

PROVINCIAL GOVERNMENT

WESTERN CAPE



DEPARTMENT OF HOUSING

STRATEGIC PLAN

2003/04 to 2005/06

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PART A: STRATEGIC OVERVIEW

A1 Statement of policy and commitment by MEC

The Constitution of our country recognises that every person has inherent dignity and the right to have that dignity respected and protected.

It is my mission as the Minister of Housing in the Western Cape to restore the dignity of the thousands of people who have been forced to live in undignified conditions for so many years, by providing quality living environments in the shortest possible time with the resources at my disposal.

I commit myself to the development and empowerment of the people of the Province through the concept of iKapa Elihlumayo and to the delivery of services to especially the poor.

Communities can only be sustainable if their environments meet their physical needs. It is therefore of critical importance to me that integration of the planning and development of human settlement takes place. Housing cannot be provided in isolation any longer.

To give substance to this, the Department's strategic objectives include the promotion of integrated development in conjunction with sister departments and municipalities. I call on my colleagues at these organs of state to make every effort to make this a reality.

Development of our people can only be successful if they are empowered to make informed decisions about the betterment of their lives. To bring the empowerment of our communities to fruition, capacity building of beneficiaries will take place through a communication campaign at grassroots level.

Empowerment of provincial and municipal officials will focus on their real needs and skills development to expedite the delivery of quality housing products within the constraints of the various subsidy amounts.

It is a well known fact that the success of housing delivery is measured by the number of housing units provided to families in need. I am committed to maximise the number of housing opportunities in each municipality on an equitable basis and especially to give further impetus to the People's Housing Process, which in turn further empowers the people.

Furthermore, concerted efforts, in conjunction with municipalities, will be made to upgrade identified informal settlements in order to restore the inhabitants' dignity and reduce their waiting time to reside in safe, quality environments.

I am confident that this strategic plan contributes to the attainment of the Western Cape Cabinet's strategic goals and to the "Growing Cape".

I give my wholehearted support to this strategic plan.

MS. NHANGANA
MINISTER OF HOUSING
DATE:

A2 Overview by Accounting Officer

This strategic plan is the result of a continuous, interactive process within the Department since January 2002, where in the minister and staff members participated.

The strategic plan sets out to address the internal and external environments within which the Department functions.

The Department has, in recent years, suffered from a lack of capacity in terms of staff numbers, which resulted in a number of shortcomings in its monitoring and controls systems as identified in recent Auditor-General's reports.

Recent changes to policy directives, notably the financial contribution to be made by beneficiaries to qualify for a subsidy, the application of the Housing Consumer Protection Measures Act to subsidy housing, the procurement policy and impetus gained by the People's Housing Process, have highlighted the inappropriate organisational structure of the Department, to meet these new responsibilities effectively.

Seen in the international context, as emanated from the World Summit on Sustainable Development, the focus is moving away from providing merely houses, to creating sustainable human settlements. This change needs to be reflected in the organisational structure to make this vision a reality.

A very important and troubling matter is the prevalence of allegations of corruption in the housing environment.

The strategic plan sets out as a strategic goal the review and restructuring of the organisational establishment to effectively deal with the recent and possible future policy changes and the evil of corruption.

Sustainable communities require that housing provision should be integrated with the provision of other community facilities. To achieve integrated development, budgets of various funding sources have to be aligned. The Department sets for itself the strategic objective of promoting the alignment of different departmental budgets to achieve some measure of integration.

A matter of continuous concern to the Department is the fact that many recipients of subsidy houses, sell their houses for a pittance or lose them due to debt. This mindset should be changed. To counter this phenomenon as well as a number of other capacity building issues relating to housing, a communication campaign will be run to empower people to make informed decisions.

Coupled to this communication campaign will be the phenomenon of rental arrears in provincial housing stock.

It is common cause that insufficient funding is available on an annual basis to eradicate the housing backlog in the foreseeable future. For this reason, it is imperative that all options to maximise the provision of safe, quality housing opportunities be considered. It is our goal to i) maximise the number of housing opportunities within the constraints of the housing budget and policy directives, ii) improve the living conditions of the people in informal settlements with the aid of the Handbook for the Upgrading of Informal Settlements, iii) give better effect to the People's Housing Process which has already gained unprecedented momentum.

The achieving of the objectives and outputs reflected in this strategic plan will support the strategic goals of the Western Cape Government and contribute to iKapa Elihlumayo.

JOHN WILLIAM A F RICA, Pr.Eng.
HEAD OF DEPARTMENT AND ACCOUNTING OFFICER
DATE:

A3 Vision

Stable communities in well -developed residential environments.

A4 Mission and strategic goals

The mission of the Department is to promote and facilitate the provision of adequate housing development and sound administration.

The following strategic goals and objectives should contribute to this mission:

- Review organisational structure in line with the changing environment;
- Establishment of a well trained and developed personnel corps;
- Ensure sound management and good governance;
- Facilitate the delivery of the maximum housing opportunities;
- Provide a range of subsidy and tenure options to beneficiaries;
- Develop and communicate policy, legislation and guidelines.
- Promote and facilitate capacity building of municipal officials and communities;
- Facilitate and promote the upgrading of informal settlements;
- Co-ordinate planning and development between the Department, sister departments and municipalities;
- Ensure sound management of housing assets;
- Promote an orderly rental housing market;

A5 Values

The supporting philosophy in the pursuance of our mission is vested in the following values:

- Honesty and integrity
- Fairness
- Diligence and dedication
- Discipline
- Efficiency and effectiveness
- Co-operation
- Transparency
- Service delivery (Batho Pele)
- Accountability
- Responsibility
- Professionalism

A6 Legislative and other mandate

ADMINISTRATION, TRANSVERSAL

- Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)
- Constitution of the Western Cape, 1998 (Act 1 of 1998)
 - The fair, equitable and transparent service delivery
- Public Finance Management Act, 1999 (Act 1 of 1999) (as amended by Act 29 of 1999) and the National Treasury Regulations
- Division of Revenue Act (Annual)
 - Good governance and sound financial management

- Public Service Act, 1994 (Act 103 of 1994) and Public Service Regulations of 2000
 - Organisational structuring, personnel management and strategic planning
- Skills Development Act, 1998 (Act 97 of 1998)
- Skills Levy Act, 1999 (Act 90 of 1999)
 - Training and development of personnel
- Employment Equity Act, 1998 (Act 55 of 1998)
 - Equity in the workplace and affirmative action
- Labour Relations Act, 1995 (Act 66 of 1995)
- Basic Conditions of Employment Act, 1997 (Act 75 of 1997)
- Occupational Health and Safety Act, 1993 (Act 85 of 1993)
 - To regulate relationship between employer and employee
- Promotion of Access to Information Act, 2000 (Act 2 of 2000)
 - Promote transparency

