



**REVISED
STRATEGIC PLAN**
2020/2021 to 2024/2025



**REVISED
STRATEGIC PLAN**
2020/2021 to 2024/2025

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LIST OF ABBREVIATIONS AND ACRONYMS

BEPP	Built Environment Performance Plan
CFO	Chief Financial Officer
COJ	City of Johannesburg
CPP	Catalytic Projects Programme
CSIR	Council for Scientific and Industrial Research
DPAD	Development Planning and Area Design
DRDLR	Department of Rural Development and Land Reform
EE	Employment Equity
GIS	Geographic Information Systems
GRAP	Generally, Recognised Accounting Practice
HDA	Housing development Agency
HR	Human Resources
HSDG	Human Settlements Development Grant
HSF	Human Settlement Forum
HOD	Head of Department
HS	Human Settlements
IGR	Intergovernmental Relations
IGRFA	Intergovernmental Framework Act
IGR&SA	Intergovernmental Relations and Strategy Alignment
IP	Implementation Protocol
ISA	International Standard on Auditing
ISSAI	International Standards of Supreme Audit Institutions
ISU	Informal Settlement Upgrading
IT	Information Technology
JCC	Joint Cooperating Committee
JOSHCO	Johannesburg Social Housing Company
KZN	KwaZulu-Natal
LA	Local Authority
LAPGIS	Land and Property Spatial Information System
LHSS	Land Housing Support Services
LIR	Land Identification Register
LIS	Land Information Services
LM	Local Municipality
LPA	Land Planning and Assembly

LIST OF ABBREVIATIONS (CONTINUED)

M&E	Monitoring and Evaluation
MEC	Member of the Executive Council
MINMEC	Ministers and Member of Executive Council
MTEF	Medium-term Expenditure Framework
MTSF	Medium-term Strategic Framework
MTOP	Medium-term Operational Plan
NAHSLI	National Human Settlements Land Inventory
NDHS	National Department of Human Settlements
NDPW	National Department of Public Works
NHBRC	National Home Builder Registration Council
NLAS	National Land Assembly Programme
NUSP	National Support Programme
PAA	Productive Asset Allowance
PFMA	Public Finance Management Act
PHSHDA	Priority Human Settlements Housing Development Areas
PPT	Project Preparation Trust

EXECUTIVE AUTHORITY STATEMENT

The National Development Plan's vision is that in 2030, human settlements in South Africa will be transformed into equitable and efficient spaces with citizens living in close proximity to work with access to social facilities and necessary infrastructure. The HDA, an entity of the Human Settlements Sector is a key contributor towards the realisation of this vision.

It is for this reason that I announced my intention in July 2014, when I presented my Budget Vote Speech to the National Assembly, to re-position the Housing Development Agency (HDA) as a fully-fledged public sector development agency of the National Department of Human Settlements. Since my announcement, the HDA has undertaken the required research processes and explored the possible business model and associated funding requirements to operate as a property developer.

The process is now at an advanced stage and this Strategic Plan of the Agency reflects the re-positioned role of the Agency being "the public sector Developer of Choice providing integrated, sustainable human settlements and security of tenure", as stated in its Vision.

This strategic shift in the Agency's role harnesses its successes to date and especially its speedy service delivery during the Covid 19 pandemic. It also responds, amongst others, to the less than desirable service delivery of the public sector; the declining private sector delivery and the insufficient and fragmented funding for an integrated and holistic solution to the housing demand and needs.

The mandate and social compact I sign with the HDA for the 6th administration will extrapolate its public sector property developer role, the niche programmes I will expect the HDA to deliver and the key functions and tasks it will have to undertake to give effect to its role. I wish to remind the HDA that these key functions and tasks will cut across the value chain of infrastructure development, incorporate the principle of a full life-cycle approach and allow for sourcing the finances required for project implementation.

These sources of funding have three inter-related legs, namely: public sector grants and funding, financial institutions such as Infrastructure South Africa which is in the process of being established and innovative project financing options for partnerships with the private sector. The private sector partnerships will include a "Build-Finance-(Operate)-Transfer Model" whereby the HDA can establish strategic partnerships in respect of one, several or all of the elements of the Model.

In the long-term I envisage that the HDA's operating and funding model will be structured to enable to source the funding it requires without little or no reliance on public sector funding. In the short term, I will continue to lead, direct and support the HDA's partnerships with provinces and municipalities so that these partnerships enable the HDA to utilize public sector funding for projects it will develop in its capacity as a property developer.

I am confident that this Strategic Plan and the its associated APPs will contribute to the development of an integrated, sustainable human settlements and the provision of security of tenure and hereby confirm that:

- I endorse this Strategic Plan as a true reflection of government's and the HDA's priorities for the 6th term of governance ending in 2024, and

The HDA and I are committed to ensuring implementation of this Strategic Plan

Minister LN Sisulu (MP)

Minister of Human Settlements, Water and Sanitation

BOARD CHAIRPERSON STATEMENT

As an entity of the National Department of Human Settlements (NDHS), the HDA is committed to contributing to the development of integrated, sustainable human settlements and providing security of tenure.

We are also committed to implementing the directive of the Minister of the NDHS that we re-position ourselves and play the role of being a fully-fledged public sector property development agency. We understand that the transition to this role will not be done overnight and have thus planned our work over the next five-years to include and reflect the transition process as well as the re-positioned role.

The two (2) outcomes we have identified to give effect to our repositioned role are directly aligned and responsive to:

- the national priorities for human settlements as reflected in the MTSF 2019-2024 which is derived from the country's NDP: Vision 2030, and
- the strategic shift in the role of the HDA of serving as a fully-fledged public sector property developer.

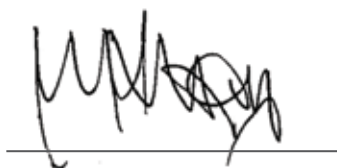
Additionally, both outcomes - collectively and individually - contribute to achieving the impact of the work of the HDA. This impact is "Land Reform, Spatial Transformation and Security of Tenure through integrated and sustainable human settlement developments".

Our outcome one (1) which is "Effective and Efficient Management and Good Governance of the HDA" is aligned MTSF Priority 1 on a capable, ethical and developmental state. This outcome relates to the support functions required to enable the core functional areas to perform at optimal levels and to deliver on Outcome 2. It incorporates the principles of good governance and management, as well as effective, efficient and prudent use of resources. It encompasses Strategic management, governance and accountability; Financial Management, Human Resource Management; ICT; Financial Management; Communications and Enterprise Risk Management services.

Outcome (2) which is "Integrated Human Settlements and Security of Tenure" is aligned to MTSF Priority 4 on Spatial integration, human settlements and local government. It is through this outcome that the HDA actually delivers security of tenure, spatial transformation and integrated sustainable human settlements.

In terms of this outcome, we envisage focusing on the upgrading of informal settlements, the provision of emergency housing as required, the acquisition of landed property including in inner cities that can be converted into housing property and the implementation of selected catalytic/mega projects. The projects the HDA implements over the next five (5) years will be in the declared Priority Housing Development Human Settlement Areas (PHDHA's).

In presenting this Strategic Plan 2021-2025, we are confident that the HDA management and staff are capable and fully prepared to put all efforts and resources towards accelerating the delivery of integrated, sustainable human settlements and security of tenure.



Mr Mikki Xayiya
Board Chairperson

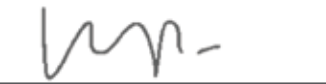
OFFICIAL SIGN-OFF

It is hereby certified that this **Strategic Plan 2021-2025:**

- 1) Was developed by the management of the Housing Development Agency (HDA) under the guidance of the HDA Board
- 2) Takes into account the relevant policies, legislations and other mandates for which the Housing Development Agency is responsible
- 3) Accurately reflects performance information which the Housing Development Agency will endeavour to achieve over the period 2021/22-2024/2025

Mr. Bosco Khoza:

Executive Manager - Programme 1, 2, 3 & 4



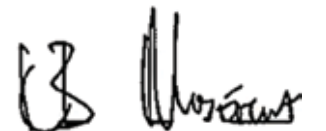
Ms. Melony Van Eck:

Executive Manager- Strategic Support



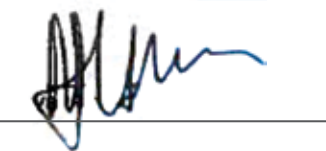
Mr. Brian Mosehla

Acting Chief Financial Officer



Mr. Stephen Poya

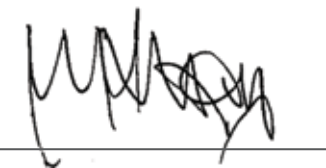
Acting Chief Executive Officer



Approved by:

Mr Mikki Xayiya

Board Chairperson



Honourable Minister L N Sisulu (MP)

Minister Human Settlements,

Water and Sanitation

Executive Authority





PART A OUR MANDATE

1. CONSTITUTIONAL MANDATE

The HDA Act (No 23 of 2008) establishes the Agency as a juristic person, operating as a national Schedule 3a public entity with executive authority vested in the Minister of the National Department of Human Settlements (NDHS). As an entity of the NDHS, the Housing Development Agency (HDA or “the Agency”) gives impetus to realizing the constitutional mandate of the Department which is derived from Chapters 2, 3 and 6 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996).

Section 26 in Chapter 2 (Bill of Rights) clearly states that:

- Everyone has a right to have access to adequate housing.

The State must take reasonable legislative and other measures within its available resources to achieve the progressive realisation of this right.

- No one may be evicted from their home or have their home demolished without an order of court made after considering all the relevant circumstances. No legislation may permit arbitrary evictions.

Schedules 4A and 5A make the delivery of human settlements a concurrent national and provincial legislative competence or function.

Thus Chapter 3 (Co-operative Government) and Chapter 6 (Provinces) on inter-governmental relations and the functions of each of the three (3) spheres of government respectively, are also applicable in how the HDA implements its mandate.

In terms of the Constitution, where the functions in Schedule 4A and 5A can best be administered locally, a provincial or national department could, by agreement, assign/delegate such function to a municipality if the municipality has capacity and resources to perform the function.

PART A OUR MANDATE

2. LEGISLATIVE AND POLICY MANDATES

2.1 LEGISLATIVE MANDATES

2.1.1 HDA ACT 23 OF 2008

The legislative mandate of the HDA for the 2021-2022 financial year (21/22 FY) and its associated Medium Term Expenditure Framework (MTEF) period continues to be derived from the HDA Act 23 of 2008 (the Act).

During July 2020 of the previous financial year, the HDA undertook a strategic process towards ensuring that the Agency:

- fulfils its mandate in terms of the entirety of the Act,
- realises the announcement of the Minister of Human Settlements in her budget vote speech of April 2014 that the HDA serves as “a fully-fledged property development agency”, and
- activates the HDA’s Board decision of 11 March 2016 when it approved a Business Case in support of the Minister’s 2014 April statement.

Relevant sections of the Act that the HDA will foreground and emphasise starting in the 21/22 FY towards its journey of becoming “a fully-fledged property development agency” are reflected in the following Table 1.

Table 1: Relevant Sections of HDA Act 23 Of 2008 that will be foregrounded and emphasised starting in the 21/22 FY.

