

# FOCUS NOTE: Human Settlements in the 2022/23 Budget

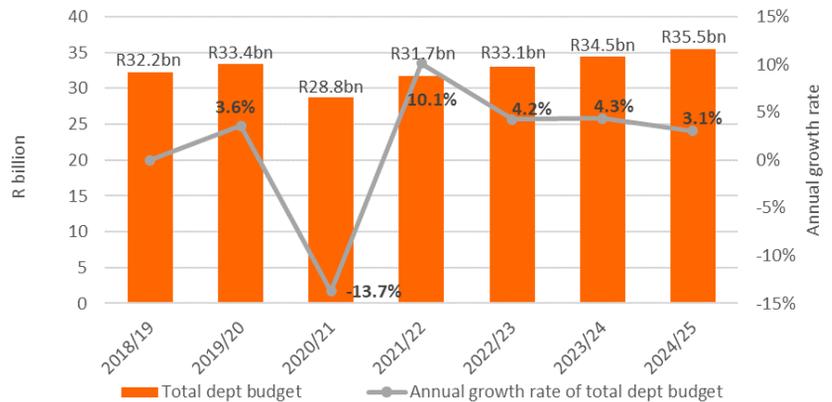
28 February 2022

Totalling R103 billion over the medium term, the 2022/23 budget for the National Department of Human Settlements serves as the primary means for government to achieve its goal of integrated, sustainable human settlements. The 2022/23 Budget sees a 7% increase to the Human Settlements Development Grant (HSDG) and a slight drop in the Urban Settlements Development Grant (USDG) to R7.35 billion. This Focus Note examines the 2022/23 budget of the national department, with a particular focus on transfers to provinces and municipalities for the implementation of critical housing subsidy programmes, and highlights critical points of note for the sector.

## 1. Overview of 2022/23 National Department Budget

The total budget of the National Department of Human Settlements (NDHS) grows by 4.2% in 2022/23, to R33.02 billion, and is set to continue to grow by an average of 3.9% a year over the medium term. This moderate increase follows a steep drop of 13.7% in 2020/21 at the start of the pandemic, due to fiscal consolidation. The budget rebounded by 10.1% in 2021/22 and is set to continue with more moderate yearly growth thereafter. The departmental budget has now nearly caught up with its pre-COVID level from 2019/20, as shown in **Figure 1**.

**Figure 1. Allocations and growth rate of budget of National Department of Human Settlements, 2018/19 – 2024/25**



Source: 2022 Estimates of National Expenditure, Pg. 629.

**Figure 2** compares the forward estimates published in earlier budgets to the actual allocation when the year arrives. The 2022/23 budget of R33.02 billion is actually an increase of R405 million compared to the baseline as published in last year's budget. The boost is a welcome relief, after the severe cut experienced last year: in 2021/22, the department took a large knock with R1.06 billion taken from the baseline, as the budget dropped to R30.7 billion in the context of the second year of COVID. In February 2022, the Department reported that 40.6% of the 2021/22 budget had been spent as of the end of the second quarter.<sup>1</sup>

**Figure 2. Revisions to baseline of budget of National Department of Human Settlements**



Source: 2022 ENE, Pg. 629. 2021 ENE, Pg. 613. 2020 ENE, Pg. 523.

**Figure 3** analyses the department budget by programme. In 2021/22, with the creation of the new Informal Settlement Upgrading Partnership Grant (ISUPG), Programme 3 which is tasked with addressing informal settlements, grows substantially as the funds for informal settlements are shifted from the HSDG and USDG (in Programme 2) to the new informal settlements conditional grant which forms part of Programme 3. As a result, we see the budget for Programme 2 drop by the commensurate amount last year, in 2021/22.

Apart from this shift, the split between the programmes does not change significantly from last year and into the outer years of the medium term framework. Programme 2, which contains the conditional grants which fund provinces and municipalities for implementation of national housing subsidy programmes, accounts for the bulk of the budget—67%. Programme 3 Informal Settlements is another 27%, with Programme 4 Rental Housing allocated just 2.96% of the departmental budget. Despite the increased focus on the gap market and affordable housing, as well as the recent update to the FLISP policy, Programme 5 Affordable Housing continues to receive under 2% of the departmental budget over the medium term.

In the context of pressure to reduce the wage bill, compensation of employees totals R410.8 million in 2022/23, or 1.24% of the departmental budget. Over the medium term, compensation of employees averages 1.2% — the Department has indicated that the intention is to only fill critical vacant posts in the upcoming year, and instead to rely on natural attrition and retirement to keep the wage bill contained.