HOUSING

- Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)
- Constitution of the Western Cape, 1998 (Act 1 of 1998)
 - Right to access to housing on a progressive basis
- Housing Act, 1997 (Act 107 of 1997) as amended
- Western Cape Housing Development Act, 1999 (Act 6 of 1999)
 - Promote, facilitate and finance housing facilities
- Rural Areas Act, 1987 (Act 9 of 1987)
- Transformation of Certain Rural Areas Act, 1998 (Act 9 of 1998)
 - Administration of twelve Act 9/87 rural areas
- Rental Housing Act, 1999 (Act 50 of 1999) and Regulations
 - Regulating relationships between owners and tenants
- Less Formal Township Establishment Act, 1991 (Act 113 of 1991)
 - Shortened process of township establishment
- Prevention of Illegal Eviction and Unlawful Occupation of Land Act, 1998, Act 19 of 1998.
 - Prescribed legal remedy in dealing with land invasions
- Restitution Act, 1994 (Act 22 of 1994)
- Grootboom Constitutional Court judgment
 - Access to shelter within available resources
- Ndlovu Appeal Court Judgment
 - Mandatory applications of judgment in case of tenants being in contractual default

A7 Description of status quo

A7.1 Summary of service delivery environment and challenges

Poor and unemployed clients
Lack of capacity at municipalities
Implication of the interpretation of Schedules 4 and 5 of the Constitution
Increasing cost of land and infrastructure
Increasing demand for housing
Synchronising provincial housing plan with municipal Integrated Development Plans (IDP's)
Changing policy and legal framework

A7.2 Summary of organisational environment and challenges

Inappropriate organisational structure
Insufficient funding
Inadequate management systems
Problems with the practical implementation of policies

A8 Description of strategic planning process

The strategic planning process started with a two-day workshop of senior management and the executive authority, facilitated by a consultant, from 30 January 2002 to 1 February 2002 at Lambertsbaai.

This workshop was preceded by a number of workshops run by each of the senior managers with other middle management and staff and was informed by information gathered throughout the previous year from visits to municipalities.

A further workshop was held on 25th July 2002 at Ganzekraal regarding the organisational structure to optimise the implementation of the budget programme structure proposed by national Treasury.

This strategic plan was consulted with the trade unions within the Department as required by PSCBC resolution 7/2002.

PART B: PROGRAMME AND SUBPROGRAMME PLANS

B1 Strategic objectives

Programme 1: Administration

Strategic Goal 1: Ensures sound management and good governance

STRATEGIC OBJECTIVES

1. To review and restructure organisational establishment.
2. To establish a well developed and effective personnel corps.

Programme 2: Planning and Subsidy Administration

Strategic Goal 1: The delivery of the maximum number of housing opportunities

STRATEGIC OBJECTIVES

1. To allocate funds to 30 municipalities on an equitable basis.
2. To promote housing policy, advise and assist the municipalities and developers in submitting applications.
3. To evaluate and approve the maximum number of projects and conclude agreements.

Strategic Goal 2: Develop and communicate policy, legislation and guidelines

STRATEGIC OBJECTIVES

1. To research and develop policy as and when required.
2. To conduct communications campaign and information session regarding policy.

Strategic Goal 3: Promote and facilitate capacity building of municipal officials and communities

STRATEGIC OBJECTIVES

1. To conduct skills audits and gap analyses of housing functionaries at all municipalities.

Programme 3: Housing Subsidy Programmes

Strategic Goal 1: Provide housing subsidies to qualifying beneficiaries

STRATEGIC OBJECTIVES

1. To process and approve 10000 project-linked subsidies.
2. To process and approve 1500 individual credit-linked subsidies.
3. To process and approve 2000 People's Housing Process subsidies.
4. To process and approve 3000 consolidations subsidies.
5. To process and approve 1000 institutional subsidies.
6. To process and approve payments in respect of 3 hostels.
7. To process and approve 400 relocations subsidies.
8. To process and approve payments in respect of emergency assistance.
9. To process and approve 100 rural subsidies.
10. To process and approve 1000 savings linked subsidies.

Programme4:UrbanRenewalandHumanSettlementRedevelopment

StrategicGoal1:To createintegratedandfunctionalhumansettlements

STRATEGICOBJECTIVES

1. Tofacilitateandpromotetheupgradingofinformalsettlements.
2. Tosupportthetmacro -planningofidentifiedurbannodes.
3. Topromotealignmentofdifferentdepartmentalbudgets.

Programme5:OldBusiness(RentalHousing)

StrategicGoal1:Toensure soundmanagementofrentalstock

STRATEGICOBJECTIVES

1. Tocomplete thecompendiumofdebtmanagement policies.
2. Promoteanordelyrentalhousingmarket.
3. Effectiveadministrationofhousingassets.

Programme6:Restructuring

StrategicGoal1:Effectivelymanageexcessstaff

STRATEGICOBJECTIVES

1. Toredeployexcessstaff.
2. Tograntseverencepackages.

B2 Measurable objectives, strategies/activities, outputs, measures and monitoring mechanisms

Table 1					
1	2	3	4	5	6
Programme structure Measurable Objectives	Output	Performance Measures			
		Cost Measure	Quantity Measure	Quality Measure	Timeliness Measure
1. Programme 1 : Administration	The overall management of the Department and to maintain an effective and efficient transformed administration				
1.1 Subprogramme 1.2	Corporate Service				
A work -study investigation and implementation of recommendations	Restructured establishment	Cost of investigation to be borne by Vote 1 (Personnel Cost) and implementation costs to be borne by programmes 1 -5	A fully staffed restructured establishment	Effective service delivery	Approval of new establishment by 31 July 2003 Implementation in accordance with budget provisions
Develop and implement a skills development plan	A well developed and effective personnel corps	Costs to be borne by programmes 1 -5 with a minimum of 2% of salary account	Personnel as identified	Improved work performance and service delivery	Development of plan by end of August 2003 Roll out on a continuous basis

Programme 2: Planning and subsidy administration	To facilitate housing delivery					
2.1 Subprogramme: 2.1	Planning					
<p>Allocate funds to 30 municipalities</p> <p>Promote housing policy, advise and assist municipalities and developers</p> <p>Evaluate and approve projects</p>	<p>Fair distribution of funding based on the provincial housing plan</p> <p>Financially empowered municipalities able to plan housing provision appropriately</p> <p>Implementation of approved projects</p> <p>Capacitated developers and municipalities</p> <p>Project applications</p> <p>Approved projects and signed agreements</p>	<p>Personnel and administration expenditure are the main cost drivers</p>	<p>In terms of statistics regarding backlogs as provided by the housing plan</p> <p>Expenditure of the conditional grant for housing within cash-flow projections</p> <p>Number of applications received</p> <p>Number of projects and housing opportunities approved</p>	<p>Housing Subsidy System and monthly financial reports</p> <p>Projects that conform to Housing Code and are reflected in the IDP's of municipalities</p> <p>Speedy submission of housing project applications that are within the predetermined cost constraints</p> <p>The Housing Code and Provincial Housing Strategy</p>	<p>Publication in the government gazette as prescribed</p> <p>Continuous evaluation and monitoring of expenditure</p> <p>Continuous process</p> <p>Within six weeks after receipt of NHBC approval</p>	