SECTION OF THE ACT	WHAT IT STATES...	HOW HDA WILL IMPLEMENT IT...
SECTIONS THAT SUPPORT THE PROPERTY DEVELOPER ROLE		
Definitions	<p>“Develop” means improving or undertaking the development of land acquired by the Agency or the Agency giving sub-contracts to developers to improve or to undertake the development of acquired land by erecting buildings or structure for the purpose of housing delivery.</p> <p>“Land” includes a right in land.</p> <p>“Landed Property” means land with improvements including buildings, structures and purposes</p>	The Agency will begin implementing five (5) housing development projects on land that it has already acquired and is holding, and that is suitable for the development of integrated human settlements.
Section 2: Purpose	<p>The purpose of this Act is to provide for the –</p> <p>(a) establishment of the Agency which will facilitate the acquisition of land and landed property, in a way that complements the capacities of Government across all spheres;</p> <p>(b) objects, role, powers and duties of the agency; and</p> <p>(c) fast-tracking of land acquisition and housing development services for the purpose of creating sustainable human settlements</p>	<p>The Agency will continue to respond to requests from provinces and municipalities for the acquisition of land and landed property on its behalf.</p> <p>However, the Agency will also work towards acquiring land and landed property in its own right to fulfil its fully-fledged property developer role.</p>

PART A OUR MANDATE

2. LEGISLATIVE AND POLICY MANDATES

SECTION OF THE ACT	WHAT IT STATES...	HOW HDA WILL IMPLEMENT IT...
Section 4: Objects of the Agency - 4(a)	Identify, acquire, hold, develop and release state, communal and privately-owned land for residential and community purposes and for the creation of sustainable human settlements.	These sections allow the Agency to acquire land for brownfield and Greenfields, development, as well as for socio-economic amenities as part of developing integrated human settlements.
Section 5: Role of the Agency – 5(1)	The Agency must, in consultation with the relevant owner, identify, acquire, hold, develop and release state, privately and communal owned land for residential and community purposes for the creation of sustainable human settlements.	The HDA will strive to ensure that the land it acquires on behalf of provinces, municipalities and in its own right enables residential and community purposes development.
Section 7: Functions of the Agency – 7 (1)(g), (j), (k) and (l)	<p>(g) identify, acquire, hold, develop and release state, privately and communal owned land for residential and community development.</p> <p>(j) assist organs of state in dealing with housing developments that have not been completed within the anticipated project period</p> <p>(k) assist organs of state with the upgrading of informal settlements</p> <p>(l) assist organs of state in respect of emergency housing solutions</p>	The Agency will continue to support provinces, municipalities and the National Department of Human Settlements (NDHS) in this regard but will, through a transition process, enhance its support from only providing project management services to playing the role of property developer.
Section 29: Additional Functions – 29 (1)	The Minister may, in consultation with the Board, authorise the Agency to perform any additional function not inconsistent with this Act.	The Shareholder's Compact that the Minister signs with the Agency will outline the transition to operating as a fully-fledged property development agency.

2. LEGISLATIVE AND POLICY MANDATES

SECTION OF THE ACT	WHAT IT STATES...	HOW HDA WILL IMPLEMENT IT...
SECTIONS THAT SUPPORT FUNDING / CAPITAL RAISING TO PERFORM ABOVE-MENTIONED ROLE		
Section 5: Role of the Agency – 5(2)	The Agency must ensure that there is funding for provision of all infrastructure that is required for housing development in which it is involved.	<p>The HDA will raise additional funding required for it to fulfil its fully-fledged property developer role utilizing the Division of Revenue Act (DORA) subsidies and grants for human settlements, and other such existing mechanisms.</p> <p>The Agency will also establish strategic partnerships with other public and private sector entities mandated and/or committed to supporting infrastructure development in general and the development of human settlements in particular.</p>
Section 25: Funds of the Agency – 25 (1)	<p>25 (1) The funds of the Agency consists of:</p> <ul style="list-style-type: none"> (a) Money appropriated from Parliament; (b) Donations or contributions received by the Agency with the approval of the Minister; (c) Interests on investments of the Agency; (d) Loans raised by the Agency, subject to Section 26; (e) Proceeds from the sale of land; (f) Fees for services rendered based on cost recovery; and (g) Subsidies and grants granted by the organs of State. <p>25(2) The Agency, subject to section 26, must utilise the funds to defray expenses incurred by it in the performance of its functions.</p>	<p>The HDA will raise additional funding required for it to fulfil its fully-fledged property developer role utilizing the Division of Revenue Act (DORA) subsidies and grants for human settlements, and other such existing mechanisms.</p> <p>The Agency will also establish strategic partnerships with other public and private sector entities mandated and/or committed to supporting infrastructure development in general and the development of human settlements in particular.</p>
Section 29: Additional Functions – 29(2)	The authorisation contemplated in subsection (1) must be in writing, detailing the funding arrangements as well as the terms and conditions related to the additional function	The Shareholder's compact that the Minister signs with the Agency will detail the funding arrangements.

At the same time as reconfiguring itself to serve as a fully-fledged property developer, the Agency will complete all the support and assistance programmes it is implementing on behalf of, and in partnership with, the NDHS, provinces and municipalities. This 21/22 Annual Performance Plan (APP) reflects the complementary and property developer roles of the Agency.

PART A OUR MANDATE

2.1.2 OTHER ACTS/LEGISLATION

Other Acts that inform and guide the work of the HDA are briefly explained in Table 2 below.

Table 2: Other Acts/Legislation in the NDHS APP that automatically influence HDA's work

LEGISLATION
Housing Act, 1977 (Act No 107 of 1997) as amended
Rental Housing Act, 1999 (Act No 50 of 1999)
Social Housing Act, 2008 (Act No 16 of 2008) and Social Housing Regulations, 2011
Prevention of Illegal Eviction and Unlawful Occupation of Land Act, 1998 (Act No 19 of 1998 as amended)
Community Schemes Ombudsman Services Act, 2011 (Act No 9 of 2011)
National Building Regulations and Building Standards Act, 1977 (Act No 103 of 1977)
Construction Industry Development Board Act, 2000 (Act No 38 of 2000)
Property Practitioners Regulatory Act, 2019 (Act No 22 of 2019)
Spatial Planning and Land Use Management Act, 2013 (Act No 16 of 2013)
Communal Land Rights Act, 2004 (Act No 11 of 2004)
Communal Properties Associations Act, 1996 (Act No 28 of 1996)
Alienation of Land Act, 1981 (Act No 68 of 1981 as amended)
Immoveable Assets Management Act (No 19 of 2007)
Deeds Registry Act, 1937 (Act No 47 of 1937 as amended)
Extension of Security of Tenure Act, 1997 (Act No 62 of 1997)
Upgrading of Tenure Rights Act, 1991 (Act No 112 of 1991 as amended)
Conversion of certain leasehold right to Ownership Act, 1988 (No 81 of 1988 as amended)
Land Administration Act, 1995 (Act No 2 of 1995 as amended)
Expropriation Act, 1975 (Act No 63 of 1975 as amended)
National Environment Management Act, 1998 (Act No 107 of 1998 as amended)
Public Finance Management Act, 1999 (Act No 1 of 1999 as amended)
Municipal Finance Management Act, 2003 (Act No 56 of 2003 as amended)
Division of Revenue Act (as amended)
Broad Based Black Economic Empowerment Act, 2003 (Act No 53 of 2003)
Promotion of Administrative Justice Act, 2000 (Act No 3 of 2000)
Preferential Procurement Policy Framework Act, 2000 (No 5 of 2000)
Promotion of Access to Information Act, 2000 (Act No 2 of 2000)
Intergovernmental Relations Framework Act, 2005 (Act No 13 of 2005)

2.2 POLICY MANDATES

The Policies that inform and guide the work of the HDA are briefly explained in the following Table 3:

Table 3: Policy Mandates

LEGISLATION	BRIEF DESCRIPTION
White Paper on Housing 2004	Provides a macro policy that creates an enabling environment for housing delivery
National Housing Code Version 2000	Provides prescripts to enable the delivery of housing and the underlying policy principles, guidelines, norms and standards for implementation of different housing programmes. It also explains the linkages between various housing assistance programmes, and who can apply for and how to access the different programmes. The Code was revised to align it with the BNG; accommodate changes effected since 1994; and convert the programmes into flexible and less prescriptive provisions and guidelines.
Comprehensive Plan for the Creation of Sustainable Human Settlements of 2004	Outlines a plan for the development of sustainable human settlements over 5 years
National Development Plan: Vision 2030	Chapter 8 of the National Development Plan (NDP) deals with transforming human settlements and the national space economy. The introduction to this Chapter on Human Settlements simply and unambiguously states: "Where people live and work matters". The NDP further provides what can be termed key principles that must underlie the transformation of human settlements.
Breaking New Ground (BNG)	The BNG builds on the housing policy outlined in the 1994 White Paper on Housing to ensure that settlements are sustainable and habitable in line with the original goal of delivering affordable housing, and significantly shifts the emphasis from the provision of housing to the creation of sustainable human settlements in a manner that is responsive to the demands of particular segments of society and local situations and challenges apartheid spatial developments.
Social Housing Policy, 2005	Promotes an enabling environment for social housing delivery.
Integrated Urban Development Framework	Provides a framework to enable spatial transformation – by steering urban growth towards a sustainable growth model of compact, connected and coordinated cities and towns
PHDA Regulations GNR 610 and Government Gazette No 37899	Key points in the regulations and gazette that impact on the role of the HDA as an implementing agent and a public sector property developer includes the Agency: <ul style="list-style-type: none"> • Working with municipalities to develop a proposal for the preliminary declaration of a priority housing development area, • Initiating a national housing programme (as defined in the Housing Act) development process in a declared PHDA, • Being appointed as an implementing agent by the municipality, or being able to appoint an external service provider as implementing agent with the approval of the municipality, • Monitoring implementation of the PHDA plan, • Developing implementation protocols and/or agreements with other government and non-government role-players on the mechanisms and procedures that facilitate, assist, support and fund the planning and implementation of the PHDA. Any separate agreements entered into in respect of the afore mentioned must be done in co-operation with the municipality, • Entitled to rely on the full cooperation and support of other organs of state to achieve the planning, implementation and funding of the PHDA, • Being able to request from a protocol/agreement subscriber and be entitled to receive an undertaking that reaffirms the subscriber's financial commitment and • Enjoying considerable powers to implement PHDAs.
The National Spatial Development Framework	This framework is aimed at addressing the unequal and inefficient spatial arrangements placed on communities during the apartheid era and meeting the democratic government's stated goal of providing basic services to all and alleviating poverty and inequality.

3. INSTITUTIONAL POLICIES AND STRATEGIES OVER THE FIVE-YEAR PLANNING PERIOD

3.1 MEDIUM TERM STRATEGIC FRAMEWORK (MTSF) 2019-2024

The MTSF 2019-2024 is South Africa's high-level national strategic plan for the 6th term of democratic governance. It is based on the country's NDP Vision 2030 and the seven (7) government priorities outlined by the President in the June 2019 State of Nation Address. The total of 81 outcomes, 337 interventions and 561 indicators listed in the MTSF 2019-2024 are directly linked to the afore-mentioned priorities. The MTSF serves as the framework for the plans of all departments in the national, provincial and local spheres of government.

As an entity of the NDHS, the HDA contributes directly to Priority 5 and its related outcomes as shown in Table 4 below.

Table 4: MTSF 2019-2024 – Priority 5 and its associated impact and outcomes

PRIORITY	IMPACT: 2024	OUTCOMES
Spatial integration, human settlements and local government	Achieving spatial transformation through improved integrated human settlement development and linking job opportunities and housing opportunities	<ul style="list-style-type: none">• Adequate housing and improved living environments• Security of tenure• Improved capacity to deliver basic services, quality infrastructure and integrated public transport to increase household access to basic services (electrification, water treatment works and bulk water supply)

The HDA also indirectly contributes to the other six (6) priorities, and directly to the cross-cutting focus areas of women, youth and persons with disabilities.