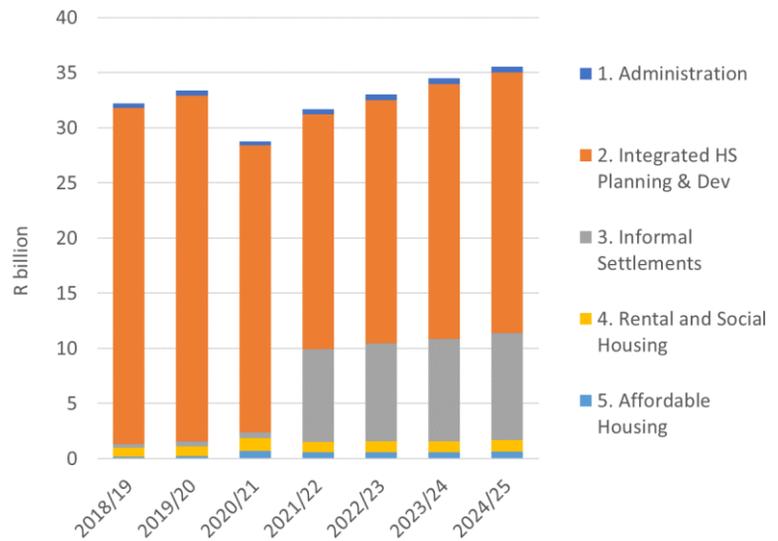
The overwhelming majority of the budget of the national department is actually transferred to provinces and municipalities as conditional grants—see Section 2. In 2022/23, 92% of the budget is transferred as conditional grants, while a further 5% is transferred to the various human settlements entities that fall under the department, such as the Housing Development Agency (HDA), Social Housing Regulatory Authority (SHRA), National Housing Finance Corporation (NHFC) and the Estate Agencies Affairs Board (EAAB) which has now been renamed the Property Practitioners Regulatory Authority (PPRA). The budget of these entities is considered in detail in Section 3.

## 2. Conditional grants to provinces and municipalities

The national department transfers the majority of its budget to municipalities and provinces as its implementing agencies. Provinces are allocated 57% of the department budget in conditional grants, while municipalities are set to receive another 35%. With a further 5% transferred to entities, the department itself spends just 3% of its total budget.

**Table 1** summarises the conditional grants administered by the NDHS. According to the Budget Review, National Treasury will be working with the NDHS to review the human settlements grants in the upcoming year.<sup>2</sup> The following sections look at each of the conditional grants in more detail.

**Figure 3. Budget of National Department of Human Settlements by programme, 2018/19 – 2024/25**



Source: 2022 ENE, Pg. 629.

**Table 1. Summary of Human Settlements Conditional Grants, 2022/23**

	Total in 2022/23	Change from 2021/22 Adjusted Budget	Purpose	Transferred to	Type of grant
Human Settlements Development Grant (HSDG)	R14.26 billion	+ R853 million	Provides funding for progressive realisation of access to adequate housing—includes majority of funds for implementation of housing programmes in the National Housing Code	Provinces	Schedule 5, Part A: Specific-purpose allocations to provinces
Urban Settlements Development Grant (USDG)	R7.35 billion	- R53 million	Provides funding for implementation of infrastructure projects that promote equitable, integrated, productive, inclusive and sustainable urban development	Metros	Schedule 4, Part B: Grant to supplement the funding of functions from municipal budgets
Informal Settlements Upgrading Partnership Grant (ISUPG): Provinces	R4.12 billion	+ R231 million	Provides funding to facilitate programmatic and inclusive approach to upgrading informal settlements	Provinces	Schedule 5, Part A: Specific-purpose allocations to provinces
Informal Settlements Upgrading Partnership Grant (ISUPG): Municipalities	R4.18 billion	+ R236 million	Provides funding to facilitate programmatic and inclusive and municipality-wide approach to upgrading informal settlements	Municipalities	Schedule 5, Part B: Specific-purpose allocations to municipalities
Provincial Emergency Housing Grant	R325.8 million	+ R14.6 million	To provide funding for provision of temporary shelter assistance to households affected by disasters or a housing emergency and for repair to damaged housing for low-income households following a disaster	Provinces	Schedule 7, Part A: Unallocated provisions for provinces for disaster response
Municipal Emergency Housing Grant	R175.4 million	+ R7.9 million	To provide funding for provision of temporary shelter assistance to households affected by disasters or a housing emergency and for repair to damaged housing for low-income households following a disaster	Municipalities	Schedule 7, Part B: Unallocated provisions for municipalities for disaster response

Source: Division of Revenue Bill, 11 February 2022. Pgs. 43, 47, 50, & 53.

## 2.1 Human Settlements Development Grant (HSDG)

The HSDG is the largest conditional grant in the human settlements sector and the primary tool used to resource the provinces to implement the programmes contained in the National Housing Code, including the Integrated Residential Development Programme (IRDP). The total allocation for the HSDG in 2022/23 is R14.256 billion, which is split between the provinces according to a formula which contains three components, all of which draw upon 2011 Census data. The first component carries 70% weight and is the provincial share of the total number of households living in inadequate housing. Weighted 20%, the second component is based on the provincial share of poor households with an income less than R1 500/month (80%) and of households with an income of R1 500 – R3 000 /month (20%). The remaining 10% portion is allocated according to the number of people in each province.<sup>3</sup>

Figure 4 shows the relative shares for each province. Due to its population and need, Gauteng’s HSDG is over 14 times the size of the province with the smallest HSDG, Northern Cape.