Research, develop and communicate policy	Effective policies Well informed housing functionaries	Personnel and administration expenditure	Number of workshops Number of visits to municipalities		Continuous
Undertake skills audit and gap analysis at municipalities	Training and development programmes Empowered municipal officials		Number of courses conducted and officials empowered	Number of certificates issued	Continuous
Present Western Cape Housing Plan to municipalities	Synergy in housing development at municipal level		Number of municipalities	Empowered municipalities	Continuous
2.2 Subprogramme 2.2					
Subsidy administration					
Process subsidy applications and pay claims	Beneficiaries approved and subsidies paid out	Personnel and administration expenditure as the main cost drivers	Number of subsidy applications processed and payments made	In terms of the Housing Code	Within 30 days
Ensure that housing funds are spent in terms of applicable procedures and principles	All funds are spent (in terms of the prescribed guidelines) Housing product that conforms to prescribed norms and standards		Number of housing opportunities	In terms of Housing Code, Norms and Standards	Continuous

Programme3: Housing Subsidy Programmes	To provide housing subsidies to qualifying beneficiaries				
3.1 Subprogramme 3.1:	Project Linked				
Provide project linked subsidies to qualifying beneficiaries in terms of housing policy	Project linked subsidies to beneficiaries	R237,807million	10000 subsidies	In terms of the HousingCode	Continuous
3.2 Subprogramme 3.2:	Individual Subsidies				
Provide individual subsidies to qualifying beneficiaries in terms of housing policy	Individual subsidies to beneficiaries	R30million	1500subsidies	In terms of the HousingCode	Continuous
3.3 Subprogramme 3.3:	People's Housing Process (PHP)				
Provide People's housing process subsidies to qualifying beneficiaries in terms of housing policy	People's Housing Process subsidies to beneficiaries	R30million	2000subsidies	In terms of the HousingCode	Continuous
3.4 Subprogramme 3.4:	Consolidation Subsidies				
Provide consolidated subsidies to qualifying beneficiaries in terms of housing policy	Consolidation subsidies to beneficiaries.	R60million	3000subsidies	In terms of the HousingCode	Continuous
3.5 Subprogramme 3.5:	Institutional Subsidies				
Provide institutional subsidies to qualifying beneficiaries in terms of housing policy	Institutional subsidies to beneficiaries	R26million	1000subsidies	In terms of the HousingCode	Continuous
3.6 Subprogramme 3.6:	Hostel Subsidies				
Provide subsidies to upgrade hostels in terms of housing policy	Hostels upgraded to single and family quarters	R5million	3hostels	In terms of the HousingCode	Continuous
3.7 Subprogramme 3.7:	Relocation Subsidies				
Provide relocation subsidies to qualifying beneficiaries in terms of housing policy	Relocation subsidies to beneficiaries	R8,5million	400subsidies	In terms of the HousingCode	Continuous
3.8 Subprogramme 3.8:	Disaster/Emergency Programme				
Provide emergency assistance to municipalities	Families assisted Improved living conditions	R3,175million (0,75% of Subsidy Grant)		Audited financial statements from municipalities	As and when required
3.9 Subprogramme 3.9:	Rural Housing				
Provide rural housing subsidies to qualifying beneficiaries in terms of housing policy	Rural subsidies to beneficiaries	R2,5million	100subsidies	In terms of the HousingCode	Continuous

3.10Subprogramme3.10:	Savings-Linked				
Provide savings -linked subsidies to qualifying beneficiaries in terms of housing policy	Savings-linkedsubsidiestobeneficiaries	R20,3million	1000subsidies	In terms of the Housing Code	Continuous

Programme4: Urban renewalandHuman SettlementRedevelopment	To createintegratedandfunctionalhumansettlements				
4.1.Subprogramme4.1:	Urbanrenewal				
Promote and support the upgrading of informal settlements	Accesstobasicservices	Personnel and administration expenditure	Number of settlements / townships	In terms of prescribed norms and standards	Continuous
	De-densifiedsettlements(incertaincases)	Human Settlement Redevelopment Grant	Number of families		
Support the macro-planning of identifiedurbannodes	Functionalandintegratedformaltownships	Settlement Assistance Allocation	Mitchell's Plain and Khayelitsha as identified urban renewal nodes		In terms of approved business plans
4.2Subprogramme4.2:	HumanSettlements				
Create integrated and functional settlements	Improvedlivingenvironment	Personnel and administration expenditure	Number of housing opportunities	In terms of the policy, housing code and the HSRPstandards	Continuous
	Accesstobasicservices				
	De-densifiedsettlements	Human Settlement Redevelopment Grant	Number of sustainable townships		
		HousingSubsidies			
Promote alignment of different budgets	Integrateddevelopment	Personnelcosts Housing allocations	Number of integrated projects	Integratedplans	Continuous
Support the administration of Act 9/1987 Rural Areas as well as the finalisation of the transformationprocess	Autonomoumanagementofcommonage areasintegratedintomunicipalities (RepealofAct9,1987)	Personnel and administration expenditure	Number of transformed RuralAreas	In terms of Transformation of Certain Rural Areas Act 94 , 1998	Continuous until 12 identified areas completed

Programme 5: Old business (rental housing)	Management of rental housing				
5.1 Subprogramme 5.1:	Administration				
Complete the compendium of debt management policies	A compendium of debt management policies	Personnel and administrative expenditure	Amounts collected	In terms of policies and legislation	Continuous
Effectively administer Western Cape housing assets	Increased rental income				Continuous
Promote an orderly rental housing market	An awareness campaign regarding the Western Cape Rental Housing Tribunal Improved relationships between owners and tenants		Number of disputes and complaints resolved		Continuous
5.2 Subprogramme 5.2:	Maintenance				
Ensure Western Cape housing assets are effectively maintained	Well-maintained properties Fewer complaints	Budgeted amount	Number of properties maintained and capital spent	Satisfied tenants and communities	Continuous
5.3 Subprogramme 5.3:	Transfer of Rental Stock				
Facilitate the transfer of the maximum number of properties to individuals	Properties transferred Increased home ownership	Valuations, surveys, transfer costs	Number of properties to individuals	Home ownership Economic empowerment	Continuous
5.4 Subprogramme 5.4:	Sale of Rental Stock				
Sell maximum number of properties	Properties sold Increase home ownership	Valuations, surveys, transfer costs	Number of properties sold	Ownership Economic empowerment	Continuous
5.5 Subprogramme 5.5:	Management of Rental Stock				
Ensure an effective and efficient debt management process	Reduced debt Regular payment of rental Increased funding for housing	Income budgeted Budget in respect of rates and services	Quarterly statements issued Reduction in debt Amounts collected and paid	In terms of policies Improved debtor management	Continuous