3.2 HDA MANDATE/SOCIAL COMPACT SIGNED BY THE MINISTER OF NDHS

Section 8 of the HDA Act, no 23 of 2008 and its associated Regulations No R.610 states that the National Minister must, after consultation with MINMEC conclude a written five-year mandate with the Agency. It further states that the mandate may deal with any matter that the Minister and the Agency agree on, must be reviewed every five years and must be consistent with the Act.

The HDA will fulfil the mandate agreed to with the Minister, for the 6th term of administration and will ensure that it develops, adopts and implements the enabling institutional policies it may require to give effect to the mandate and fulfil its role and functions.

4. RELEVANT COURT RULINGS

The HDA is not directly involved in any court cases or rulings arising therefrom, that impacts on its work.

The court ruling in respect of a NDHS case, namely HLA 8/3/2/109 - 2014 CASE NO. 2011/19 has a direct bearing on the work delegated by the NDHS to the Agency. The case involved the Ekurhuleni Metropolitan Municipality (EMM) bringing a joinder application in the Constitutional Court seeking to join the Department in the proceedings instituted by Bapsfontein Community. The case was concluded with the ruling that alternative accommodation must be provided. The NDHS and HDA response to this ruling has been to introduce the provision of Temporary Residential Areas (TRAs) and Temporary Residential Units (TRUs).



PART B

OUR STRATEGIC FOCUS

2. OUR STRATEGIC FOCUS

The HDA's Vision, Mission and Values for the sixth (6th) term of administration is informed by the following main political and socio-economic development priorities of government:

- The “spatial integration, human settlements and local government” priority announced by President Cyril Ramaphosa in his June 2019 State of the Nation (“SONA”) address. This is one (1) of the seven (7) priorities set for the 6th term of administration.

The President’s statement in the same SONA that efforts to identify and release public land that is suitable for smart, urban settlements will be accelerated.

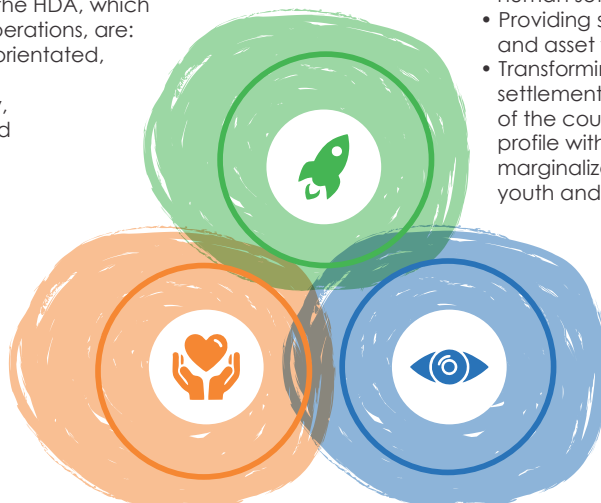
The Human settlements impact reflected in the national MTSF 2019-2024, i.e. “Achieving spatial transformation through improved integrated human settlement development and linking job opportunities and housing opportunities”.

- The directives for human settlements in Chapter 8 of the NDP: Vision 2030 premised on the introduction of this Chapter, i.e. “Where people live and work matters”.

The strategic approach and focus areas determined by the Agency to fulfil its legislative mandate is also reflected in its Vision, Mission and Values. This legislative mandate is explained in sub-section 2.1.1 above (Part A of this Strategic Plan) and further elaborated on in the Internal Environment Analysis sub-section further below in this Part of the Strategic Plan. The key element of the strategic approach reflected in the Vision is the role of serving as a fully-fledged public sector property developer.

Values

The Values of the HDA, which underpin its operations, are:
Performance-orientated,
Excellence,
Accountability,
Teamwork, and
Integrity



Mission

The Mission of the HDA is:
"To contribute to:

- Accelerated delivery of spatially transformed integrated and sustainable human settlements.
- Providing security of tenure and asset wealth.
- Transforming the human settlements sector to be inclusive of the country's demographic profile with a special focus on the marginalized sectors of women, youth and persons with disabilities.

Vision

The Vision of the HDA is to be:
The public sector Developer of
Choice providing integrated,
sustainable human settlements and
security of tenure.

4. UPDATED SITUATIONAL ANALYSIS

4.1 EXTERNAL ENVIRONMENT ANALYSIS

The work of the HDA is directly impacted on by the political, economic, social, technological, environmental and legal environment within which the Agency works. The following Table summarises some of these external factors.

Table 5: External Factors

Political	<ul style="list-style-type: none"> • Insufficient alignment in the human settlement plans of the three spheres of government. • Lack of alignment in terms of bulk infrastructure and human settlements planning and budgeting. • The political impact of the Covid-19 pandemic. • The political and socio-economic priorities set for the 6th administration as outlined in the MTSF and the NDHS Strategic Plan for the same period.
Economic	<ul style="list-style-type: none"> • Fragmented funding framework of government. • Reduced budgets for human settlement projects. • The economic impact of the COVID-19 pandemic. • High levels of unemployment coupled with slow economic growth.
Social	<ul style="list-style-type: none"> • Protest actions and work stoppages at human development project sites. • Expectations of communities not being met, and the poor achievement of human settlement outcomes as defined in the NDP Vision 2030 and the MTSF for the 6th administration. • Slow or inadequate spatial transformation and delivery of integrated human settlements close to or inclusive of socio-economic amenities. • The social impact of the Covid-19 pandemic
Technological	<ul style="list-style-type: none"> • Slow uptake of, and utilisation of alternative building technologies that speed up delivery and ensures long-term environmental sustainability, in the delivery of human settlements. • Opportunity for 4th industrial revolution innovations to improve the quality and standards of human settlement developments. • Insufficient funding and infrastructure to ensure broadband connectivity in integrated human settlements.
Environmental	<ul style="list-style-type: none"> • Delays in EIA and other land preparation approvals, and lack of co-ordination in respect of inter-linked approval processes. • Impact of natural emergencies and disasters e.g. floods. • Impact of topography and terrain in terms of suitable land for human settlement developments.
Legal	<ul style="list-style-type: none"> • Impact of litigation and court judgements in respect of the NDHS and provincial departments of human settlements. • Impact of legislation e.g. the Expropriation Bill. • Unlawful occupation of land.

4.1.1 POLITICAL ENVIRONMENT

The work of the HDA is informed by the functions delegated to it by the NDHS e.g. support provided for development plans of Priority Human Settlement Development Areas (PHSDA) and Catalytic Projects. It is also informed by the Implementation Protocols and MTOPs signed with provincial departments of human settlements and with municipalities which places the Agency as a project manager and/or implementor of defined human settlement projects.

As such the HDA is directly faced with areas of misalignment in the human settlement plans of the three spheres of government. For example, a municipality's Integrated Development Plan (IDP) does not always reflect the delivery of bulk infrastructure in the areas where housing units are being constructed as part of an integrated human settlement development; or provincial human settlement projects are not always within or aligned to the PHSDAs declared by the NDHS.

Additionally, the HDA must take into account all political directives such as the NDP Vision 2030 which is based on the international Sustainable Development Goals (SDGs) of the UN's Agenda 2030, the strategic shift from sporadic human settlement developments to integrated mega city/project developments, the Rapid Land Release Programme (RLRP) and the roles of provincial human settlement and infrastructure agencies such as the Gauteng Partnership Fund.

During the 6th administration which is inclusive of the 21/22 FY, the following NDHS priorities will guide and find expression in the work of the HDA. The indicators and targets that show alignment with these priorities is reflected in Part C "Measuring Our Performance" section of the APP.

- Direct investment into identified and designated priority human settlements and housing development areas, which will bring alignment with the district development model.
- Delivery of more houses and serviced sites in proclaimed (formal townships).
- Delivery of affordable rental housing units
- Upgrading of informal Settlements
- Registration of title deeds.
- Transformation of the property sector and increased participation of designated groups.

Finally, it is important to take into account the political impact of the Covid-19 pandemic on all sectors and functional departments of government. The main impact has been the need to revise and/or develop new programmes and projects that are responsive to managing the pandemic, and to and re-prioritise programmes and budgets towards Covid-19 interventions. Responses to the pandemic has to be integrated and holistic which requires more intensive and consistent inter-departmental and inter-ministerial co-operation and collaboration. This is currently managed through the National Command Council which the Minister of Human Settlements actively participates in.

The HDA will actively participate in, where possible, and contribute to inter-governmental processes aimed at addressing the above-mentioned political circumstances. It is also envisaged that the Shareholder's Compact, signed between the National Minister of Human Settlements and the HDA, will be cognisant of and responsive to the political environment that impacts on the work of the Agency.

4.1.2 ECONOMIC ENVIRONMENT

As stated in the NDHS Strategic Plan for the 20/21 FY, economic growth was expected to reach 1.5% in 2019 and 2.1% by 2021. The slow economic growth experienced over the past few years correlates with the increase in the country's unemployment rate, indebtedness and weakening of the rand.

The impact of the economy of the country on the fiscus in general and the allocation of budget for human settlements in particular contributes to lower levels of delivery. The unintended vicious cycle that results from this is the less the delivery levels, the less budget is allocated to the non-performing or low-delivery sector.

According to the NDHS SP for the 20/25 FY, a cumulative amount of R53 billion has been cut from the national sphere of government, including large programmes and transfers to entities. This combined with rising building costs and the developmental, institutional, planning, funding and implementation challenges in the delivery chain makes it difficult for the human settlements sector to reach its delivery targets.

Factors expected to limit economic growth, as mentioned in the said SP of the NDHS, are:

- The lack of bulk infrastructure that allows for downstream community benefit.
- An inadequate transport structure which makes transportation costs more expensive and which then impacts on household expenditure.
- The possibility of a country investment down-grade.
- High borrowing and interest costs.
- Constrained government finances.

The impact of the Covid 19 Pandemic on the economy of the country and globally, and its ripple effect on the delivery of human settlements cannot be ignored. The effects of the necessary Covid 19 lockdown measures on the functioning of the construction sector in general and the construction of human settlement projects in particular, further exacerbates the poor service delivery record of the public sector and the declining supply of the private sector.

4.1.3 SOCIAL ENVIRONMENT

a) Service Delivery Environment and Housing Demand

South Africa uses a Multidimensional Poverty Index (MPI) to define and gauge poverty. Two(2) of the MPI's nine (9) indicators relate to housing, namely (a) Household dwelling is a shack/informal dwelling and (b) Overcrowded: 3 or more persons per room. The other seven (7) indicators relate to water, sanitation, energy, communication/assets, food/hunger, schooling and unemployment.

Stats SA's General Household Survey 2018 (the Survey) reveals that 13.1% of South African households continue to live in informal dwellings, despite the fact that government subsidies to access housing increased from 5.6% in 2002 to 13.6% in 2018. The Survey also indicates that 5% of households live in traditional dwellings, 81.1 % in formal dwellings and 0,8% in dwellings listed as Other.

The tenure status of dwellings is reflected in the following Table 7 as extracted from the Survey.