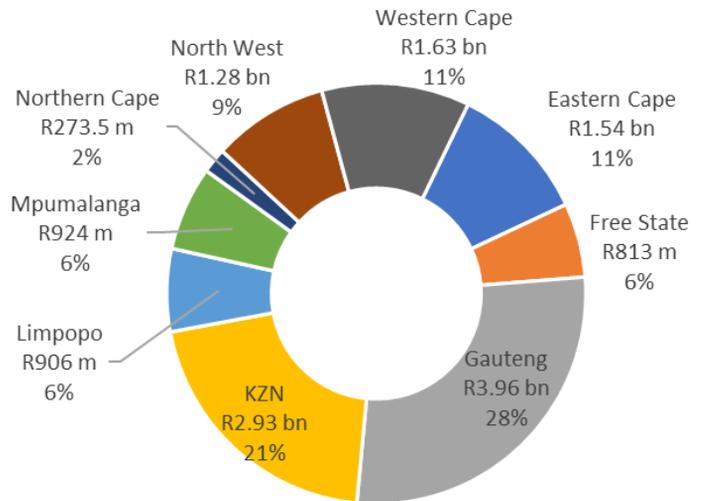
In this 2022/23 budget, the HSDG grows by over 6% compared to last year, totaling R14.26 billion in 2022/23. With a total of R43.9 billion allocated over the MTEF, the HSDG increases by an average of 3.1% a year over the medium term. Figure 5 shows the progression of both the HSDG and the USDG allocations, the two largest human settlements conditional grants, over a 7-year period.

The HSDG framework governing the grant contains a number of earmarks and set-asides. Approximately 3.8% of the HSDG, R548 million, is ring-fenced to upgrade the human settlements of mining towns in six provinces in 2022/23.<sup>4</sup> KZN’s portion of the HSDG includes an earmark of R398 million in 2022/23 and R475 million in 2023/24 for repairing houses affected by natural disasters in the province in 2019.

Although the dedicated conditional grant for Title Deeds Restoration ended in 2020/21, the DORB stipulates that provinces must set aside funds for title deeds for housing projects completed before 31 March 2014, and provide a detailed report on delivery and expenditure against the programme to the national department.

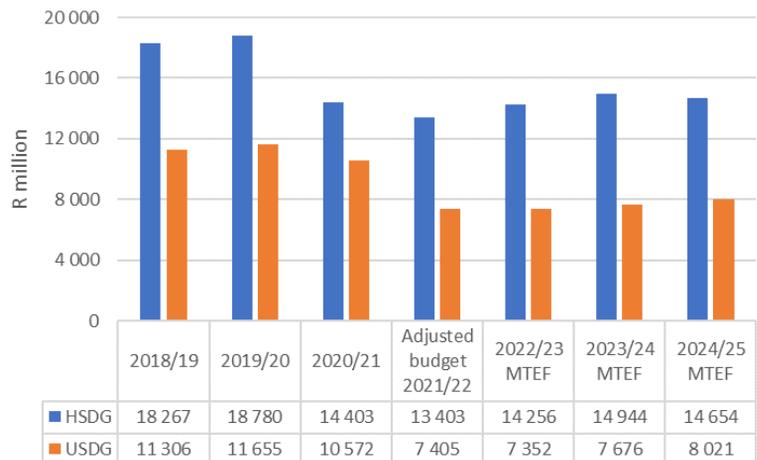
Typically, expenditure of the HSDG by provinces is fairly good. According to the DORB, 96.7% of the 2020/21 HSDG allocation was spent by the end of that financial year, with a resulting performance of 45 101 housing units and 39 360 serviced sites completed.<sup>5</sup> Table 2 displays expenditure by province at the end of the 2<sup>nd</sup> quarter of 2021/22, at which point 41.3% of the total HSDG had been spent.

Figure 4. Provincial shares of total HSDG, 2022/23



Source: 2022 DORB, Pg. 47.

Figure 5. HSDG allocation, 2018/19-2024/25



Source: 2022 ENE, Pg. 634.

Table 2. Expenditure of HSDG by provinces at end of 2nd quarter 2021/22

R million	Total available 2021/22	Spent by provinces as of 30 Sept 2021	Percent spent against total available, as at end of Q2
Eastern Cape	1 491 219	649 108	43.5%
Free State	786 254	335 550	42.7%
Gauteng	3 824 974	1 264 765	33.1%
KZN	2 455 021	1 117 163	45.5%
Limpopo	877 072	302 902	34.5%
Mpumalanga	893 960	487 931	54.6%
Northern Cape	264 528	207 767	78.5%
North West	1 234 648	321 876	26.1%
Western Cape	1 575 285	842 012	53.5%
<b>Total</b>	<b>13 402 961</b>	<b>5 529 074</b>	<b>41.3%</b>

Source: National Department of Human Settlements. Presentation to Portfolio Committee for Human Settlements, 23 February 2022.

