style="list-style-type: none"> APP Output Indicator (Programme 2).
	Develop and disseminate policies and practices to ensure that women's tenure and leasing rights are secure.
	Incorporate criteria to assess projects that consider safety.
	Implement annual workplan of the gender-based violence (GBV) functional work group.
KIA 2: Improving access to community and social services, and enhancing economic mobility of women tenants	Facilitate partnerships with key stakeholders (mentioned above) to develop and implement specific projects.
	Implement annual workplan of the community development functional work group.
	Undertake a pilot project to develop a business plan for on-site community services where an experienced SHI is partnered with a new SHI.

KEY INTERVENTION AREA (KIA)	ACTIONS INFORMING APP AND OPS PLANNING
KIA 3: Responding to and preventing gender-based violence (GBV)	Develop a uniform approach and response to GBV for the sector that streamlines processes with the GBV functional group.
	Enhance awareness of GBV in the sector by having sessions on GBV with relevant sector stakeholders.
KIA 4: Policies and practices for women's leadership and mobility in the sector	Implement appropriate succession planning in the SHRA.
	Develop policies and programmes to promote women's recruitment, participation, leadership on boards and all levels of management, and develop compliance criteria for institutions to be measured against.
	Develop mentoring and exchange programmes for women working in social housing.
	Target women in middle management who are future leaders to be part of workshops, exchanges, and study visits.
KIA 5: Promote women's leadership and employment in related professional and construction sectors and address sexism in the Social Housing Sector	Partner with SAWIC&BE and other women in property development to develop specific support.
	Explore opportunities with the National Construction Incubator (NCI) to develop a tailormade support plan.
KIA 6: Gender sensitive building and precinct design, development, and management	Implement workplan of functional group established on community development.
	Develop and disseminate gender sensitive planning and design guidelines that contribute to improving socio-economic opportunities, health, safety and security, and use safety audit lessons learnt.
KIA 7: Knowledge management, monitoring and evaluation, and support	Improve collection, shared availability, quality, validity, and reliability of data collected and that the data is gender disaggregated during analysis.
	Develop impact indicators to measure the effectiveness of gender equality interventions, such as proxy indicators, i.e., children's school performance.

Gender mainstreaming outputs have been included in the Annual Performance Plan (APP) and business unit operational plans and are reported on quarterly.

3. UPDATES TO RELEVANT COURT RULINGS

No updates to the court rulings discussed in the 2020-2025 Strategic Plan.

PART B: OUR STRATEGIC FOCUS

In giving effect to the legislative and policy mandates outlined in Part A, the 2020-2025 Strategic Plan articulates the SHRA's strategic focus and intent as follows:

VISION
To create an integrated South Africa where citizens live a good quality life in well-located and affordable, quality rental homes

MISSION
To ensure there is quality housing for lower to middle-income households in integrated settlements by investing in, enabling, regulating, and transforming the affordable social housing for rental market

VALUE	DESCRIPTION
Service/Stewardship	We know that exceptional service is important, and we intend to go the extra mile to ensure that we meet the needs of our beneficiaries.
Zealousness	We approach every day with a positive attitude, a willingness to grow, a thirst for learning and challenging ourselves.
Connectedness/Interconnectedness	We recognise that everything we do comes about as a result of team effort, and that by cooperation with one another we achieve results collectively, which enhances our efficiency and effectiveness.
Accountability	We understand that we serve the best interests of the citizens of our country and, as such, we are serious about being held responsible and accountable for our words, actions, and results.
Our employees are holistic human beings	Our employees are the heartbeat of our organisation. Each one of them matters, they are valued, their opinion matters, their contributions are worthy.

SHRA'S IMPACT STATEMENT
A transformed, compliant, and sustainable Social Housing Sector, comprising integrated, quality, and affordable social housing.

SHRA'S OUTCOMES		
Outcome 1: Functional, efficient, and integrated government.	Outcome 2: Quality, affordable social housing delivered in strategically located areas.	Outcome 3: Enhanced performance of delivery agents and projects.
Outcome 4: Increased capacity of municipalities and provinces to deliver social housing.	Outcome 5: An effectively regulated and sustainable Social Housing Sector.	Outcome 6: A transformed Social Housing Sector value chain.

1. UPDATED SITUATIONAL ANALYSIS

1.1. EXTERNAL ENVIRONMENT ANALYSIS

1.1.1. MACRO-ECONOMIC CONTEXT

While the global recovery continues, the momentum has weakened, and uncertainty has increased as the COVID-19 pandemic resurges. According to the IMF World Economic Outlook, after the contraction of 3.3% in 2020, the global economy is projected to grow at 5.9% in 2021 and 4.9% in 2022², 0.1 percentage point lower for 2021 than in the July 2021 forecast. It is noted that the global effect of the Omicron variant and surging infection rates in Europe, the USA and other regions is yet to be established.

Although the downward revision for 2021 reflects a downgrade for advanced economies, in part due to supply disruptions, the global forecast continues to indicate clear differences between emerging markets and advanced economies, with vaccine access and early policy support being the principal drivers of the gaps. The varied growth projections imply wide negative output gaps and elevated unemployment rates, particularly in emerging market economies. The adverse impact on low-income households is particularly acute, imperilling the significant progress made in reducing extreme poverty in the world since the 1990s³.

According to the Organisation for Economic Co-operation and Development (OECD), the South African economy is projected to rebound by 3.8% in 2021 and 2.5% in 2022, following the 7.2% contraction in 2020. However, this does not factor in the economic impact of the travel restrictions instituted on South Africa by countries that are major sources of tourism for the country.

² International Monetary Fund (2021). *World Economic Outlook Update*, October 2021.

³ International Monetary Fund (2021). *World Economic Outlook Update*, October 2021

Whilst inflation is increasing, it has remained below the Reserve Bank's target, and this has allowed monetary policy authorities to maintain current policy interest rates until the end of 2021. Fiscal policy will continue to be constrained to limit debt growth, with a focus on two policy objectives, (1) promoting economic recovery through the Economic Reconstruction and Recovery Plan (ERRP), and (2) returning public finances to a sustainable position. Fast-tracking the implementation of government's Infrastructure Investment Plan is thus essential to lift growth. Unlocking electricity production too, will be key to lifting production bottlenecks and restoring confidence.

Unemployment continues to impact progress in South Africa, with the unemployment rate having increased to 34.9% in Q3:2021, its highest level since the start of the Quarterly Labour Force Survey in 2008⁴ and showing the impact of the COVID-19 pandemic on South Africa's employment landscape. The Formal Sector, which accounts for 67.4% of employment in the country, shed 571 000 jobs between Q2 and Q3 of 2021, while 9 000 more people were employed in the Informal Sector. Youth aged 15-24 years and 25-34 years recorded the highest unemployment rates of 66.5% and 43.8% respectively. Businesses have continued to close their doors and many families have experienced layoffs of either one or both breadwinners.

1.1.2. IMPACT OF A STRAINED ECONOMY ON THE AFFORDABLE RENTAL SECTOR

Impact of COVID-19 pandemic on the construction industry

*"With the onset of our national lockdown, government diverted infrastructure spending to alleviate the economic and social crisis facing the country, cutting traditional expenditure by 80%. This brought a large portion of the country's economy, including the construction industry, to a grinding halt. At the same time, restrictions on construction activity under lockdown regulations added further pain. Projects were left standing, deadlines were missed – the consequences of which are enormous."*⁵

Just as their international counterparts, South African construction companies are facing a tough and uncertain reality. In a bid to contain costs, many construction companies have cut CAPEX by 50% to 60%, jobs, and work hours. Some companies have opted not to renew their insurance policies due to cost-cutting, which could be detrimental to their operations on projects that are still in progress and may further prejudice them should market conditions become more favourable.

The SHRA has been faced with a significant slowdown in the delivery of social housing units since the imposition of the level 5 lockdown in March 2020, when construction ground to a halt for most of the first quarter of the 2020/21 financial year. As lockdown levels were eased and construction commenced, the sector has continued to face

⁴ StatsSA Quarterly Labor Force Survey Q3:2021.

⁵ Viterenwa, M. (undated). Construction sector is critical to SA's post-COVID economic recovery. Accessed from: <https://aon.co.za/insights/construction-sector-is-critical-to-sa-s-post-COVID-economic-recovery/>

many challenges that has affected delivery. The global material supply chain has experienced major shortages due to the varying lockdown conditions in countries across the work. Lockdown conditions have also resulted in labour shortages and contractual challenges that the SHRA has had to deal with. The resultant slow delivery has meant a dip in the number of units completed.

There are signs of change with commitment from government to infrastructure spending, and positive signs on the energy front with a determination by Mineral Resources and Energy Minister Gwede Mantashe to procure 11.8GW of additional electricity in the coming years from independent power producers. Government has also committed to expedite the implementation of at least 50 infrastructure projects with a total investment value of more than R340 billion in the coming months as part of South Africa's Economic Reconstruction and Recovery Plan. As highlighted earlier, the SHRA has projects that are included in this investment initiative, with the potential to realise just under 9 000 employment opportunities.

Impact of COVID-19 pandemic on rental good standing

One of the direct consequences of the COVID-19 pandemic and the consequent lockdowns has been the immediate loss of income experienced by many, which has led to an increase in the number of people unable to meet rental and/or bond repayments and having to find refuge with family or friends. This created additional pressure along the property and construction value chains with developers finding themselves cash-strapped and facing fewer options to access finance. Property owners have also carried the brunt of the consequences through missed rental payments, and a substantial drop in demand for rental space. In essence, a perfect storm made up of rising house prices and negative escalation set upon the market⁶.

According to the TPN Residential Retail Monitoring Report, at the end of Q2 2021, the national average of tenants in good standing was 80.06%. Whilst vacancy levels have improved quarter-on-quarter from 13.8% to 12.4% in the second quarter, demand is still weak and negative escalation continued for the third consecutive quarter at - 0.55%.

Approximately 70% (market share) of tenants rent for less than R7 000.00 per month. The most popular properties compete in the R4 500.00 to R7 000.00 segment, making up 35% of all lease agreements:

- 1) At the 'low end' of the market (monthly rent below R3 000.00), landlords are still struggling with 16.08% of tenants unable to pay rent and a further 15.72% of tenants making only a partial payment.
- 2) The 'in-demand' segment, with monthly rentals between R4,500.00 – R7,000.00 experienced only 4.94% of non-payment by tenants. Although 82.76% of these

⁶ Gauteng Department of Human Settlements – Strategic Plan 2021/22 – 2024/25

tenants are in good standing, they were slower to pay with 67.67% paid on time and 10.58% paid late, indicating that cashflow management is important.

- 3) The 'sweet-spot' segment, with monthly rentals between R7,000.00 – R12,000.00 performed relatively better, with 86.32% of tenants in good standing, and nearly 3-in-4 tenants paid on time. Nevertheless, affordability remains a key constraint⁷.

Impact of COVID-19 pandemic on vacancy rates

According to the TPN Vacancy Survey (Q2: 2021), vacancy rates across South Africa have stabilised at 13.15%. There is some demand for rentals, as evidenced by the Demand Rating at 53.01 but this is muted. The current Supply Rating of 68.76 suggests oversupply and that landlords are competing for this limited tenant attention. Stated differently, it is a tenant's market and prices are being driven downwards. The vacancy report further notes that⁸:

- 1) Tenant payment recovery has been slow. Landlords can, however, take comfort in the fact that 78.38% of tenants are back in good standing for the first quarter of 2021.
- 2) Tenants in arrears with a salary are still recovering from their partial, full, or temporary loss of earnings during the hard lockdown from a year ago, as evidenced by the 13.9% of tenants in the partial payment status category.
- 3) The biggest threat to the recovery of the residential rental market remains the persistently high and increasing rate of unemployment.
- 4) Household size is expected to increase as co-living becomes a solution for affordability while tenants get back on their feet financially.

Whilst social housing vacancy rates are not as high as what has been experienced in the private sector, the impact of each prolonged vacancy is much bigger due to lower surplus/profit margins. The Residential Rent Relief Programme has, however, been a positive intervention and provided assistance to qualifying tenants adversely affected by the economic consequences of the COVID-19 pandemic lockdowns.

1.1.3. MTSF 2019-2024 PERFORMANCE

The 2018/19 financial year was the final year of the previous MTSF 2014-2019 cycle, in which a total of 13 968 social housing units were completed. In the first two years of the MTSF 2019-2024 period, a total of 4 866 units were completed – 3 010 units in the pre-COVID-19 2019/20 financial year and 1 856 units in the COVID-19 affected 2020/21 financial year. In the first three quarters of the 2021/22 financial year a further

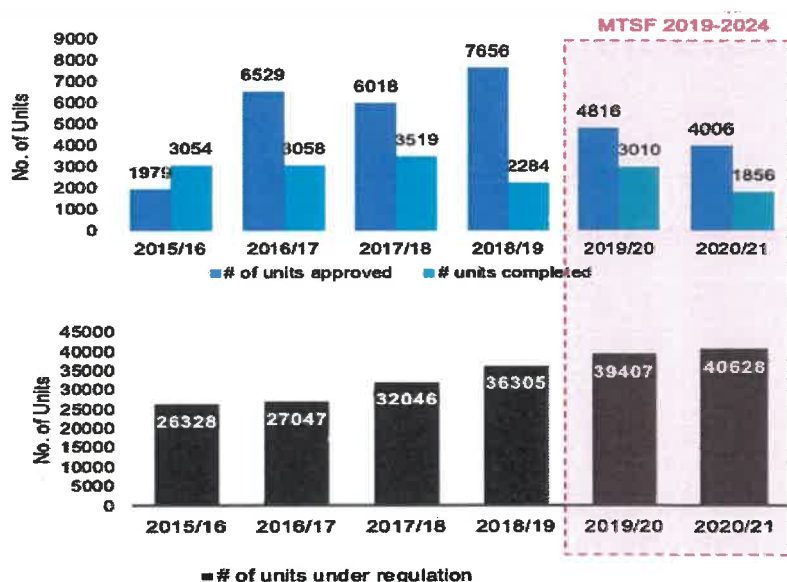
⁷ TPN Residential Rental Monitor. Q2, 2021.

⁸ TPN Vacancy Survey - Q2 2021

1 969 units (Q1: 643, Q2:809, Q3:517) were completed, towards the annual target of 3 500 units completions.

The projection is that an additional 992 social housing units will be completed by the end of 2021/22 financial year, resulting in an annual shortfall of 539 units. Looking ahead to 2022/23 and beyond, while there are a sufficient number of approved projects to deliver the MTSF target of 18 000 units, the available capital budget is inadequate. An additional R1.5 billion CCG is required to achieve a minimum of 5 100 units per annum for the 2022/23 and 2023/24 financial years, respectively. The SHRA has and will continue to lobby the NDHS for increased funding sources to achieve the MTSF target, while continuing to pursue alternative funding models and approaches.

Figure 1: Social Housing Units Completed 2015/16 to 2020/21 (Audited)



The easing of COVID-19 lockdown conditions under the current Disaster Management Act has opened the Construction Sector, which provides an improved level of certainty that delivery outputs may be upscaled, given adequate funding.

The table below reflects that the Social Housing Programme is not short of projects and units to meet the delivery mandate of the MTSF. A combination of externalities, such as delays in municipal statutory approvals; tenant affordability due to loss of employment, reduced income levels, and increasing municipal rates and taxes – magnified by COVID-19; and property developers / owners not able to secure debt facilities, continue to impose bottlenecks on delivery. Implementation of the Growth Plan Framework will play a vital role in addressing some of the constraints for optimal delivery and is a priority focus for the 2022/23 planning period.

Description of Project Status		N° of Projects	Total N° of Units Approved	Proportion of Total Active Projects	Total N° of Units Outstanding Completions
1	Planning	16	8 220	28.60%	8 220
2	Construction	9	3 560	12.39%	3 095
3	Construction and tenanting	9	6 332	22.03%	2 374
4	Tenanting	11	4 890	17.01%	464
5	Completed	6	1 449	5.04%	0
6	Completed with challenges	5	2 374	8.26%	210
7	On hold	3	1 231	4.28%	610
8	Terminated	2	688	2.39%	0
TOTAL		61	28 744	100.00%	14 973

The current Social Housing Investment Plan (SHIP) has a total of 61 active Consolidated Capital Grant (CCG) contracts in the various milestones of the project implementation cycle as shown in the above table.

Of the 14 973 units approved for CCG funding but yet to achieve practical completion, the projects in milestones 1-3, totalling 13 689 units, have the highest potential to be delivered and contribute to the balance of the 18 000 units MTSF target. It is, therefore, imperative that focus is given to these projects, particularly those in the planning stage and those experiencing challenges (project blockages). There are 14 projects experiencing challenges relating to meeting condition precedent (CP) or financial closure (FC) or experiencing other delays.

The above illustrates that there is an adequate number of approved projects to deliver on the MTSF target of 18 000 social housing units delivered by end 2023/24. The constraint, however, is that the CCG allocation over the planning period to 2023/24 only allows for the delivery of between 12 885 and 14 027 units. Additional capital funding is, therefore, required.

As at the end of the third quarter 2021/22, the Infrastructure Fund with the support of NDHS, submitted the Social Housing Programme for funding consideration to the Budget Facility for Infrastructure ("BFI") for the 2022 MTEF cycle on the back of the gazetted projects. To date, a submission for funding request of R305 million from the BFI was made for five SHIs and one ODA. If approved, this would translate to 2 739 units already approved with a CCG and 8 934 jobs in four provinces.

1.1.4. SOCIAL HOUSING SECTOR PERFORMANCE

There are 88 accredited institutions in the SHRA's accreditation register, with 8 of the institutions fully accredited, while 80 are conditionally accredited:

- 1) The eight fully accredited institutions all have projects under management and are reporting on a quarterly basis on the performance of their projects.
- 2) 20 conditionally accredited institutions also have projects under management. These institutions are reporting on the performance of their projects where compliance issues are raised, support is provided, or remedial action is required to increase their performance and potentially achieve full accreditation.
- 3) 60 conditionally accredited institutions do not yet manage social housing stock.

The project pipeline includes all registered social housing projects on the SHRA records not yet ready for approval:

- 1) Ten conditionally accredited institutions do not have approved projects or projects under management registered on the project pipeline. These projects are further analysed and appropriate support and assistance with project packaging and/or feasibility grant support may be provided.
- 2) The balance of 38 conditionally accredited institutions do not have projects formally recorded, although prospects of land and land availability are indicated. The SHRA engages with these institutions with a view to include their potential projects on the pipeline (should they meet the criteria), such that further support may then be provided.

In terms of the Accreditation Policy, 2021, conditionally accredited institutions without projects under management retain their conditional accreditation for a period of three years and, after this period, the accreditation lapses. It is, therefore, important that the institutions without projects are engaged to prevent lapses in accreditation.

There are 35 reporting institutions with units under management. 28 of the reporting institutions are accredited SHIs, while 6 ODAs are reporting with 1 housing co-operative (Troyeville Housing Co-operative) also reporting. The 42 026 regulated social housing units make up 1% of the 4.5 million rental arrangements that exist. (66.1% established private, 13% informal backyard, 10.9% emerging rentals, 6.5% municipal rental).

As from the first quarter of the 2021/22 financial year, the SHRA has implemented its "Revised Compliance Monitoring and Reporting Framework". This has resulted in a

change to how performance is measured, with the following 5 benchmarks now used to measure performance:

Revised Primary Performance Benchmarks for Reporting SHIs/ODAs/MOEs

- 1) Rent Collection Rate: Target (best practice) for SHIs/ODAs/MOEs is $\geq 95\%$. Minimum threshold before regulatory action for SHIs/ODAs/MOEs is $< 90\%$.
- 2) Vacancy Rate: Target (best practice) for SHIs/ODAs/MOEs is $\leq 2\%$. Maximum threshold for SHIs/ODAs/MOEs before regulatory action is $> 5\%$.
- 3) Debtors Balance as % of Monthly Revenue: Target (best practice) for SHIs/ODAs/MOEs is $\leq 5\%$. Maximum threshold for SHIs/ODAs/MOEs before regulatory action is $> 20\%$.
- 4) Total Operating Costs PUPM: The 'best practice' target for the total operating cost is <R1 600/month for SHIs, <R1 800/month for MOEs and <R1 300/month for ODAs. The "maximum threshold before regulatory action" is >R2 100/month for SHIs, >R2 300/month for MOEs, and >R1 800/month for ODAs
- 5) Debt Service Cover Ratio: Target (best practice) for SHIs/ODAs/MOEs is ≥ 1.3 . Minimum threshold before regulatory action is < 1.1 .

Reporting institutions have performed as follows in terms of the primary performance benchmarks:

Primary Performance Benchmark Achieved	Percentage of Total		
	(Q3, 2021/22)	(Q4, 2020/21)	(Q4, 2019/20 – Baseline)
5	3.3%	3%	4%
4	13.3%	22.5%	23%
3	33.3%	29%	19%
2	30%	25.8%	50%
1	20%	19.3%	4%
0	0%	0%	0%

In summary, as per Q3 2021/22 performance report (against best practice target):

- 1) Average vacancy rate of 7.9% ($< 2\%$ benchmark). This compares favourably with the private sector overall vacancy rate of 13.1%. As mentioned earlier, the impact

of vacancies in social housing is much more severe due to the non-profit objective.

- 2) 29% of reporting institutions achieved a debtor's balance as a percentage of monthly revenue within the <20% benchmark. Historical debt greater than 120 days impacted negatively on this benchmark.
- 3) Average rental collection rate was 78.1%, against a benchmark of >95%.
- 4) The total rental arrears / bad debt >90 days is R464.4 million, increasing by approximately R20 million per quarter.
- 5) 70.9% of social housing landlords have a total operating cost (excluding utilities) below the maximum threshold.
- 6) 70.9% of social housing landlords have a Debt Service Cover Ratio (DSCR) below the maximum threshold
- 7) 45% of social housing landlords achieve 3 out of the 5 primary performance benchmarks.

The above alludes to increasing sustainability challenges, because of the impact of the COVID-19 pandemic and a depressed economy on affordability levels of tenants and delivery agents not being able to operate more effectively and efficiently.

1.1.5. SOCIAL HOUSING PROJECT PIPELINE

A healthy project pipeline is key to achieving the MTSF targets, as well as to supporting new entrants into the sector and driving the transformation agenda.