Table 6: Percentage of Dwellings by Tenure Status, 2018

TENURE STATUS	FORMAL DWELLING	TRADITIONAL DWELLING	INFORMAL DWELLING	OTHER
Occupied Rent Free	12.3%	18.5%	21.9%	60.7%
Owned and Fully Paid off	54.2%	74.5%	36.5%	9.1%
Owned but not yet paid off	8.3%	0.6%	0.4%	0.0%
Rented	25.3%	6.4%	41.2%	30.2%

As stated in the NDHS 20/25 SP:

- The demand for housing closer to economic opportunities remains a main challenge facing the country, despite the more than 4.8 million houses provided between 1994 and 2019.
- The demand is influenced by increased urbanisation, which has inadvertently resulted in an increase in informal dwellings which puts a strain on the country's existing infrastructure.
- Statistics South Africa estimates that, by 2020, there will be 3.6 million new household formations in the country, with more than 2 million people falling into the income category of less than R3 500 per month. This will contribute to an increased demand for housing.

Access to water and sanitation by households also require improvement based on data provided in the Survey, namely that:

- Only 89% of dwellings have access to piped or tapped water in their dwellings, off-site or on-site by Province as follows: 46.3% have access in their dwellings, 28.5% on site, 12.3% relied on communal taps and 1.9% relied on neighbours taps.
This means that 11% of households remain without access to pipe water.
- 83% of households have access to improved sanitation facilities, i.e. flush toilets connected to a public sewerage system or septic tank, or a pit toilet with a ventilation pipe. This means that 17% of households remain without access to improved sanitation facilities.

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- 1.1% of households still use bucket toilets that are supplied and cleaned by their municipalities
- Only 0.3% of households primarily use ecological toilets. Given the scarcity of water in South Africa percentage is expected to increase in the future.
- 2.8% of households have no toilet facility or have been using bucket facilities.

The provision of water and sanitation services are fundamental rights linked to health, well-being, safety, quality of life and living standards of the population of the country.

b) Population Growth

As stated in the NDHS 20/25 SP:

- the issue of population growth has a bearing on the delivery of human settlements, and
- population growth forecast statistics reveal that by 2024, the country's population will have increased from the 2020 figure of 59.72 to 63.45 million people.

The steady forecasted increase of about 1 million people per year means that there will be a concurrent increase in the demand for housing. This requires the human settlements sector, which the HDA is part of, to embrace a proactive strategic approach to the delivery of human settlements and to create more balance between addressing housing backlogs and planning for future needs and demands.

c) The Impact of the Covid-19 Pandemic

The pandemic has exposed the risk of poor levels of services and unsanitary environments where the health and social needs of residents are often invisible and a threat to their dignity and safety. The lack of clean water and overcrowding in the majority of South Africa's human settlements presents an extremely challenging situation for residents to meet the requirements for washing hands and social distancing.

Interventions implemented by the HDA since the onset of the pandemic attest to this fact. In partnership with Provinces, the HDA has been involved in emergency measures focused on de-densification of overcrowded informal settlements, the provision of basic water and sanitation services and identification of suitable land for relocation and provision of transitional / temporary residential units.

The pandemic, which appears to be set to remain for at least another year if not more, requires the human settlements sector to increase its pace of delivery and improve its ability to provide emergency housing solutions, TRA's and TRU's to manage any future resurgences in infection rates. The HDA is confident that based on what it achieved in this regard during the previous 20/21 FY, it is ready and capacitated to respond speedily and effectively in this regard.

4.1.4 TECHNOLOGICAL ENVIRONMENT

A critical technological advancement, within the context of the 4th Industrial Revolution, that the HDA has started, and will continue to implement is the use of Alternative Building Technologies/Innovative Building Technologies (ABT/IBT).

Broadband connectivity is another technological matter that the HDA is cognisant of, especially in terms of this being one of the elements that distinguishes the Catalytic/Mega Project human settlement developments from other housing code developments.

The HDA understands that the innovative use of technological advancements can yield broader socio-economic benefits such as environmental sustainability and broad-based economic growth and development.

4.1.5 ENVIRONMENTAL FACTORS

As stated in the NDHS 20/25 SP: “The totality of the living environment (eco-system) has a bearing on the delivery of human settlements, and this accounts for the environment to be carefully analysed against the possibility of achieving the human settlement targets. Housing and human settlements delivery focuses on spatial management, i.e. the living environment or ecosystem”.

The HDA will continue to ensure that the human settlement projects it has responsibility for comply with the spatial principles of the Spatial Land Use Management Act of 2013 (SPLUMA) and the NDP Vision 2030.

In terms of the impact of natural disasters and emergencies, the HDA has proved its ability to step up to responding to these. The Agency’s provision of TRU’s to enable de-congestion of informal settlements as a response to the Covid 19 pandemic attests to this fact.

A key challenge that must be addressed going forward is a shift in the approach to the provision of EIA and related approvals from a mere compliance perspective to one that embeds environmental sustainability and other environmental factors as the driving force of speedy provision thereof.

4.1.6 LEGAL ENVIRONMENT

The impact of the legal environment on the delivery of human settlements is addressed in detail in Section A of this 21/25 SP. The said section explains that the overall mandate of the human settlements sector, which the HDA is located in, derives from the Constitution; the specific mandate as expressed in the HDA Act and all related policies and legislation that impacts on and guides the work of the sector as a whole, and the HDA in particular.

The HDA is cognisant of the fact that it must incorporate any changes made to the policy and legislative environment into its work, in the same way that it has to take into account relevant litigation and court judgements.

4.1.7 PERSISTENT CHALLENGES THAT MUST BE ADDRESSED

Some of the persistent challenges that impede the delivery of integrated human settlements and security of tenure are:

- Insufficient delivery by the public sector due to challenges and blockages in the system,
- Declining supply by the private sector caused by both supply and demand side constraints,
- The continued location of housing project on the periphery of cities that marginalises the poor in terms of transport and access to work opportunities and social service,
- An untransformed human settlement sector in terms of black industrialists with specific focus on women, youth and persons with disabilities,
- Insufficient bulk and link infrastructure.
- Procurement and management delays in provinces and municipalities.
- Lack of adequate monitoring, evaluation and reporting.

4.1.8 WOMEN, YOUTH AND PERSONS WITH DISABILITIES

In 2019, the NDHS hosted Roundtable discussions with the stakeholders representing the marginalised sectors of women, youth and persons with disabilities. The purpose of the discussion was to review the NDHS achievements in terms of mainstreaming the active involvement of these marginalised groups in the value chain of the human settlements sector.

Participants highlighted some of the persistent challenges that continue to impede successful mainstreaming of the three (3) identified marginalised sectors, including the continued lack of transformation in the construction sector which results in the marginalised sectors experiencing difficulties in accessing participation opportunities. The fact that preferential procurement targets for the marginalised groups are not being met was mentioned as a factor that further limits participation opportunities and marginalises these groups from being economically active.

The need to enhance the mainstreaming of the marginalised groups in the entire value chain was emphasised. One example provided was that the manufacturing and supply of building materials is an aspect of the value chain where the ownership patterns of these suppliers can be changed to include women, youth and persons with disabilities. In terms of the proviso of housing units to persons with disabilities, it was proposed that the NDHS should ensure that the principle and concepts of universal access and design be used in the planning and construction of houses. The application of this principle and concept means that elements of a housing unit will be modified to allow access to persons with disabilities with different types of disabilities. An example would be to replace stairs with ramps, where possible, to enable access for persons using wheelchairs and to ensure that entrances and doorways within the housing unit allows easy mobility for the users of wheelchairs. Another example would be to use non-slippery floors materials which is safe, not only for persons with disabilities but also for the elderly and for children.

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Application of the mainstreaming approach means that the NDHS can move away from providing houses for the persons with disabilities and the elderly as stand-alone “Special Needs Housing” since this special programme contradicts the principles of mainstreaming and of inclusive, integrated and sustainable human settlements that responds to all the social and economic needs of people.

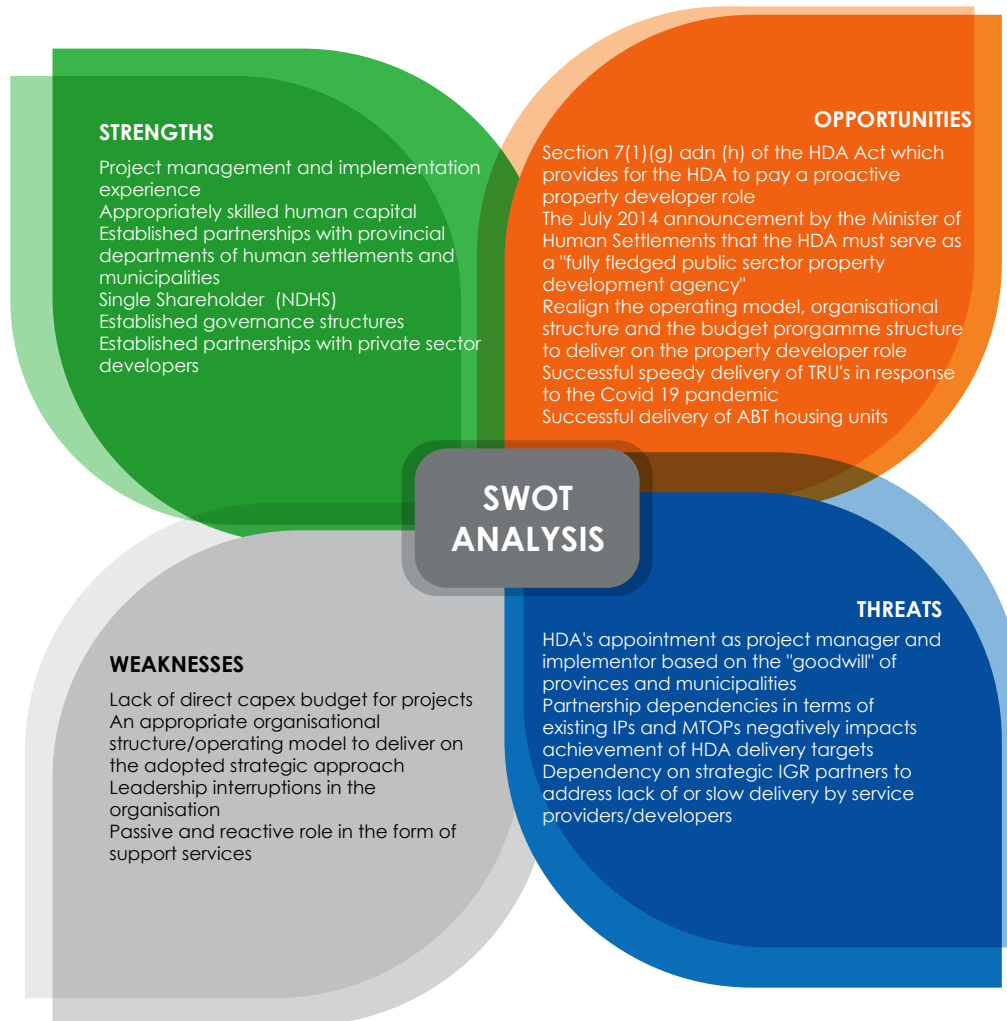
Programmatic interventions to accelerate transformation and empowerment of the designated groups in the human settlements sector at the development value chain level and the provision of housing level was developed.

The HDA will integrate these interventions into the functions it performs and the programmes it delivers operating as a public sector property developer and will strive to contribute to the 2010 NDHS target of 30% of HSDG and USDG allocation to women owned/managed entities, and the revised 2014 target of 10% of HSDG and USDG allocation to youth owned/managed entities.

4.2 INTERNAL ENVIRONMENT ANALYSIS

4.2.1 HDA SWOT ANALYSIS

The diagram below lists the key internal environment (strengths and weaknesses) and the external environment (opportunities and threats) that impacts on the HDA. A more detailed explanation of these is provided below the diagram.