If it is deemed unlikely a province will spend its full allocation before the end of the financial year, conditional grant funds may be shifted from low-spending provinces to provinces which are performing well. In 2020/21, for example, a total of R588 million was shifted away from Eastern Cape, Free State, Limpopo and North West, and reallocated to Gauteng, Mpumalanga, Northern Cape and Western Cape. In February 2022, the Department told the Portfolio Committee they were concerned with the spending rate in Gauteng, Limpopo and North West and had requested those provinces to submit recovery plans to ensure full spending for 2021/22.<sup>6</sup> It remains to be seen if shifts of HSDG funds will be enacted in the current 2021/22 financial year in order to ensure full expenditure of the global amount available.

## 2.2 Urban Settlements Development Grant (USDG)

As shown in **Figure 5** on the previous page, the total USDG allocation drops slightly to R7.35 billion in 2022/23. The previous year saw a substantial 30% cut when the grant was reduced from R10.5 billion in 2020/21 to R7.4 billion in this current financial year, 2021/22—this was partly due to the shifting of funds away into the separate ISUPG for metros. Going forward, the USDG totals R23 billion over the medium term, growing at an average rate of 2.7% each year.

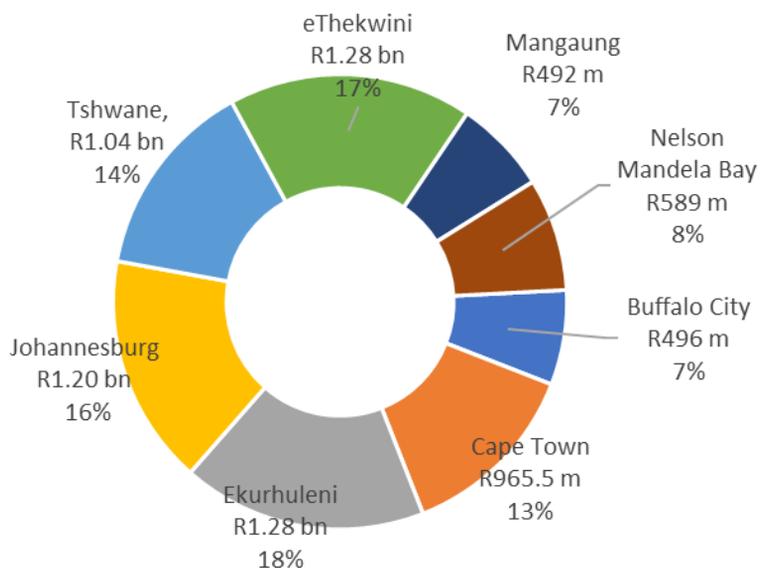
The USDG differs from the HSDG in that it is categorized as a Schedule 4 grant in the DORB, intended to supplement the capital revenue of metros, as opposed to being transferred to the municipality for a specific purpose designated by the national department (as per Schedule 5 grants). The Schedule 4 designation is intended to enable municipalities to use a combination of grant funds and own revenue to develop urban infrastructure and integrated human settlements. Metros report on USDG expenditure against their Service Delivery Budget Implementation Plan which reports spending on the entire municipal budget. In practice, the USDG is handled in much the same way as the Schedule 5 HSDG, with certain conditions on its expenditure, as laid out in the DORB’s conditional grant framework.

It is important to note that, although the USDG is administered by NDHS, within the metros it is split between various departments, and not spent entirely by the Human Settlements departments of the metros. A substantial portion of USDG funds are routed to Roads and Stormwater, Water and Sanitation and Electricity upon receipt by the metro. This is entirely within the mandate to spend on build environment priorities and infrastructure for integrated human settlements, but it does create a more complex situation for reporting and monitoring spending across sectors and departments.

The global USDG allocation is split between the eight metros according to the formula used for the Municipal Infrastructure Grant (MIG), from where the grant originated.

As shown in **Figure 6**, the largest share goes to Ekurhuleni (18%), followed by eThekweni (17%) and Johannesburg (16%). Together the Gauteng metros receive nearly half of the USDG (48%).

**Figure 6. Metro shares of total USDG, 2022/23**



Source: 2022 DORB, Pg. 43.

Spending on the USDG is often raised as a concern, with some metros struggling to spend their entire allocation, and the national department often shifting funds halfway through the financial year from slow-spending metros to faster-spending ones, in terms of sections 18 and 19 of the DORA.

**Table 3** shows the 1<sup>st</sup> quarter spending of the metros as reported to the Portfolio Committee in February 2022.<sup>7</sup> One quarter into the financial year, spending by the metros ranged from 5.6% (Buffalo City) to 25.1% (Mangaung). Overall 11.5% of total voted USDG funds were spent in Q1 2021/22. However it is noted that the 2022 DORB reports that 97% of the 2020/21 USDG, including rollovers, was successfully spent.<sup>8</sup>

**Table 3. Expenditure of USDG by metros at end of 1st quarter 2021/22**

<i>R thousand</i>	Voted funds 2021/22	Spent by metro as of 30 Sept 2021	Percent spent against voted funds, as of end of Q1
Buffalo City	499 705	27 823	5.6%
Cape Town	972 431	93 717	9.6%
Ekurhuleni	1 291 347	82 044	6.4%
Johannesburg	1 213 099	194 936	16.1%
Tshwane	1 051 557	122 512	11.7%
eThekweni	1 288 158	156 927	12.2%
Mangaung	495 269	124 154	25.1%
Nelson Mandela Bay	593 145	49 472	8.3%
<b>Total</b>	<b>7 404 711</b>	<b>851 585</b>	<b>11.5%</b>

Source: National Department of Human Settlements. Presentation to Portfolio Committee for Human Settlements, 23 February 2022.