5.6 Subprogramme 5.6:	Devolution of Rental Stock				
Devolve housing stock and other properties to municipalities	Units and properties devolved Reduced rental income Reduced rates and service costs	Transfer costs	Number of properties devolved	In terms of policy and legislation	Continuous

Programme6: Excessstaff	Restructuring				
Effectivelymanageexcessstaff	Suitableplacementofstaff GrantingofSeverancePackages	Personnel and administration expenditure	Reduction in number of excessstaff	DTT and IDTT reports	In terms of Resolution 7/2002

B3 Performance targets and MTEF budgets

Table 2									
Objective	Output	Performance Measure	Monitoring Mechanism	2001/02 Actual (R'000)	2002/03 Actual (R'000)	2003/04 Target (R'000)	2004/05 Target (R'000)	2005/06 Target (R'000)	% change over MTEF
1. Programme 1				17374	17155	18292	19182	21085	15,3
1.1: Office of the Minister of Housing				1731	1787	2100	2250	2300	9,5
Conduct and manage the Office of the Minister of Housing	An efficient and well-run Ministry As satisfied Minister	Efficient and timeous response to queries, correspondence Speedy response to questions raised in the legislature	Regular management meetings with minister						
1.2: Corporate: Service				15643	15368	16192	16932	18785	16,0
A work -study investigation and implementation of recommendations	Restructured establishment	The costs within the pre - determined personnel cost structure and to be completed in terms of timeframes	Applicable legislation, regulations and workstudy principles						
Develop and implement a skills development plan	A well developed and effective personnel corps	Completion of tasks Efficient service delivery	Personnel as identified						

2.P rogramme2				20682	26341	25939	28285	29977	15,6
2.1:Planning				8273	10536	10376	11314	11991	15,6
Allocate funds to municipalities	Fair distribution of funding based on the Provincial HousingPlan Financially empowered municipalities able to plan housing provision appropriately Implementation of approvedprojects	In terms of statistics as provided by the housingplan Expenditure of Conditional Grant	Continuous evaluation monitoring of expenditure. Publication in the government gazette. Housing Subsid y System and monthly financial reports. IDP's of municipalities						
Promote housing policy and assist municipalities and developers	Capacitated developers and municipalities Project appli - cations	Number of applications received	HousingCode IDP's						
Evaluate and approve projects	Approved projects and signed agreements	Number of projects and housing opportunities approved	HousingCode IDP's NHBRC						
Research, develop and communicate policy	Effective policies Well informed housing functionaries	Number of policies Empowered municipalities Number of Workshops	Effectivity and applicability of policy to changing environment and needs of beneficiaries						

Undertake skills audit and gap analysis of municipalities	Training and development programmes	Number of officials empowered	Number of courses offered						
Present Western Cape Housing Plan to municipalities	Empowered municipal officials	Visits to municipalities	Number of project applications						
	Synergy in housing development at municipal level		Housing Subsidy System						
			Number of project applications						
2.2: Subsidy administration				12409	15805	15563	16971	17987	15,6
Process subsidy applications and pay claims	Effective and efficient subsidy administration process	Personnel and administrative costs	Housing Code						
	Maximum number of beneficiaries approved and subsidies paid out	Number of subsidy applications processed							
		Number of housing opportunities							
Ensure that housing funds are spent in terms of applicable procedures and principles	All funds are spent	Number of housing opportunities	Housing Code and Standards						
	Housing product that conforms to norms and standards								

3.Programme3				325861	378860	423282	446035	473136	11,8
3.1:ProjectLinked				323417	376019	237807	233690	249587	5,0
To provide project linked subsidies to qualifying beneficiaries in terms of housing policy	10 000 subsidies approved and processed	Number of applications received, processed and payout	HousingCode Housing Subsidy System						
3.2:Individual Subsidies						30000	30000	30000	0,0
To provide individual subsidies to qualifying beneficiaries in terms of housing policy	1500subsidies approved and processed	Number of applications received, processed and payout	HousingCode Housing Subsidy System						
3.3:People's HousingProcess						30000	40000	50000	66,7
To provide subsidies to qualifying beneficiaries in terms of housing policy	2000s subsidies approved and processed	Number of applications received, processed and payout	HousingCode Housing Subsidy System						
3.4:Consolidated Subsidies						60000	60000	60000	0,0
To provide consolidated subsidies to qualifying beneficiaries in terms of housing policy	3000subsidies approved and processed	Number of applications received, processed and payout	HousingCode Housing Subsidy System						
3.5:Institutional Subsidies						26000	30000	30000	15,4
To provide institutional subsidies to qualifying beneficiaries in terms of housing policy	1000subsidies approved and processed	Number of applications received, processed and payout	HousingCode Housing Subsidy System						
3.6:Hostelsubsidies						5000	5000	5000	0,0
To provide subsidies to upgrade hostels in	Refurbished hostels to single	Number of unitsupgraded	Monthly and quarterlyreports						

termsofhousingpolicy	and family quarters		Local negotiating groups						
3.7:Relocation Subsidies						8500	10000	10000	17,7
To provide relocation subsidies to qualifying beneficiaries in terms ofhousingpolicy	400subsidies approved and processed	Number of applications received, processed and payout	HousingCode Housing Subsidy System						
3.8:Disaster/ Emergencyrelief				2444	2841	3175	3345	3549	11,8
To provideemergency assistance to municipalities	Familiesassisted Improved living conditions	Amountsspent	Audited financial statements from municipalities						
3.9:RuralHousing						2500	4000	5000	100
To provide rural housing subsidies to qualifying beneficiaries in terms of housing policy	100subsidies approved and processed	Number of applications received, processed and payout	HousingCode Housing Subsidy System						
3.10:Savings -Linked						20300	30000	30000	47,8
To provide savings subsidies to qualifying beneficiaries in terms ofhousingpolicy	1000subsidies approved and processed	Number of applications received, processed and payout	HousingCode Housing Subsidy System						

4.Programme4				7182	26890	15000	15810	13711	(8,6)
4.1:Urbanrenewal						1	1	1	0,0
Promote and support the upgrading of informal settlements	Access to basic services De-densified settlements (in certain areas)	Personnel and administration expenditure Settlement assistance allocation Number of families with access to basic services	Monthly monitoring and site inspections						
Support the macro planning of identified urban nodes	Functional and integrated formal townships	Settlement Assistance allocation	In terms of approved business plans						
4.2:Human Settlements				7182	26890	14999	15809	13710	(8,6)
Create integrated and functional settlements	Improved living environment Access to basic services De-densified settlements	Spend total HSRP allocation on approved projects within guidelines Housing subsidies Number of sustainable townships	HSRP prescripts Housing Code Norms and Standards						
Promote alignment of different budgets	Integrated development	Number of integrated projects	Integrated plans						