The role of the HDA as a “fully-fledged public sector property development agency”¹ was announced by the Minister of Human Settlements in 2014. The Agency immediately engaged in processes that would enable it to play this role and a draft business case thereto was approved by the Board of the HDA in March 2016. The draft business case was revised in November 2018, but the implementation thereof was halted due to internal challenges experienced by the Agency.

¹ Minister of Human Settlements Budget Vote Speech, July 2014

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These challenges in the main related to changes in the leadership of the Agency at both the Chief Executive Officer (CEO) and Board levels. The leadership interruptions resulted in the Agency not operationalising the property developer business case consistently or in earnest. The ripple effect was the HDA continuing to operate with a “Business as Usual” operating model and organisational structure.

In practical terms this translates to the Agency playing a largely passive and reactive role in that it limited itself to providing support services to the NDHS, provinces and municipalities on their programmes. Thus, any work performed by the Agency is/was primarily based on the “goodwill” of provincial and municipal partners expressed in the form of MTOP’s (with municipalities) and IP’s (with provinces). In terms of the support provided to the NDHS, the HDA is bound to implementing the pre-determined MTSF indicators and targets of the National Department as delegated to it.

The limits of these partnership arrangements directly impacted on the Agency’s ability to achieve its annual and MTEF targets and generally resulted in poor output and outcome performance, as well as the provision on disintegrated services. While the Agency provides project management services, the partnership agreements do not give the Agency any direct powers and control over the performance management of project inputs and outputs. The agreements signed with the HDA over the years has contributed to it becoming a “Mr Fix-it Handy Man” and a place of fiscal dumping on blocked or unsalvageable bits and pieces of projects. As such, the HDA has not yet been able to make a meaningful contribution to the development of human settlements and providing security of tenure in its own right.

The budget and contractual arrangements of projects currently implemented by the HDA remains with the province, municipality or the NDHS, making it difficult for the Agency to assert itself and ensure service delivery. The Agency is in fact dependent on the cooperation of its strategic IGR partners to address slow or lack of service delivery. In summary, the current operating model of the Agency means that in a worst case scenario, if it has no signed IP’s, MTOP’s or delegated responsibilities from the NDHS, it will have no tangible role to play.

In 2019, the onset of the 6th term of administration required the HDA to ensure its role and strategic approach continues to be aligned and responsive to the political and socio-economic priorities expressed in the July 2019 SONA delivered by the President and the MTSF 2019-2024 as approved by Cabinet.

During an intensive participatory strategy review and planning process held in July 2020, involving more than one hundred (100) of the Agency’s staff, the HDA re-confirmed the decision to foreground and prioritise playing the role of a public sector property developer, as provided for in the HDA Act and explained in Part A of this APP, and as announced by the National Minister in July 2014. This prioritisation will enable the HDA to make a meaningful tangible contribution to the human settlement priorities of government.

The Shareholder’s Compact to be signed between the Agency and the National Minister of Human Settlements is a key driver for operationalising the property developer role of the Agency.

4.2.2 STAKEHOLDER ANALYSIS

The table below provides a summary of the key stakeholders that contribute to the delivery of the HDA's mandate.

Table 7: Key Stakeholders

NDHS	Policy and Legislative directives and funding. Signed Shareholder's Compact. Approval of Strategic Plan, APPs and related plans.
Provincial Departments of Human Settlements	Appointment of HDA as project manager and/or implementing agent of identified human settlement projects in the form of signed IPs. Ring-fencing/allocation/transfer of provincial budgets set aside for projects listed in signed IPs.
Municipalities	Appointment of HDA as project manager and/or implementing agent in the form of MTOPs. Provision of bulk services infrastructure. Approvals e.g. township establishment, layout plans, etc.
Financial Services Sector and potential investors	Additional capital required for human settlement projects. Market guarantee of subsidy commitments.
Private Sector Developers	Implementation/construction of projects. Compliance with SLA's and contractual agreements. Co-investment.
Citizens	Beneficiaries of housing units provided through integrated human settlement projects.
Other line function departments	Alignment of infrastructure development plans and budgets. Collaboration and co-operation at implementation level to ensure integrated human settlements that meet all the economic and social needs of residents.

4.2.3 A STRATEGY ALIGNED OPERATING MODEL

None of these instruments of the current model give the HDA any direct accountability or management power for ensuring that the delegated tasks/interventions are implemented. Neither does it give the HDA any control of the targets to be achieved annually or over any given MTSF period.

The budget and contractual arrangements of any projects HDA is requested to implement remains with the province, municipality or the NDHS so the HDA cannot assert and ensure service delivery and depends entirely on the co-operation of its strategic IGR partners to address slow or lack of service delivery.

The current model means that in a worst case scenario – if the HDA has no signed IPs, MTOPs or delegated responsibilities the organisation will have no tangible role to play.

Even the core function that the HDA has played in the past, i.e., of land acquisition, holding and release – is negatively impacted by provinces and municipalities acquiring land on their own.

The above are some of the reasons that the operating model is the most critical factor contributing to HDA's poor performance record to date.

In presenting the aligned operating model, the Agency emphasises that its transition to serving as a “fully-fledged public sector property development agency” will be managed in phases with the transition process starting in the 21/22 FY. The transitional indicators and targets which reflect the process are contained in Part C: Measuring our Performance section of this APP. These include indicators and targets for the five (5) strategic projects the Agency will be implementing in the 21/22 FY in its role of implementing agent/ public sector property developer.

The key elements of the Model are summarised below.

4.2.3.1 KEY PRINCIPLES OF THE OPERATING MODEL

The key principles underpinning the Operating Model are:

- HDA will act as the “principal” in developments where it would typically acquire, develop and release land, on its own or in partnership with the private sector, for own profit, which could be reapplied towards further developments.
- HDA will strengthen its own balance sheet.
- HDA will pro-actively act as catalyst of developments.
- HDA will generate income from project management fees.
- HDA will share project and financial risk with its strategic delivery partners.
- HDA will leverage on the significant assets it already has, namely: its significant skills base, experience, project database, land database and market intelligence (both from a public and private sector side).

4.2.3.2 AN IMPLEMENTATION AND DELIVERY FOCUSED OPERATING MODEL

The foundation of the proposed operating model is that the HDA's current partnership instruments (IPs and MTOP's) will be revised as an Implementing Agent Agreement with either or both of the following roles:

- Provide project management support services namely the management of service providers procured to implement a project in one of two (2) ways:
 - (a) The sponsoring authority may elect to assign the role of appointment of service providers to the implementing agent, or
 - (b) Sponsoring authority may elect to appoint the service providers and subsequently appoint an implementing agent to manage these services providers.

In terms of the above-mentioned role Option (a) is preferred because it enables the HDA to manage and be solely responsible for contractual obligations whereas Option (b) only enables the HDA guide the service provider.

- HDA plays the role of Project Sponsor which gives more responsibility and powers as per Board Notice 87 of 2008 of the South African Council for the Project and Construction Management Professions.

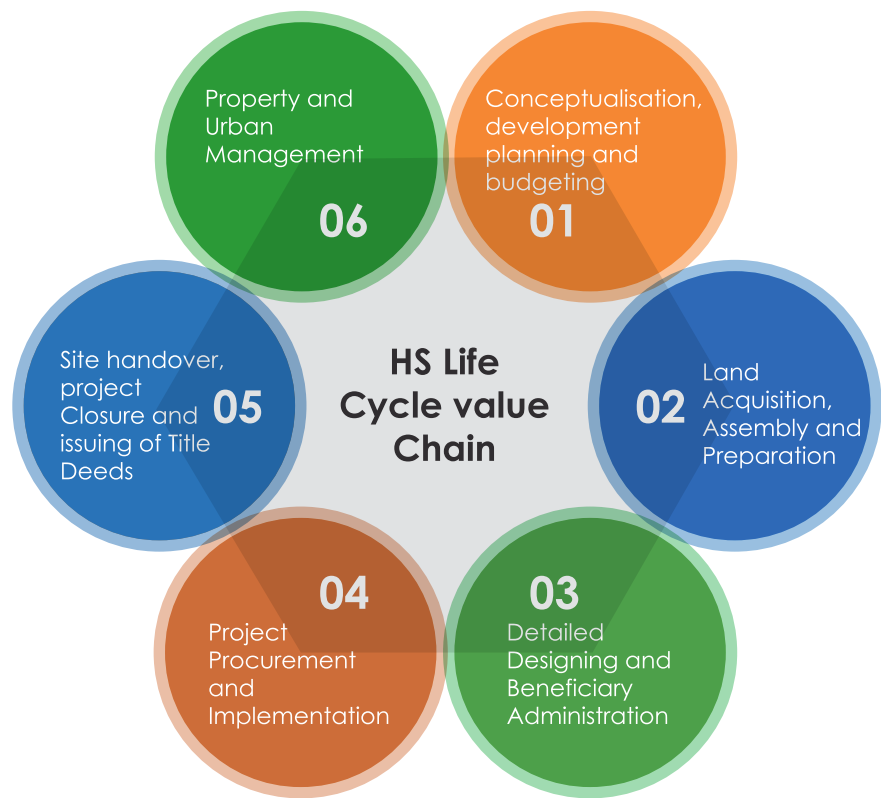
A critical driver of the HDA transitioning to the being a fully-fledged public sector property developer is to revise its current partnership instruments / legal instruments to ensure that the gaps and weaknesses pertaining to accountability and responsibility for implementation and achievement of annual and MTEF targets are addressed. The main gap and weakness that will be addressed is providing the Agency with the required delegated powers to manage and be solely responsible for all contractual agreements and obligations pertaining to each project it manages on behalf of a province or municipality. This Project Sponsor role of the HDA is legally allowed in terms of Board Notice 87 of 2008 of the South African Council for the Project and Construction Management Professions.

In short, the realigned operating model will position the Agency to be directly accountable for all projects and interventions it implements, and for achieving the targets it sets for each financial year and its associated MTEF period.

4.2.3.3 A HOLISTIC SERVICE DELIVERY OPERATING MODEL

The realigned operating model is also based on a holistic service delivery model that cuts across and integrates the various aspects of the value chain of infrastructure development as presented in Diagram 1 below.

Diagram 1: Holistic Value Chain Operating Model



The value chain model supports a life-cycle approach to property development and ensures the HDA is responsible and accountable for tangible complete human settlement products and outputs from conceptualisation through to maintenance that ensures sustainability and longevity of its products or outputs. The functional areas and the associated tasks associated with each element of the value chain are summarised in the following Table.

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Table 8: Key functions associated with a Property Developer Role.