### 2.3 Informal Settlements Upgrading Partnership Grants (ISUPG) for provinces and municipalities

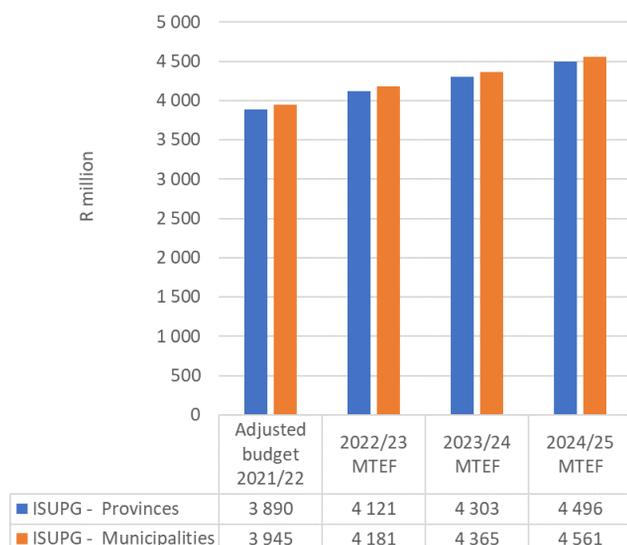
The ISUPG is a new grant, first introduced in 2021/22 to intensify efforts to upgrade informal settlements in partnership with communities. Previously, funds for informal settlements were earmarked in the HSDG and USDG. But in order to provide greater focus and to enable better monitoring, the earmarked funds from the HSDG and USDG were pulled out into separate Schedule 5A and 5B grants for informal settlements, to be transferred to provinces and metros respectively.

Intended to increase investment in in-situ upgrading, the ISUPG places an emphasis on building partnerships with communities to develop and execute informal settlement upgrading strategies. The funds are to be used to identify informal settlements in need of upgrading, provide households with security of tenure, and deliver municipal engineering services.

The total amount for the two ISUP grants is R26 billion over the MTEF, roughly half to provinces and half to the metros. **Figure 7** shows the total yearly allocations, which increase an average of 4.5% each year over the MTEF.

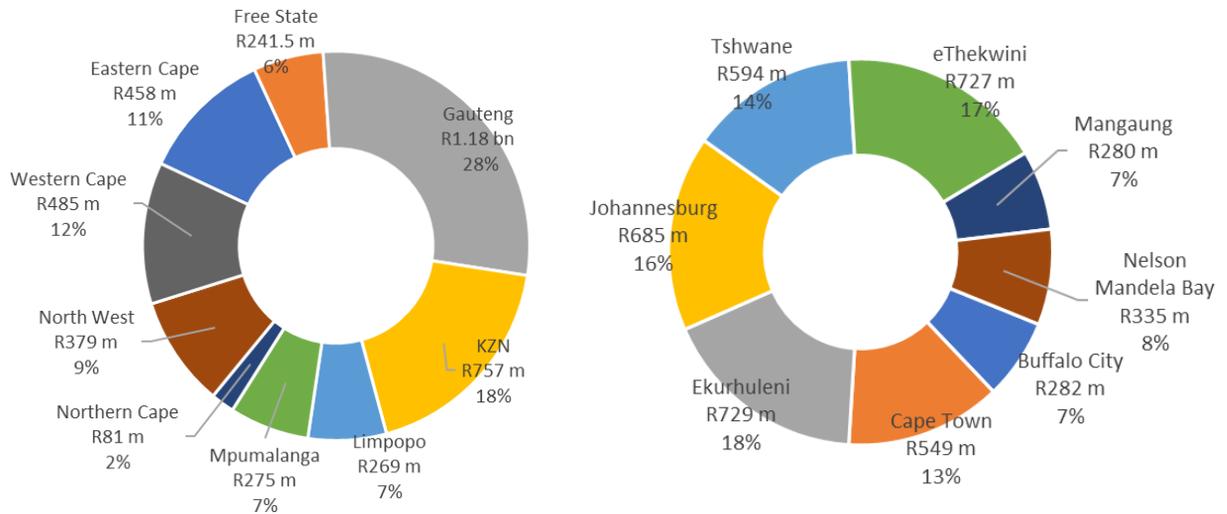
The split of ISUPG funds between provinces and metros essentially mirrors the division for the HSDG and USDDG respectively—provincial and metro allocations for 2022/23 are shown in **Figure 8** on the next page.