Support the administration of Act 9/1987 Rural Areas as well as the finalisation of the transformation process	Autonomous management of commonage areas integrated into municipalities	Number of transformed areas	12 identified Act 9/1987 areas						
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5.Programme5	Old Business (Rental Housing)			10154	10107	36040	37357	37955	5,3
5.1:Administration				10154	10107	11040	12357	12955	17,4
Effective and efficient administration of rental housing	Increased income Improved debtor records Improved owner/tenant relationship	Personnel and administration cost Amount collected Number of complaints and disputes	Approved policies Legislation						
5.2:Maintenance						3000	3000	3000	0,0
Ensure Western Cape housing assets are effectively maintained	Well-maintained properties Fever complaints.	Budgetted amount	Number of complaints received						
5.3:Transfer of rental stock						3000	3000	3000	0,0
Transfer of the maximum number of properties to individuals	Units transferred Increased home ownership	Number of properties transferred	In terms of the Housing Act 107, 1997 (as amended) In terms of approved policies						
5.4:Sale of rental stock						2000	2000	2000	0,0
Facilitate the sale of the maximum number of housing assets	Properties sold Increased home owners Income generated	Number of properties sold Income received	Approved policies						

5.5: Management of rental stock						14000	14000	14000	0,0
Ensure an effective and efficient debt management process	Reduced debt Regular payment of rental Increased funding for housing Improved debtor management	Income received against budget. Budget in respect of rates and services	Approved policies Budgetted income						
5.6: Devolution of stock						3000	3000	3000	0,0
Devolve housing stock and other properties to municipalities	Units and properties devolved Reduced rental income Reduced rates and service costs	Number of properties devolved	Policy and legislation						

6.Programme6				793	833	977	351	-	(100)
6.1:Restructuring				793	833	977	351	-	(100)
Effectively manage excessstaff	Rationalised staff complement Suitable placementofstaff Severence Packages	Reduction in number of supernumeraries	Quarterly monitoring on PERSAL DTT and IDTT reports						

B4 Reconciliation of budget plan by programme

Table 3								
Subprogramme	Year-2 2000/01 (actual)	Year-1 2001/02 (actual)	Baseyear 2002/03 (Estimated actual)	Average Annual change (%) ¹	Year1 2003/04 (budget)	Year2 2004/05 (MTEF projection)	Year3 2005/06 (MTEF projection)	Average Annual Change (%) ²
1.1 Office of the Provincial Minister	866	1731	1787	53,2	2100	2250	2300	14,4
1.2 Corporate Services	10222	15643	15368	25,2	16192	16932	18785	11,1
Total Programme:1	11088	17374	17155	27,4	18292	19182	21085	11,5
2.1 Planning	7809	8273	10536	17,5	10376	11314	11991	6,9
2.2 Subsidy Administration	11714	12409	15805	17,5	15563	16971	17986	6,9
Total Programme:2	19523	20682	26341	17,5	25939	28285	29977	6,9
3.1 Project Linked ⁽³⁾	341466	323417	376019	5,1	237807	233690	249587	(16,8)
3.2 Individual					30000	30000	30000	
3.3 People's Housing Process					30000	40000	50000	
3.4 Consolidation					60000	60000	60000	
3.5 Institutional					26000	30000	30000	
3.6 Hostel Subsidies					5000	5000	5000	
3.7 Relocation Subsidies					8500	10000	10000	

Subprogramme	Year-2 2000/01 (actual)	Year-1 2001/02 (actual)	Baseyear 2002/03 (Estimated actual)	Average Annual change (%) ¹	Year1 2003/04 (budget)	Year2 2004/05 (MTEF projection)	Year3 2005/06 (MTEF projection)	Average Annual Change (%) ²
3.8 Disaster/Emergency Programme					3175	3345	3549	
3.9 Rural Housing					2500	4000	5000	
3.10 Savings -linked					20300	30000	30000	
Total Programme:3	341466	325861	378860	5,5	423282	446035	473136	12,4
4.1 Urban Renewal					1 ⁽⁴⁾	1	1	
4.2 Human Settlements	9998	7182	26890	84,5	14999	15809	13710	(24,5)
Total Programme:4	9998	7182	26890	84,5	15000	15810	13711	(24,5)
5.1 Administration	8405	10154	10107	10,1	11040	12357	12955	14,1
5.2 Maintenance					3000	3000	3000	
5.3 Transfer of rental stock					3000	3000	3000	
5.4 Sale of rental stock					2000	2000	2000	
5.5 Management of rental stock					14000	14000	14000	
5.6 Devolution of rental stock					3000	3000	3000	
Total Programme:5					36040	37357	37955	
6.1 Restructuring	881	793	833	(2,7)	977	351		(50,0)
Total Programme:6	881	793	833	(2,7)	977	351		(50,0)
TOTAL VOTE	391361	382046	460186	8,8	519530	547020	575864	12,6

1. Average annual change between year -2 and base year.
2. Projected average annual change between base year and year 3.
3. Until 31 March 2003 the funds were transferred in bulk to the Western Cape Housing Development Fund (WCHDF). As from 1 April, the WCHDF was disestablished, all expenditure is now reflected in more detail under this programme, however it is not possible to reflect past transfer to the same extent.
4. Only a nominal R1000 is provided for as business plans are subject to approval by the national Department of Housing.

B5Medium -termrevenues

B5.1Summaryofrevenue

SUMMARYOFREVENUE:DEPARTMENTHOUSING

R'000	2000/2001 (Actual)	2001/02 (Actual)	2002/03 (Est.Actual)	2003/04	2004/05 MTEF	2005/06 MTEF
VotedByLegislature	39720	44655	67613	57586	61598	65440
Conditionalgrants	350976	336991	392360	436782	460345	485347
Other(OwnRevenue)	665	400	213	25162	25077	25077
TotalRevenue	391361	442335	460186	519530	547020	575864

B5.2Departmentalrevenuecollection

DEPARTMENTALREVENUECOLLECTION:DEPARTMENTHOUSING

R'000	2000/2001 (Actual)	2001/02 (Actual)	2002/03 (Est.Actual)	2003/04	2004/05 MTEF	2005/06 MTEF
CURRENTREVENUE						
Taxrevenue						
Non-taxrevenue	665	400	213	25162	25077	25077
DepartmentalRevenue	665	400	213	25162	25077	25077

B5.3 Conditional grants

The Department receives two conditional grants.

- 1 Housing Subsidy Grant used for housing subsidies in terms of the subsidy programmes.
- 2 The Human Settlement Redevelopment Grant is used to eradicate dysfunctionalities in human settlements.

B6 Co-ordination, co-operation and outsourcing plans

B6.1 Interdepartmental linkages

- The Department has linkages with the national Department of Housing and other provincial departments.
- The Department formulates legislation and policy within the national legislation and policy guidelines set by the national department.
- Co-ordination is done through regular heads of housing and task team meetings and reports to the national Department of Housing when requested.

B6.2 Local government linkages

- Housing funds are allocated to municipalities as determined in the Provincial Housing Plan.
- The Department allocates funds to municipalities for development of housing projects.