KEY FUNCTION	ASSOCIATED TASKS
Capital Raising	<ul style="list-style-type: none"> • Mobilise funding or manage project funding sources [Public (DORA Conditions) & Private (ISA) funding] requirements, including capital raising (SIDS). • Establish and maintain strategic partnership with ISA. • Confirm financial feasibility, identifying sources of, and mobilising the funding required.
Contract Management	<ul style="list-style-type: none"> • Appointment and drafting of appointment contracts for the professional teams & ensuring that all deliverables are met timeously (professional to be sourced internally from the HDA or externally where skills may not be readily available from within the HDA). • Prepare the construction and procurement documentation (Subsidy Quantum Stage 5) as well as reviewing tender.
Marketing and Sales	<ul style="list-style-type: none"> • Identify primary off takers. • Sales & Marketing of the developments. • Ensuring that a feasible marketing strategy is formulated and implemented (including Beneficiary Administration).
Land Acquisition and Assembly	<ul style="list-style-type: none"> • Legal and conveyancing i.r.o. transfer of title deeds and/or land agreement transfers and/or development agreement and/or Power of Attorney agreements to enable development. • Obtain land development rights including environmental and township establishment approvals and identify infrastructure services availability (by the municipality) in accordance with all statutory and regulatory requirements. • Ensure the development is located within a PHSHDA and any other declared and adopted HS master plans.
Land and Project Preparation	<ul style="list-style-type: none"> • Pre-planning, land surveying, contour mappings, Geotech studies and reports, market studies, water use licenses and township layout. It also includes township establishment as a sub-section of land preparation and pre-liminary engineering designs (PED) for water, sanitation, electricity, roads and stormwater. • Physical site suitability i.r.o. confirmation of geotechnical conditions, exclusion of flood risk and environmentally sensitive areas. • Determine the type of development/housing programme, the housing typologies and the income group/s targeted as beneficiaries.
Project Viability and Business Case	<ul style="list-style-type: none"> • Establish project viability and conduct market research investigations in order to justify a business case. • Establish concept development and project financial feasibility - Project Packaging and Readiness Assessment (Subsidy Quantum Stages 1 to 3).
Project Design	<ul style="list-style-type: none"> • Coordinate & develop the detailed designs and secure Municipal and all other required statutory approvals (Subsidy Quantum Stage 4) and cost plans. • Completion of social surveys leading to beneficiary screening and administration.
Project Implementation	<ul style="list-style-type: none"> • Finalising all SLA's/contracts/work-breakdown structures and project implementation plans including milestones and timeframes with contractors. • Securing bulk Infrastructure i.r.o. water, sanitation, electricity, access roads. • Management of service providers/professional teams. • Monitor, report and account to HDA Head Office i.r.o. project implementation and status quo. • Establish and sustain all strategic project related IGR and private sector partnerships. • Ensure overall legal compliance of the development (Municipal regulations, Environmental, Occupational Health & Safety, Insurances etc.) • Manage the overall development in terms of scope, time, cost and quality controls (Subsidy Quantum Stages 5 and 6). • Fulfil and complete the project close-out, by ensuring that the primary objectives of the client were met. • Site handover, project closure and issuing of Title Deeds.
Property Management	<ul style="list-style-type: none"> • Directly managing the developed properties and/or contracting strategic property management partners/the developer to manage the properties for a period of time e.g. 10 years. • Managing the common/public spaces in human settlement developments primarily funded with public sector grants.

4.2.3.4 FUNDING THE PROPOSED OPERATING MODEL

Currently the HDA only receives a budget allocation from the NDHS for its operational expenses. To play the role of a fully-fledged property development agency, the HDA will have to source funding for the human settlement projects it develops.

The HDA will seek to raise the funds it requires within the scope allowed for a Schedule 3a entity and the HDA Act 23 of 2008, utilizing existing public sector funding mechanisms and through strategic partnerships with private sector role-players.

Section 25 of the HDA Act 23 of 2008 says the funds of the Agency consists of:

- Money appropriated from Parliament.
- Donations or contributions received by the Agency with the approval of the Minister.
- Interests on investments of the Agency.
- Loans raised by the Agency, subject to Section 26.
- Proceeds from the sale of land.
- Fees for services rendered based on cost recovery.
- Subsidies and grants granted by the organs of State.
- Subsidies and grants granted by the organs of state.

One of these mechanisms will be the revising of DORA grant conditions to enable the provincial departments of human settlements to ring-fence portions of the HS grants allocated to each province for direct transfer to the HDA to play its role of implementing agent/property developer. During the 21/22 FY, the Agency will begin engagements with the Accounting Officer of the NDHS, who in his capacity as the Transferring Officer can set new DORA Grant conditions, and will work hand in glove with the Transferring Officer to draft the required new conditions.

Simultaneously, the Agency will:

- Develop a sustainable partnership with the recently formed Infrastructure South Africa (ISA) entity established under the expanded mandate of the National Department of Public Works. This partnership will seek to leverage additional funding for:
 - o “Shovel-ready projects” namely: ground ready to be broken a.s.a.p.,
 - o Projects that meet the criteria for ISA’s stimulus packaged and financing instruments (liquidity, bridge financing or debt restructuring as well as guarantee products and funds), and
 - o Projects that comply with the methodology of the Strategic Infrastructure Development Strategy (SIDS) namely: commercial funding, blended financing and fiscal allocation.
- Support compliant and valid private sector proposals submitted to ISA.
- Develop partnerships with private sector developers for housing projects based on a “Build-Finance-Operate-Transfer (BFOT) Model” for some or all elements of the model which is summarised in the following Table 8.

Table 9: The BFOT Model and how HDA can engage with it.

ELEMENT	HOW...
BUILD	HDA can enter into an agreement with an identified private sector partners to construct/develop a residential project according to design standards and principles provided by the HDA.
FINANCE	The development partner will finance the project out of its balance sheet and financial capacity on the back of an off-take agreement signed with the HDA.
OPERATE	The HDA can request the strategic development partner to manage the developed properties for a period of time and to hand it over to the HDA after such agreed term. Alternatively, the HDA can manage the properties themselves.
TRANSFER	The strategic partner enters into a credit or funding backed off-take agreement at the start of the project. The agreement will clearly state the amount the HDA will pay to the development partner on completion of the project, the time the project must be delivered to the HDA, penalties due for late completion and BB BEE objectives to be met.

4.2.3.5 AN APPROPRIATE ORGANISATIONAL STRUCTURE TO SUPPORT THE OPERATING MODEL

During the 21/22 FY, the HDA will begin the process of consolidating and streamlining its functions to ensure effectiveness, efficiency, tangible outputs and outcomes against the holistic value chain operating model associated with playing the role of a property developer.

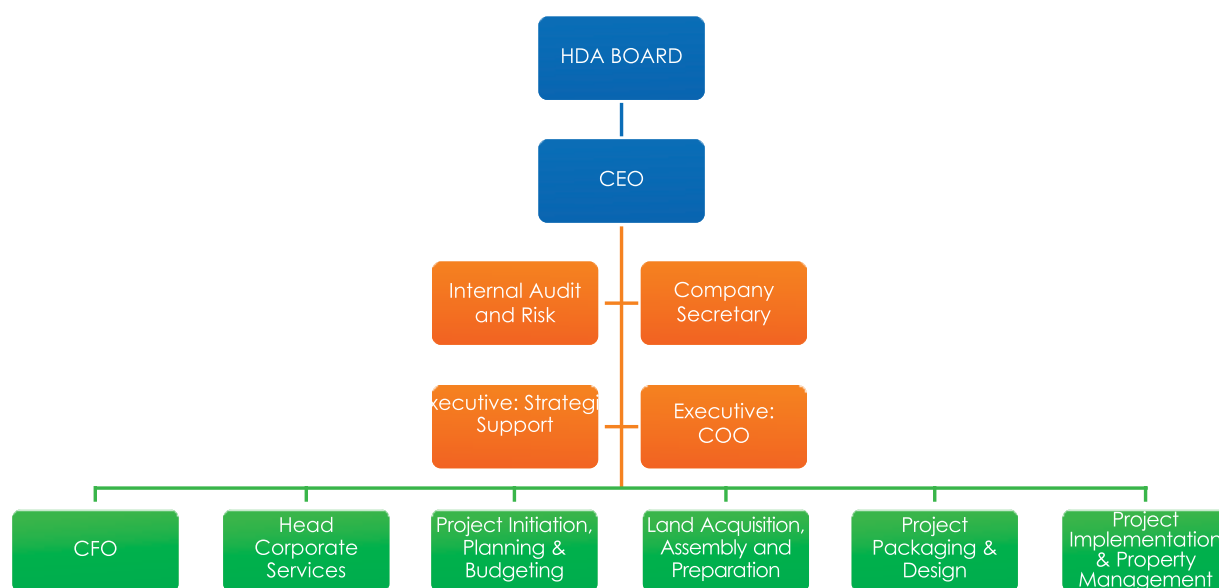
It is also important to note that the operating model and its required structure also addresses some of the key external challenges and constraints that have hindered effective and efficient implementation to date such as:

- Disjuncture between plans that are developed and the land that is available or that should be acquired,
- Lack of/slow provision of all required approvals such as township establishment,
- Disjuncture between the provision of water and sanitation basic services at best, and the lack of provision of these services at worst, and
- Beneficiary administration and title deed backlogs resulting from disintegrated implementation of the value chain and viewing these as separate and stand-alone functions rather than as part of the value chain.

The land acquisition and project management support services the HDA currently provides remains embedded in the property developer role and will thus be continued as critical functions in the proposed structure. The same applies to the CEO, CFO and COO Offices, as well as the corporate support functions of human resource management and development, IT, Legal and Contract Management, audit and risk and facilities Management.

The key functional areas pertaining to the property developer role (as shown in Table 10 Above) are accommodated in the proposed organisational structure. **The following Diagram is indicative of the changes the HDA will have to make to its organisational structure to effectively perform the identified functional areas of a property developer role**

PART B OUR STRATEGIC FOCUS



As can be seen in the above Diagram, the additional functions on the proposed structure does not radically change the structure of the Agency, and it utilises its existing human resource capacity of 241 staff and their inherent skills base. Of the 241 staff complement, 117 are based in regions, 108 at the Head Office and 16 are interns.

Furthermore, the following Table 9 attests to the fact that HDA does indeed have most of the competencies and skills set it requires to serve as a property developer with the proposed operating model.

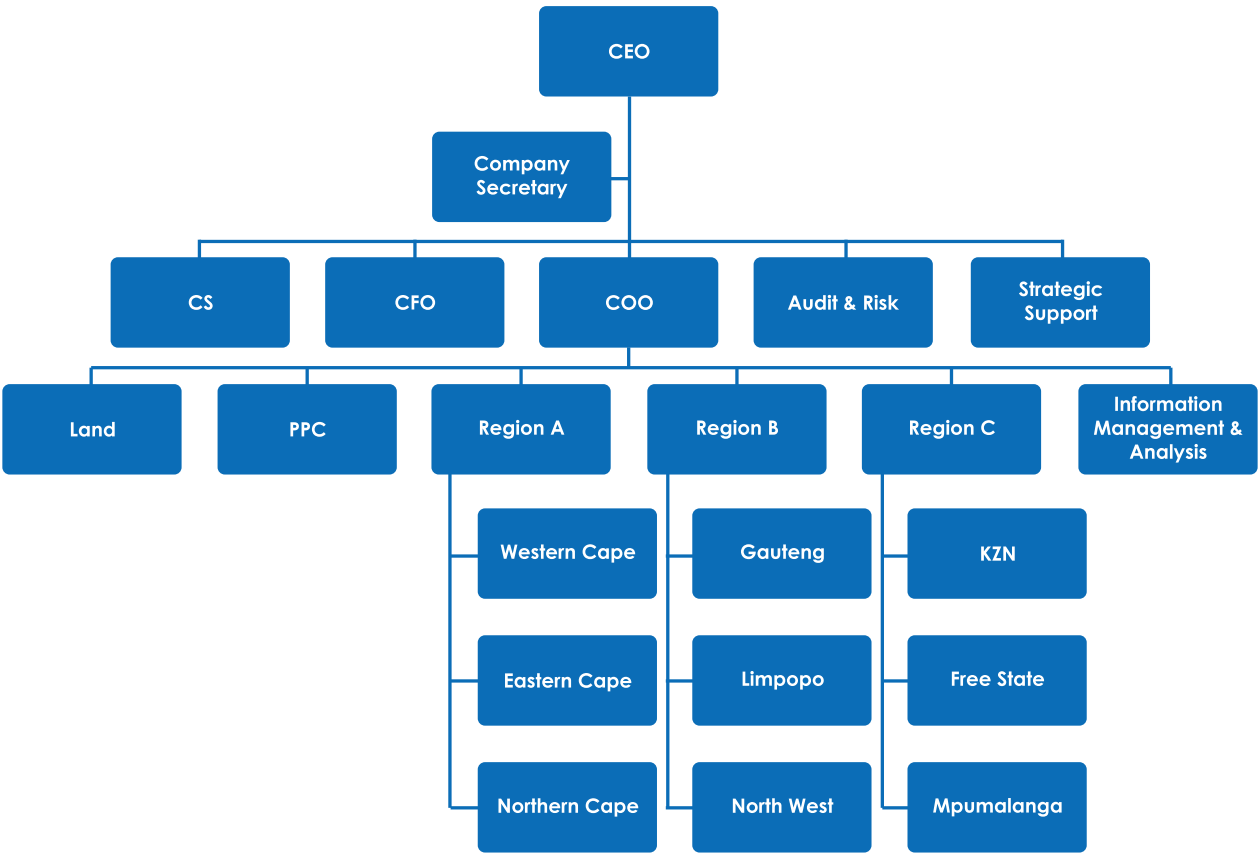
Table 10: HDA's current competencies and skills set