**Figure 7. Total ISUPG allocations to provinces and metros, 2021/22 – 2024/25**



Source: 2022 DORB, Pgs. 83 & 99.

**Figure 8. ISUPG allocations by province and by metro, 2022/23**



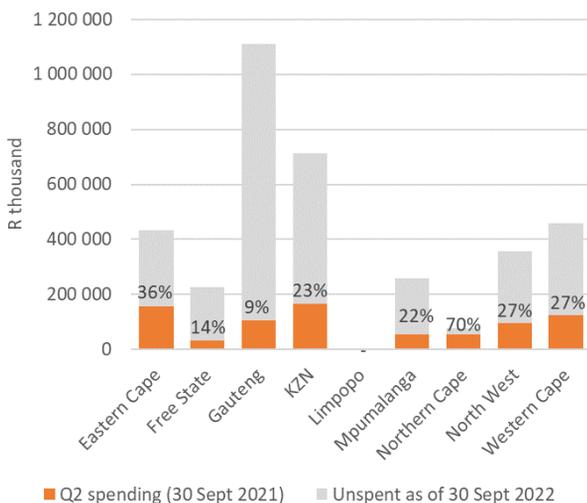
Source: 2022 DORB, Pgs. 47, 268-273.

Spending in the first year of the grant—2021/22—appears to be slow, but the most recent data available is only for the 2<sup>nd</sup> quarter, end of September 2021. At the midway point of their financial year, provinces had spent 20% of voted funds and 40% of transferred funds. **Figure 9** below shows spending rates by provinces for the first two quarters of 2021/22. Spending in Limpopo and NW especially has been noted as a concern.<sup>9</sup>

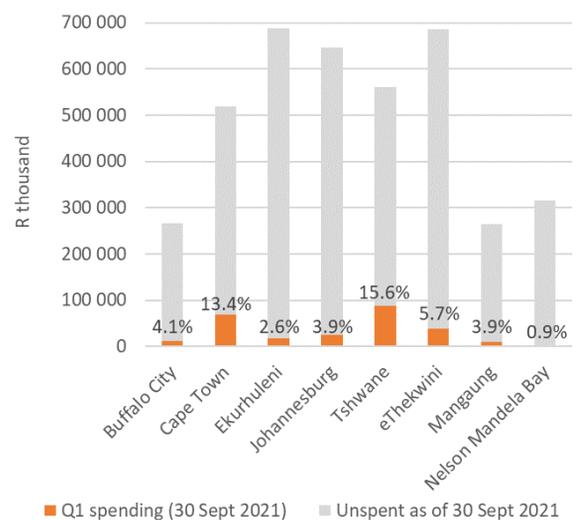
At the end of the 1<sup>st</sup> quarter of the municipal financial year (30 September 2021), expenditure on the municipal grant is particularly low—6.7% of voted funds. Metros are spending significantly below their projections for the first quarter, creating pressure to increase the pace of implementation quickly in order to achieve full expenditure by year end.

Notably, when the ISUPG for metros was established as a separate grant using funds from the USDG, the funds moved from a Schedule 4 to a Schedule 5 grant, which carries with it different, stricter reporting requirements. Metros are needing to adjust their internal processes to respond to the change in regulatory processes for informal settlements funding.

**Figure 9. ISUPG spending for 2<sup>nd</sup> quarter 2021/22, by province**



**Figure 10. ISUPG spending for 1<sup>st</sup> quarter 2021/22, by metro**



Source: National Department of Human Settlements, Presentation to Portfolio Committee for Human Settlements, 23 February 2022.

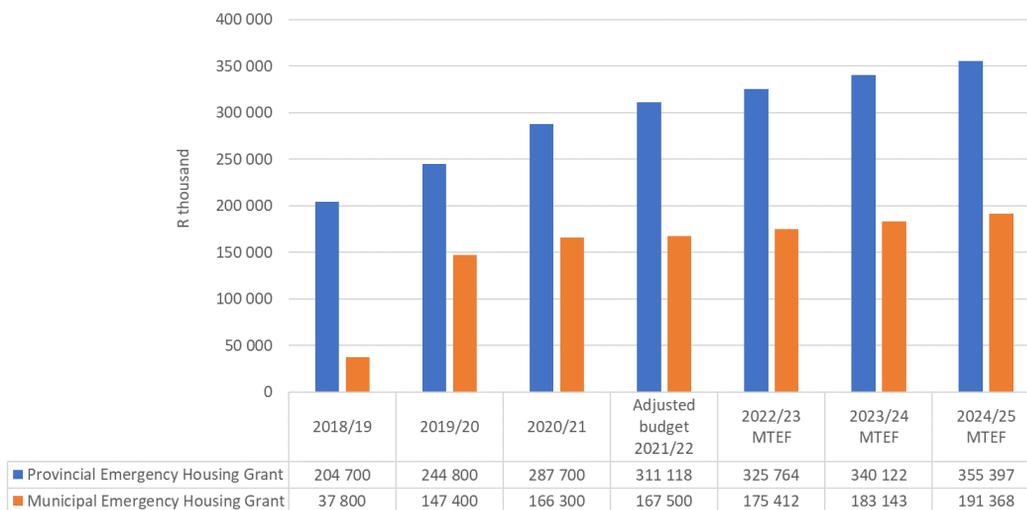
## 2.4 Emergency Housing Grants to provinces and municipalities