As at the end of Q3 2021/22, the social housing project pipeline consisted of a total of 72 social housing project applications, with a potential yield of 37 296 units, split across the provinces as follows:

Province	Number of Project Applications	Total Units	% of Total
Gauteng	48	24 710	66.3%
KwaZulu-Natal	10	5 431	14.6%
Northwest	2	1 800	4.8%
Eastern Cape	4	1 532	4.1%
Western Cape	2	1 396	3.7%
Northern Cape	3	1 273	3.4%

Province	Number of Project Applications	Total Units	% of Total
Mpumalanga	3	1 154	3.1%
Free State	0	0	0.0%
Limpopo	0	0	0.0%
TOTAL	72	37 296	100%

Once approved, the projects will require funding investment. This is often the major bottleneck that the SHRA needs to address by securing the support of Development Finance Institutions (DFIs) and the Commercial Sector to provide debt and equity financing for the projects.

While the NHFC remains the largest debt funder, there is growing interest by the private sector in financing the bankable projects. The private sector, however, requires further guarantees when assessing the feasibility of providing funding to newly accredited developers that do not have a track record or adequate own equity. Partnering between established developers and new entries has proven to be a feasible option and various innovative approaches to partnering are being explored to drive the transformation agenda.

1.1.6. SOCIAL HOUSING SECTOR TRANSFORMATION

The SHRA has taken steps to assess in detail the effectiveness of its transformation programme, and thus the extent of control and participation of black people and the designated groups in accredited delivery agents. The status is as follows:

- 1) 78% of conditionally accredited institutions are level 1 B-BBEE compliant.
- 2) 5 of the 8 fully accredited institutions indicate a level 1 B-BBEE compliance. However, in some cases, it is not based on ownership or control but rather on other areas of the B-BBEE scorecard.
- 3) It is evident that black representation at non-executive level at the fully accredited institutions (66%) requires improvement and further improvement is needed at executive level (57%). Female representation at executive level is significantly higher (54%) than at non-executive level (42%).
- 4) With reference to the conditionally accredited institutions, black representation at non-executive level is more acceptable at 86%; while female representation, at 37%, requires improvement. The executive level shows 65% black representation and a more representative female representation at 56%.

The institutions are regularly consulted to provide the SHRA with real plans for improvement. It is envisaged that transformation levels will be improved once the Property Sector Charter Council / Social Housing Component is implemented. Baselines are currently being developed through the assessment of the B-BBEE certificates and sworn affidavits of all registered SHIs and ODAs (87 in total). A first draft document on proposed social housing scorecard elements has been submitted to the DTI for consideration and for the scorecard elements to be gazetted.

Each SHRA programme has in place specific transformation targets that are applicable to the area of work of the programme. This is reflected and discussed in the programme performance plans in Part C of the APP.

Social housing tenant profiles

Tenant audits were carried out by the SHRA between February to May 2021. A total of 12 projects across 7 metros were included. The objectives of the audit were to verify whether the correct target market is being housed by assessing and auditing the physical tenant files and to gain a deeper understanding of the demographics and socio-economic profiles of tenants per audited project. The following was evident from the analysis:

- 1) Most of the single-headed households with children/dependents are female.
- 2) Most of the single-headed households without children/dependents are male.
- 3) 2 143 or 57.8% of all the units in the 12 complexes have been allocated to female main lease holders.
- 4) 1 213 units or 32.9% have been allocated to young adults (24-35 years).
- 5) 2 167 units (or 58.7%) have been allocated to middle-aged adults (36-55 years).
- 6) That only 312 units (or 8.5%) have been allocated to older adults (56 years and above).

The race and gender mix of main leaseholders is as follows:

Category	Female		Male		Total	
	Frequency	%	Frequency	%	Freq.	%
Black African	1 580	73.7%	934	59.7%	2 514	67.8%
Coloured	335	15.6%	152	9.7%	487	13.1%
Indian	207	9.7%	456	29.2%	663	17.9%
White	22	1.0%	22	1.4%	44	1.2%

Category	Female	Female	Male	Male	Total	
	Frequency	%	Frequency	%	Freq.	%
TOTAL	2 144	100%	1 564	100%	3 708	100%

Residential Rent Relief Programme

The SHRA is currently implementing the Residential Rent Relief Programme, which has R300 million available to support tenants that suffered as a result of loss of income during the hard lockdown period of COVID-19. As at the end of Q3 2021/22:

- 1) A total of 158 out of 376 (42%) tenant applicants have been awarded grant relief amounting to R1 216 623.
- 2) 144 applications have been pended (38%) for missing supporting documents and for further investigation.
- 3) A total of 69 have been declined for not meeting the minimum eligibility criteria.
- 4) Of the 156 tenants awarded the grant to date, 107 recipients are women, 48 male, and 1 transgender
- 5) The combined number of dependants for the tenants awarded grants is 242.

There are several challenges that the SHRA is working at resolving to increase the success rate of the programme and to ensure that the target beneficiaries receive optimal benefit from the programme. The SHRA is seeking an extension to the Residential Rent Relief Programme to address tenant arrears.

Gender mainstreaming

Progress has been made in implementing the interventions and actions of the gender mainstreaming strategy, including, amongst others:

KEY ACHIEVEMENTS	FOCUS FOR 2022/23
<ul style="list-style-type: none"> ▪ Safety and security audits conducted, and findings reported on. ▪ Residential Rent Relief Programme Policy developed and disseminated, currently being implemented. ▪ Training programmes being implemented to improve understanding of women's tenure and leasing rights. 	<ul style="list-style-type: none"> ▪ Develop a workplan for the community development functional group to include gender sensitive building and precinct design, development, and management. ▪ Develop policies and guidelines to align with gender mainstreaming strategy. ▪ Create awareness for GBV in social housing using SHRA social media platform.

KEY ACHIEVEMENTS	FOCUS FOR 2022/23
<ul style="list-style-type: none"> Functional gender-based violence (GBV) working group established. Partnerships facilitated with a range of relevant stakeholders to collaborate on projects. Development of mentoring and exchange programmes for women working in social housing. 	<ul style="list-style-type: none"> Target women in middle management who are future leaders to be part of workshops, exchanges, and study visits. Facilitate partnerships with others, for example, the NDHS and NGOs, to implement specific projects.

Gender mainstreaming outputs have been including the Annual Performance Plan (APP) and business unit operational plans and are reported on in more detail against the action plan on a quarterly basis.

1.1.7. UPDATE TO THE KEY ENVIRONMENTAL FACTORS TO BE CONSIDERED IN PLANNING

The macro-environment and sector factors discussed in the 2020-2025 Strategic Plan have been updated and summarised in the table below:

ENVIRONMENTAL FACTOR	KEY MESSAGES AND PLANNING CONSIDERATIONS
1) Scale of demand vs. structure of the Human Settlements budget	<ul style="list-style-type: none"> The demand for rented accommodation is very high – 26.5% of households live in rented accommodation in the country, with 34.7% in GP and 27.2% in WC⁹. Demand is estimated at 320 000 units nationally, comprising 235 000 units in metropolitan municipalities and 83 000 units in district municipalities¹⁰. This represents 14% of the total estimated housing backlog. However, the CCG allocation for social housing only receives 2.8% (2020/21 and 2021/22) of the total budget of Vote 33 – Human Settlements. Considering the scale of demand and the MTSF 2019-2024 target, the Growth Plan Framework recommends an increase in the CCG to 7.2% of the national housing CAPEX allocation. At minimum, a capital grant injection of R1,5 billion is needed to fund commensurate delivery of the revised MTSF target of 18 000 units.

⁹ General Household Survey, 2018

¹⁰ General Household Survey, 2018

ENVIRONMENTAL FACTOR	KEY MESSAGES AND PLANNING CONSIDERATIONS
2) Importance of state subsidies (Capital Grant Funding) and collaboration (Vertical and horizontal coherence of Human Settlements' programmes and projects)	<ul style="list-style-type: none"> ▪ Despite policy and commitment in the sector to increase private participation in social housing, government grant funding remains fundamental to delivery. ▪ Given the challenges experienced in mobilising private sector participation and the target market for social housing, it is anticipated that grant funding will remain critical to the existence of the sector. ▪ While the SHRA must continue to lobby for a bigger proportion of the human settlements budget, a critical enabler is improved collaboration among the agencies – HDA, NHFC, and NHBRC. ▪ The possibility exists to bring about a much larger quantum of public risk capital to leverage in the market through a public sector collaboration approach.
3) Multiyear budgeting	<ul style="list-style-type: none"> ▪ To achieve an average production rate of 6 000 units constructed per annum, changes are needed to the budgeting approach, from zero-based to multiyear. ▪ As it is not permissible in terms of the PFMA to commit future funds more than the budget indicative, the SHRA seeks to gain permission to contract for an 'optimisation factor' of around 70%. ▪ Multiyear budgeting will overcome the challenge of under-expenditure each year, due to not all projects being completed in that year.
4) Infrastructure investment office (SIDSSA)¹¹	<ul style="list-style-type: none"> ▪ Seeks to create a platform through which private investment can be channelled to deserving infrastructure investment projects. ▪ The proposal is one of blended financing, where the risks of the different investing partners can be spread, and where the IIP can facilitate an attractive rate of borrowing for these projects. ▪ Within the Human Settlements space, the basic tenure and shelter provision programmes would not be able to attract non-state investment because of their non-revenue generating nature. ▪ Government's Affordable Rental Housing Programme (Social Housing) is, however, viewed positively due to its revenue generating nature. ▪ The NDHS submitted the Social Housing Programme for funding consideration to the Budget Facility for Infrastructure

¹¹ Sustainable Infrastructure Development Symposium SA announced by the Minister of Finance in 2019 and re-emphasised by the President in the SONA on 13 February 2020

ENVIRONMENTAL FACTOR	KEY MESSAGES AND PLANNING CONSIDERATIONS
	<p>(BFI) for the 2022 Medium Term Expenditure Framework (MTEF) cycle at the back of the gazetted projects.</p> <ul style="list-style-type: none"> ▪ To date, a funding request submission of R305 million from the Budget Facility for Infrastructure (BFI) was made and conditionally approved for 5 SHIs and 1 ODA: <ul style="list-style-type: none"> ○ Total project cost: R1 billion. ○ Total units: 2 739. ○ Estimated jobs created: 8 934.
5) Rethinking the size of social housing units	<ul style="list-style-type: none"> ▪ In 2018 there were 16,67 million households in South Africa¹², of which 4.42 million (26.5%) households were renting. ▪ 45,5% of all households in South Africa are either 1 or 2 member households, with an average of 25.7% single member households and 19.8% 2-person households in the country. ▪ The opportunity exists to support the provision of smaller-sized social housing units in provinces where the majority of people live in 1 and 2 member households. ▪ This will form part of the project to develop qualitative, performance-based, and more flexible norms and standards.
6) Supply-side constraints	<ul style="list-style-type: none"> ▪ Key supply-side constraints that prevent the country meeting social housing delivery targets and demand remain and need to be systematically addressed. ▪ This includes land and inner-city building availability, sustainable social housing financing, institutional capacity and viability, local government support, public sector coordination, and SHI participation. ▪ The SHRA has entered into an Implementation Protocol (IP) with the Housing Development Agency (HDA) to assist with land assembly and release of strategically owned government land. ▪ SHRA will negotiate specific targets with the HDA to make available strategically located government-owned land for development.
7) South African Economic Reconstruction and Recovery Plan (ERRP)	<ul style="list-style-type: none"> ▪ The ERRP has three phases: (1) Engage and Preserve, (2) Recovery and Reform, and (3) Reconstruct and Transform. ▪ The priority interventions include, inter alia, an aggressive infrastructure investment, gender equality and economic inclusion of women and youth, green economy interventions and mass public employment interventions.

¹² General Household Survey, 2018

ENVIRONMENTAL FACTOR	KEY MESSAGES AND PLANNING CONSIDERATIONS
	<ul style="list-style-type: none"> Through the Infrastructure Fund and the SHRA Growth Plan Framework, the opportunity exists to raise the bar in terms of social housing infrastructure development on the one hand, while supporting social housing beneficiaries (tenants) that have been adversely affected by the COVID-19 pandemic. The SHRA's all-encompassing transformation programme has the scope to meaningfully impact women, youth, and persons with disabilities – across the entire Social Housing Sector value chain.
8) Transformation and empowerment (Addressing priorities relating to women, youth, people with disabilities, and other designated groups)	<ul style="list-style-type: none"> Development of the Social Housing Sector component of the Property Sector Charter Council. Ensuring that transformation is transparent across the value-chain. Programmes are needed to ensure that potential developers (applicants) are nurtured and supported to enter the project pipeline and then to progress through the pipeline timeously. The SHRA's transformation programme has begun to take traction, and is embedded in all programmes of the SHRA, increasingly covering more components of the Social Housing Sector value chain. Beyond APP targets, the SHRA is in the process of finalising the Inclusive Growth Policy and addendum to the HDA Implementation Protocol that stipulates actions to strengthen transformation. SHRA will finalise a proposal for youth employment initiatives to align with the national agenda. SHRA will be conducting a study to evaluate the social, spatial and economic impact of the Social Housing Programme. SHRA has aligned with the NDHS Empowerment Policy, with set construction spend employment targets.
9) Strengthening social housing institutions	<ul style="list-style-type: none"> Increasing the participation of SHIs in the sector will require a broad range of support instruments, including seed funding, low-interest capital, the transfer of land and buildings to SHIs, access to discounted land, technical expertise, and partnerships. There is a need to strengthen the role of established SHIs in the sector, as well as facilitate participation by new entrants. The focus needs to be on supporting SHIs to gain full accreditation. SHRA needs to leverage the skills and idle capacity of the construction sector for the benefit of small and medium-sized developers.

ENVIRONMENTAL FACTOR	KEY MESSAGES AND PLANNING CONSIDERATIONS
	<ul style="list-style-type: none"> Interventions per delivery agent to be implemented, managed, monitored, and evaluated with a more focused approach to improve performance.
10) The Importance of local and provincial government	<ul style="list-style-type: none"> Social housing opportunities require informed and capacitated municipalities that drive social housing through effective planning, policy, and budgeting. Strengthening the role and responsibilities of local government in social housing through educating, supporting, and monitoring municipalities will have a major impact on the performance of the sector and unlock massive opportunities. The SHRA seeks to ensure that all provincial housing departments have functional project steering committees in place, that meet regularly and perform their duties of growing the sector within their regions.

1.1.8. STAKEHOLDER ANALYSIS

The SHRA's stakeholder management plan segments stakeholders based on their influence and impact into (1) Policy Makers, (2) Policy Implementers, (3) Policy Beneficiaries, and (4) the Media.

An engagement strategy addressing the respective groupings has been developed and is overseen by the SHRA's Marketing and Communications division.

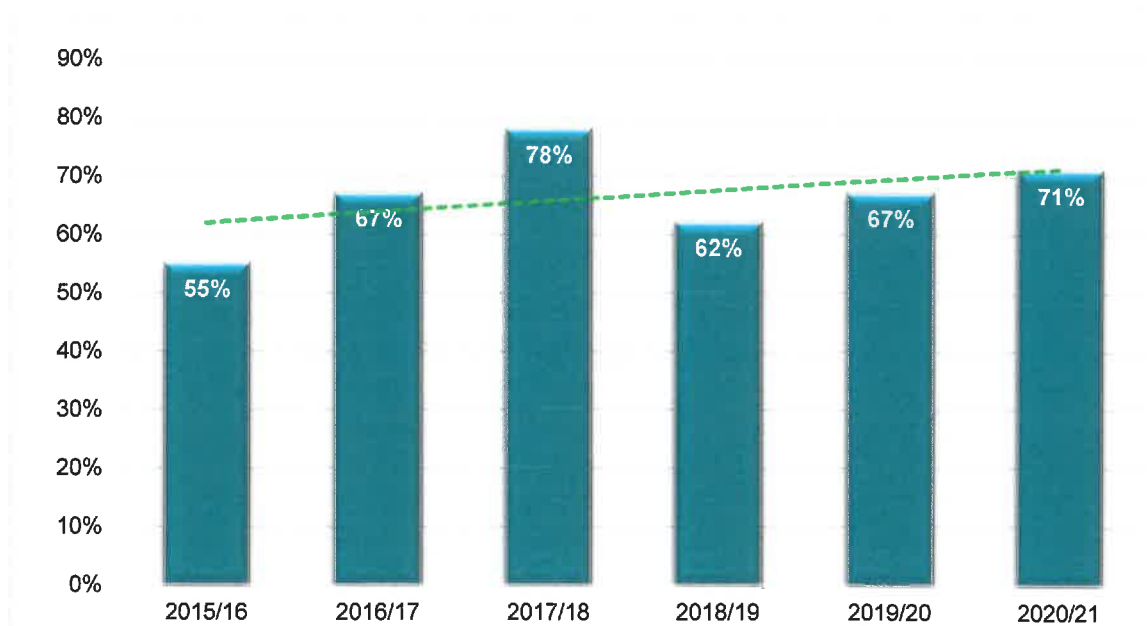
Policy Makers (Ministry, Portfolio Committee, National Treasury) <ul style="list-style-type: none"> The SHRA is driving thought leadership in the social housing sector. SHRA performance, achievements and how the delivery of social housing is impacting lives. 	Policy Implementers (Council, Staff, Human Settlements entities, Provinces, Municipalities, funders, sector bodies, research institutions) <ul style="list-style-type: none"> The SHRA is driving thought leadership in the social housing sector. How to partner (by being a developer or a funder) with the SHRA through communicating the SHRA's accreditation processes and what are the benefits. Consistent well-run project steering committees improve delivery of social housing in the provinces. SHRA achievements and how the delivery of social housing is impacting lives. 	Policy Beneficiaries (Tenants, potential tenants, communities, public) <ul style="list-style-type: none"> What is social housing, how does it work and how it benefits beneficiaries. How can social housing be accessed. Responsibilities of tenants and landlords and how to resolve issues. 	Media <ul style="list-style-type: none"> The SHRA is a thought leader in the social housing sector. The SHRA is a performing, well governed entity. How the Social Housing Programme impacts on people's lives and communities through its quality product. The SHRA is a transparent organisation.
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1.2. INTERNAL ENVIRONMENT ANALYSIS

1.2.1. OVERALL PERFORMANCE RATE

There has been a gradual improvement in the annual performance rate of the SHRA for the audited periods reflected below. In the last financial year, 2020/21, the SHRA achieved 17 of the 24 planned targets, with seven of the targets not achieved. The impact of the lockdown conditions of COVID-19 played a significant role in the organisation not achieving its social housing delivery targets, expenditure target, and sector performance target.

Figure 2: SHRA Annual Performance Rate 2015/16 to 2020/21 (Audited)



The SHRA achieved an unqualified audit with 2 material findings in the 2020/21 financial year. It is the intention that the SHRA would be able to improve the audit outcome and to obtain an unqualified audit with no material findings in the 2022/23 financial year.

1.2.2. ORGANISATIONAL CAPACITY AND EMPLOYMENT EQUITY CONSIDERATIONS

Vacancy rate

As at the end of the Q3 2021/22, the vacancy rate, excluding the temporary staff members, was at 28.57%, which translates into 16 vacant positions. This compares with the vacancy rate of 20.75% at the same time last financial year. However, due to several unfunded positions and the pending organisational design project, not all vacancies are being recruited for. Recruitment for 9 vacancies is currently underway.

Taking this into consideration, the vacancy rate for the focused recruitment is calculated from a base complement of 49, implying a vacancy rate of 18.37%.

VACANCY RATE				
Staff Complement	Approved Complement	Actual Staff	Number of Vacancies	Vacancy Rate
Approved	56	40	16	28.57%
Funded	49	40	9	18.37%

Employment equity

The employment equity breakdown of the permanent staff complement is reflected in the following table:

EMPLOYMENT EQUITY ANALYSIS				
	African	Coloured	Indian	White
Target	73,58%	7.55%	11.32%	7,55%
Actual	77.50%	5%	10%	7.50%

The current actual distributions in terms of race are closely aligned with the targets, although it is slightly skewed towards African employees. Although the SHRA is below target for the Coloured and Indian race groups and below target for males, the overall target of 92,45% is met at an achievement of 92,50% of staff being considered black.