Skills Sets	Primary Focus
Inspection	Compliance inspections, quality assurance and enrollments
Town Planning	Land Acquisition, packaging and Rezoning as well as traffic impact assessment
Project Management	Construction and PMO project management
Engineering - Geotech	Pre-feasibility studies and geotech reports
Quantity Surveyor	Bills of quantities and invoicing as well as quality assurance and interpreting reports by consultants
Legal - Contracting	Contracting within construction environment
Environmental	EIAs and traffic impact assessments
Development Finance	Assess and analyze project funding at project inception
Social Facilitation	Social Facilitation
Financial Modelling	Funding instruments, projects, project viability and value of
Urban Design	Packaging and designing

4.2.1.4 CURRENT ORGANISATIONAL STRUCTURE

In August 2020, the Agency’s Board approved an organisational structure to accommodate the following changes made during this transitional period: the introduction of the Chief Operating Officer (COO) position, and the re-alignment of management positions into executive management and senior management positions. The following Diagram 3 reflects the August 2020 Board Approved transitional structure.

Diagram 3: HDA Board Approved Transitional Structure



PART B OUR STRATEGIC FOCUS

BUDGET FOR 2021/22- 2023/2024 FINANCIAL YEAR

Revenue	2021/22	2022/23	2023/24
	Budget estimate	Budget estimate	Planning Budget estimate
R Thousand			
Revenue			
Tax revenue	-	-	-
Entity revenue	200,741	210,778	221,317
Sale of goods and services other than capital assets	200,741	210,778	221,317
Of which:			
Administration fees	3,000	3,150	3,308
Management Fees	-	-	-
Other Income	1,000	1,050	1,103
Investment Income	2,000	2,100	2,205
Please specify			
Sales by market establishments	197,741	207,628	218,009
Provincial Projects	197,741	207,628	218,009
Transfers received	235,379	242,716	243,649
Other government units	235,379	242,716	243,649
National government	235,379	242,716	243,649
Departmental transfers	235,379	242,716	243,649
Tax benefit	-	-	-
Outside shareholders interest	-	-	-
Total revenue	436,120	453,494	464,966

Check

Total revenue	436,120	453,494	464,966
Total expenses	436,120	453,494	464,966
Surplus / (Deficit)	-	0	0
Annual report Surplus / (Deficit)			
Differences			

PART B OUR STRATEGIC FOCUS

STATEMENT OF FINANCIAL PERFORMANCE	2021/22 Budget estimate	2022/23 Budget estimate	2023/24 Planning Budget estimate
Rand thousand			
<u>Objective/Activity</u>			
Administration	105,683	110,967	115,406
Strategic support	48,832	51,274	53,325
Development management operation	47,598	49,978	51,977
Built environment and operation	234,007	241,275	244,258
	-	-	-
Total	436,120	453,494	464,966
<u>Economic classification</u>			
Current payments	436,120	453,494	464,966
Compensation of employees	225,205	236,465	232,114
Salaries and wages	215,696	226,481	221,645
Social contributions	9,509	9,984	10,469
Goods and services	210,915	217,029	232,852
Of which			
Administrative fees	242	254	266
Advertising	1,812	1,903	1,998
Minor assets	485	509	534
Audit costs: External	2,500	2,625	2,756
Bursaries: Employees	1,764	1,852	1,945
Catering: Internal activities	657	690	723
Communication (G&S)	5,900	6,195	6,505
Computer services	4,368	4,181	4,382
Consultants: Business and advisory services	122,038	128,339	135,695
Legal services (G&S)	9,000	4,468	4,691
Science and technological services	-	-	-
Contractors			
Maintenance and repairs of other fixed structures	651	684	718
Agency and support/outsourced services	4,009	4,212	4,419
Entertainment	-	-	-
Consumables: Stationery, printing and office supplies	1,143	1,201	1,260
Operating leases	2,043	2,145	2,251
Rental and hiring	-	-	-
Property payments	20,358	21,376	22,376
Transport provided: Internal activities	-	-	-
Travel and subsistence	10,919	11,465	11,986
Training and development	3,728	3,914	4,097
Operating payments	15,992	16,792	21,827
Venues and facilities	344	1,114	1,164
Depreciation	2,962	3,111	3,259
Losses from	-	-	-
Outside shareholders Interest			
Total Expenditure	436,120	453,494	464,966
Objective less Expenditure	0	0	-

PART B OUR STRATEGIC FOCUS

Statement of Financial Position	2021/22	2022/23	2023/24
	Budget estimate	Budget estimate	Planning Budget estimate
ASSETS			
Current assets	1,339,548	1,406,525	1,465,882
Inventory	368,953	387,401	404,834
Trade and other receivables from exchange transactions	220,659	231,691	242,118
Cash and cash equivalents	749,936	787,433	818,930
Non-current assets	39,799	41,640	43,514
Property, plant and equipment	8,892	9,337	9,757
Intangible assets	142	-	-
Investment property	30,765	32,303	33,757
Total assets	1,379,347	1,448,166	1,509,396
LIABILITIES			
Current liabilities	1,276,201	1,339,862	1,396,220
Payments received in advance	-	-	-
Trade and other payables from exchange transactions	32,752	34,389	35,937
Current provisions	17,888	16,334	17,069
Provisions for operational liabilities	17,888	16,334	17,069
Deferred income	1,225,562	1,289,139	1,343,214
Derivatives financial instruments	-	-	-
Non-current liabilities	588	617	645
Finance lease liability	588	617	645
Operating Lease Liability	-	-	-
Total liabilities	1,276,789	1,340,480	1,396,865
NET ASSETS	102,558	107,686	112,532
Accumulated surplus / (deficit)	102,435	107,557	112,397
Reserves	123	129	135
Cash reserves	-	-	-
Non_cash reserves	123	129	135
Capital fund/ Deferred government grant	-	-	-
Total net assets and liabilities	1,379,347	1,448,166	1,509,397
Contingent liabilities	-	-	-

PART B OUR STRATEGIC FOCUS

Cash flow data	2021/22	2022/23	2023/24
	Budget estimate	Budget estimate	Planning Budget estimate
R Thousand			
Cash flow from operating activities	13 963	10 229	15 289
Cash receipts from stakeholders	376 094	390 467	397 901
Tax receipts	-	-	-
Sales of goods and services other than capital assets	200,741	210,778	221,317
Sales of goods and services produced by department (excl. capital assets)	200,741	210,778	221,317
Administrative fees	3,000	3,150	3,308
Management Fees	-	-	-
Other Income	1,000	1,050	1,103
Investment Income	2,000	2,100	2,205
Sales by market establishments	197,741	207,628	218,009
Provincial Projects	197,741	207,628	218,009
Other sales	-	-	-
Transfers received	235,379	242,716	243,649
Other government units	235,379	242,716	243,649
National government	235,379	242,716	243,649
Departmental transfers	235,379	242,716	243,649
Other national departments	-	-	-
Departmental agencies and accounts	-	-	-
Provincial governments	-	-	-
Cash paid to stakeholders	414,440	435,162	440,281
Current payments	414,440	242 7 435,162	243 6 440,281
Compensation of employees	225,205	236,465	232,114
Salaries and wages	215,696	226,481	221,631
Social contributions	9,509	9,984	10,483
Goods and services	189,235	198,697	208,167
Administrative fees	242	253,575	265
Advertising	1,812	1,903	1,987
Minor assets	485	509	532
Audit costs: External	2,500	2,625	2,756
Bursaries: Employees	1,764	1,852	1,934
Catering: Internal activities	657	690	721
Communication (G&S)	5,900	6,195	6,505
Computer services	4,368	4,181	4,382
Consultants: Business and advisory services	93,968	98,667	103,600

PART B OUR STRATEGIC FOCUS

Cash flow data	2021/22	2022/23	2023/24
	Budget estimate	Budget estimate	Planning Budget estimate
Infrastructure and planning services	-	-	-
Legal services (G&S)	9,000	4,468	4,691
Science and technological services	-	-	-
Contractors	9,716	10,202	10,712
Maintenance and repairs of other fixed structures	9,212	9,796	5,859
Agency and support/outsourced services	3,200	4,212	4,419
Entertainment	-	-	-
Consumables: Stationery, printing and office supplies	1,143	1,201	1,260
Operating leases	2,043	2,145	2,251
Property payments	20,358	21,376	22,376
Travel and subsistence	10,919	16,934	17,679
Training and development	3,728	3,914	4,097
Operating payments	16,999	16,792	21,827
Venues and facilities	-	-	-
Interest and rent on land	937	937	937
Interest	937	984	1,027
Rent on land	-	-	-
Tax payment	-	-	-
Outside shareholders interest	-	-	-
Cash flow from investing activities	(2,831)	(2,967)	(3,101)
Acquisition of property, plant, equipment	(2,831)	(2,967)	(3,101)
Buildings: residential	-	-	-
Furniture and office equipment	(2,831)	(2,967)	(3,101)
Other machinery and equipment	-	-	-
Heritage assets	-	-	-
Outside shareholders interest	-	-	-
Cash flow from financing activities	89,863	94,356	98,130
Deferred Income	-	-	-
Departmental transfer	-	-	-
Other Revenue	-	-	-
Repayment of finance leases	-	-	-
Other (e.g. issuance of shares, revaluations)	89,863	94,356	98,130
Interest	-	-	-
Dividends	-	-	-
Net increase / (decrease) in cash and cash equivalents	111,543	112,689	122,815

PART B OUR STRATEGIC FOCUS

Statement of Financial Position	Audited		
	2020	2019	2018
Assets			
Non-Current Assets	36,130	37,438	33,123
Property, plant and equipment	7,789	8,838	4,747
Intangible assets	436	695	471
Long-term land inventory	27,905	27,905	27,905
Current Assets	1,112,643	1,049,237	2,585,158
Land inventory	343,197	322,263	122,736
Receivables from non-exchange transactions	10,224	4,066	3,488
Projects receivables	119,447	224,039	83,187
Rental deposit	1,382	1,379	1,232
Cash and cash equivalents	638,393	497,490	2,374,515
Total Assets	1,148,773	1,086,675	2,618,281
Net Assets and Liabilities			
Net Assets	29,948	31,670	44,363
Revaluation reserve	-	111	111
Accumulated surplus	29,948	31,559	44,252
	29,948	31,670	44,363
Non-Current Liabilities			
Finance lease obligations	547	-	135
Current Liabilities	1,118,278	1,055,005	2,573,783
Payables from exchange transactions	25,917	25,482	34,014
Provisions	16,175	13,450	9,024
Current portion of finance leases	255	143	620
Projects Payables	65,980	11,285	48,123
Projects obligations	666,754	682,382	2,359,266
Land inventory obligation	343,197	322,263	122,736
Total Liabilities	1,118,825	1,055,005	2,573,918
Total Net Assets and Liabilities	1,148,773	1,086,675	2,618,281