Two additional conditional grants in the human settlements sector enable government’s swift response to housing emergencies and disasters by providing temporary shelter assistance to households, in line with the Emergency Housing Programme. The provincial and municipal emergency housing grants are Schedule 7a and 7b grants respectively, meaning they are unallocated in the DORB—municipalities and provinces apply to the national department to access the funding in the event of a disaster, and the funds are allocated on recommendation of NDHS and approval by National Treasury.

In addition to the provision of temporary shelter or relocation where necessary, the funds can be used to cover the repairs to housing of low-income households damaged during disasters if the cost of repairs is lower than that of providing temporary shelter or relocating the affected households to a temporary shelter. It is also important to note that the grant is only meant to fund emergency housing in the immediate aftermath of a disaster and not other emergency situations listed in the programme, such as eviction.<sup>10</sup>

Over the 2022 MTEF period, a total of R1.57 billion has been allocated for the provincial and municipal grants together, with 65% contained in the provincial Schedule 7a grant, and 35% allocated to the municipal Schedule 7b grant. In 2022/23, R325 million is allocated for the provincial emergency housing grant, and R175 million to its municipal counterpart.

**Figure 11. Provincial and municipal emergency housing grant allocations, 2018/19-2024/25**



Source: 2022 ENE, Pg. 636. 2022 DORB, Pg. 53.

In past years, spending against the grant has not been enormous. In some situations, applications are approved, and funds are transferred, but not fully spent:

- In 2020/21 the provincial grant was allocated R300 million, of which R138 million, or 46%, was spent by KZN, Limpopo, Mpumalanga, Northern Cape and Western Cape for the construction of nearly 4 500 temporary residential units (TRUs) and house repairs.<sup>11</sup>
- On the municipal side, R144 million of R259 million allocated was spent (56%) in 2020/21.<sup>12</sup> The funds were used by four local municipalities in KZN, Eastern Cape and Northern Cape to respond to damage caused by flooding and storms.
- For 2021/22, voted funds for the provincial grant totaled R311 million, of which R219 million was made available to four provinces (KZN, Limpopo, Mpumalanga and Northern Cape). As of 30 September 2021, just R23 million, or 10.6% of available funds, had been spent.
- On the municipal side in 2021/22, as of the end of the 2<sup>nd</sup> quarter, R31 million had been approved to respond to flooding in Uphongolo local municipality in KZN, constituting 19% of the total available.<sup>13</sup>

### 3. Human Settlements entities

As noted above, 5.0% of the national department budget is transferred to the human settlements entities which fall under its oversight. The entity with the largest budget is the Social Housing Regulatory Authority (SHRA) with R887.4 million in 2022/23, which includes the grants for the social housing programme which it administers. Last year, SHRA received an additional R300 million for the new rental relief programme, introduced in response to the impact of COVID-19—although this allocation is not continued this year. SHRA has an estimated 44 300 social housing units under its regulation and delivered 1 856 social housing units last year.<sup>14</sup> Its target for the medium term is to deliver a total of 25 000 rental units nationwide.

The National Housing Finance Corporation (NHFC), which is transforming into the Human Settlements Development Bank, is transferred R497.5 million in 2022/23, contributing to its total organizational budget of R1.12 billion. The NHFC, which disbursed an estimated 2 800 FLISP subsidies in 2021/22, aims to distribute 10 874 FLISP subsidies over the medium term. An amount of R478 million is allocated to the NHFC for the FLISP subsidy and an additional R19.5 million for the administration of the FLISP programme. While NHFC’s transfer from the national department only grows an average of 2.86% each year over the medium term, the organisation’s total budget is set to grow a sizable 16.7% each year on average, due to other revenue sources.<sup>15</sup>

The Housing Development Agency (HDA) receives a transfer of R242.7 million in 2022/23, as a contribution towards its total budget of R508.3 million. The HDA, which provides project-level technical assistance and project management in housing projects, earns nearly half of its revenue from fees paid by municipalities and provinces for the HDA’s work on projects.<sup>16</sup>

The Community Schemes Ombud Service (CSOS), which regulates sectional title schemes, primarily relies on its own revenue. Only 5% of the organizational budget of CSOS (R467.8 million in 2022/23) is derived from the national department, with the rest earned through levies from community schemes.