OCCUPATIONAL LEVEL	MALE				FEMALE				FOREIGN NATIONALS		TOTAL	% BLACK	% WOMEN
	A	C	I	W	A	C	I	W	M	F			
Top management*												0%	0%
Senior management	1			1	1						3	67%	33%
Professional / Qualified and experienced specialists and mid-management	4		1		7		1	1			14	93%	64%
Skilled / Technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	4		0		9	2	2	1			18	100%	76%
Semi-skilled and discretionary decision-making	2				3						5	83%	67%

OCCUPATIONAL LEVEL	MALE				FEMALE				FOREIGN NATIONALS		TOTAL	% BLACK	% WOMEN
	A	C	I	W	A	C	I	W	M	F			
TOTAL PERMANENT	11	0	1	1	20	2	3	2	0	0	40	93%	67%
Temporary employees	1				1	1					3	100%	67%
GRAND TOTAL	12	0	1	1	21	3	3	2	0	0	43	92.5%	67%

**Top management relates to the CEO and Corporate Services Manager within the SHRA - both positions are currently vacant.*

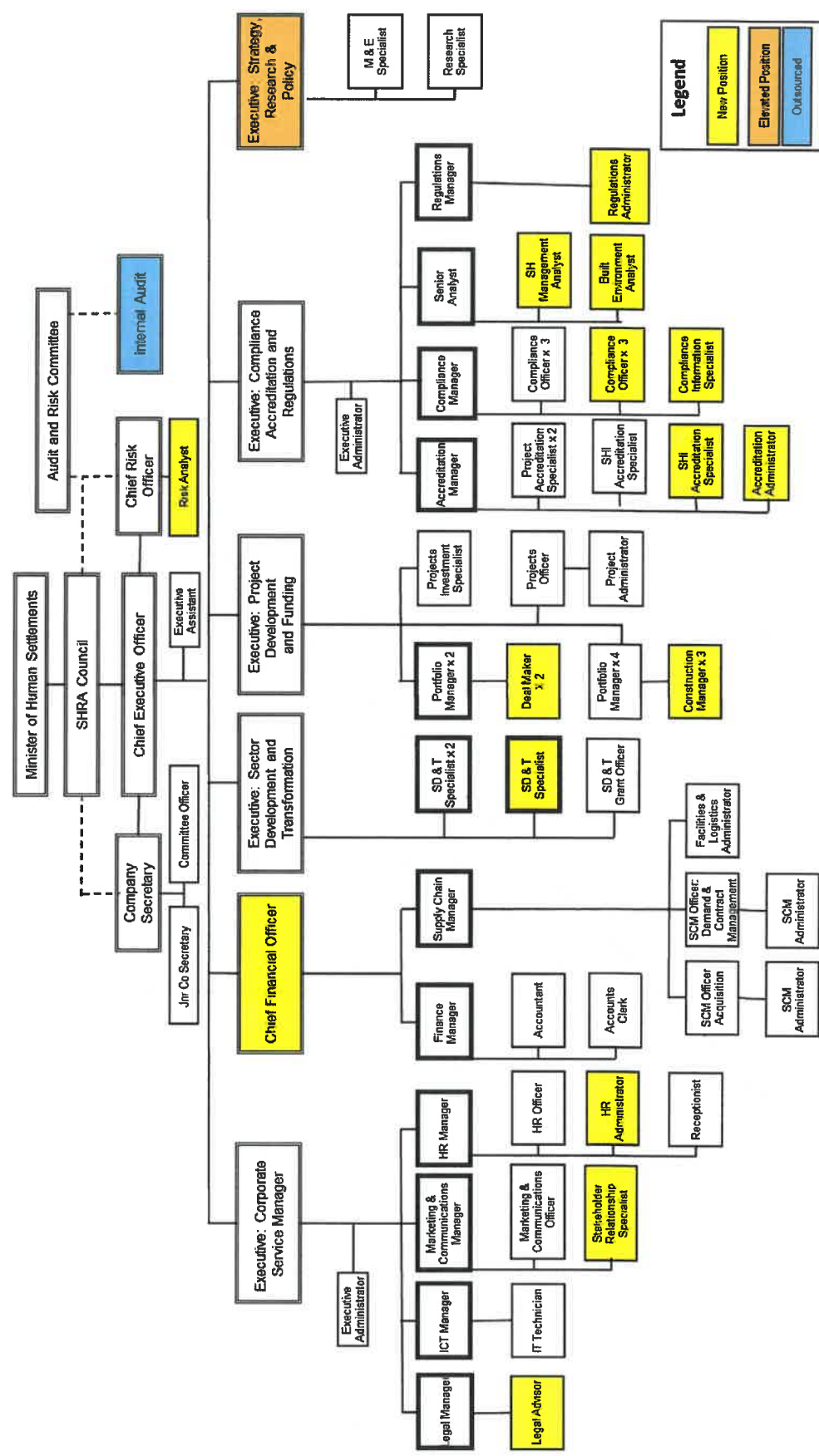
Organisational structure

The organisational design (OD) process is being undertaken to ensure the organisation is optimally capacitated given available resources to deliver more effectively on its strategy through the implementation of the CAR and PD&F operating frameworks. The OD process is further considering governance and legislative requirements and may require an amendment to the Social Housing Act to cater for the inclusion of a CFO position, separate from the current Corporate Services Manager role that currently includes the finance function.

In the interim, considering budget limitations, the SHRA executive team will continue to ensure the optimal deployment of internal capacity to strengthen key functions before adding additional capacity and incurring additional costs.

The figure below reflects SHRA's proposed new organisational structure, supported by the SHRA Council.

Figure 3: SHRA Revised organisational structure



1.2.3. SWOT ANALYSIS

In planning for the 2022/23 financial year, the following analysis summarises the Strengths, Weaknesses, Opportunities and Threats of the entity.

Strengths	Weaknesses
<ul style="list-style-type: none"> ▪ The Social Housing Programme is viewed as a priority that could have a meaningful impact. ▪ Track record in being able to deliver projects that are of a good quality ▪ Functional governance structures through the appointment of skilled members to form part of the SHRA Council ▪ Good relations with some sector stakeholders, such as NASHO and certain provinces through Provincial Steering Committees. ▪ A coordinated approach towards investment, regulation and sector development through internal policies and processes. ▪ Interest expressed from DFIs and private sector funders in the programme (<i>success lies in the accessing of debt and equity facilities</i>). ▪ Proven ability to spend the allocated capital grants. 	<ul style="list-style-type: none"> ▪ SHI accreditation processes and approach not yielding desired results – indicative of high barriers to entry. ▪ Inadequate leveraging of Public-Private Partnerships (PPPs). ▪ Limited public-owned land set aside for the benefit of social housing development. ▪ Resource constraints to carry the full mandate in terms of budget and personnel in critical business areas (Regulations, Investment, and sector Development). ▪ Organisational Structure is seen to be misaligned and not fit-for-purpose. ▪ Misalignment between supply and demand for the product due to lack of prioritisation and alignment with municipal plans. ▪ Core processes (accreditation, project applications and compliance monitoring) remain largely manual and/or paper based.

Opportunities
<ul style="list-style-type: none"> ▪ Entering into partnerships and co-financing arrangements with financing institutions within the public and private sector to enable sector growth and sustainability ▪ Explore Public-Private Partnerships as a means to enhance delivery ▪ A coordinated Social Facilitation approach for social housing and human settlements projects ▪ There is increased accountability and impact on job creation and retention activities in the medium to long term. Involvement in the Infrastructure Fund would directly contribute towards the country's economic recovery plan, stimulate job creation, and assist in bridging funding gaps

Opportunities

- Potential exists to substantially increase the number of jobs created (construction and operations) through upscaled delivery and sector sustainability.
- The significant market for rental accommodation in South Africa coupled with the large proportion of unregulated rental markets that include backyard rentals, as an example, there is immediate additional value and protection that could be afforded to landlords and tenants through regulation under SHRA
- Development of a multistakeholder, collaborative Rental Boycott Strategy to decisively deal with project invasions and rental boycotts.
- As a result of the adverse and disruptive impacts of the COVID-19 pandemic, there has been pressure to shift delivery strategies to stakeholder-centric and technology-driven strategies
- Existing research processes, institutional knowledge, and expertise, as well as the broader human settlements cluster, there is a likelihood that, a collaborative model to social housing delivery can in the medium to long term positively impact social housing outcomes
- Better collaboration among the human settlements' agencies – HDA, NHFC, and NHBRC.
- Implementation of the partnership agreement with the HDA to secure land parcels for Social Housing development
- Securing derelict buildings and public sector owned buildings for brownfield social housing developments targeted at inner-city and urban regeneration projects.
- Implementation of the case management system to automate processes
- Elevate the visibility and awareness of the Social Housing Programme to attract investor and developer interest, and support from donors, property owners, and beneficiaries.
- Promote the rollout of alternative building technologies, providing opportunities for lower costs and improved lead times.
- Support the gazetting of PSHDAs as restructuring zones in compliance with the Social Housing Act or amending the Act to allow for developments in PSHDAs that are not in restructuring zones.
- Build on the good relations established with sector stakeholders, such as NASHO and the provinces, as well as collaborations with international agencies.
- Leverage the redundant capacity of major developers and contractors to fast-track project implementation and to support sector transformation and capacity building.
- Recommend social housing policy and legislative reforms needed to address key restrictions and blockages
- Capacitating provinces and municipalities to develop and align their social housing programmes with that of the SHRA.
- Potential to supply student housing

Threats

- Politically driven environment, including the prevalence of illegal occupations and rental boycotts jeopardising government's investment.
- Limited understanding of SHRA's mandate, with demands for services that are not within the SHRA's ambit, in terms of law and policy.
- Mixed messages from officials on the purpose of the Social Housing Programme.
- Sustainability of the model in terms of charging affordable rentals in the light of increasing utilities, surcharges, and municipal rates.
- Projects not achieving financial closure, due to lack of debt / equity funding.
- Poor understanding of the programme features, impact, and limitations by stakeholders
- Increased unemployment brought on by the COVID-19 pandemic and a subdued economic outlook bringing affordability into question, as seen by increasing vacancy rates, declining collection rates, and increased defaults.
- Increasing levels of loan defaults and low maintenance reserves by SHIs due to underperforming projects, rental boycotts, operational inefficiencies, poor governance, and customer service,
- Failure to implement and enhance the existing Social Housing Policy
- Developments undertaken on the periphery of cities, away from quality transport and economic opportunities, thus defeating the purpose of the Social Housing Programme.
- Lack of project alignment with municipal plans – extensive delays in project implementation due to slow decision-making and non-approval of developer plans by local government
- Under-funding of the Social Housing Programme, limiting the potential impact that the programme may have on spatial transformation
- High rates of unemployment among the designated groups, particularly youth and women, and the lack of opportunity for their active participation in the Sector value chain.
- Delayed projects due to local government inefficiencies, such as planning approvals, funding constraints, and SHI skills and capacity limitations.
- Cyber security threats.
- Ongoing non-performance of social housing institutions in terms of the primary performance benchmarks, with less than half of reporting institutions achieving at least 3 of 5 benchmarks.
- Slow progress in transforming the Social Housing Sector across the value chain, particularly, at Board level of the property owners. Participation of women, youth, and people with disabilities in the Social Housing Programme remains low.
- The risk of fraud and corruption due to the high value of deals.
- Reputational threat, due to increased demand but the inability to deliver at the required pace.
- Shortage of supply in the gap market (those who aren't successful in bonded applications targeting social housing).

1.2.4. PRIORITIES FOR 2022/23 ARISING FROM THE ENVIRONMENTAL ANALYSIS

To upscale delivery, improve sector sustainability and drive the transformation agenda, the SHRA will prioritise the following interventions in the 2022/23 planning period

- 1) Develop a motivation / business case for addressing the shortfall on grant funding.
- 2) Prioritise the allocation of resources to unlock the 14 projects that are experiencing planning, local government approvals, and other implementation challenges.
- 3) Strengthen the SHRA's social facilitation processes to minimise the occurrence of community protests.
- 4) Develop a Rental Boycott Strategy and multistakeholder approach to deal with sectoral risks of project invasions and organised rental boycotts.
- 5) Reflect on options of deploying a Co-operatives Model in relation to Social Housing and to respond to emerging market segments, for example backyard rentals.
- 6) Support interventions per delivery agent to be implemented, managed, monitored, and evaluated with a more focused approach going forward.
- 7) Work with the NDHS to complete the policy review process and to ensure that critical reforms to upscale delivery and sector performance are included.
- 8) Implement the SHRA's Inclusive Growth Policy to support the transformation outcomes of the SHRA and the NDHS. At programme level, targets and thresholds will be set to support the Empowerment Policy of the Department.
- 9) Finalise and gain Council approval for the HDA implementation protocol. The HDA protocol is to include specific targets on land assembly / strategically located government-owned land for development, as well as steps to drive transformation.
- 10) Implement the priority actions of the 2022/23 Gender Mainstreaming Plan.
- 11) Gain approval and implement the proposal on transformation initiatives for youth unemployment – this will cover enterprise development, training and development, and a youth graduate internship programme.
- 12) Support the ERRP by optimising job opportunities provided to the youth, women, and people with disabilities through project implementation.

In support of the above core delivery interventions, the internal environment will be strengthened through the following interventions:

- 1) Achievement of an unqualified audit outcome with no material matters.
- 2) Conclusion of the organisational design process, aimed at optimising efficiencies, capacity and capabilities, and to address human capital gaps within the SHRA.
- 3) Finalise the ICT Strategy and implementation of recommendations, prioritising the implementation of automation / digital processes to improve efficiencies and decision-making.
- 4) Establish a change management / ethical leadership programme across the organisation.
- 5) Strengthen SHRA performance management system and processes.
- 6) Strengthen the fraud and corruption awareness drive (internal and external).
- 7) Implement the Council approved Stakeholder Management and Communications Strategy. Ensure that strategic communication is at the centre of all business processes.

PART C: MEASURING OUR PERFORMANCE

The SHRA Impact and Outcomes reflected in the 2020-25 Strategic Plan are unpacked into the Annual Performance Plan for 2022/23, in the sections below.

1. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

The SHRA is constituted by the following programmes and aligned subprogrammes:

PROGRAMME N ^o .	PROGRAMME NAME	CORE FUNCTIONS
Programme 1	Administration - Corporate Services	<ul style="list-style-type: none"> Finance and Supply Chain Management Legal Human Resource Management Information Technology and Information Management
	Administration - Office of the CEO	<ul style="list-style-type: none"> Strategic Planning, Policy and Research Public Relations, Stakeholder Management, and Marketing and Communications Company Secretariat Risk Management and Audit
Programme 2	Compliance, Accreditation and Regulation	<ul style="list-style-type: none"> Regulation of social housing Accreditation of SHIs Project and compliance monitoring
Programme 3	Sector Development	<ul style="list-style-type: none"> Promote the growth and development of the Social Housing Sector Promote the growth and development of SHIs and ODAs Coordination and management of institutional investment grants Sector transformation and empowerment

PROGRAMME N ^o .	PROGRAMME NAME	CORE FUNCTIONS
Programme 4	Project Development and Funding	<ul style="list-style-type: none"> ▪ Project packaging and facilitation ▪ Capital grant contract management and administration (project implementation management) ▪ Building and maintaining partnerships, with provinces and municipalities, government departments, funding agencies, and the private sector

1.1. PROGRAMME 1: ADMINISTRATION

1.1.1. PROGRAMME 1: PURPOSE

The purpose of Programme 1: Administration is:

“To provide enterprise-wide needed support services based on specialised knowledge, best practices, and technology to serve internal and external business interests.”

The Programme comprises two subprogrammes.

- 1) Subprogramme 1A: Corporate Services, and
- 2) Subprogramme 1B: Office of the CEO.

1.1.2. PROGRAMME 1: OUTCOMES, OUTPUTS, OUTPUT INDICATORS AND TARGETS

In supporting the SHRA's impact statement, which is:

A transformed, compliant, and sustainable Social Housing Sector, comprising integrated, quality and affordable social housing,

the Administration Programme delivers against the following Outcomes reflected in the 2020-2025 Strategic Plan:

Outcome 1: Functional, efficient, and integrated government.

Outcome 6: A transformed Social Housing Sector value chain.

The 2022/23 Output-Level Performance Plan for Programme 1 is reflected in the log frame tables below:

Programme 1: Administration – Outcomes, Outcome Indicators and Annual Targets*

OUTCOME	OUTCOME INDICATOR	AUDITED ACTUAL PERFORMANCE			ESTIMATED	MEDIUM-TERM TARGETS		
		2018/19	2019/20	2020/21		2022/23	2023/24	2024/25
Outcome 1: Functional, efficient, and integrated government	Outcome indicator 1.1. External audit outcome	Unqualified audit opinion with material findings	Unqualified audit opinion with material findings	Unqualified audit opinion with material findings	Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings

*Department of Human Settlements requirement to reflect the external audit outcome indicator in the Annual Performance Plan

Programme 1: Administration – Outcomes, Outputs, Output Indicators and Targets

OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2018/19	2019/20	2020/21		2022/23	2023/24	2024/25
Outcome 1: Functional, efficient, and integrated government	1.1. Internal audit services	1.1.1. Percentage implementation of the Internal Audit Plan	-	New indicator	100% implementation of the Internal Audit Plan	100% implementation of the Internal Audit Plan	100% implementation of the Internal Audit Plan	100% implementation of the Internal Audit Plan	100% implementation of the Internal Audit Plan
	1.2. Anti-fraud and corruption	1.2.1. Percentage implementation of the Fraud Prevention Plan	-	New indicator	100% implementation of the Fraud Prevention Plan	100% implementation of the Fraud Prevention Plan	100% implementation of the Fraud Prevention Plan	100% implementation of the Fraud Prevention Plan	100% implementation of the Fraud Prevention Plan
	1.3. Risk management	1.3.1. Percentage implementation of the Risk Management Plan	-	New indicator	100% implementation of the Risk Management Plan	100% implementation of the Risk Management Plan	100% implementation of the Risk Management Plan	100% implementation of the Risk Management Plan	100% implementation of the Risk Management Plan
	1.4. Mitigating the sectoral risk of rental boycott's	1.4.1. Development of a Rental Boycott Strategy	-	-	-	New indicator	Final Rental Boycott Strategy approved	Implementation of the Rental Boycott Strategy	Implementation of the Rental Boycott Strategy

SHRA: 2022/23 Annual Performance Plan

OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2018/19	2019/20	2020/21		2022/23	2023/24	2024/25
Outcome 6: A transformed Social Housing Sector value chain	6.1. Preferential procurement	6.1.1. Percentage of SHRA procurement spend on businesses majority-owned by women	-	-	-	New indicator	40% of SHRA procurement spend on businesses majority-owned by women	40% of SHRA procurement spend on businesses majority-owned by women	40% of SHRA procurement spend on businesses majority-owned by women
		6.1.2. Percentage of SHRA procurement spend on businesses majority-owned by youth	-	-	-	New indicator	20% of SHRA procurement spend on businesses majority-owned by youth	20% of SHRA procurement spend on businesses majority-owned by youth	20% of SHRA procurement spend on businesses majority-owned by youth
		6.1.3. Percentage of SHRA procurement spend on businesses majority-owned by people with disabilities	-	-	-	New indicator	5% of SHRA procurement spend on businesses majority-owned by people with disabilities	5% of SHRA procurement spend on businesses majority-owned by people with disabilities	5% of SHRA procurement spend on businesses majority-owned by people with disabilities

Programme 1: Administration – Outcome Indicators, Annual and Quarterly Targets*

OUTCOME INDICATORS	2022/23 ANNUAL TARGET	QUARTERLY TARGETS			
		Q1 Apr - Jun 2022	Q2 Jul - Sep 2022	Q3 Oct - Dec 2022	Q4 Jan - Mar 2023
Outcome Indicator 1.1. External audit outcome	Unqualified audit opinion with no material findings	No target	Unqualified audit opinion with no material findings	No target	No target

*Department of Human Settlements requirement to reflect the external audit outcome indicator in the Annual Performance Plan

Programme 1: Administration – Output Indicators, Annual and Quarterly Targets

OUTPUT INDICATORS	2022/23 ANNUAL TARGET	QUARTERLY TARGETS			
		Q1 Apr - Jun 2022	Q2 Jul - Sep 2022	Q3 Oct - Dec 2022	Q4 Jan - Mar 2023
1.1.1. Percentage implementation of the Internal Audit Plan	100% implementation of the Internal Audit Plan	25% implementation of the Internal Audit Plan	50% implementation of the Internal Audit Plan	75% implementation of the Internal Audit Plan	100% implementation of the Internal Audit Plan
1.2.1. Percentage implementation of the Fraud Prevention Plan	100% implementation of the Fraud Prevention Plan	100% implementation of the Fraud Prevention Plan	100% implementation of the Fraud Prevention Plan	100% implementation of the Fraud Prevention Plan	100% implementation of the Fraud Prevention Plan
1.3.1. Percentage implementation of the Risk Management Plan	100% implementation of the Risk Management Plan	10% implementation of the Risk Management Plan	30% implementation of the Risk Management Plan	70% implementation of the Risk Management Plan	100% implementation of the Risk Management Plan
1.5.1. Development of a Rental Boycott Strategy	Final Rental Boycott Strategy approved	Draft Rental Boycott Strategy developed	Consultation on draft Rental Boycott Strategy	Final Rental Boycott Strategy developed	Final Rental Boycott Strategy approved
6.1.1. Percentage of SHRA procurement spend on businesses majority-owned by women	40% of SHRA procurement spend on businesses majority-owned by women	40% of SHRA procurement spend on businesses majority-owned by women	40% of SHRA procurement spend on businesses majority-owned by women	40% of SHRA procurement spend on businesses majority-owned by women	40% of SHRA procurement spend on businesses majority-owned by women
6.1.2. Percentage of SHRA procurement spend on businesses majority-owned by youth	20% of SHRA procurement spend on businesses majority-owned by youth	20% of SHRA procurement spend on businesses majority-owned by youth	20% of SHRA procurement spend on businesses majority-owned by youth	20% of SHRA procurement spend on businesses majority-owned by youth	20% of SHRA procurement spend on businesses majority-owned by youth
6.1.3. Percentage of SHRA procurement spend on businesses majority-owned by people with disabilities	5% of SHRA procurement spend on businesses majority-owned by people with disabilities	5% of SHRA procurement spend on businesses majority-owned by people with disabilities	5% of SHRA procurement spend on businesses majority-owned by people with disabilities	5% of SHRA procurement spend on businesses majority-owned by people with disabilities	5% of SHRA procurement spend on businesses majority-owned by people with disabilities

1.1.3. PROGRAMME 1: EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

The outputs of the programme contribute to MTSF Priority 1 – A capable, ethical, and developmental state. The primary focus of the Administration Programme over the medium-term will be to lead and support the achievement of the Outcome of the Department of Human Settlements of being a functional, efficient, and integration government, as well as contributing to the outcome of transforming the Social Housing Sector.

Planned performance over the medium term includes:

- 1) Organisation design: Conduct an organisational design to optimise efficiency and capacity and address gaps within the SHRA:
 - a) Complete the review of job profiles and conduct grading.
 - b) Conduct skills gap audit in terms of the revised organogram.
 - c) Achieve salary parity at senior management levels.
 - d) Fast-track the appointment of critical positions in PD&F, CAR, and ICT.
 - e) Establish a change management / ethical leadership programme across the organisation.
 - f) Strengthen SHRA performance management system and processes.
- 2) Governance and risk management: Implement audit and risk management plans to support the attainment and maintenance of an unqualified audit outcome with no material findings:
 - a) Develop and oversee the implementation of the external audit findings action plan.
 - b) In conjunction with Internal Audit, develop and oversee implementation of the Internal Audit Plan.
 - c) Develop and oversee the implementation of the annual Risk Management Plan.
 - d) Strengthen fraud and corruption awareness drive (internal and external).
- 3) Systems automation: Implement an enterprise-wide automated ICT system:
 - a) Finalise the ICT Strategy and manage implementation.