B6.3 Public entities

The Department is responsible for the Western Cape Housing Development Board.

B6.4 Public, private partnerships, outsourcing

None

B7 Financial management

B7.1 Strategies to address audit queries

Audit queries are addressed and finalised within 14 days of receipt.

B7.2 Implementation of PFMA

A Chief Financial Officer (CFO) for the Department was appointed on 1 March 2001 to assist the Accounting Officer in his responsibilities as set out in part 2 of Chapter 5 of the PFMA.

In the process of restructuring the Department is considering the establishment of a financial inspectorate to ensure compliance with the PFMA and housing code and other prescripts.

PART C: BACKGROUND INFORMATION

C1 Appendix one: Analysis of service delivery environment

The service delivery environment comprises of the following external elements:

- Existing housing and development related policies and legislation
- Municipalities
- Financial institutions and organisations
- Beneficiary communities
- Contractors
- Incidence of HIV/AIDS

Housing delivery takes place in terms of laws and policies that are determined at national level. The Department, along with other provinces are represented on various national task teams.

Municipalities are responsible for rendering municipal services to their communities and, in terms of the procurement policy applicable to housing, are now also expected to act as developers in the housing delivery process. Very few municipalities, if any, have sufficient capacity to take up the role as developer.

Financial institutions and organisations involved in the funding of house construction are very important role players who have to date, not taken up their full role and they are under huge pressure to provide the necessary finance.

Beneficiary communities, who are the potential owners of the products provided with state funding are poor and in many instances not able to afford the maintenance of the houses that they are getting from the state, which results in informal sales that are not officially recorded. It is possible that a person who has received a subsidy can lose his/her property and not be eligible for state assistance in future. The environment is further affected by the ever increasing incidence of HIV/AIDS in this province, as in the rest of the country.

All the above mentioned elements impact upon the ability of the Department to perform its functions.

C1.1 Policy changes and trends

In the housing environment, policy changes occur continuously and adjustments have to be made accordingly. The impact of the changes varies from minimal to huge and they have a distinct impact on the ability of the Department and also the developers to fulfil all their obligations. The latest changes to have significantly influenced performance have been those surrounding the introduction of the new procurement procedures for subsidised housing as well as the introduction of a cash contribution to be made by beneficiaries in order to qualify for the capital subsidy. The impact has been a reduction in the number of new projects that have been approved during the 2002/03 financial year. Another burning issue at present centres around the right of owner to evict defaulters from rental units. The impact of this is that the provision of rental accommodation by municipalities under certain housing programmes as well as the Institutional Subsidy Programme is expected to become a far less attractive option to developers than it had been previously.

C1.2 Environmental factors and emerging challenges

C1.2.1 Demographic profile of the province

HOUSING BACKLOG

The estimated housing backlog in the Western Cape as at 2001 is 316 000. The spread of the backlog is as shown in table 4. The backlog per population group is not available as housing development is undertaken on an integrated non-racial basis and separate figures are not kept for the specific race groups.

Table 4: Backlog per district municipal area

	Backlog	%
Cape Town	218040	69
Breede River	31600	10
Overberg	12640	4
Central Karoo	12640	4
South Cape	25280	8
West Coast	15800	5
TOTAL	316000	100

C1.2.2 Employment, income and other information

On average the economic situation in the Western Cape is better than most other provinces. As a result of this, along with better than average health and education services, the province experiences an influx of people in search of a better life. The impact of this on the housing environment is an unprecedented incidence in informal settlements and aggravated demand for housing. A further complication is that informal settlements are often on land that is unsuitable for housing that necessitate relocation on a priority basis because of flooding and other health risks. This is construed by long-term residents to be queue-jumping and causes tensions and violence in and between communities.

Table 5: Backlog per income band

Income Band	Backlog	
	Number	%
R3500 –R2500	45504	14,4%
R2500 –R1500	70468	22,3%
R1500 –R1000	65412	20,7%
R1000 –R0	134616	42,6%
Total	316000	100%

Table 6: Backlog per Urban/Rural split

Area	2001 Backlog	
A. Urban	270500	85%
City of Cape Town	218040	
Other major towns (7)	39960	
Coastal Towns	12500	
B. Rural areas	45500	15%
Rural towns	30500	
Other rural	15000	
Total	316000	

C1.2.3 Housing profile of people in the province

The most important health aspects to be taken into account in the housing programme, are the incidence of HIV/AIDS and Tuberculosis.

The Department has policies in place that provide for housing support of HIV/AIDS victims and orphans. This policy ranges from the availability of land to welfare organisations to housing subsidies for HIV/AIDS sufferers.

The factors such as overcrowding, poor ventilation, dampness, etc., compounding tuberculosis are addressed by the norms and standards.

The greatest housing need in the Western Cape is in the Cape Metropolitan area. Nearly 70% of the backlog is in this area. The Cape Metropolitan area is characterised by a prevalence of informal areas. Many persons also live in garages, rooms or backyard shacks and are major participants in the informal rental housing market.

C1.3 Evaluation of current implementation performance

There has been considerable progress with initiatives identified to improve the quality of life of inhabitants of flood-prone areas on the Cape Flats, with the project for the installation of services to 5000 sites at Mfuleni having been substantially completed. Furthermore, two portions of land were purchased at Wallacedene and a project consisting of 8500 units has been conditionally approved.

The Department, along with other role-players, completed a handbook dealing with the upgrading of informal settlements that will serve as guideline to municipalities. This handbook will be of significant use to municipalities throughout the province and, possibly, throughout the country.

The Western Cape Housing Strategy and 3 year Business Plan was accepted by the Standing Committee and submitted to the national Department of Housing as the official plan for housing delivery in the Province.

During the 2002/03 financial year a total of 26 000 subsidy applications were screened and approved.

In order to ensure orderly housing development, municipalities have been advised of the funds to be made available to them over the entire MTEF period so that they can plan and initiate housing delivery projects on a structured basis in line with their integrated development plans.

Given the significant changes in housing policy during the 2002/03 period, sound communication between all role -players within the housing arena became of critical importance. Five workshops were held, attended by 351 municipal and provincial officials, at which policy changes in housing, such as the procurement policy, the role of the National Home Builders Registration Council in subsidised housing and the Phasing Out programme, were communicated. In addition to this , a series of eight workshops were held throughout the province attended by 380 municipal officials, councillors, developers and other interested parties.

Two formal courses on Housing Management were presented at the Stellenbosch Business School. A total of 98 officials attended.

The Rental Housing Tribunal functioned well and a total of 2468 complaints were received and investigated.

A draft policy on the provision of housing to HIV/ Aids victims and orphans was completed and workshop held with sister departments and other role -players in housing.

The Department visited various municipalities in order to conduct informative work sessions on the proactive and reactive management of land invasions and unlawful occupation of land. In addition, a handbook dealing with preventative or proactive and reactive steps regarding land invasions or unlawful occupation of land, for use by municipalities and other interested parties, was completed.