**Table 4. National department transfers to human settlements entities, 2018/19 – 2024/25**

R thousand	Audited outcomes			Adjusted appropriation 2021/22	MTEF			% change 2021/22 - 2022/23	Average annual growth rate over MTEF
	2018/19	2019/20	2020/21		2022/23	2023/24	2024/25		
Housing Development Agency (HDA)	222 177	229 311	233 604	235 379	242 716	243 649	254 591	3.12%	2.66%
Estate Agencies Affairs Board (EAAB)	-	-	24 000	-	-	-	-	-	-
Social Housing Regulatory Authority (SHRA)	825 752	810 726	1 117 520	857 619	887 416	922 654	960 808	3.47%	3.86%
National Housing Finance Corporation (NHFC)	-	100 000	649 685	479 812	497 538	499 450	521 880	3.69%	2.86%
Community Schemes Ombud Service (CSOS)	31 105	32 847	23 597	24 022	24 817	24 912	26 031	3.31%	2.73%

Source: 2022 ENE, Pg. 630.

Although critical human settlements entities in the sector, the National Home Builders Registration Council (NHBR) and the Estate Agencies Affairs Board (EAAB) do not feature in **Table 4** because they do not receive any direct allocations from the national department.<sup>17</sup> The NHBR which regulates the home-building industry has a sizable budget of R922 million for 2022/23.<sup>18</sup> The EAAB manages the Estate Agents Fidelity Fund which was recently established to provide consumer protection in the real estate industry. With a total budget of R96.4 million in 2022/23, the Fund does not receive departmental transfers and earns its revenue primarily from fees and interest.

## 4. Conclusion

As the South African economy struggles to emerge from the economic and social impact of COVID, we are beginning to see signs of recovery and increased activity in the housing construction and real estate sectors. The sector is set to benefit from an additional R583 million in HSDG funds this year, in comparison to 2021/22, while the USDG has been slightly reduced from last year.

Provinces and municipalities still struggle with slow infrastructure spending. As the ISUPG enters its second year, performance information as of end of September 2021 suggests spending on the new grant is lagging. Provinces need to spend 80% of the R3.9 billion budget for the ISUPG before 1 April. Metros have another quarter to catch up on spending, but will need to step up given 7% expenditure in the 1<sup>st</sup> quarter of 2021/22. Slower spending in the first year of the grant is to be expected as the wrinkles are ironed out. However the ISUPG will increase 6% in this upcoming year, meaning an additional R467 million must be spent by provinces and metros in 2022/21.

The targets set by NDHS for the upcoming 2022/23 financial year are to deliver 60 000 fully-subsidised housing units, 60 000 serviced sites, 8 000 affordable rental units, and 4 000 approved FLISP subsidies. This may be a stretch, as audited outcomes for 2020/21 fell short of these targets: 45 551 housing units, 39 272 serviced sites, 1 856 affordable rental units and 3 161 FLISPs approved.<sup>19</sup> The national budget for human settlements is a sizable R33 billion for 2022/23, yet the national department remains largely reliant on provinces and municipalities to implement and deliver on national policy objectives. Looking forward, intergovernmental coordination and alignment in pursuit of urban development and integrated human settlements remains a challenge in a sector negotiating a concurrent function.

- <sup>1</sup> National Department of Human Settlements. Presentation to Portfolio Committee for Human Settlements, 23 February 2022. "Departmental performance report for quarter ending 30 September 2021." NB: Q3 results are not yet publicly available; as of 28 February 2022, the Department had not yet been called to present the Q3 2021/22 results to the Portfolio Committee for Human Settlements.
- <sup>2</sup> National Treasury, 2022 Budget Review, Pg. 73.
- <sup>3</sup> 2022 Division of Revenue Bill (DORB), Pg. 88.
- <sup>4</sup> 2022 DORB, Pg. 89. Free State, Gauteng, Limpopo, Mpumalanga, Northern Cape, and North West
- <sup>5</sup> 2022 DORB, Pg. 176.
- <sup>6</sup> NDHS, Presentation to Portfolio Committee for Human Settlements, 23 February 2022.
- <sup>7</sup> Noting that the municipal financial year is 1 July – 30 June, while national and provincial financial year begins 1 April.
- <sup>8</sup> 2022 DORB, Pg. 231.
- <sup>9</sup> NDHS presentation to Portfolio Committee, 23 February 2022.
- <sup>10</sup> 2022 DORB, Pgs. 89, 109, and 181.
- <sup>11</sup> 2022 DORB, Pgs. 181-182.
- <sup>12</sup> 2022 DORB, Pgs. 227-228.
- <sup>13</sup> NDHS presentation to Portfolio Committee, 23 February 2022.
- <sup>14</sup> National Treasury, 2022 Estimates of National Expenditure, Pg. 652.
- <sup>15</sup> 2022 ENE, Pg. 649.
- <sup>16</sup> 2022 ENE, Pg. 645.
- <sup>17</sup> Excluding a R300 million transfer to the EAAB in 2019/20.
- <sup>18</sup> 2022 ENE, Pg. 646.
- <sup>19</sup> 2022 ENE, Pg. 627.
- <sup>20</sup> 2022 ENE, Pg. 628.

This Focus Note was written by Alison Tshangana and Luther Jubane.

The **Centre for Affordable Housing Finance in Africa (CAHF)** is a research NGO whose mission is to expand Africa's housing markets for all of its residents, through disseminating research and market intelligence, and supporting cross-sector collaborations and a market-based approach.

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