- b) Oversee the change management of the MySHRA system implementation. Ensure the system is enhanced to meet user needs.
- 4) Contracts management: Strengthen / improve enterprise-wide contract formulation and management:
 - a) Review and revise standard operating procedures that address identified shortfalls in contract management.
 - b) Monitor and report on improvements in the management of contracts, particularly CCG contract management.
- 5) Stakeholder relations and partnership management: Implement the Council-approved five-year Stakeholder Management and Communications Strategy through the annually approved implementation plan:
 - a) Embed communications in all processes of the SHRA.
 - b) Conduct the biennial stakeholder perception survey.
- 6) Strategy, research, and policy: Drive the policy review process and implement the SHRA's Research Plan:
 - a) Participate and assist with in the legislative and policy reform processes with the NDHS.
 - b) Review the Research Plan to incorporate best practices approaches to funding / delivery, opportunities or constraints of the Co-operatives Model and conduct an evaluation study on the impact of the SHRA's work.
 - c) Coordinate the development and gain support for integrated, multistakeholder organised Rental Boycott Strategy.
 - d) Refine demand estimates for social housing following release of the Census 2022 data.
- 7) Transformation: Continue to implement the administration transformation initiatives, with a focus on priorities relating to women, youth, and people with disabilities:
 - a) Ensure preferential procurement targets are achieved and exceeded (40% women, 20% youth and 5% people with disabilities) – ensure supporting evidence validates the reported performance.
 - b) Implement strategic sourcing and enforce subcontracting, where applicable. To benchmark good practices and to leverage existing pools of skills through various institutions, including the NHBRC, youth brigade.

- c) Implementation of internship programmes – target 4 placements in the areas of legal, project packaging administration and project applications, project accreditation, sector development and transformation (in finance).
- d) Conduct stakeholder engagements with designated groups, especially women and the youth, to inform and promote service provision opportunities of the SHRA that they may bid on.
- e) Approval and implementation of the proposal on transformation initiatives for youth unemployment – this will cover enterprise development, training and development, and a youth graduate internship programme.

1.1.4. PROGRAMME 1: RESOURCE CONSIDERATIONS

PROGRAMME 1: ADMINISTRATION	AUDITED			Estimated Expenditure	MTEF EXPENDITURE ESTIMATES		
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Economic classification:							
Compensation of employees:	19 180	22 244	22 721	21 180	19 838	20 765	20 765
Goods and services:	30 136	36 866	13 547	18 902	26 412	26 180	35 962
Total expenses:	49 316	59 110	36 268	40 082	46 250	46 945	56 727

1.2. PROGRAMME 2: COMPLIANCE, ACCREDITATION AND REGULATION

1.2.1. PROGRAMME 2: PURPOSE

The purpose of Programme 2: Compliance, Accreditation and Regulation is to accredit SHIs and projects and ensure compliance of the sector for the purpose of attracting private investment and to ensure sustainability of the Social Housing Programme. It is responsible for the regulation of social housing, accreditation of SHIs, and project and compliance monitoring.

The Programme comprises three subprogrammes:

- 1) Regulation of social housing.
- 2) Accreditation of SHIs.
- 3) Project and compliance monitoring.

1.2.2. PROGRAMME 2: OUTCOMES, OUTPUTS, OUTPUT INDICATORS AND TARGETS

In supporting the SHRA's impact statement, which is:

A transformed, compliant, and sustainable Social Housing Sector, comprising integrated, quality and affordable social housing,

the Compliance, Accreditation and Regulation (CAR) Programme delivers against the following Outcomes reflected in the 2020-2025 Strategic Plan:

Outcome 5: An effectively regulated and sustainable Social Housing Sector

Outcome 6: A transformed Social Housing Sector value chain

The 2022/23 Output-Level Performance Plan for Programme 2 is reflected in the log frame tables below:

Programme 2: Compliance, Accreditation and Regulation – Outcomes, Outputs, Output Indicators and Targets

OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2018/19	2019/20	2020/21		2022/23	2023/24	2024/25
Outcome 5: An effectively regulated and sustainable Social Housing Sector	5.1. Performance monitoring of delivery agents	5.1.1. Percentage of reporting delivery agents achieving a minimum of 3 performance benchmarks	New indicator	61.5% (16/28) of reporting SHIs and ODAs meeting 3 or more out of 5 of the primary performance benchmarks	50% (15/30) of reporting SHIs and ODAs meeting 3 or more out of 5 of the primary performance benchmarks	61% of reporting SHIs and ODAs meeting 3 or more performance benchmarks (Indicator reframed)	65% of reporting delivery agents achieving a minimum of 3 performance benchmarks	70% of reporting delivery agents achieving a minimum of 3 performance benchmarks	80% of reporting delivery agents achieving a minimum of 3 performance benchmarks
	5.2. Accreditation of SHIs	5.2.1. Number of conditionally accredited SHIs with projects registered on the pipeline	-	-	New indicator	5 conditionally accredited SHIs with projects registered on the pipeline	5 conditionally accredited SHIs with projects registered on the pipeline	5 conditionally accredited SHIs with projects registered on the pipeline	5 conditionally accredited SHIs with projects registered on the pipeline
	5.3. Tenancy compliance and satisfaction monitoring	5.3.1. Number of subsidised housing units' tenancy audits conducted	New indicator	3 406 subsidised housing units' tenancy audits conducted	1 867 subsidised housing units' tenancy audits conducted	3 300 subsidised housing units' tenancy audits conducted	3 500 subsidised housing units' tenancy audits conducted	3 750 subsidised housing units' tenancy audits conducted	4 000 subsidised housing units' tenancy audits conducted
	5.4. Safety and security of tenants	5.4.1. Number of subsidised housing projects' safety and security audits conducted	-	-	New indicator	15 subsidised housing projects' safety and security audits conducted	30 subsidised housing projects' safety and security audits conducted	40 subsidised housing projects' safety and security audits conducted	40 subsidised housing projects' safety and security audits conducted
	6.2. Preferential accreditation of capital grant applicants	6.2.1. Percentage of new project accreditation applicants that are majority controlled by the designated groups	-	-	New indicator	40% of new project accreditation applicants that are majority owned or	40% of new project accreditation applicants that are majority controlled by the	40% of new project accreditation applicants that are majority controlled by the	40% of new project accreditation applicants that are majority controlled by the
Outcome 6: A transformed Social Housing Sector value chain									

SHRA: 2022/23 Annual Performance Plan

OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE		ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS			
			2018/19	2019/20		2020/21	2021/22	2022/23	2023/24
						controlled by the designated groups	designated groups	designated groups	designated groups

Programme 2: Compliance, Accreditation and Regulation – Output Indicators, Annual and Quarterly Targets

OUTPUT INDICATORS	2022/23 ANNUAL TARGET	QUARTERLY TARGETS			
		Q1 Apr - Jun 2022	Q2 Jul - Sep 2022	Q3 Oct - Dec 2022	Q4 Jan - Mar 2023
5.1.1. Percentage of reporting delivery agents achieving a minimum of 3 performance benchmarks	65% of reporting delivery agents achieving a minimum of 3 performance benchmarks	50% of reporting delivery agents achieving a minimum of 3 performance benchmarks	55% of reporting delivery agents achieving a minimum of 3 performance benchmarks	60% of reporting delivery agents achieving a minimum of 3 performance benchmarks	65% of reporting delivery agents achieving a minimum of 3 performance benchmarks
5.2.1. Number of conditionally accredited SHIs with projects registered on the pipeline	5 conditionally accredited SHIs with projects registered on the pipeline	No target	1 conditionally accredited SHIs with projects registered on the pipeline	3 conditionally accredited SHIs with projects registered on the pipeline	5 conditionally accredited SHIs with projects registered on the pipeline
5.3.1. Number of subsidised housing units' tenancy audits conducted	3 500 subsidised housing units' tenancy audits conducted	800 subsidised housing units' tenancy audits conducted	1 700 subsidised housing units' tenancy audits conducted	2 600 subsidised housing units' tenancy audits conducted	3 500 subsidised housing units' tenancy audits conducted
5.4.1. Number of subsidised housing projects' safety and security audits conducted	30 subsidised housing projects' safety and security audits conducted	No target	10 subsidised housing projects' safety and security audits conducted	20 subsidised housing projects' safety and security audits conducted	30 subsidised housing projects' safety and security audits conducted
6.2.1. Percentage of new project accreditation applicants that are majority controlled by the designated groups	40% of new project accreditation applicants that are majority controlled by the designated groups	40% of new project accreditation applicants that are majority controlled by the designated groups	40% of new project accreditation applicants that are majority controlled by the designated groups	40% of new project accreditation applicants that are majority controlled by the designated groups	40% of new project accreditation applicants that are majority controlled by the designated groups

1.2.3. PROGRAMME 2: EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

Programme 2 performance is directed at achieving the outcomes of the five-year strategic plan and delivering the outputs of the APP that relate to the REGULATE pillar of the SHRA mandate. It is a core pillar of the SHRA mandate – and face of the SHRA – that is growing in importance as the portfolio of units under regulation grows. The Programme also contributes to the TRANSFORM pillar of the SHRA mandate.

The primary focus of the programme over the medium term is to strengthen accreditation, compliance, and regulatory functions to achieve the intended impact of a transformed, compliant, and sustainable Social Housing Sector.

Planned performance over the medium term includes:

- 1) Implementation of the revised CAR Operational Framework (with realigned performance benchmarks) through an automated system.
- 2) Ensure there is proper alignment between the structure and functions of the CAR unit by implementing the revised CAR unit organisational structure reflected in the approved CAR Operational Framework. The structure caters for strengthening the regulation management, business analysis, compliance, and administrative functions within the unit.
- 3) Ongoing engagement with, and training, and support for accreditation applicants, including those that fail.
- 4) Coordinate and oversee the processes related to Social Housing Landlords (SHLs) undertaking and submitting reports on annual tenant surveys using the online tool developed by the SHRA.
- 5) Undertake a capacitation programme to train SHLs to conduct their own building condition audits (BCAs), commencing in the 2022/23 financial year with 18 reporting institutions. SHRA will provide oversight and quality assurance.
- 6) Ensure that all reporting SHLs develop and submit their long-term maintenance plans, with annual aligned and costed maintenance plans with related budgets for review by SHRA.
- 7) Provide support to SHLs in terms of all of the above. Where non-compliance has taken place, develop intervention plans, and implement timeously. Ensure rigorous follow ups and, where necessary, enforce compliance in terms of legislation and policy.
- 8) The SHRA will report on dispute cases being dealt with in conjunction with the rental tribunals.

- 9) In support of the SHRA's gender mainstreaming strategy, safety, and security audits will be conducted at 30 subsidised housing projects in the 2021/22 financial year.
- 10) Enhance the visibility and awareness of the SHRA, at household / tenant level – provide support and proactively oversee and assess the fairness of evictions. Support the development of a policy in this regard.
- 11) Provide tenant education during the tenancy stage of implementing social housing projects.
- 12) Support the development of a Rental Boycott Strategy aimed at dealing with sectoral risks of project invasions and organised rental boycotts.
- 13) The SHRA has targeted to increase the number of fully accredited SHIs by 2 in the 2022/23 financial year, and to ensure that at least 5 conditionally accredited SHIs have projects registered on the pipeline by the end of the financial year.
 - a) This requires a combination of CAR 'handholding' activities, focused on quick wins, and the provision of formalised institutional support by SD&T. SD&T will receive an annual intervention plan in the first quarter of the financial year.
- 14) Tenant satisfaction surveys – learnings from the pilot survey conducted in the 2021/22 financial year, which had a low response rate, will be considered in reviewing the 2022/23 survey questions and approach, together with placing the responsibility on the SHI to implement the survey. The SHRA will provide the necessary technical support, quality assurance and analysis.
- 15) CAR Unit Transformation Plan:
 - a) Focus on ensuring that all new capital grant applicants entering the project pipeline are black majority owned (ODAs) or controlled (SHIs) and from the designated groups, striving for a disaggregation of 40% women, 20% youth and 5% people with disabilities.
 - b) A reporting tool is being developed to collate data on employment by reporting delivery agents (disaggregated to the designated groups). The data will be analysed and inform approaches and decisions for increasing employment in the Sector and ensuring that the institutions are compliant with the requirements of the Employment Equity Act.

1.2.4. PROGRAMME 2: RESOURCE CONSIDERATIONS

PROGRAMME 2: CAR	AUDITED	ESTIMATED EXPENDITURE	MTEF EXPENDITURE ESTIMATES
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	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Economic classification:							
Compensation of employees:	5 431	7 200	9 710	9 703	6 497	7 430	7 430
Goods and services:	10 782	6 278	11 141	9 400	9 032	6 500	6 792
Total expenses:	16 213	13 478	20 851	19 103	15 529	13 930	14 222

1.3. PROGRAMME 3: SECTOR DEVELOPMENT AND TRANSFORMATION

1.3.1. PROGRAMME 3: PURPOSE

The purpose of Programme 3: Sector Development and Transformation is to support the growth and development of the Social Housing Sector and to administer the Institutional Investment Grant (IIG). It is responsible for the growth and development of Social Housing Institutions (SHIs) and Other Delivery Agents (ODAs), transformation and empowerment of the Social Housing Sector, assessment of applications for IIGs, and the coordination and management thereof.

1.3.2. PROGRAMME 3: OUTCOMES, OUTPUTS, OUTPUT INDICATORS AND TARGETS

In supporting the SHRA's impact statement, which is:

A transformed, compliant, and sustainable Social Housing Sector, comprising integrated, quality and affordable social housing,

the Sector Development Programme delivers against the following Outcomes reflected in the 2020-2025 Strategic Plan:

Outcome 3: Enhanced performance of delivery agents and projects.

Outcome 4: Increased capacity of municipalities and provinces to deliver social housing.

Outcome 6: A transformed Social Housing Sector value chain.

The 2022/23 Output-Level Performance Plan for Programme 3 is reflected in the log frame tables below:

Programme 3: Sector Development – Outcomes, Outputs, Output Indicators and Targets

OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2018/19	2019/20	2020/21		2022/23	2023/24	2024/25
Outcome 3: Enhanced performance of delivery agents and projects	3.1. Institutional Investment Grant (IIG) Programme	3.1.1. Percentage achievement of the SHI Intervention Plan	80% of identified SHIs that received an IIG, of which the intervention is completed within the current financial year, at minimum, maintained their level of accreditation	100% (2/2) of identified SHIs that received an IIG, of which the intervention is completed within the current financial year, at minimum, maintained their level of accreditation	75% of identified SHIs that received an IIG, of which the intervention is completed within the current financial year, at minimum, maintained their level of accreditation	75% achievement of the SHI Intervention Plan	75% achievement of the SHI Intervention Plan	80% achievement of the SHI Intervention Plan	85% achievement of the SHI Intervention Plan
		3.1.2. Percentage achievement of the Social Housing Projects' Intervention Plan	75% of identified projects that received an IIG, of which the work is completed within the current financial year, are recommended for capital grant award	100% (4/4) of identified projects that received an IIG, of which the work is completed within the current financial year, are recommended for capital grant award	75% of identified projects that received an IIG, of which the work is completed within the current financial year, are recommended by for capital grant award	75% achievement of the Social Housing Projects' Intervention Plan	75% achievement of the Social Housing Projects' Intervention Plan	80% achievement of the Social Housing Projects' Intervention Plan	85% achievement of the Social Housing Projects' Intervention Plan
Outcome 4: Increased capacity of municipalities and provinces to	4.1. Municipal support programme	4.1.1. Number of projects within municipalities receiving support that are approved	-	-	New indicator	2 projects within municipalities receiving support that are approved	3 projects within municipalities receiving support that are approved	4 projects within municipalities receiving support that are approved	4 projects within municipalities receiving support that are approved

SHRA: 2022/23 Annual Performance Plan

OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE				ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2018/19	2019/20	2020/21	2021/22		2022/23	2023/24	2024/25
deliver social housing										
Outcome 6: A transformed Social Housing Sector value chain	6.3. Youth internship programme	6.3.1. Number of youth graduates placed within the Social Housing Sector	-	-	-	New Indicator		10 youth graduates placed within the Social Housing Sector	10 youth graduates placed within the Social Housing Sector	12 youth graduates placed within the Social Housing Sector
	6.4. Preferential spend of the Institutional Investment Grant (IIG)	6.4.1. Percentage of Institutional Investment Grant (IIG) recipients that are from the designated groups	-	-	New Indicator	40% of Institutional Investment Grant (IIG) recipients that are from the designated groups		40% of Institutional Investment Grant (IIG) recipients that are from the designated groups	40% of Institutional Investment Grant (IIG) recipients that are from the designated groups	40% of Institutional Investment Grant (IIG) recipients that are from the designated groups

Programme 3: Sector Development – Output Indicators, Annual and Quarterly Targets

OUTPUT INDICATORS	2022/23 ANNUAL TARGET	QUARTERLY TARGETS			
		Q1 Apr - Jun 2022	Q2 Jul - Sep 2022	Q3 Oct - Dec 2022	Q4 Jan - Mar 2023
3.1.1. Percentage achievement of the SHI Intervention Plan	75% achievement of the SHI Intervention Plan	No target	No target	No target	75% achievement of the SHI Intervention Plan
3.1.2. Percentage achievement of the Social Housing Projects' Intervention Plan	75% achievement of the Social Housing Projects' Intervention Plan	No target	No target	No target	75% achievement of the Social Housing Projects' Intervention Plan
4.1.1. Number of projects within municipalities receiving support that are approved	3 projects within municipalities receiving support that are approved	No target	No target	No target	3 projects within municipalities receiving support that are approved

SHRA: 2022/23 Annual Performance Plan

OUTPUT INDICATORS	2022/23 ANNUAL TARGET	QUARTERLY TARGETS			
		Q1 Apr - Jun 2022	Q2 Jul - Sep 2022	Q3 Oct - Dec 2022	Q4 Jan - Mar 2023
6.3.1. Number of youth graduates placed within the Social Housing Sector	10 youth graduates placed within the Social Housing Sector	No target	3 youth graduates placed within the Sector	7 youth graduates placed within the Sector	10 youth graduates placed within the Sector
6.4.1. Percentage of Institutional Investment Grant (IIG) recipients that are from the designated groups	40% of Institutional Investment Grant (IIG) recipients that are from the designated groups	40% of Institutional Investment Grant (IIG) recipients that are from the designated groups	40% of Institutional Investment Grant (IIG) recipients that are from the designated groups	40% of Institutional Investment Grant (IIG) recipients that are from the designated groups	40% of Institutional Investment Grant (IIG) recipients that are from the designated groups

1.3.3. PROGRAMME 3: EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

Programme 3 performance is directed at achieving the outcomes of the five-year strategic plan and delivering the outputs of the Annual Performance Plan that relate to the ENABLE pillar of the SHRA mandate. It is a pivotal pillar as it supports the regulate and invest pillars through targeted interventions that enable sector participants, including SHIs, ODAs, municipalities, and provincial departments to fulfil their roles effectively and make a meaningful contribution to growing a sustainable sector.

The Programme also contributes to the TRANSFORM pillar at an outcome level in working with Property Sector Charter Council to finalise and gain acceptance by grant recipients of the Charter and codes that will drive Social Housing Sector transformation, and at an output level through the targeted deployment of the IIG.

Planned performance over the medium term includes:

- 1) Implementation of the incubation programme (in partnership with NASHO) that provides business development support to new SHIs until they have completed their first social housing project, and achieved business sustainability:
 - a) The focus for 2022/23 is on graduating at least 2 incubation participants from having projects in the pipeline to having projects approved, measured in the operational plan.
 - b) At least 45% of incubation project participants will be from the designated groupings of women, youth and people with disabilities.
- 2) Effective deployment of the IIG to maintain and increase accreditation levels of SHIs and to increase the number of projects that meet the criteria for being approved. This will include more proactive interventions through early warning systems in collaboration with the CAR and PD&F programmes:
 - a) The early warning system will be activated through the provision of annual intervention plans to SD&T by CAR and PD&F at the beginning of the financial year.
- 3) Establish a panel of accredited, capable, and transformed service providers to support the timeous implementation of institutional / project support interventions. The panel is to comprise a combination of new and established service providers.
- 4) Partnerships and a mentorship programme will be put in place to ensure the new entrants are developed and provided with opportunities to grow within incubation.

- 5) Continue to develop and implement a Municipal Support Programme to capacitate municipalities to run effective local social housing programmes, including to have approved land agreements in place and ultimately approved projects. The target for 2022/23 is for 3 municipalities in the Municipal Support Programme to have projects approved for CCG.
- 6) Deliver tailor-made training sessions in response to the specific needs for development and capacitation of provincial departments and other stakeholders. This would include the development and rollout of an online training product.
- 7) Work with marketing and communications to strengthen communication and to raise awareness, knowledge and understanding of the Social Housing Programme, with the aim to stimulate increased participation.
- 8) Social Housing Sector Transformation:
 - a) Coordinate the implementation of the Inclusive Growth Policy. The purpose of inclusive growth goes beyond opportunities related to skills, goods, and services but must also address land availability and access to funding and finance as enabling mechanisms to achieve the appropriate growth of the Social Housing Sector and throughout the value chain.
 - b) Finalise the social housing transformation scorecard, rollout, and establish the baseline for the barometer – monitor and assess.
 - c) Package, communicate, and publish the success stories from the Incubation Programme. Profile these as examples of the broader underlying management data on transformation.
 - d) Implementation of the proposal on transformation initiatives for youth unemployment – this will cover enterprise development, training and development, and a youth graduate internship programme.
 - e) Implement the priority actions of the 2022/23 Gender Mainstreaming Plan.
- 9) Taking awareness campaigns one step further through training for service providers:
 - a) Two panels to be procured where experienced service providers and new service providers are appointed on panels with formalised mentoring and training attached to the panel appointments.
- 10) Accreditation of service providers to be developed and implemented with compulsory training on social housing as a prerequisite to accreditation as a social housing service provider.
- 11) SD&T unit Transformation Plan:

- a) Implementation of the youth graduate programme by placing at least 10 youth graduates in the SHRA and within the Sector.
- b) Focus on increasing the percentage of IIG recipients that are majority black-owned or controlled (at director-level) and from the designated groups, striving for a disaggregation of 40% women, 20% youth and 5% people with disabilities.

1.3.4. PROGRAMME 3: RESOURCE CONSIDERATIONS

PROGRAMME 3: SD&T	AUDITED			ESTIMATED EXPENDITURE	MTEF EXPENDITURE ESTIMATES		
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Economic classification:							
Compensation of employees:	2 718	3 271	3 326	4 112	3 337	3 337	3 337
Goods and Services:	3 548	2 246	2 027	2 230	2 453	2 698	2 698
Institutional Investment Grant	10 783	13 705	20 401	22 725	23 534	23 623	24 684
Total expenses:	17 049	19 222	25 754	29 067	29 324	29 658	30 719

1.4. PROGRAMME 4: PROJECT DEVELOPMENT AND FUNDING

1.4.1. PROGRAMME 4: PURPOSE

The purpose of Programme 4: Project Development and Funding is to facilitate the delivery of social housing units through the optimal investment and management of the consolidated capital grant, effective deal-making, partnerships management (provinces, municipalities, other government institutions, funders, and financiers), and transformation of the Construction Sector.