An amount of R 1,971 000 was allocated to municipalities in the form of transfer payments regarding settlement assistance (rudimentary services: toilets and water for domestic use) in Elsiesrivier, Red Hill, Southfield and Wallacedene informal settlements.

The amendment to the Western Cape Housing Development Act has been initiated to provide for the disestablishment of the Western Cape Housing Development Board and to provide for the establishment of a Advisory Panel to the Minister.

The debtor system was improved to such an extent that the Department is able to provide all its debtors with quarterly statements reflecting their financial obligations.

C2 Appendix two: Organisational information and the institutional environment

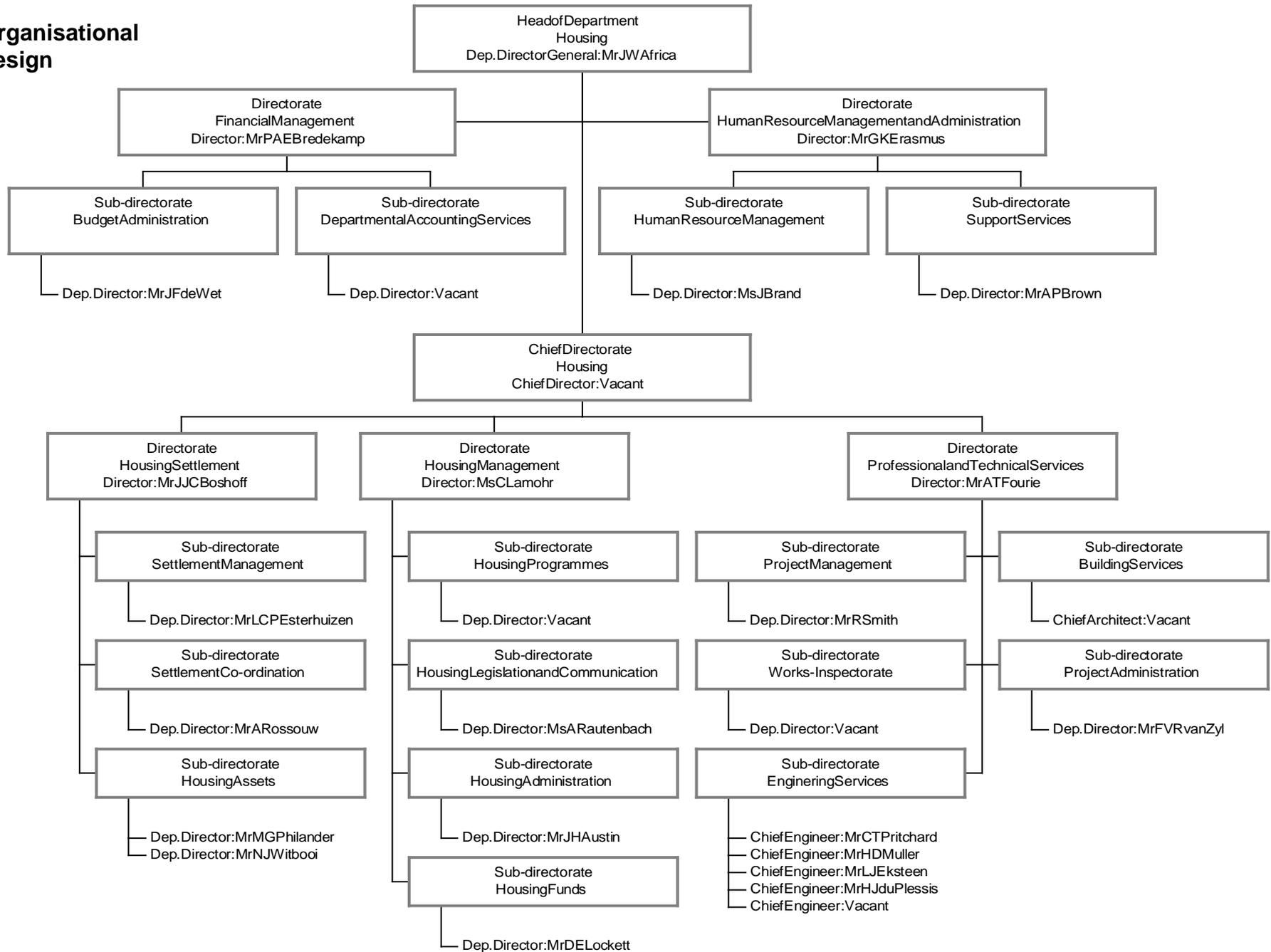
The internal environment is as follows:

- Inappropriate organisational structure;
- Insufficient funding;
- Inadequate management systems;
- Problems with the practical implementation of policies.

The strategic objectives of the Department address the shortcomings in respect of the organisational structure. Although the Department is accessing all possible sources of funding such as these separate operating accounts of municipalities and loans to municipalities by the Development Bank of South Africa , it must be conceded that both these measures are inadequate given the housing demand in the province.

The national Department of Housing is the principal of the management systems such as the Financial Management System (FMS), Debtor System and Housing Subsidy System (HSS). The shortcomings have been brought to their attention and are being addressed. Problems with the practical implementation of policies have been addressed by the adoption of an interim policy that will serve until such time as proper guidelines are in place.

C2.1 Organisational design



C2.2 Delegations

All delegations are in place and are on record. These delegations relate to: -

- (1) Finance;
- (2) Human Resource Management;
- (3) Procurement;

Monitoring and management of delegations are done by the Chief Financial Officer, Internal as well as External Auditors.

C2.3 Capital investment, maintenance and asset management

C2.3.1 Long term capital investment and asset management plans

The Department has a number of housing properties, details of which are reflected in a property register. The condition of housing stock is generally speaking in a medium state of repair, with backlog maintenance continuously being attended to whilst day-to-day and emergency maintenance are done on demand.

A compendium of housing property policies is in place. The Department is engaged in an on-going process of devolving properties to municipalities in terms of applicable housing legislation.

C2.3.2 Capital investment plan

None

C2.4 IT systems

Acquisition of information technology

All computer systems and management information systems that enable the Department to monitor and fulfil its core functions are taken up in the Master Systems Plan (MSP) of the Department. This MSP is updated regularly taking into account changes in need, budgetary constraints, changing environment, etc. This plan was compiled and is adjusted in collaboration with the Chief Directorate: Information Technology (Department of Provincial Administration) and approved by the Central Information Technology Committee (CITCOM).

Expansion of information technology

Any expansion of the computer systems and management information systems is done in collaboration with the Chief Directorate: Information Technology (Department of Provincial Administration) and approved by CITCOM.

C2.5 Performance management system

The Department applies the Staff Performance Management System for all staff including SMS members as developed by the DPSA and adapted by the WCPA. The system is based on a performance appraisal having pre-set and agreed objectives and outcomes. The system makes provision for four appraisal interviews per year and a financial incentive scheme based on prescribed guidelines.