1.4.2. PROGRAMME 4: OUTCOMES, OUTPUTS, OUTPUT INDICATORS AND TARGETS

In supporting the SHRA's impact statement, which is:

A transformed, compliant, and sustainable Social Housing Sector, comprising integrated, quality and affordable social housing,

the Project Development and Funding Programme delivers against the following Outcomes reflected in the 2020-2025 Strategic Plan:

Outcome 2: Quality affordable social housing for rental delivered in strategically located areas.

Outcome 6: A transformed Social Housing Sector value chain.

The 2022/23 Output-Level Performance Plan for Programme 4 is reflected in the log frame tables below:

Programme 4: Project Development and Funding – Outcomes, Outputs, Output Indicators and Targets

OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Outcome 2: Quality affordable social housing for rental delivered in strategically located areas	2.1. Delivery of Social housing units	2.1.1. Number of social housing units completed	2 284 social housing units completed	3 010 social housing units completed	1 856 social housing units completed	2 981 social housing units completed	3 000 social housing units completed	3 200 social housing units completed	4 000 social housing units completed
		2.1.2. Number of social housing units tenanted	2 471 social housing units delivered	4 012 social housing units delivered	985 social housing units delivered	2 825 Social housing units tenanted	3 529 Social housing units tenanted	3 000 Social housing units tenanted	3 500 Social housing units tenanted
	2.2. Expenditure of the Consolidated Capital Grant (CCG)	2.2.1. Percentage expenditure of the approved annual Consolidated Capital Grant cashflow projection	-	Indicator reframed	81% expenditure of the approved annual Consolidated Capital Grant cashflow projection	95% expenditure of the approved annual Consolidated Capital Grant cashflow projection	95% expenditure of the approved annual Consolidated Capital Grant cashflow projection	95% expenditure of the approved annual Consolidated Capital Grant cashflow projection	95% expenditure of the approved annual Consolidated Capital Grant cashflow projection
Outcome 6: A transformed Social Housing Sector value chain	6.5. Preferential award and spend of the Consolidated Capital Grant (CCG)	6.5.1. Percentage of CCG awarded to black majority-controlled enterprises	70% of CCG awarded to black majority owned / controlled enterprises	95.45% of CCG awarded to black majority owned / controlled enterprises	54% of CCG awarded to black majority owned / controlled enterprises	60% of CCG awarded to black majority owned or controlled enterprises	70% of CCG awarded to black majority-controlled enterprises	75% of CCG awarded to black majority-controlled enterprises	80% of CCG awarded to black majority-controlled enterprises
		6.5.2. Percentage of construction spend to enterprises that are majority owned by women	-	-	-	New indicator	40% of construction spend to enterprises that are majority owned by women	40% of construction spend to enterprises that are majority owned by women	40% of construction spend to enterprises that are majority owned by women
		6.5.3. Percentage of construction spend to	-	-	-	New indicator	20% of construction spend to	20% of construction spend to	20% of construction spend to

SHRA: 2022/23 Annual Performance Plan

OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE				ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2018/19	2019/20	2020/21	2021/22		2022/23	2023/24	2024/25
		enterprises that are majority owned by youth						enterprises that are majority owned by youth	enterprises that are majority owned by youth	enterprises that are majority owned by youth
		6.5.4. Percentage of construction spend to enterprises that are majority owned by people with disabilities	-	-	-	New indicator		5% of construction spend to enterprises that are majority owned by people with disabilities	5% of construction spend to enterprises that are majority owned by people with disabilities	5% of construction spend to enterprises that are majority owned by people with disabilities
		6.5.5. Number of job opportunities created through projects implemented	-	-	-	New Indicator		6 646 job opportunities created through projects implemented	6 938 job opportunities created through projects implemented	7 250 job opportunities created through projects implemented

Programme 4: Project Development and Funding – Output Indicators, Annual and Quarterly Targets

OUTPUT INDICATORS	2022/23 ANNUAL TARGET	QUARTERLY TARGETS			
		Q1 Apr - Jun 2022	Q2 Jul - Sep 2022	Q3 Oct - Dec 2022	Q4 Jan - Mar 2023
2.1.1. Number of social housing units completed	3 000 social housing units completed	500 social housing units completed	1 400 social housing units completed	2 100 social housing units completed	3 000 social housing units completed
2.1.2. Number of social housing units tenanted	3 529 Social housing units tenanted	900 social housing units tenanted	1 829 social housing units tenanted	2 729 social housing units tenanted	3 529 social housing units tenanted
2.2.1. Percentage expenditure of the approved annual Consolidated Capital Grant cashflow projection	95% expenditure of the approved annual Consolidated Capital Grant cashflow projection	25% expenditure of the approved annual Consolidated Capital Grant cashflow projection	45% expenditure of the approved annual Consolidated Capital Grant cashflow projection	60% expenditure of the approved annual Consolidated Capital Grant cashflow projection	95% expenditure of the approved annual Consolidated Capital Grant cashflow projection

SHRA: 2022/23 Annual Performance Plan

OUTPUT INDICATORS	2022/23 ANNUAL TARGET	QUARTERLY TARGETS			
		Q1 Apr - Jun 2022	Q2 Jul - Sep 2022	Q3 Oct - Dec 2022	Q4 Jan - Mar 2023
6.5.1. Percentage of CCG awarded to black majority-controlled enterprises	70% of CCG awarded to black majority-controlled enterprises	70% of CCG awarded to black majority-controlled enterprises	70% of CCG awarded to black majority-controlled enterprises	70% of CCG awarded to black majority-controlled enterprises	70% of CCG awarded to black majority-controlled enterprises
6.5.2. Percentage of construction spend to enterprises that are majority owned by women	40% of construction spend to enterprises that are majority owned by women	40% of construction spend to enterprises that are majority owned by women	40% of construction spend to enterprises that are majority owned by women	40% of construction spend to enterprises that are majority owned by women	40% of construction spend to enterprises that are majority owned by women
6.5.3. Percentage of construction spend to enterprises that are majority owned by youth	20% of construction spend to enterprises that are majority owned by youth	20% of construction spend to enterprises that are majority owned by youth	20% of construction spend to enterprises that are majority owned by youth	20% of construction spend to enterprises that are majority owned by youth	20% of construction spend to enterprises that are majority owned by youth
6.5.4. Percentage of construction spend to enterprises that are majority owned by people with disabilities	5% of construction spend to enterprises that are majority owned by people with disabilities	5% of construction spend to enterprises that are majority owned by people with disabilities	5% of construction spend to enterprises that are majority owned by people with disabilities	5% of construction spend to enterprises that are majority owned by people with disabilities	5% of construction spend to enterprises that are majority owned by people with disabilities
6.5.5. Number of job opportunities created through projects implemented	6 646 job opportunities created through projects implemented	1 661 job opportunities created through projects implemented	1 661 job opportunities created through projects implemented	1 662 job opportunities created through projects implemented	1 662 job opportunities created through projects implemented

1.4.3. PROGRAMME 4: EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

Programme 4 performance is directed at achieving the outcomes of the five-year strategic plan and delivering the outputs of the Annual Performance Plan that relate to the INVEST pillar of the SHRA mandate. It is the pillar against which the performance of the SHRA is measured in terms of the delivery of the 30 000 social housing units target set by MTSF 2019-2024. The target has been reduced to 18 000 by the Revised MTSF 2019-2024, effective 1 October 2021.

The SHRA is challenged to achieve the target, considering that the indicative budget for the 2019-2024 MTSF is R3.8 billion. Based on current prices and considering the increase in the grant quantum effective from 1 April 2022, this would allow for the funding of 12 885 social housing units by end March 2024. To achieve the 18 000 social housing units target, a capital grant injection of R1.5 billion is required.

Interventions are, therefore, needed to achieve the set target of social housing units completed over the MTSF period, thus the importance of implementing the SHRA's Growth Plan Framework.

The Programme also contributes to the TRANSFORM pillar by ensuring the CCG is progressively allocated to more black enterprises and enterprises owned by designated groups in the construction value chain.

Planned performance over the medium term includes:

- 1) Implement key activities and objectives of the Growth Plan Framework, including:
 - a) To leverage public risk capital (CCG) for the provision of debt/equity financing to grant recipients by private sector and DFIs for the benefit of mitigating the development risks and onward selling of the loan book to financiers' post development. This includes:
 - Implementation of the R305 million worth of BFI projects submitted to National Treasury. The projects are in the contracting phase and will translate into 2 739 units already approved with a CCG and 8 934 jobs in four provinces.
 - Advancing additional projects into the BFI funding facility for debt financing.
 - Engagements with DBSA and other investors to finalise contractual agreements for the implementation of SIDSSA projects submitted to Infrastructure SA (under Department of Public Works and Infrastructure), once gazetted.

- Continue to establish relationships with other DFIs and the private sector to secure the financing needed to unlock projects that require financial closure to break ground.
 - Develop a motivation / business case for addressing the shortfall on grant funding. This will include motivating for Geotech funding and securing the grant funding needed to implement the healthy pipeline of projects that the SHRA has established.
- b) To improve social housing development and investment in poor performing provinces through implementation of the SHRA/HDA Implementation Protocol and the SHRA's Inclusive Growth Policy. This will include high-level engagements with provincial and municipal political and administrative leaders and the rollout of an Expression of Interest to source suitable and qualified developers for the development of identified land parcels.
 - c) Prioritise the allocation of resources to unlock the 14 projects that are struggling to reach financial closure or experiencing challenges, particularly due to delays in receiving municipal statutory approvals. This will include high-level engagements with political and administrative structures in affected municipalities. Furthermore, municipal challenges will continue to be addressed through the municipal capacitation programme being facilitated by SD&T to unlock the identified projects planning phase.
 - d) By unlocking blocked projects, the SHRA will aim to disburse a significant portion of prior year budgets that have CCG allocations, in addition to ensuring at least 95% of the annual budget is expended.
 - e) Participation in PSCs, for pipeline visibility and alignment to provincial plans and targets. Collaborate with the NDHS to provide support to provinces through high-level engagements with political and administrative structures to activate PSCs in poor performing provinces.
 - f) Facilitate the involvement of large-scale developers to provide a turnkey solution and on-sell to SHIs for management of completed stock.
- 2) Strengthen the SHRA's social facilitation processes to minimise the occurrence of community protests.
 - 3) Implementation of the Revised PD&F Framework, including the processes for project approvals.
 - 4) Pilot one green Alternative Building Technology (ABT) Project.
 - 5) Strengthen PD&F capacity to improve project approvals, implementation, and compliance with CCG contractual obligations.

- 6) Develop a proposal for receiving a development fee for project management.
- 7) To spatially reference all social housing projects and to support SRP with the maintenance of the District Development Model.
- 8) PD&F Transformation Plan:
 - a) Continue to focus on increasing the percentage of direct and indirect beneficiaries of the CCG that are majority black-owned (ODAs) or controlled (SHIs) and from the designated groups – value chain approach.
 - b) CCG contract award to impose specific conditions in terms of the transformation objective, prioritising women, youth and people with disabilities.
 - c) Spend by grant recipients on developers, main contractors and professional teams will be measured at an operational level, while a database is established and capacity sought for monitoring and reporting on spend across the rest of the construction value chain, i.e., including subcontractors and material suppliers.
 - d) Establish processes to optimise the number of job opportunities provided for youth, women and people with disabilities through spend of the construction budget allocation of the CCG.

1.4.4. PROGRAMME 4: RESOURCE CONSIDERATIONS

PROGRAMME 4: PD&F	AUDITED			ESTIMATED EXPENDITURE	MTEF EXPENDITURE ESTIMATES		
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Economic classification:							
Compensation of employees:	5 635	6 781	6 906	6 489	7 621	8 860	8 860
Goods and Services:	-	4 707					
Consolidated Capital Grant	774 153	1 202 831	727 774	764 646	791 144	825 958	863 051
Total expenses:	779 788	1 214 319	734 680	771 135	798 765	834 818	871 911

2. UPDATED KEY RISKS AND MITIGATION FROM THE STRATEGIC PLAN

The table below reflects the key strategic risks identified by the Social Housing Regulatory Authority (SHRA) and aligned to the outcomes of the 2020-2025 Strategic Plan.

OUTCOME	KEY RISKS	RISK MITIGATIONS
1. Functional, efficient, and integrated government	Organisational and financial model sustainability.	<ul style="list-style-type: none"> ▪ Development of a long-term sustainability plan. ▪ Shareholder engagements on the funding model. ▪ Leveraging of private sector participation in projects through the establishment of partnerships for debt financing and equity investment. ▪ Improved financial planning, monitoring, and reporting. ▪ Implementation of a Business Continuity Planning Programme. ▪ Implementation of the human resources management strategy and related policies.
	Ineffective institutional governance.	<ul style="list-style-type: none"> ▪ Shareholder compact monitoring and reporting. ▪ Monitoring and reporting on the implementation of Council and Committee resolutions and action items. ▪ Implementation of the Risk and Compliance Management Programme. ▪ Implementation of the Anti-fraud and corruption policy.
	Ineffective management and safeguarding of key and sensitive information.	<ul style="list-style-type: none"> ▪ Revision and implementation of ICT policies. ▪ Digitisation of records. ▪ Implementation of the POPIA Compliance Management Programme.

OUTCOME	KEY RISKS	RISK MITIGATIONS
2. Quality affordable social housing for rental delivered in strategically located areas	Inability to upscale the delivery of social housing.	<ul style="list-style-type: none"> ▪ Sector consultations with stakeholders with a view to reform delivery mechanisms to significantly increase delivery capabilities within the sector. ▪ The SHRA will participate in the spatial targeting initiative of the National Department of Human Settlements ▪ Finalisation of the implementation protocol between the SHRA and the HDA.
3. Enhanced performance of delivery agents and projects	Ineffective project contracting and delivery.	<ul style="list-style-type: none"> ▪ Regular reviews and improvements to the contract management process. ▪ Improve the processes of project monitoring, support, and reporting.
4. Increased capacity of municipalities and provinces to deliver social housing	Ineffective capacitation of provinces and municipalities to drive social housing programmes.	<ul style="list-style-type: none"> ▪ Provide technical advisory to provinces and municipalities on social housing projects. ▪ Participate at PSCs and provide advisory support, at least quarterly. ▪ Continued implementation of the municipal support and capacitation programme. ▪ Implementation of the annually approved stakeholder communication and management plan.
5. An effectively regulated and sustainable Social Housing Sector	Inadequate sector regulation.	<ul style="list-style-type: none"> ▪ Social housing policy review, update, and implementation. ▪ Implementation of the annually approved stakeholder communication and management plan. ▪ Implementation of the accreditation policy and standard operating procedures. ▪ Develop and implement the rental boycott strategy. ▪ Focus the Residential Rent Relief Fund on addressing rental arrears (revised criteria). ▪ Collaborate with the Rental Housing Tribunal in complex cases.

OUTCOME	KEY RISKS	RISK MITIGATIONS
6. A transformed Social Housing Sector value chain	Ineffective organisational impact and contribution to transformation imperatives.	<ul style="list-style-type: none"> ▪ Inclusion of transformation targets in quarterly programme visits and reports. ▪ Review CCG agreements to include transformation targets. ▪ Campaign to attract designated groups which have not been reached through organisational transformation programmes. ▪ Implement the initiatives and targets of the Inclusive Growth Policy. ▪ Implement the incubation programme for delivery agents, with a focus on the designated groups. ▪ Optimise the deployment of the IIG across the value chain. ▪ Ensure B-BBEE is prescribed in procurement and grant funding agreements.

3. 2022/23 MTEF BUDGET AND ESTIMATES

3.1. SUMMARY OF REVENUE FOR 2022/23 AND THE MTEF

ALL PROGRAMMES (R'000)	AUDITED OUTCOME			APPROVED BUDGET ESTIMATE	MTEF BUDGET ESTIMATES		
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Revenue:							
Operational Grant	51 980	55 201	57 945	60 848	63 738	66 573	76 355
Consolidated Capital Grant	743 640	723 706	725 747	764 646	791 144	825 958	863 051
Institutional Investment Grant	20 132	21 259	22 428	22 725	23 534	23 623	24 684
Regulations	10 000	10 560	11 400	9 400	9 000	6 500	6 792
Total revenue:	825 752	810 726	817 520	857 619	887 416	922 654	970 882

The operational grant allocation has historically increased at an average of 5.58% between 2018/19 and 2020/21. The increasing trend has continued in the current financial year; however, the growth from 2021/2022 to 2023/24 is lower at an average

of 4.74%. The growth in the operational grant is welcomed but unfortunately not sufficient to mitigate the effect of inflation, and the 14.69% increase in the 2024/25 year will definitely be more in line with expected expenditure.

CCG allocations decreased from 2018/19 to 2019/20 by 2.68% from R743 million to R723 million. But the trend from 2020/21 to 2024/25 indicates an average increase of 3.60%.

Regulations grant allocation has had an upward trajectory from 2018/19 to 2021/22 at an average of 6.78%. However, from the 2022/23 year, the allocations are expected to decrease.

Institutional Investment allocations are expected to continue to increase at a steady space over the period.

Rent relief was approved and received at the end of 2020/21, as a once-off grant due to alleviate the impact of the COVID-19 pandemic. These funds are to be disbursed during 2021/22.

3.1.1. QUARTERLY REVENUE ALLOCATIONS FOR THE 2022/23 FINANCIAL YEAR

The quarterly revenue budget breakdown for the 2022/23 financial year is as follows:

REVENUE ALL PROGRAMMES (R'000)	APPROVED BUDGET ESTIMATE Annual 2022/23	QUARTERLY BUDGET BREAKDOWN (2021/22 FINANCIAL YEAR)			
		Quarter 1 (Apr-Jun 2022)	Quarter 2 (Jul-Sept 2022)	Quarter 3 (Oct-Dec 2022)	Quarter 4 (Jan-Mar 2023)
Operational Grant	63 706	14 959	15 867	16 431	16 449
Consolidated Capital Grant	791 144	191 161	300 000	160 000	139 983
Institutional Investment Grant	23 534	4 538	6 000	5 921	7 075
Regulations	9 032	1 800	1 600	3 000	2 632
Total revenue:	887 416	212 458	323 467	185 352	166 139

3.2. SUMMARY OF ACTUAL AND BUDGETED EXPENDITURE

RAND THOUSAND	2018/19	2019/2020	2020/21	2021/22	2022/23	2023/24	2024/25
	Audited	Audited	Audited	Estimate	Budget	Budget	Budget
Compensation of employees	35 288	41 839	44 036	41 483	37 392	40 392	40 392
Salaries and wages	33 394	39 812	41 282	38 231	34 409	37 161	37 161

	2018/19	2019/2020	2020/21	2021/22	2022/23	2023/24	2024/25
RAND THOUSAND	Audited	Audited	Audited	Estimate	Budget	Budget	Budget
Social contributions	1 894	2 027	2 754	3 252	2 983	3 231	3 231
Goods and services	45 329	41 643	35 016	28 765	35 346	32 681	42 755
Of which:							
Communication	2 254	2 283	1 914	1 890	2 185	2 287	2 544
Computer services	1 122	576	1 120	1 077	1 542	1 210	1 452
Lease payments	3 911	4 202	4 440	3 976	4 215	4 467	4 824
Legal fees	3 437	7 738	3 606	4 192	5 342	3 587	4 304
Professional fees	15 903	12 414	6 452	6 036	6 338	6 572	6 986
Repairs and maintenance	68	102	157	166	196	201	241
Research and development	0	0	0	2 177	2 308	2 587	3 104
Training and staff development	2 018	3 778	1 648	1 929	2 369	2 698	2 938
Travel and subsistence	3 921	3 899	3 685	3 602	2 976	3 519	4 223
Other	12 695	6 651	11 994	3 693	7 775	5 553	12 138
Transfers and subsidies	789 057	1 216 473	595 449	787 371	814 678	849 581	887 735
Institutional Investment Grant	10 784	13 642	8 222	22 752	23 534	23 623	24 684
Consolidated Capital Grant	778 273	1 202 831	587 227	764 646	791 144	825 958	863 051
Total Expenditure	869 674	1 299 955	674 501	857 619	887 416	922 654	970 882

The main cost driver for operational costs is compensation for employees. The spike in 2019/20 and 2020/21 was largely as a result of recruitment of vacant positions. The decrease in the outer years is as a result of the directive issued by National Treasury freezing increases in the cost-of-living adjustments and performance remuneration limited to public entity-specific remuneration policies for the remaining MTEF period.

The increase in skills in house has resulted in a sharp decline in professional fees expended.

The decline in Consolidated Capital Grants in the 2020/21 year was largely as a consequence of COVID-19. Expenditure in the outer years is expected to stabilise.

Institutional investment grant expenditure was also negatively impacted by COVID-19. Greater expenditure is envisaged for the outer years.

3.1.2. QUARTERLY BUDGETED EXPENDITURE FOR THE 2022/23 FINANCIAL YEAR

The quarterly expenditure budget breakdown for the 2022/23 financial year is as follows:

EXPENDITURE ITEM (R'000)	APPROVED BUDGET	QUARTERLY BUDGET BREAKDOWN (2022/23 FINANCIAL YEAR)			
	Annual 2022/23	Quarter 1 (Apr-Jun 2022)	Quarter 2 (Jul-Sept 2022)	Quarter 3 (Oct-Dec 2022)	Quarter 4 (Jan-Mar 2023)
Current payments					
Compensation of employees:	37 392	7 478	7 478	11 218	11 218
Salaries and wages	34 409	6 882	6 882	10 323	10 323
Social contributions	2 983	597	597	895	895
Goods and services:	35 356	7 069	7 069	8 837	8 837
Communication	2 185	437	437	546	765
Computer services	1 542	308	308	386	386
Lease payments	4 315	863	863	1 079	1079
Legal fees	5 342	1 068	1 068	1 336	1 336
Professional fees	6 338	1 268	1 268	1 585	1 585
Repairs and maintenance	196	39	39	49	49
Research and development	2 308	462	462	577	808
Training and staff development	2 369	474	474	592	829
Travel and subsistence	2 976	595	595	744	1 042
Other	7 775	1 555	1 555	1 944	2 721
Transfers and Subsidies:	814 678	162 936	162 936	203 670	285 137
Institutional Investment Grant	23 534	4 707	4 707	5 884	8 237
Consolidated Capital Grant	791 416	158 229	158 229	197 786	276 900
Total Expenditure	887 416	177 483	177 483	223 724	308 726

4. PUBLIC ENTITIES

The Social Housing Regulatory Authority (SHRA) does not have any Public Entities.

5. INFRASTRUCTURE PROJECTS

Not applicable to the Social Housing Regulatory Authority.

6. PUBLIC / PRIVATE PARTNERSHIPS

While the SHRA does not have Public Private Partnerships (PPPs) as per the National Treasury framework, the existing model allows for the participation of private sector participants / ODAs by leveraging the grant funding for supporting debt and equity financing from the private and public sectors.

The SHRA is, however, exploring options to increase partnerships with various private sector organisations and funders to assist with bridging funding gaps and to enhance delivery mechanisms.

PART D: TECHNICAL INDICATOR DESCRIPTIONS

PROGRAMME 1: ADMINISTRATION – TECHNICAL INDICATOR DESCRIPTIONS

1	SP Outcome Indicator Title	External audit outcome
	Definition	The audit opinion of the Auditor-General of South Africa (AGSA) or independent external audit company on the annual external audit of financial statements, performance objectives and compliance with legislation (for the previous financial year).
	Source of Data	Q2 of each financial year: Final signed External Auditor's Report, reflecting the audit outcome.
	Method of Calculation / Assessment	Audit outcome for the previous financial year stated in the signed External Audit Report.
	Means of Verification / Evidence	Document review.
	Assumptions	None.
	Disaggregation of Beneficiaries (where applicable)	Not applicable.
	Spatial Transformation (where applicable)	Not applicable.
	Calculation Type	Non-cumulative
	Reporting Cycle	Annual
	Desired Performance	Unqualified audit opinion with no material findings
	Indicator Responsibility	CEO and Executives, coordinated by the Corporate Services Manager (Executive)

2	Indicator Title 1.1.1.	Percentage implementation of the Internal Audit Plan
	Definition	To monitor and report on the implementation of the annually approved Internal Audit Plan.
	Source of Data	Information provided by the business units sourced to undertake the work.

Method of Calculation / Assessment	Number of audits completed as per the approved Internal Audit Plan for the year-to-date divided by the number of planned audits for the year, expressed as a percentage.
Means of Verification / Evidence	<ul style="list-style-type: none"> Three-year rolling plan and one-year operational audit plan. Status / Progress Report on the implementation of the Internal Audit Plan. Internal audit reports issued.
Assumptions	<ul style="list-style-type: none"> Unrestricted access to records. Availability of personnel. Cooperation and support from business units. Accurate information and records.
Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	Not applicable.
Calculation Type	Cumulative (year-to-date).
Reporting Cycle	Quarterly.
Desired Performance	100% implementation of the Internal Audit Plan
Indicator Responsibility	Corporate Services Manager (Executive)

3	Indicator Title 1.2.1.	Percentage implementation of the Fraud Prevention Plan
Definition	To monitor and report on the Fraud Prevention Plan.	
Source of Data	<ul style="list-style-type: none"> Fraud and Corruption Report reflecting implementation of the provisions of the Fraud Prevention Plan. Recommendations contained in investigation reports or internal audit recommendations. Agenda the Fraud and Corruption Report presented to Council and/or relevant subcommittee meetings. 	
Method of Calculation / Assessment	Actual number of provisions of the Fraud Prevention Plan implemented for the quarter divided by the total number of provisions of the Fraud Prevention Plan, expressed as a percentage.	

Means of Verification / Evidence	<ul style="list-style-type: none"> ▪ Fraud prevention plan. ▪ Agenda(s) showing that the Fraud and Corruption Report presented to the Council and/or relevant subcommittee meetings (dependant on nature and findings of the recommendations). ▪ Resolutions of the Fraud and Corruption Report presented to Council and/or relevant subcommittee meetings.
Assumptions	<ul style="list-style-type: none"> ▪ Unrestricted access to records. ▪ Availability of personnel. ▪ Sensitivity of reports and implications.
Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	Not applicable.
Calculation Type	Non-cumulative.
Reporting Cycle	Quarterly.
Desired Performance	100% implementation of the Fraud Prevention Plan
Indicator Responsibility	CEO

4	Indicator Title 1.3.1.	Percentage implementation of the Risk Management Plan
Definition	Risk management plan details the specific risk mitigation activities that will be implemented for the particular year, including responsible persons, resources required, and targets.	
Source of Data	<ul style="list-style-type: none"> ▪ Risk Management Implementation Plan. ▪ Quarterly updated Risk Management Implementation Plan submitted to Exco. ▪ Supporting evidence for mitigation activities undertaken. ▪ Agenda or proof of tabling. 	
Method of Calculation / Assessment	Total number of planned risk mitigation activities implemented for the year-to-date divided by the total number of planned risk mitigation activities for the year, expressed as a percentage (i.e., x100%).	
Means of Verification / Evidence	Risk Management Implementation Plan and Risk Management Report	

Assumptions	Complete, accurate, timeous risk information, and cooperation from internal stakeholders (risk champions and risk owners).
Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	Not applicable.
Calculation Type	Cumulative (year-to-date).
Reporting Cycle	Quarterly
Desired Performance	100% implementation of the Risk Management Plan
Indicator Responsibility	Corporate Services Manager (Executive)

5 Indicator Title 1.4.1.	Development of a Rental Boycott Strategy
Definition	Illegal occupation and withholding of rent resulting in rental boycott is identified as one of the key sectoral risks. The SHRA will take the lead in coordinated and crafting a multistakeholder strategy is required to support the long-term sustainability of the Sector.
Source of Data	<ul style="list-style-type: none"> ▪ Draft Strategy. ▪ Final Rental Boycott Strategy.
Method of Calculation / Assessment	Achievement of milestones within the specified timeframe.
Means of Verification / Evidence	<ul style="list-style-type: none"> ▪ Agenda confirming tabling of the strategy ▪ Records of meetings and consultations, including emails, attendance registers or minutes. ▪ Resolution confirming the approval of the strategy.
Assumptions	<ul style="list-style-type: none"> ▪ Support from Shareholder department ▪ Effective intergovernmental collaboration, participation and support. ▪ Availability of information, personnel and stakeholder inputs.
Disaggregation of Beneficiaries (where applicable)	Not applicable.

Spatial Transformation (where applicable)	Not applicable.
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly.
Desired Performance	Final Rental Boycott Strategy approved
Indicator Responsibility	Strategy, Research and Policy Manager

6 Indicator Title 6.1.1.	Percentage of SHRA procurement spend on businesses majority-owned by women
Definition	The total Rand value of procurement spend on enterprises that are ≥51% owned by women, as a percentage of the total procurement spend on goods and services, regardless of B-BBEE status.
Source of Data	<ul style="list-style-type: none"> Quarterly Report tabled at Exco.
Method of Calculation / Assessment	Sum of the Rand value of procurement spend on enterprises that are ≥51% women-owned, divided by the total Rand value of procurement spend on all enterprises (regardless of B-BBEE status) over the same cumulative (year-to-date) period, expressed as a percentage (i.e., x 100).
Means of Verification / Evidence	<ul style="list-style-type: none"> Exco minutes or agenda confirming the tabling of the Quarterly Report. Verify the supporting data of the reported results, including the existence and validity of B-BBEE certificates or sworn affidavits. CIPC company report, reflecting shareholder names and ID numbers. Consolidated and validated quarterly procurement records generated by the finance division, using data from the supply chain management system, reflecting cumulative (year-to date) information.
Assumptions	<ul style="list-style-type: none"> B-BBEE certificates and/or sworn affidavits, and other supporting documentation are legally valid. Availability of women-owned businesses registered on the National Treasury CSD database for the goods and services procured by the SHRA.

Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	Not applicable.
Calculation Type	Cumulative (year-to-date).
Reporting Cycle	Quarterly.
Desired Performance	<ul style="list-style-type: none"> To achieve the target of 40% of SHRA procurement spend on businesses majority-owned by women
Indicator Responsibility	Corporate Services Manager (Executive)

7 Indicator Title 6.1.2.	Percentage of SHRA procurement spend on businesses majority-owned by youth
Definition	The total Rand value of procurement spend on enterprises that are ≥51% owned by those that are defined as youth in South Africa, i.e., aged 15-34 years old, as a percentage of the total procurement spend on goods and services, regardless of B-BBEE status.
Source of Data	<ul style="list-style-type: none"> Quarterly Report tabled at Exco.
Method of Calculation / Assessment	Sum of the Rand value of procurement spend on enterprises that are ≥51% youth-owned, divided by the total Rand value of procurement spend on all enterprises (regardless of B-BBEE status) over the same cumulative (year-to-date) period, expressed as a percentage (i.e., x 100).
Means of Verification / Evidence	<ul style="list-style-type: none"> Exco minutes or agenda confirming the tabling of the Quarterly Report. Verify the supporting data of the reported results, including the existence and validity of B-BBEE certificates or sworn affidavits. CIPC company report, reflecting shareholder names and ID numbers. Consolidated and validated quarterly procurement records generated by the finance division, using data from the supply chain management system, reflecting cumulative (year-to date) information.
Assumptions	<ul style="list-style-type: none"> B-BBEE certificates and/or sworn affidavits, and other supporting documentation are legally valid.

	<ul style="list-style-type: none"> Availability of youth-owned businesses registered on the National Treasury CSD database for the goods and services procured by the SHRA.
Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	Not applicable.
Calculation Type	Cumulative (year-to-date).
Reporting Cycle	Quarterly.
Desired Performance	To achieve the target of 20% of SHRA procurement spend on businesses majority-owned by youth
Indicator Responsibility	Corporate Services Manager (Executive)

8: Indicator Title 6.1.3.	Percentage of SHRA procurement spend on businesses majority-owned by people with disabilities
Definition	The total Rand value of procurement spend on enterprises that are ≥51% owned by people that are cited as living with a long-term disability, as a percentage of the total procurement spend on goods and services, regardless of B-BBEE status.
Source of Data	<ul style="list-style-type: none"> Quarterly Report tabled at Exco.
Method of Calculation / Assessment	Sum of the Rand value of procurement spend on enterprises that are ≥51% owned by people with disabilities, divided by the total Rand value of procurement spend on all enterprises (regardless of B-BBEE status) over the same cumulative (year-to-date) period, expressed as a percentage (i.e., x 100).
Means of Verification / Evidence	<ul style="list-style-type: none"> Exco minutes or agenda confirming the tabling of the Quarterly Report. Verify the supporting data of the reported results, including the existence and validity of B-BBEE certificates or sworn affidavits. CIPC company report, reflecting shareholder names reflecting ID numbers. Medical certificate or valid means of confirmation provided by the enterprise verifying the long-term disability status of the respective shareholder. Consolidated and validated quarterly procurement records generated by the finance division, using data from the

	supply chain management system, reflecting cumulative (year-to date) information.
Assumptions	<ul style="list-style-type: none"> ▪ B-BBEE certificates and/or sworn affidavits, and other supporting documentation are legally valid. ▪ Availability of people with disability-owned businesses registered on the National Treasury CSD database for the goods and services procured by the SHRA. ▪ Disability documentation is legally valid.
Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	Not applicable.
Calculation Type	Cumulative (year-to-date).
Reporting Cycle	Quarterly.
Desired Performance	To achieve the target of 5% of SHRA procurement spend on businesses majority-owned by people with disabilities
Indicator Responsibility	Corporate Services Manager (Executive)

PROGRAMME 2: COMPLIANCE, ACCREDITATION AND REGULATION – TECHNICAL INDICATOR DESCRIPTIONS

9	Indicator Title 5.1.1.	Percentage of reporting delivery agents achieving a minimum of 3 performance benchmarks
	Definition	<p>A compliant sector comprises Social Housing Institutions (SHIs) and Other Delivery Agents (ODAs) with stock under management that are in compliance with applicable performance benchmarks as outlined in the approved SHRA indicator and benchmark framework.</p> <p>The nature and type of registration of the organisation will determine which performance benchmarks are applicable.</p>
	Source of Data	Data from SHI and ODA quarterly reports interpreted and populated into a summary of target and actual benchmark performance included in the Compliance Report tabled at Exco on a quarterly basis.

	The report will clearly highlight the performance benchmarks that are applicable to each reporting institution or delivery agent.
Method of Calculation / Assessment	<p>On a quarterly basis to measure the performance of all reporting SHIs and ODAs against the applicable performance benchmarks reflected in the approved SHRA Indicator and Benchmark Framework</p> <p>The template for calculating the consolidated performance is as follows:</p> <ul style="list-style-type: none"> Number of reporting SHIs/ODAs that have achieved a minimum of 3 of the performance benchmark targets / number of reporting SHIs/ODAs, expressed as a percentage (i.e., x 100).
Means of Verification / Evidence	<ul style="list-style-type: none"> SHRA indicator and Benchmark Framework. Verification by way of the Quarterly Compliance Report tabled at Exco, reflecting the number of delivery agents that manage stock that have achieved a minimum of 3 of the applicable performance benchmarks. Exco minutes or agenda confirming the tabling of the report within 30 days of the quarter end.
Assumptions	<ul style="list-style-type: none"> Reported data from institutions / delivery agents is accurate, consistent, and made available timeously. Systems to process data are available. Implementation of Revised CAR Compliance Framework.
Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	Not applicable.
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	<p><u>Higher than targeted performance is desirable:</u></p> <ul style="list-style-type: none"> 65% of reporting delivery agents achieving a minimum of 3 performance benchmarks.
Indicator Responsibility	Executive: Compliance, Accreditation and Regulation

10	Indicator Title 5.2.1.	Number of conditionally accredited SHIs with projects registered on the pipeline
Definition	The number of conditionally accredited SHIs that do not have projects registered on the SHRA project pipeline at the beginning of the financial year that are supported to have approved projects by the end of the financial year.	
Source of Data	Project reports tabled at TEC at the end of each quarter that indicate the number of projects from conditionally accredited SHIs that are registered on the project pipeline.	
Method of Calculation / Assessment	Straight count of the number of conditionally accredited SHIs that did not have projects on the pipeline at the beginning of the financial year, which have been registered on the pipeline in year-to-date period.	
Means of Verification / Evidence	Project Pipeline showing projects and accreditation status of applicant Agenda or Resolutions showing that the reports have been tabled	
Assumptions	<ul style="list-style-type: none"> SHIs that are taken through the SD&T support programme will manage to access land for project development. Projects from SHIs that are supported will obtain municipal and provincial support. 	
Disaggregation of Beneficiaries (where applicable)	Not applicable.	
Spatial Transformation (where applicable)	Within strategically located areas allowed for by legislation and policy.	
Calculation Type	Cumulative (year-to-date).	
Reporting Cycle	Quarterly.	
Desired Performance	<u>Higher than targeted performance is desirable:</u> <ul style="list-style-type: none"> 5 additional conditionally accredited SHIs with projects registered on the pipeline. 	
Indicator Responsibility	Executive: Compliance, Accreditation and Regulation	

11	Indicator Title 5.3.1.	Number of subsidised housing units' tenancy audits conducted
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Definition	To undertake tenancy, income, and occupancy audits in order to build up a profile of rentals and compliance with income bands as per guidelines and agreed procedures.
Source of Data	Final tenancy audit reports submitted to the SHRA by appointed service providers – clearly marked final, with results consolidated and reported in the quarterly compliance report tabled at Exco on a quarterly basis.
Method of Calculation / Assessment	Straight count of the number of social housing units' tenancy audits completed for the year-to-date period, as reflected in the final tenancy audit reports.
Means of Verification / Evidence	Verification of numbers reported in compliance report against actual completed tenancy audit reports, which are marked and confirmed by the SHRA as FINAL. Project Initiation Document that details the agreed procedures.
Assumptions	Only count units in the final tenancy audit reports, not in the draft reports.
Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	Not applicable.
Calculation Type	Cumulative (year-to-date).
Reporting Cycle	Quarterly.
Desired Performance	<u>On target performance is desirable:</u> <ul style="list-style-type: none"> 3 500 subsidised social housing units' tenancy audits conducted.
Indicator Responsibility	Executive: Compliance, Accreditation and Regulation

12	Indicator Title 5.4.1.	Number of subsidised housing projects' safety and security audits conducted
	Definition	In terms of the provisions of section 2(1)(a) of the Social Housing Act, the SHRA must ensure that social housing responds to local demand and that special priority be given to the needs of women, children, child-headed households, persons with disabilities, and the elderly.

	<p>It is evident that provision for gender mainstreaming has been made in the social housing act and the regulations thereto and that this can find further expression in policy, as well as rules to be made and directives to be issued by the SHRA.</p> <p>The number of subsidised housing projects for which safety and security audits are conducted, will support the key intervention areas as outlined in the Gender Equality Strategy.</p>
Source of Data	Final safety and security reports submitted to SHRA by appointed service providers – marked final, with results consolidated and reported in the Q4 Safety and Security Audits Report.
Method of Calculation / Assessment	Straight count of the number of projects where safety and security audits have been completed for the period, as reflected in the safety and security audit reports for the year-to-date period.
Means of Verification / Evidence	Safety and security audit reports.
Assumptions	<p>Based on predetermined (benchmarked) criteria</p> <p>Only count number of projects in the final safety and security audit reports completed.</p> <p>Willingness of housing institutions to participate, unrestricted access to the housing project.</p>
Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	Not applicable.
Calculation Type	Cumulative (year-to-date).
Reporting Cycle	Quarterly.
Desired Performance	<p><u>Higher than targeted performance is desirable:</u></p> <ul style="list-style-type: none"> 30 subsidised housing projects' safety and security audits conducted.
Indicator Responsibility	Executive: Compliance, Accreditation and Regulation

13	Indicator Title 6.2.1.	Percentage of <u>new</u> project accreditation applicants that are majority controlled by the designated groups
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Definition	<p>The percentage of new project accreditation applications received within the financial year that are from the combined total of applicants that are majority-controlled by the designated groups in the case of SHIs and majority-owned by the designated groups in the case of ODAs.</p> <p>Controlled refers to non-profit companies (NPCs) or accredited SHIs that do not have share capital but are controlled by the board of directors.</p> <p>The indicator measures director-level (board) composition for NPCs (accredited SHIs) and designated group ownership for ODAs that are for-profit.</p> <p>Majority-owned or controlled refers to $\geq 51\%$ ownership in the case of ODAs and $\geq 51\%$ controlled in the case of SHIs.</p> <p>Designated groups are women, youth and people with disabilities.</p>
Source of Data	<ul style="list-style-type: none"> Compulsory minimum requirement section in the accreditation application forms, with supporting documents. Quarterly CAR reports, submitted to Exco.
Method of Calculation / Assessment	Sum of the number of project accreditation applicants over the year-to-date period that are majority-owned (ODAs) or controlled (SHIs) by the designated groups divided by all applicants for the same period regardless of B-BBEE status, expressed as a percentage (i.e., $\times 100$).
Means of Verification / Evidence	<p>Verification of information provided in the accreditation application forms, with supporting documents. This includes:</p> <ul style="list-style-type: none"> B-BBEE certificates / sworn affidavits of the SHIs and ODAs, reflecting director-level control in the case of NPCs or accredited SHIs, and Shareholding in the case of other delivery agents. CIPC company report, reflecting shareholder and director names. Medical certificate or valid means of confirmation provided by the enterprise verifying the long-term disability status of the respective shareholder (ODA) or director (SHI)
Assumptions	<ul style="list-style-type: none"> B-BBEE certificates and/or sworn affidavits, and other supporting documentation are legally valid. Conducive environment including land availability and sufficient application volumes. Availability of project applicants from the designated groups that meet the criteria for project accreditation. Disability documentation is legally valid.

Disaggregation of Beneficiaries (where applicable)	Women: 40%, Youth: 20%, PWDs: 5%.
Spatial Transformation (where applicable)	Within strategically located areas allowed for by legislation and policy.
Calculation Type	Cumulative (year-to-date).
Reporting Cycle	Quarterly.
Desired Performance	<p><u>Higher than targeted performance is desirable:</u></p> <ul style="list-style-type: none"> 40% of <u>new</u> project accreditation applicants that are majority controlled by the designated groups
Indicator Responsibility	Executive: Compliance, Accreditation and Regulation

PROGRAMME 3: SECTOR DEVELOPMENT AND TRANSFORMATION – TECHNICAL INDICATOR DESCRIPTIONS

14	Indicator Title 3.1.1.	Percentage achievement of the SHI Intervention Plan
	Definition	<ul style="list-style-type: none"> The CAR Programme will review the SHIs and identify risks that may affect their accreditation status and will then table a Compliance Report and associated SHI Intervention Plan requiring IIG Funding to assist the identified SHIs. The interventions needed should be submitted to the SD&T Programme early in the 1st quarter of the financial year, reviewed regularly based on need. If applicable, the identified SHI's may be assisted through an Institutional Investment Grant The SD&T Programme will liaise with the affected SHIs to gain support for the intervention and, if agreed upon, then a service provider will be procured, and the Institutional Investment Grant issued. Once this work has been completed, the close out report will be handed back to the CAR Programme. Following this, the SHI will be reassessed by this programme and an accreditation status recommended. This indicator implies that should the intervention proceed (i.e., the SHI may not agree to the intervention, or for whatever reason the work should not be proceed) and be

	completed that the SHI will either maintain or improve their level of accreditation.
Source of Data	<p>Annually approved Intervention Plan received from the CAR Programme at the beginning of the financial year, with quarterly Exco approved updates as and when required.</p> <p>Applicable Exco resolution, grant agreements, close out reports, and accreditation resolution taken by Council following the completion of approved interventions:</p> <p>Q1: No target.</p> <p>Q2: No target.</p> <p>Q3: No target.</p> <p>Q4: Final report and portfolio of evidence tabled to Exco, comprising:</p> <ul style="list-style-type: none"> ▪ Minutes or resolutions of Exco meeting approving intervention action plans. ▪ Minutes or resolutions of Exco meeting approving grant award. ▪ Signed grant agreement. ▪ Approved terms of reference. ▪ Letter of appointment of service provider. ▪ Close out report from service provider, and ▪ Council Resolution approving accreditation status of SHI.
Method of Calculation / Assessment	<p>Number of SHIs on the annually approved SHI Intervention Plan that are assisted through the award of an IIG that upon completion of the intervention either maintains or improves their level of accreditation</p> <p>divided by</p> <p>the total number of SHIs on the annually approved SHI Intervention Plan that are assisted through the award of an IIG, for which the intervention is completed in the financial year, expressed as a percentage (i.e., x 100).</p>
Means of Verification / Evidence	<ul style="list-style-type: none"> ▪ Verification of Q4 evidence above. ▪ Review the accreditation recommendation status reports to identify the factors involved in consideration of the SHIs status.
Assumptions	<ul style="list-style-type: none"> ▪ The intervention is not the sole contributing factor towards an SHIs accreditation status. ▪ The intervention plan developed by the CAR Programme may not prove to address the risk factor appropriately.