C2.6 Financial management

All staff members were introduced to the new financial legislation by means of information sessions by the Provincial Treasury, applicable documentation and training sessions in order to ensure that they have a background knowledge of the norms and standards of the Public Finance Management Act (PFMA), the National Treasury Regulations (NTR's) and the Provincial Treasury Instructions (PTI's). All newly appointed staff will, in future, also undergo similar training and personnel will also be nominated for courses presented by the Provincial Treasury. Structured departmental information sessions were also introduced in the middle of the financial year.

A Chief Financial Officer (CFO) for the Department was appointed on 1 March 2001 to assist the Accounting Officer in his responsibilities as set out in part 2 of Chapter 5 of the PFMA.

Regular reporting is done to the Provincial Treasury to ensure that the Department is on track with the implementation of the PFMA. The centralised Internal Audit Component of the Provincial Administration also monitors the implementation of the PFMA in the Department.

Financial delegations in terms of part 3 of Chapter 5 of the PFMA, as well as in terms of the new NTR's (9 April 2001) and PTI's were updated and issued during the financial year.

Financial processes and procedures in respect of the Treasury Instructions and the Exchequer Act have been adapted and issued in terms of the PFMA, NTR's and PTI's. As the need arises, new procedures are developed and issued in terms of the new legislation and regulations.

An amended Fraud Prevention Plan was implemented on 30 June 2001 in terms of the Public Finance Management Act, 1999 (Act No 101 of 1999) (as amended) and has as objective that:

- (a) the policies, procedures, rules, regulations and other government prescripts, including human resources policies be strictly adhered to;
- (b) the disciplinary code and procedures be applied and supervisors be trained in the application of the process thereof;
- (c) the prescribed internal control measures within policies, procedures, rules, regulations and other official prescripts be applied and adhered to;
- (d) a risk management plan be implemented in liaison with the Internal Audit Unit of Provincial Administration: Western Cape;
- (e) structured programme of ongoing risk assessment be introduced and maintained;
- (f) a Fraud Prevention Committee be established with terms of reference as set out in appendix 4 of the Plan;
- (g) the code of ethics and business conducts, as well as the Code of Conduct for the Public Service be respected and applied by all officials;
- (h) the Fraud Policy and Response Plan be supported and adhered to and that officials foster a culture of zero tolerance to corruption, fraud, theft and maladministration by all individuals;
- (i) records be kept in respect of all allegations of fraud, as well as losses or damages suffered through criminal or possible criminal acts or omissions. In this regard officials were made aware of the Fraud Line 0800-122-6545;

- (j) physical security be tightened. Officials again be made aware of the Search Policy;
- (k) an awareness campaign be lodged, firstly by means of educational workshops and secondly by the use of posters, and
- (l) ongoing maintenance and review of the Plan be done.

The Plan was developed by the Internal Audit component of the Province.

C2.7 Audit queries

No formal audit queries were issued by the Office of the Auditor-General over the past few years in respect of the Vote. Management letters were replied on to the satisfaction of the Office of the Auditor-General. The reports were tabled in the Provincial Parliament as part of the Annual Report of the Department.

C2.8 Internal audit

Legal requirements

The Public Finance Management Act, 1999, was implemented with effect from 1st of April 2000, and Section 38(1)(a) requires accounting officers to "...ensure an effective, efficient and transparent system of financial and risk management and internal control, as well as a system of internal audit under the control and direction of an audit committee....".

Treasury Instruction 3.1.11(a) requires the audit committee to evaluate the financial statements of the Department for reasonability and accuracy, and to report on the effectiveness of internal control of the Department.

Management responsibility

The accounting officer is responsible for guiding departmental strategy, major plans of action, risk policies, annual budgets and business plans, monitoring departmental performance and establishing best management practices.

Audit Committee responsibility

The Provincial Administration of the Western Cape has a centralized Audit Committee and internal audit component. The Audit Committee has adopted a written charter that sets out the scope of their activities and authorities. During the first year of implementation the audit committee addressed their responsibilities in terms of the charter.

The activities of the Internal Audit component are mandated, although it is not adequately resourced to audit all the high-risk areas in the Department.

The work performed by the Internal Audit component, which complies with the requirements of the Institute of Internal Auditors to audit both the adequacy and effectiveness of internal controls.

Risk management and internal control mechanisms

The control framework is designed to provide reasonable assurance regarding the achievement of departmental objectives in the following categories:

- The maintenance of proper accounting records and the reliability of financial information used within the Department;

- ❑ Compliance with applicable laws, regulations and codes of conduct;
- ❑ The detection and minimizing of significant risks associated with fraud, potential liability and loss, including the safeguarding of assets;
- ❑ Managing potential conflicts of interest of management; and
- ❑ The effectiveness of operations. The key internal control procedures could be summarized as follows:

Risk management

A risk model was prepared for the Department indicating high-level risks that will impact on achieving objectives. Further developments included the breakdown of the risk model onto processes of corporate governance, risk management and control. The process level risk model will be completed during the new financial year.

Information and communication

The Department has a comprehensive process of annual budgets and detailed monthly reporting. The accounting officer and his management team review the annual budget and actual expenses on a continuous basis.

Monitoring processes

The system of internal control is continually monitored and where necessary modified. The Department's systems are designed to provide reasonable assurance that assets are safeguarded and transactions are executed in accordance with management's authorisation. Monitoring processes include management review and testing by internal auditors. Testing of financial transactions are performed by the external auditors.

Compliance

The Department maintains a system of compliance auditing with relevant laws, regulations and policies, and with the code of conduct. A fraud prevention plan was developed and implemented during the 2001/02 financial year. The internal auditors assess the effectiveness of internal controls independently and recommend improvements.

Overall effectiveness

The effectiveness of internal control systems within the Department is subject to inherent limitations, including the possibility of human error and deliberate overriding controls. It is thus recognised that internal control systems can only provide reasonable assurance against any material misstatement and loss.

Management maintains adequate accounting records, although effective management information is not consistently available to ensure the achievement of objectives. Management continues to maintain systems of internal control through a regular and proactive process of auditing and correction.

C2.9 Implementation of PFMA

ACTION PLAN FOR THE IMPLEMENTATION OF THE PUBLIC FINANCE MANAGEMENT ACT, 1999

Key performance measure (KPM): Compliance with norms and standards TEN (10) IMMEDIATE STEPS

1. Establish effective support organisational structures for the CFO by 1 April 2003.
2. In-year management, monitoring and reporting.
3. Completing departmental implementation plans.
4. Compliance with existing internal controls (National Treasury Regulations, Provincial Treasury Instructions and Departmental Finance Instructions).
5. Improve planning and control of transfers.
6. Control suspense accounts.
7. Delegation of responsibilities to relevant officials and train them on the delegations.
8. Clear up audit queries.
9. Finalise financial statements by 31 May 2003 for 2002/2003 financial year.
10. Ensure oversight over Public Entities as prescribed by the PFMA, 1999.