	<ul style="list-style-type: none"> Interventions may span across multiple years.
Disaggregation of Beneficiaries (where applicable)	Preference given to the collective of enterprises owned by women, youth, PWDs, and MVs.
Spatial Transformation (where applicable)	Within strategically located areas allowed for by legislation and policy.
Calculation Type	Cumulative (year-end).
Reporting Cycle	Annually.
Desired Performance	<p><u>Higher than targeted performance is desirable:</u></p> <ul style="list-style-type: none"> 75% achievement of the SHI Intervention Plan.
Indicator Responsibility	Executive: Sector Development and Transformation

15	Indicator Title 3.1.2.	Percentage achievement of the Social Housing Projects' Intervention Plan
Definition		<ul style="list-style-type: none"> The PD&F Programme will identify projects that would benefit from assistance through the IIG, these will then be recommended to the SD&T Programme through provision of an annually approved Social Housing Projects' Intervention Plan. The Social Housing Projects' Intervention Plan should be submitted to the SD&T Programme early in the first quarter of the financial year, reviewed regularly based on need. The SD&T Programme will proceed with the process of grant approval and award. If the grant is awarded, a service provider will be procured. At completion of the service provider's work, the close out report will be submitted back to the PD&F Programme. The indicator measures the percentage of these projects that are later recommended to the Technical Evaluation Committee of the SHRA for capital grant award.
Source of Data		<p>Annually approved SH Projects' Intervention Plan received from the PD&F Programme at the beginning of the financial year, with quarterly Exco approved updates as and when required.</p> <p>Applicable Exco resolution, grant agreements, close out reports and TEC pack and minutes or agenda:</p> <p>Q1: No target.</p> <p>Q2: No target.</p>

	<p>Q3: No target.</p> <p>Q4: Final report and portfolio of evidence tabled to Exco within 30 days of the following quarter, comprising:</p> <ul style="list-style-type: none"> ▪ Exco minutes or agenda or Provincial Steering Committee meeting approving feasibility request from Project Development or province. ▪ Exco minutes or resolution reflecting approved grant award. signed grant agreement. ▪ Letter of retraction from SHI / ODA if applicable. ▪ Approved terms of reference. ▪ Letter of appointment of service provider. ▪ Close out report from service provider. ▪ Recommendation to the TEC (pack and minutes).
Method of Calculation / Assessment	<p>Number of Social Housing Projects on the annually approved Social Housing Projects' Intervention Plan that are assisted through the award of an IIG and upon completion of the intervention are subsequently recommended to the TEC for capital grant award</p> <p>divided by</p> <p>the total number of Social Housing Projects on the annually approved Social Housing Projects' Intervention Plan that are assisted through the award of an IIG, for which the intervention is completed in the financial year, expressed as a percentage (i.e., x 100).</p>
Means of Verification / Evidence	<ul style="list-style-type: none"> ▪ Verification of Q4 evidence above. ▪ Review the TEC recommendation to identify the factors involved in consideration of the project for grant award.
Assumptions	<p>The grant is not the sole contributing factor towards the project qualifying for capital grant award.</p> <p>The intervention plan developed by the PD&F Programme may not prove to address the risk factor appropriately.</p> <p>Interventions may span across multiple years.</p>
Disaggregation of Beneficiaries (where applicable)	<p>Preference given to the collective of enterprises owned by women, youth, PWDs, and MVs.</p>
Spatial Transformation (where applicable)	<p>Within strategically located areas allowed for by legislation and policy.</p>
Calculation Type	<p>Cumulative (year-end).</p>

Reporting Cycle	Annually.
Desired Performance	<u>Higher than targeted performance is desirable:</u> <ul style="list-style-type: none"> 75% achievement of the Social Housing Projects' Intervention Plan.
Indicator Responsibility	Executive: Sector Development and Transformation

16	Indicator Title 4.1.1.	Number of projects within municipalities receiving support that are approved
Definition	<p>Municipalities across the country are at varying stages of institutional readiness to successfully deliver social housing in a coherent manner. The SHRA's Municipal Support Programme seeks to capacitate restructuring zone municipalities to implement the Social Housing Programme at a local level.</p> <p>The indicator measures the number of projects that have been approved within municipalities that have received municipal support from the SHRA.</p>	
Source of Data	<p>Project approval.</p> <p>Quarterly progress reports on the implementation of the Municipal Support Programme and interventions undertaken.</p> <p>Annual report on the number of projects approved in municipalities where the implementation of the Municipal Support Programme has been affected.</p>	
Method of Calculation / Assessment	Straight count of the number of projects within municipalities in the Municipal Support Programme or having received formal support from the SHRA that are approved.	
Means of verification	Verification of project accreditation and that the project is in a municipality participating in the Municipal Support Programme or has received other formal municipal interventions.	
Assumptions	<ul style="list-style-type: none"> Budget availability to partner with sector specialists to implement the Municipal Support Programme. Municipality will build the institutional capacity to deliver social housing. Province and municipality aligned to deliver (work together). 	
Disaggregation of Beneficiaries (where applicable)	Not applicable.	

Spatial Transformation (where applicable)	Within strategically located areas allowed for by legislation and policy.
Calculation Type	Cumulative (year-end)
Reporting Cycle	Annually
Desired Performance	3 projects within municipalities receiving support that are approved
Indicator Responsibility	Executive: Sector Development and Transformation

17	Indicator Title 6.3.1.	Number of youth graduates placed within the Social Housing Sector
Definition		To aid the contribution of alleviating youth unemployment, youth graduates will be placed within the sector through an internship programme.
Source of Data		SHRA Quarterly Report
Method of Calculation/Assessment		Straight-count of the number of internships
Means of Verification / Evidence		Internship Agreement. Candidate Portfolio of Evidence or progress reports.
Assumptions		<ul style="list-style-type: none"> ▪ Availability of candidates that fit the programme entry requirements and commitment to stay on the programme for the duration. ▪ Appetite of institutions and municipalities to accommodate graduates for the full duration of the programme. ▪ Partnerships with implementing agents are entered into.
Disaggregation of Beneficiaries (where applicable)		60% Women, 100% Youth, 10% PWDs.
Spatial Transformation (where applicable)		Not applicable.
Calculation Type		Cumulative (year-to-date)
Reporting Cycle		Quarterly
Desired Performance		At least 10 graduates placed within the Social Housing Sector.
Indicator Responsibility		Executive: Sector Development and Transformation

18	Indicator Title 6.4.1.	Percentage of Institutional Investment Grant (IIG) recipients that are from the designated groups
Definition	<p>The purpose of the IIG grants are to support and develop Social Housing Institutions (SHIs), Other Delivery Agents (ODAs), co-operatives and municipalities, so as to ensure an enabling environment for the growth, development and transformation of the Social Housing Sector.</p> <p>The percentage of IIG recipients within the financial year that are from capital grant applicants that are owned or controlled by the designated groups, namely, women, youth, persons with disabilities, and military veterans.</p> <p>Controlled refers to non-profit companies (NPCs) or accredited SHIs that may not have share capital but are controlled by the board of directors.</p> <p>The indicator measures director-level (board) composition for NPCs or accredited Social Housing institutions and black ownership for other delivery agents that are for-profit.</p>	
Source of Data	<ul style="list-style-type: none">▪ SD&T quarterly reports tabled at Exco.▪ Availability of supporting documents, including B-BBEE certificates / sworn affidavits of the IIG recipients.	
Method of Calculation/Assessment	Sum of the number of IIG recipients over the year-to-date period that are majority owned or controlled by the designated groups divided by all IIG recipients for the same period regardless of designated group status, expressed as a percentage (i.e., x100).	
Means of verification	<ul style="list-style-type: none">▪ B-BBEE certificates / sworn affidavits of the SHIs and ODAs, reflecting director-level control in the case of NPCs and Shareholding in the case of other delivery agents.▪ CIPC company report, MOI, reflecting shareholder and director names.▪ Medical certificate or valid means of confirmation provided by the enterprise verifying the long-term disability status of the respective shareholder (ODA) or director (SHI).	
Assumptions	<ul style="list-style-type: none">▪ B-BBEE certificates, sworn affidavits, disability means of confirmation, and other supporting documentation are legally valid.	
Disaggregation of Beneficiaries (where applicable)	Women 40%, Youth 20%, PWDs 5%	
Spatial Transformation (where applicable)	Not applicable.	

Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired Performance	<p><u>Higher than targeted performance is desirable:</u></p> <ul style="list-style-type: none"> 40% of Institutional Investment Grant (IIG) recipients that are from the designated groups.
Indicator Responsibility	Executive: Sector Development and Transformation

PROGRAMME 4: PROJECT DEVELOPMENT AND FUNDING – TECHNICAL INDICATOR DESCRIPTIONS

19	Indicator Title 2.1.1.	Number of social housing units completed
	Definition	A measure of the progress that the SHRA has made in delivering social housing units at scale and pace in line with the delivery target of the Medium-Term Strategic Framework. To be counted as completed, a social housing unit must have in place a practical completion certificate.
	Source of Data	<p>Quarterly PD&F report reflecting the total number of units completed for the period.</p> <p>Practical completion certificates for each project, clearly reflecting the number of social housing units completed.</p>
	Method of Calculation/Assessment	Straight cumulative count of the number of social housing units that have reached practical completion as designated by the practical completion certificate the end of each quarterly reporting period of 2022/23 (i.e.Q1, Q2, Q3, and Q4).
	Means of Verification / Evidence	<ul style="list-style-type: none"> PD&F Exco Quarterly Report. Verification that each social housing unit reported as completed is supported by a practical completion certificate for greenfield projects; and Practical completion certificate for brownfield / acquisition dated in the year a project was completed.
	Assumptions	<ul style="list-style-type: none"> Full availability of required grant funding. 100% spend of annual CCG budget allocations and approved retained surpluses (per, annual cashflow projections).

Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	Within strategically located areas allowed for by legislation and policy
Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired Performance	<u>Higher than targeted performance is desirable:</u> <ul style="list-style-type: none"> 3 000 social housing units completed.
Indicator Responsibility	Executive: Project Development and Funding

20	Indicator Title 2.1.2.	Number of social housing units tenanted
Definition		<p>Number of social housing units that have been <u>tenanted</u> after completion of construction.</p> <p>Tenanted is based on the approved tenant list submitted to the SHRA by the social housing grant recipient. The tenant list is supported by lease agreements concluded between the grant recipient and social housing beneficiaries.</p>
Source of Data		<ul style="list-style-type: none"> Tenant list submitted by the grant recipient against the final milestone. PD&F Exco quarterly reports detailing the number of social housing units delivered (tenanted) for the quarter.
Method of Calculation / Assessment		Sum of the number of units on each tenant list, for the year-to-date period. The annual total is calculated by adding together the year-to-date achievement.
Means of Verification / Evidence		<ul style="list-style-type: none"> CAR verification that each social housing unit reported as delivered is supported by the approved tenant list. Sample of lease agreements as per the provisions of the CCG contract.
Assumptions		<ul style="list-style-type: none"> Full availability of required grant funding. 100% spend of annual CCG budget allocations and approved retained surpluses (per, annual cashflow projections).
Disaggregation of Beneficiaries (where applicable)		Social Housing Act: Special priority given to the needs of women, children, child-headed households, persons with disabilities, and the elderly.

Spatial Transformation (where applicable)	Within strategically located areas allowed for by legislation and policy.
Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired Performance	<p><u>Higher than targeted performance is desirable:</u></p> <ul style="list-style-type: none"> 3 529 social housing units tenanted
Indicator Responsibility	Executive: Project Development and Funding

21	Indicator Title 2.2.1.	Percentage expenditure of the approved annual Consolidated Capital Grant cashflow projection
Definition		<p>Percentage expenditure of the annual cashflow projection, consisting of the sum of the annual CCG budget allocation and a portion of the retained surplus.</p> <p>The cashflow projection is developed quarterly based on approved and contracted projects and submitted to the Department of Human Settlements for approval accompanied with a budget drawdown requests.</p>
Source of Data		<ul style="list-style-type: none"> Disbursement Schedule aligned to the cashflow projection. PD&F Exco quarterly reports detailing expenditure for the quarter.
Method of Calculation/Assessment		Cumulative actual CCG expenditure to date divided by the total annual approved CCG cashflow expenditure projection, expressed as a percentage.
Means of Verification / Evidence		<ul style="list-style-type: none"> Exco approved quarterly cashflow. Disbursement Schedule.
Assumptions		<p>Cashflow and drawdown submission to the Department quarterly by the CSM.</p> <p>The cashflow projection and retained surplus application is approved annually by the Department of Human Settlements and National Treasury.</p> <p>Expenditure comprises actual expenditure, accruals, and retained surplus .</p>
Disaggregation of Beneficiaries (where applicable)		Progress over the period towards 40% of capital grant allocation to enterprises owned by women, youth, and people with disabilities.

Spatial Transformation (where applicable)	Within strategically located areas allowed for by legislation and policy.
Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired Performance	<p><u>Higher than targeted performance is desirable:</u></p> <ul style="list-style-type: none"> 95% expenditure of the approved annual Consolidated Capital Grant cashflow projection by the end of the financial year.
Indicator Responsibility	Executive: Project Development and Funding

22	Indicator Title 6.5.1.	Percentage of Consolidated Capital Grant (CCG) awarded to black majority-controlled enterprises
Definition	<p>Measures the Rand value of the Consolidated Capital Grant (CCG) awarded to the combined total of grant recipients that are >50% black controlled in the case of SHIs and >50% black-owned in the case of ODAs, as a percentage of the total CCG awarded over the period.</p> <p>Controlled refers to non-profit companies (NPCs) or accredited SHIs that do not have share capital but are controlled by the board of directors.</p> <p>The indicator measures director-level (board) composition for NPCs (accredited SHIs) and black ownership for other delivery agents that are for-profit.</p>	
Source of Data	PD&F Quarterly Report.	
Method of Calculation/Assessment	Cumulative year to-date CCG awarded to the combined total of black majority-owned or controlled grant recipients, divided by the total CCG awarded for the financial year to-date, expressed as percentage.	
Means of Verification / Evidence	<p>Exco minutes or agenda verifying the tabling of PD&F Quarterly Report that reflects the allocation of the CCG to black majority owned and controlled grant recipients, for the financial year to-date.</p> <ul style="list-style-type: none"> Council resolution indicating the value of an approved CCG contract to black majority owned or controlled grant recipients. B-BBEE certificates / sworn affidavits of the SHIs and ODAs, reflecting director-level control in the case of NPCs and shareholding in the case of ODAs. 	

	<ul style="list-style-type: none"> ▪ Joint venture registration documents. ▪ Company founding documents - MOI / CIPC / share certificates, reflecting shareholder and director names. ▪ Identity documents of owners / directors.
Assumptions	<p>B-BBEE certificates and/or sworn affidavits, and other supporting documentation are legally valid.</p> <p>Valid CIPC registration confirming ownership and/or control.</p>
Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	Not applicable.
Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired Performance	<p><u>Higher than targeted performance is desirable:</u></p> <ul style="list-style-type: none"> ▪ 70% of CCG allocation awarded to black majority-controlled enterprises.
Indicator Responsibility	Executive: Project Development and Funding

23	Indicator Title 6.5.2.	Percentage of construction spend to enterprises that are majority-owned by women
	Definition	Measures the percentage of the consolidated capital grant (CCG) spend on construction that is undertaken by enterprises that are ≥51% women-owned.
	Source of Data	PD&F Quarterly Report.
	Method of Calculation/Assessment	Rand value of the CCG paid for construction related activities spent on ≥51% women-owned enterprises, divided by the total Rand value of CCG expenditure relating to construction spend, expressed as a percentage.
	Means of Verification / Evidence	<ul style="list-style-type: none"> ▪ Payment schedule and/or accompanying records such as invoices and bills of quantity. ▪ B-BBEE certificates or sworn affidavits reflecting gender breakdown ▪ Respective grant and contracting agreements

Assumptions	<ul style="list-style-type: none"> Expenditure excludes non-construction related items, such as the land, professional fees, contingencies, and maintenance reserve provisions. Availability of supporting documents provided by the Developer, such as, B-BBEE certificates / sworn affidavits of the CCG recipients of construction spend, and CIPC documents.
Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	Within strategically located areas allowed for by legislation and policy
Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired Performance	To achieve the target of 40% of construction spend to enterprises that are majority-owned by women.
Indicator Responsibility	Executive: Project Development and Funding

24	Indicator Title 6.5.3.	Percentage of construction spend to enterprises that are majority-owned by youth
Definition		Measures the percentage of the consolidated capital grant (CCG) spend on construction that is undertaken by enterprises that are >50% owned by those that are defined as youth in South Africa, i.e., aged 15-34 years old.
Source of Data		PD&F Quarterly Report.
Method of Calculation/Assessment		Rand value of the CCG paid for construction related activities spent on ≥51% youth-owned enterprises, divided by the total Rand value of CCG expenditure relating to construction spend, expressed as a percentage.
Means of Verification / Evidence		<ul style="list-style-type: none"> Payment schedule and/or accompanying records such as invoices and bills of quantity. B-BBEE certificates or sworn affidavits. CIPC company report, reflecting shareholder names and ID numbers of shareholders to verify age. Respective grant and contracting agreements

Assumptions	<ul style="list-style-type: none"> Expenditure excludes non-construction related items, such as the land, professional fees, contingencies, and maintenance reserve provisions. Availability of supporting documents provided by the Developer, such as, B-BBEE certificates / sworn affidavits of the CCG recipients of construction spend, and CIPC documents.
Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	Within strategically located areas allowed for by legislation and policy
Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired Performance	To achieve the target of 20% of construction spend to enterprises that are majority-owned by youth.
Indicator Responsibility	Executive: Project Development and Funding

25	Indicator Title 6.5.4.	Percentage of construction spend to enterprises that are majority-owned by people with disabilities
Definition		Measures the percentage of the consolidated capital grant (CCG) spend on construction that is undertaken by enterprises that are ≥51% owned by people that are classified as living with a long-term disability.
Source of Data		PD&F Quarterly Report.
Method of Calculation/Assessment		Rand value of the CCG paid for construction related activities spent on enterprises that are ≥51% owned by people with disabilities, divided by the total Rand value of CCG expenditure relating to construction spend, expressed as a percentage.
Means of Verification / Evidence		<ul style="list-style-type: none"> Payment schedule and/or accompanying records such as invoices and bills of quantity. B-BBEE certificates or sworn affidavits. CIPC company report, reflecting shareholder names and identity numbers of shareholders. Respective grant and contracting agreements

	<ul style="list-style-type: none"> Medical certificate or other valid means of confirmation provided by the enterprise verifying the long-term disability status of the respective shareholder/s.
Assumptions	<ul style="list-style-type: none"> Expenditure excludes non-construction related items, such as the land, professional fees, contingencies, and maintenance reserve provisions. Availability of supporting documents provided by the Developer, such as, B-BBEE certificates / sworn affidavits / disability confirmation of the CCG recipients of construction spend, and CIPC documents.
Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	Within strategically located areas allowed for by legislation and policy
Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired Performance	To achieve the target of 5% of construction spend to enterprises that are majority-owned by people with disabilities.
Indicator Responsibility	Executive: Project Development and Funding

26	Indicator Title 6.5.5.	Number of job opportunities created through projects implemented
Definition		<p>Number of job opportunities created directly through projects implemented.</p> <p>In terms of the DHS Empowerment Policy (October 2021) employment in construction can be measured as the number of person-days of work created in terms of the construction spend.</p> <p>A target of 12 person-years of employment per R1 million construction spend is set, i.e., for every R1 million spent on construction of human settlement projects, employment for at least 12 people for a full year (220-250 working days) each, should be achieved.</p> <p>Expenditure excludes non-construction related items, such as the land, professional fees, contingencies, and maintenance reserve.</p>
Source of Data		<ul style="list-style-type: none"> PDF quarterly report.

	<ul style="list-style-type: none"> ▪ DHS Economic Recovery Plan reports.
Method of Calculation/Assessment	Number of direct job opportunities created on construction projects that meet the set reporting criteria of the DHS Empowerment Policy (per definition above).
Means of Verification / Evidence	<ul style="list-style-type: none"> ▪ Exco minutes or agenda verifying the tabling of PD&F Quarterly Report that reflects the number of persons employed based on the Economic Recovery Plan reporting template. ▪ Developers reports.
Assumptions	<p>Reports from developers are accepted as accurate.</p> <p>Expenditure excludes non-construction related items, such as the land, professional fees, contingencies, and maintenance reserve.</p>
Disaggregation of Beneficiaries (where applicable)	20% women, 60% youth, 5% PWDs
Spatial Transformation (where applicable)	Not applicable.
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	<p><u>Higher than targeted performance is desirable:</u></p> <ul style="list-style-type: none"> ▪ Achievement of 6 646 job opportunities created through projects implemented
Indicator Responsibility	Executive: Project Development and Funding

ANNEXURES TO THE ANNUAL PERFORMANCE PLAN

ANNEXURE A: AMENDMENTS TO THE STRATEGIC PLAN

As required by the DPME Revised Framework for Strategic Plans and Annual Performance Plans, the process to develop this 2021/22 Annual Performance Plan included a critical review of the approved 2020-2025 Strategic Plan, tabled in March 2020. The amendments to the approved 2020-2025 Strategic Plan arising from the review are reflected below.

Note: The amendments are only to five-year targets and are not considered material enough to warrant the development and tabling of a Revised Strategic Plan.

STRATEGIC PLAN AMENDMENTS (2022/23 FINANCIAL YEAR):

- 1) **Amendments to Outcome 2: Quality, affordable social housing delivered in strategically located areas:**
 - a) The target for the delivery of social housing units was reduced from 30 000 units to 18 000 units in the approved revised MTSF 2019-2024 (October 2021). The SHRA has, therefore, adjusted the target of outcome indicator 2.1. as follows:

OUTCOME	OUTCOME INDICATOR	BASELINE (2019/20)	FIVE-YEAR TARGET (March 2025)	
			Original Approved	2022/23 Amendment
Outcome 2: Quality, affordable social housing delivered in strategically located areas	2.1. Number of social housing units delivered in strategically located areas	MTSF 2014– 2019: 13 968 social housing units delivered SP 2015-2020: 15 915 social housing units delivered	MTSF 2019– 2024: 30 000 social housing units delivered SP 2020– 2025: 30 000 social housing units delivered	MTSF 2019– 2024: 18 000 social housing units delivered SP 2020– 2025: 18 000 social housing units delivered

- 2) **Amendments to Outcome 5: An effectively regulated and sustainable Social Housing Sector:**

- a) **Outcome indicator 5.2.:** Reframed from “Number of social housing units accredited” to “Number of social housing units approved.” While the meaning remains the same, the change has been made to align with the language used in the Social Housing Act, and the revised CAR Operational Framework.

The target for the number of social housing units approved has been reduced from 63 026 units to 42 450 social housing units, approved by the end of the strategic planning period. This is in line with the available funding and the reduction in the MTSF 2019-2024 target from 30 000 to 18 000 units.

- b) **Outcome indicator 5.3.:** The target for the number of social housing units under regulation has been reduced from 58 288 units to 48 000 social housing units under regulation by the end of the strategic planning period.

The above amendments are shown in the table below:

OUTCOME	OUTCOME INDICATOR	BASELINE (2019/20)	FIVE-YEAR TARGET (March 2025)	
			Original Approved	2022/23 Amendment
Outcome 5: An effectively regulated and sustainable Social Housing Sector	5.2. Number of social housing units accredited (Changed from accredited to approved)	28 026 social housing units accredited (Changed from accredited to approved)	63 026 social housing units accredited *** (Changed from accredited to approved)	42 450 social housing units approved ****
	5.3. Number of social housing units under regulation	39 407 units under regulation	58 288 social housing units under regulation (Est. 4 000 p/a x 5)	48 000 social housing units under regulation

*** Best case scenario based on full funding availability to deliver 30 000 units.

**** Target reduced to align with the available funding and reduced MTSF delivery target

STRATEGIC PLAN AMENDMENTS (2021/22 FINANCIAL YEAR):

For tracking purposes, amendments made to the approved Strategic Plan in the 2021/22 financial year are reflected below.

1) The SHRA Impact Statement:

CURRENT	AMENDED
Two separate statements: <ul style="list-style-type: none"> A transformed, compliant, and sustainable Social Housing Sector Integrated, quality and affordable social housing 	Combined into one statement: <p>A transformed, compliant, and sustainable Social Housing Sector, comprising integrated, quality, and affordable social housing</p>

2) Outcome Indicator 1.2. Stakeholder Satisfaction Index:

At the time of finalising the 2020-2025 Strategic Plan in March 2020, the baseline stakeholder satisfaction survey had not taken place and there was uncertainty regarding the framing of outcome indicator 1.2. In the absence of the survey, the baseline and five-year target could not be set.

The stakeholder satisfaction survey has subsequently been completed and the report has been approved by Exco and Council. Indicator 1.2 of the 2020-2025 Strategic Plan is confirmed as follows:

OUTCOME	OUTCOME INDICATOR	BASELINE (2019/20)	FIVE-YEAR TARGET (March 2025)
Outcome 1: Functional, efficient, and integrated government	1.2. Stakeholder satisfaction index	7.3	7.8

3) Outcome Indicator 6.1. Social Housing Sector Transformation Index

Based on further research and benchmarking, as well as inputs from the SHRA Council, the outcome 6.1. indicator changes from "Social Housing Sector transformation index to Social Housing Sector transformation barometer." The TID has also been amended, to include reference to the State of the Transformation Report and Scorecard, as source data for developing the barometer.

ANNEXURE B: CONDITIONAL GRANTS

Not applicable to the Social Housing Regulatory Authority.

ANNEXURE C: CONSOLIDATED INDICATORS

Not applicable to the Social Housing Regulatory Authority.

ANNEXURE D: DISTRICT DEVELOPMENT MODEL (DDM)

No	SHIP : Year Approved	Project Name	Number of Units	Project Type	Project Status	Province	District Municipality	Latitude	Longitude
1	SHIP 2: 2011/12	Brandwag Ph 2	495	Greenfield	On hold	FS	Mangaung	-29.10436	26.18981
2	SHIP 3: 2012/13	Hampsons	430	Greenfield	Completed	KZN	eThekweni	-29.88612	30.94843
3	SHIP 3: 2012/13	Aloe Ridge (Westgate Grange)	952	Greenfield	Completed with challenges	KZN	Amajuba	-29.66119	30.37789
4	SHIP 3: 2012/13	City Deep Ph 3	328	Greenfield	Completed with challenges	GP	City of Johannesburg	-26.22456	28.07331
5	SHIP 4: 2013/14	Dobsonville	502	Greenfield	Completed with challenges	GP	City of Johannesburg	-26.22794	27.85540
6	SHIP 5: 2014/15	Steve Biko Murnford	220	Brownfield	Construction and Tenanting	EC	Nelson Mandela Bay	-33.95922	25.62213
7	SHIP 5: 2014/15	Brandwag Ph 3	154	Greenfield	On hold	FS	Mangaung	-29.10443	26.19032
8	SHIP 5: 2014/15	Matlosana Gardens	1168	Greenfield	Tenanting	NW	Matlosana	-26.84518	26.70219
9	SHIP 5: 2014/15	Ocean View	603	Greenfield	Terminated	EC	Buffalo City	-33.05530	27.82290
10	SHIP 5: 2014/15	Devland Gardens	870	Greenfield	Construction and Tenanting	GP	City of Johannesburg	-26.27853	27.93760
11	SHIP 5: 2014/15	The Block	512	Greenfield	Completed	WC	City of Cape Town	-33.92002	18.65271
12	SHIP 6: 2015/16	Delville	88	Greenfield	Completed with challenges	GP	Ekurhuleni	-26.23500	28.19000
13	SHIP 6: 2015/16	Devland/Golden Highway	444	Greenfield	Construction and Tenanting	GP	City of Johannesburg	-26.26412	27.97747
14	SHIP 6: 2015/16	Plain Street	210	Brownfield	Tenanting	GP	City of Johannesburg	-26.19988	28.04754
15	SHIP 6: 2015/16	Frischgewaagd Farm	801	Greenfield	Planning	NW	Bonjola	-25.37043	27.08154
16	SHIP 7: 2016/17	Westonaria Bonwa	582	Greenfield	On hold	GP	West Rand	-26.33631	27.67285
17	SHIP 7: 2016/17	Townlands Ph 2	509	Greenfield	Construction	GP	City of Tshwane	-25.74432	28.17357
18	SHIP 7: 2016/17	Townlands Ph 1	691	Greenfield	Tenanting	GP	City of Tshwane	-25.74432	28.17357
19	SHIP 7: 2016/17	Germiston Ext. 4	201	Greenfield	Planning	GP	Ekurhuleni	-26.21209	28.15493

SHRA: 2022/23 Annual Performance Plan

Nº	SHIP : Year Approved	Project Name	Number of Units	Project Type	Project Status	Province	District Municipality	Latitude	Longitude
20	SHIP 7: 2016/17	301 Marshalltown	42	Brownfield	Tenancing	GP	City of Johannesburg	-26.20486	28.06132
21	SHIP 7: 2016/17	Mogale Junction Ph 1 & 2	1590	Greenfield	Construction and Tenancing	GP	West Rand	-26.15108	27.72964
22	SHIP 8: 2017/18	Goodwood Station	1055	Greenfield	Planning	WC	City of Cape Town	-33.91485	18.54715
23	SHIP 8: 2017/18	Heideveld	180	Greenfield	Planning	WC	City of Cape Town	-33.97001	18.56183
24	SHIP 8: 2017/18	Hillside View	839	Greenfield	Tenancing	FS	Mangaung	-29.18470	26.21730
25	SHIP 8: 2017/18	Carnival Gardens	888	Greenfield	Construction and Tenancing	GP	Ekurhuleni	-26.26902	28.29436
26	SHIP 8: 2017/18	Regent Villas Ph1	104	Greenfield	Completed	WC	City of Cape Town	-34.02734	18.57827
27	SHIP 8: 2017/18	Garankuwa	1592	Greenfield	Construction	GP	City of Tshwane	-25.57393	28.01066
28	SHIP 9: 2018/19	Kempton Village	312	Greenfield	Tenancing	GP	Ekurhuleni	-26.10331	28.22743
29	SHIP 9: 2018/19	Mohlakeng	1080	Greenfield	Construction and Tenancing	GP	West Rand	-26.22569	27.66152
30	SHIP 9: 2018/19	Clayville (EKHC)	452	Greenfield	Construction	GP	Ekurhuleni	-25.98112	28.19289
31	SHIP 9: 2018/19	Hope City Ph2	114	Greenfield	Completed	MP	Nkangala	-25.79615	29.46658
32	SHIP 9: 2018/19	Turfontein Gardens	504	Greenfield	Completed with challenges	GP	City of Johannesburg	-26.25077	28.03449
33	SHIP 9: 2018/19	Sondela Village Phase 1	246	Acquisition	Completed	GP	Ekurhuleni	-26.29432	28.47328
34	SHIP 9: 2018/19	John Street	385	Greenfield	Tenancing	EC	Nelson Mandela Bay	-33.76596	25.39574
35	SHIP 9: 2018/19	Bothasig Gardens P3	314	Greenfield	Construction and Tenancing	WC	City of Cape Town	-33.86461	18.53401
36	SHIP 9: 2018/19	Ga Rena (Annandale)	494	Greenfield	Construction and Tenancing	LP	Capricorn	-23.88247	29.44549
37	SHIP 9: 2018/19	Little Manhattan Heights	708	Acquisition	Tenancing	GP	City of Tshwane	-25.75539	28.09743
38	SHIP 9: 2018/19	Bridge City (Instratin)	1130	Greenfield	Planning	KZN	eThekweni	-29.72607	30.98922
39	SHIP 9: 2018/19	Madison Loft	100	Acquisition	Tenancing	GP	Ekurhuleni	-26.25482	28.44082
40	SHIP 10: 2019/20	Hospital Street	1056	Greenfield	Planning	KZN	Amajuba	-27.77063	29.92964

SHRA: 2022/23 Annual Performance Plan

N°	SHIP : Year Approved	Project Name	Number of Units	Project Type	Project Status	Province	District Municipality	Latitude	Longitude
41	SHIP 10: 2019/20	Joos Place	43	Acquisition	Completed	GP	City of Tshwane	-25.74931	28.18656
42	SHIP 10: 2019/20	Clayville (M)	85	Greenfield	Terminated	GP	Ekurhuleni	-25.94211	28.20567
43	SHIP 10: 2019/20	Unity House	95	Brownfield	Construction	GP	City of Johannesburg	-26.20449	28.06075
44	SHIP 10: 2019/20	Regent Villas Ph2	60	Greenfield	Construction	WC	City of Cape Town	-34.02690	18.57862
45	SHIP 10: 2019/20	Sondela Village Phase 2	177	Greenfield	Tenancing	GP	Ekurhuleni	-26.29505	28.47453
46	SHIP 10: 2019/20	Phola Heights	688	Greenfield	Planning	GP	Ekurhuleni	-26.02672	28.20303
47	SHIP 10: 2019/20	Hull Street	372	Greenfield	Planning	NC	Frances Baard	-28.73088	24.77657
48	SHIP 10: 2019/20	Fochville Ext 11	258	Greenfield	Tenancing	GP	West Rand	-26.49102	27.47013
49	SHIP 10: 2019/20	Conradie Park P1	432	Greenfield	Construction and Tenancing	WC	City of Cape Town	-33.92402	18.51945
50	SHIP 10: 2019/20	Willow Creek	360	Greenfield	Planning	MP	Gert Sibande	-26.53071	29.98229
51	SHIP 10: 2019/20	Pineroads	243	Greenfield	Planning	WC	City of Cape Town	-33.92915	18.44491
52	SHIP 10: 2019/20	Kwandokuhle	492	Greenfield	Planning	MP	Gert Sibande	-26.48923	29.20106
53	SHIP 11: 2020/21	Fochville Ext 8	256	Greenfield	Construction	GP	West Rand	-26.49231	27.47090
54	SHIP 11: 2020/21	Kempton Towers	240	Greenfield	Construction	GP	Ekurhuleni	-26.10837	28.23502
55	SHIP 11: 2020/21	Maitland Mews	204	Greenfield	Construction	WC	City of Cape Town	-33.92383	18.48170
56	SHIP 11: 2020/21	Thlabane West	700	Greenfield	Planning	NW	Bonjola	-25.65096	27.20294
57	SHIP 11: 2020/21	Durban Heights	142	Greenfield	Planning	GP	City of Johannesburg	-26.20883	28.05386
58	SHIP 11: 2020/21	Germiston Firestation PH2	152	Greenfield	Construction	GP	Ekurhuleni	-26.22065	28.16996
59	SHIP 12: 2021/22	Midrand Heights	305	Greenfield	Planning	GP	City of Johannesburg	-25.99476	28.12964
60	SHIP 12: 2021/22	Mountain Ridge Gardens	362	Greenfield	Planning	WC	Cape Winelands	-33.69683	18.99901
61	SHIP 12: 2021/22	North Park Mall	133	Brownfield	Planning	GP	City of Tshwane	-25.67681	28.17097

SHRA: 2022/23 Annual Performance Plan

Nº	SHIP : Year Approved	Project Name	Number of Units	Project Type	Project Status	Province	District Municipality	Latitude	Longitude
		TOTAL No. of Units	28 744						

Notes: Table above includes 61 contracted projects totalling 28 744 units as at end Q3 2021-22.

ANNEXURE E: STATEMENT OF FINANCIAL PERFORMANCE (MTEF)

	2018/19	2019/2020	2020/21	2021/22	2022/23	2023/24	2024/25
Rand thousand	Audited Outcome	Audited Outcome	Audited Outcome	Estimate	Budget	Budget	Budget
Objective/Activity							
Operational grant	51 980	55 201	57 945	60 848	63 738	66 573	76 355
Consolidated Capital Grant	743 640	723 706	725 747	764 646	791 144	825 958	863 051
Institutional Investment Grant	20 132	21 259	22 428	22 725	23 534	23 623	24 684
Regulations	10 000	10 560	11 400	9 400	9 000	6 500	6 792
Total Grant Allocation	825 752	810 726	817 520	857 619	887 416	922 654	970 882
Other Income	11 197	54 948	46				
Interest earned	51 144	20 892	12 582				
Total Revenue	888 093	886 566	830 148	857 619	887 416	922 654	970 882
Economic classification							
Current payments	80617	83 482	79 052	70 248	72 738	73 073	83 147
Compensation of employees	38 143	41 693	45 575	41 483	37 392	40 392	40 392
Goods and services	37 125	41 693	25 132	28 765	35 346	32 681	42 755
Of which							
Advertising	2 254	2 283	1 914	1 890	2 185	2 287	2 544
Audit costs	1 720	965	1 571	1 765	1 800	1 890	1 915
Bank charges	47	49	51	53	55	58	60
Computer services	1 122	576	1 120	1 077	1 542	1 210	1 452
Consultants	15 903	12 414	6 462	6 036	6 338	6 572	6 986
Lease Payments	3 911	4 202	4 440	3 976	4 315	4 467	4 824
Legal fees	3 437	7 738	3 606	4 192	5 342	3 587	4 304
Non-life insurance	109	104	127	135	143	150	157
Repairs and maintenance	68	28	157	166	196	201	241
Research and development	-	-	-	2 177	2 308	2 587	3 104
Training and staff development	2 018	3 778	1 648	1 929	2 369	2 698	2 938
Travel and subsistence	3 921	3 899	3 685	3 602	2 976	3 519	4 223
Other unclassified expenditure							
Operational costs	12 695	6651	12 914	1 727	5 777	3 455	10 006
Losses from Impairments and Adjustments to Fair Value	-	-	-	-	-	-	-
Depreciation (Note 1)	1 185	1 687	1 742	1 900	1 900	1 900	1 900
Adjustment to fair value financial assets (Note 2)	4 164	542	-	-	-	-	-
Transfers and subsidies	789 937	1 216 473	595 450	786 250	813 501	848 345	887 735

	2018/19	2019/2020	2020/21	2021/22	2022/23	2023/24	2024/25
Rand thousand	Audited Outcome	Audited Outcome	Audited Outcome	Estimate	Budget	Budget	Budget
Grants:							
Social Housing Grants	789 057	1 216 473	595 450	786 250	813 501	848 345	887 735
CCG - Surplus Funds							
Rent Relief Fund							
Total Expenditure	865 554	1 299 955	674 505	856 498	886 239	921 418	970 882
Surplus / (Deficit)	22 539	(413 119)	155 646	1 121	1 177	1 236	-
Notes:							
1) The deficit reflected from FY 2020 is as a result of Depreciation and utilization of accumulated surplus over the financial year							
2) Adjustment to financial assets is as a result of impaired debtors from cancelled CCG contracts							

ANNEXURE F: STATEMENT OF FINANCIAL POSITION (MTEF)

Statement of Financial Position	2018/19	2019/20	2020/21	2012/22	2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Estimated	Budget	Budget	Budget	Budget
ASSETS							
Current assets	1 123 379	721 167	1 233 844	1 244 961	917 057	910 774	912 912
Current investments	-	-	-	-	-	-	-
Trade and other receivables from exchange transactions	7 033	61 622	21 013	21 013	122	124	122
Receivables from non-exchange transactions	4	-	-	-	-	-	-
Prepayments	1 069	1 069	1 069	1 069	1 069	1 069	1 069
Cash and cash equivalents	1 115	-	-	-	-	-	-
	273	658 476	1 211 762	1 222 879	915 866	909 866	911 721
Non-current assets	10 185	10 742	9 155	9 088	7 291	6 766	6 238
Property, plant, and equipment	8 185	7 467	5 967	4 763	3 516	3 441	3 115
Intangible assets	2 000	3 275	3 188	4 325	3 775	3 325	3 123
Total assets	1 133 564	731 909	1 242 999	1 254 049	924 348	917 540	919 150
LIABILITIES							
Current liabilities	143 932	155 666	511 111	521 040	190 162	182 118	183 728
Payments received in advance	-	-	-	-	-	-	-
Trade and other payables from exchange transactions	43 826	35 158	85 318	76 786	54 000	51 489	56 817
Current provisions	64 474	86 225	82 844	103 119	92 807	88 166	84 640
<i>Performance Bonus</i>	3 040	3 171	2 979	-	-	-	-
<i>Interest capitalisation</i>	61 375	83 054	79 865	103 119	92 807	88 166	-
Current portion of unspent conditional grants and receipts (Note 1)	35 246	33 412	41 913	41 913	41 913	41 913	41 913
Current portion of operating lease liability	386	871	1 036	1 222	1 443	550	358
Residential Rent Relief Programme	-	-	300 000	298 000	-	-	-
Total liabilities	143 932	155 666	511 111	521 040	190 162	182 118	183 728
NET ASSETS	989 632	576 243	731 888	733 009	734 186	735 422	735 422
Accumulated surplus / (deficit) (Note 2)	989 632	576 243	731 888	733 009	734 186	735 422	735 422
Total net assets and liabilities	2 267 128	1 463 818	2 485 998	2 508 098	1 848 696	1 835 080	1 838 299

Notes:

- 1) Cash and cash equivalent of the new financial year expected to cover a portion of Q1 expenditure.
- 2) Provisioned as follows:

Accumulated Surplus	2020/21	2021/22	2022/23	2023/2024
Opening Balance	731 888	733 009	734 186	735 422
Current	1 121	1 177	1 236	0
Closing Balance	733 009	734 186	735 422	735 422

ANNEXURE G: CASHFLOW STATEMENT (MTEF)

Cashflow data R Thousand	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/2025
	Audited Outcome	Audited Outcome	Estimated	Budget	Budget	Budget	Budget
Cash receipts from stakeholders	882 747	858 330	836 790	888 965	887 416	922 654	970 882
Transfers received	825 752	810 726	817 553	857 416	887 416	922 654	970 882
Other government units	825 752	810 726	817 553	857 416	887 416	922 654	970 882
Departmental transfers	825 752	810 726	817 553	857 416	887 416	922 654	970 882
Department of Human Settlements	825 752	810 726	817 553	857 416	887 416	922 654	970 882
Interest and rent on land	56 995	47 604	19 270	31 346	-	-	-
Interest	56 995	47 604	19 224	31 239	-	-	-
Other income	-	-	46	107	-	-	-
Cash paid to stakeholders	845 791	1 312 850	583 337	876 853	895 530	928 002	968 742
Current payments							
Compensation of employees	35 288	41 839	41 285	41 483	37 392	40 392	40 392
Goods and services	43 474	46 324	56 542	28 765	35 346	32 681	42 755
Recalled grant funds	2 490	-	-	-	-	-	-
Programme Costs – Grants	764 197	1 224 687	485 510	806 605	822 792	848 345	885 595
Cashflow from investing activities	9 878	2 277	169	995	899	937	-
Acquisition of property, plant, equipment & intangible assets	10 120	2 277	279	995	899	937	-
Other fixed structures	5 508	928	215	932	852	937	-
Furniture and office equipment	2 666	0	4	4	2	-	-
Software and other intangible assets	1 946	1 349	60	59	45	-	-
Other flows from Investing Activities	(242)	-	(110)	-	-	-	-
Domestic	(242)	-	(110)	-	-	-	-
Proceeds from sale of property, plant, equipment & intangible assets	(242)	-	(110)	-	-	-	-
Cashflow from financing activities	-	-	300 002	-	-298 000	-	-
Proceeds from residential rent relief	-	-	300 000	-	-	-	-
Other cash item	-	-	2	-	-	-	-
Ut flow to residential rent relief	-	-	-	-	-298 000	-	-
Net increase / (decrease) in cash and cash equivalents	27 420	(456 797)	553 286	11 117	(307 013)	(6 285)	2 140
Cash and cash equivalent - opening	1 087 854	1 115 274	658 476	1 211 762	1 222 879	915 866	909 581
Cash and cash equivalent - closing	1 115 274	658 476	1 211 762	1 222 879	915 866	909 581	911 721