PART B OUR STRATEGIC FOCUS

Statement of Cash Flow	Audited		
	2020	2019	2018
Cash flows from operating activities			
Receipts	343,719	371,615	372,710
Grants	332,144	329,701	338,097
Management fees	13,042	39,189	35,085
Other receipts movements	(1,467)	2,725	(472)
Income tax			
Payments	(287,572)	(397,880)	(355,856)
Employee costs	(190,767)	(193,040)	(148,548)
Other payments	(96,805)	(204,840)	(207,308)
Cash utilised in operations	56,147	(26,265)	16,854
Cash generated by operating activities			
Interest received	3,539	13,304	5,295
Interest Accrued	(61)		
Interest paid - finance charges on finance leases	(789)	(137)	(250)
Net cash flows from operating activities	58,836	(13,098)	21,899
Cash flows from investing activities			
Property, plant and equipment acquired	(1,996)	(7,040)	(1,749)
Intangible assets acquired	(1,520)	(1,691)	(1,370)
Net cash flows from investing activities	(3,516)	(8,731)	(3,119)
Cash flows from financing activities			
Increase/(decrease) in funding receivables for projects	104,593	(140,853)	186,390
Decrease in projects payables	54,695	(36,839)	(12,694)
(Decrease)/increase in project obligations	(15,592)	(1,676,892)	1,473,586
Decrease in lease liability	659	(612)	(443)
Increase in impairment of project receivables	(58,771)	(612)	(443)
Cash flows from financing activities	85,584	(1,855,808)	1,646,396
Decrease in cash and cash equivalents	140,903	(1,877,025)	1,665,618
Cash and cash equivalents at beginning of the year	497,490	2,374,515	708,897
Cash and cash equivalents at end of the year	1,148,773	1,086,675	2,618,281

PART B OUR STRATEGIC FOCUS

Statement of Financial Position	Audited		
	2020	2019	2018
Revenue	352,366	385,502	381,015
Revenue from non-exchange transactions	229,311	222,177	210,668
Transfer from controlling entity	229,311	222,177	210,668
Revenue from exchange transactions	123,055	163,325	170,347
Provinces support conditional grant	102,833	107,524	127,429
Project management fees	13,042	39,189	35,085
Interest income	3,539	13,304	5,295
Other income	3,641	3,308	2,538
Expenditure	295,176	398,166	359,507
Operating expenses	77,897	89,195	71,438
Land and related costs	12,047	11,214	9,324
Technical and project services	14,404	104,580	129,946
Finance costs	61	137	251
Employee costs	190,77	193,040	148,548
Other expenditure	58,771	-	-
Impairment of project receivables	30	29	86
Deficit on disposal of property, plant and equipment			
Total other expenditure	58,801	29	86
Deficit for the year	(1,611)	(12,693)	21,422

PART B OUR STRATEGIC FOCUS

Statement of performance	Annual Budget	Q1	Q2	Q3	Q4
Revenue	436,119,725	109,029,931	109,029,931	109,029,931	109,029,931
Revenue from non-exchange transactions	235,379,000	58,844,750	58,844,750	58,844,750	58,844,750
Operational grant funding	235,379,000	58,844,750	58,844,750	58,844,750	58,844,750
Revenue from exchange transactions	200,740,725	50,185,181	50,185,181	50,185,181	50,185,181
Medium Term Operation Plans (MTOP)	197,740,725	49,435,181	49,435,181	49,435,181	49,435,181
Other income	3,000,000	750,000	750,000	750,000	750,000
Expenditure	(436,119,725)	(109,029,931)	(109,029,931)	(109,029,931)	(109,029,931)
Operational expenditure	(210,176,991)	(52,544,248)	(52,544,248)	(52,544,248)	(52,544,248)
Payroll costs	(225,942,734)	(56,485,684)	(56,485,684)	(56,485,684)	(56,485,684)
Budget	-	-	-	-	-

Budget per programmes

Total Expenditure	436,119,725	109,029,931	109,029,931	109,029,931	109,029,931
Administration - Programme 1	131,942,853	32,985,713	32,985,713	32,985,713	32,985,713
CFO	44,032,260	11,008,065	11,008,065	11,008,065	11,008,065
CEO	10,416,049	2,604,012	2,604,012	2,604,012	2,604,012
Audit and Risk	1,045,000	261,250	261,250	261,250	261,250
Board	5,203,576	1,300,894	1,300,894	1,300,894	1,300,894
CS	44,986,134	11,246,534	11,246,534	11,246,534	11,246,534
Strategic Support	26,259,834	6,564,959	6,564,959	6,564,959	6,564,959
Land Management and Priority Housing Development - Programme 2	27,488,172	6,872,043	6,872,043	6,872,043	6,872,043
Land Management	24,473,172	6,118,293	6,118,293	6,118,293	6,118,293
Priority Housing Development Areas	3,015,000	753,750	753,750	753,750	753,750
Programme Planning, Design and Regional Coordination - Programme 3	254,116,875	63,529,219	63,529,219	63,529,219	63,529,219
Planning Programme Design(PPD)	9,479,888	2,369,972	2,369,972	2,369,972	2,369,972
Chief operating office (COO)	38,118,152	9,529,538	9,529,538	9,529,538	9,529,538
Region A	2,421,640	605,410	605,410	605,410	605,410
RegionB	2,872,484	718,121	718,121	718,121	718,121
Region C	3,483,986	870,997	870,997	870,997	870,997
Limpopo	23,924,325	5,981,081	5,981,081	5,981,081	5,981,081
Free State	25,583,903	6,395,976	6,395,976	6,395,976	6,395,976
Kwa-Zulu Natal	26,495,387	6,623,847	6,623,847	6,623,847	6,623,847
Northern Cape	9,538,969	2,384,742	2,384,742	2,384,742	2,384,742
North West	35,701,519	8,925,380	8,925,380	8,925,380	8,925,380
Western Cape	32,757,842	8,189,461	8,189,461	8,189,461	8,189,461
Eastern Cape	22,442,842	5,610,711	5,610,711	5,610,711	5,610,711
Gauteng	21,295,938	5,323,985	5,323,985	5,323,985	5,323,985
Planning and Monitoring - Programme 4	22,571,825	5,642,956	5,642,956	5,642,956	5,642,956
Spatial Information Management Planning	22,571,825	5,642,956	5,642,956	5,642,956	5,642,956

PART B OUR STRATEGIC FOCUS

BUDGET DEDUCTIONS

The Agency has planned to implement deductions as follows;

Reducing salary costs by freezing positions that are not prioritized and spending on consultants by utilising in-house resources in both 2021/22 and 2022/23.



PART C MEASURING OUR PERFORMANCE

PART C MEASURING OUR PERFORMANCE

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

1. INSTITUTIONAL PROGRAMME INFORMATION

1.1. IMPACT STATEMENT

The impact of the successful implementation of this Strategic Plan is based on and directly aligned to the Vision and Mission of the HDA.

IMPACT STATEMENT	Land Reform, Spatial Transformation and Security of Tenure through integrated and sustainable human settlement developments.
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1.2. MEASURING OUR OUTCOMES

The outcomes against which the HDA can be measured are derived from, aligned and responsive to:

- The national priorities for human settlements as reflected in the MTSF 2019-2024 which is derived from the country's NDP: Vision 2030, and
- The strategic shift in the role of the HDA of serving as a fully-fledged public sector property developer.

The two outcomes are:

1. Effective and Efficient Management and Good Governance of the HDA.
2. Integrated and sustainable human settlements and Security of Tenure

MTSF PRIORITY 1	A CAPABLE, ETHICAL AND DEVELOPMENTAL STATE		
HDA OUTCOME 1	OUTCOME INDICATOR	BASELINE	FIVE-YEAR TARGET
Effective and Efficient Management and Good Governance of the HDA.	External audit outcome	Qualified audit 2019/2020	Unqualified audit outcome with no material findings
MTSF PRIORITY 4	SPATIAL INTEGRATION, HUMAN SETTLEMENTS AND LOCAL GOVERNMENT		
HDA OUTCOME 2	OUTCOME INDICATOR	BASELINE	FIVE-YEAR TARGET
Integrated and sustainable human settlements and Security of Tenure	Number of hectares of well-located land acquired within PSHDAs	New Indicator	6 000 hectares acquired in PSHDA's 4 000 hectares acquired
	% of the 1884.6870ha of land acquired during 2014 – 2019 falling within PSHDAs rezoned	New Indicator	100% hectares rezoned
	Number of housing units delivered by HDA	23 526 housing units delivered	25 420 housing units delivered by HDA Comprising of- from year 2021/22 to 23/24 Strategic projects = 2340 Region A = 8364 Region B = 5074
	Number of serviced sites delivered by HDA	23 948 serviced sites delivered	23 586 serviced sites delivered by HDA Comprising of- from year 2021/22 to 23/24 Region A= 7539 Region B= 5405 Region C= 1500

PART C MEASURING OUR PERFORMANCE

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

MTSF PRIORITY 4	SPATIAL INTEGRATION, HUMAN SETTLEMENTS AND LOCAL GOVERNMENT		
HDA OUTCOME 2	OUTCOME INDICATOR	BASELINE	FIVE-YEAR TARGET
Integrated and sustainable human settlements and Security of Tenure	Number of integrated implementation programmes for PDAs prepared	New Indicator	117 integrated implementation programmes for PDAs prepared
	Number of Informal settlements supported for upgrading to phase 3	New Baseline	1500 Informal settlements supported for upgrading to phase 3
	Number of Catalytic Projects provided with Implementation support ³	57 national and/or provincial priority human settlements catalytic projects provided with implementation support	50 national and/or provincial priority human settlements catalytic projects provided with implementation support
	Number of municipalities provided with technical and implementation support ⁴ for distressed mining communities	22 municipalities provided with technical implementation support for distressed mining communities	23 municipalities provided with technical implementation

2 Building a pipeline of the 1500 informal settlements that will be upgraded in 2020-25 MTSF Period and having them approved by MINMEC / Provincial EXCOs / Municipal Councils

3 Complete all planning processes and land and legal issues, development of socio-economic amenities in catalytic projects, capital raising for infrastructure required for the catalytic projects

4 Spatial transformation plans, human settlements projects pipeline and development plans for each project aligned with IDPs and approval by respective municipal councils, feasibility studies of proposed projects, land assembly, infrastructure coordination, detailed planning, funding and implementation framework, agreements with municipalities and provinces

PART C MEASURING OUR PERFORMANCE

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

1.3. EXPLANATION OF PLANNED PERFORMANCE OVER THE FIVE-YEAR PERIOD

The planned performance of the HDA contributes to two (2) of the seven (7) priorities for the 6th administration, as announced by President Ramaphosa when he delivered the July 2019 State of Nation Address. These two priorities are “A capable, ethical and developmental State” and “Spatial Integration, Human Settlements and Local government”. The planned performance also contributes to the cross-cutting areas of women, youth and persons with disabilities.

The contribution of this planned performance is explained below.

CONTRIBUTION TO THE MTSF 2019-2024

HDA OUTCOME 1: EFFECTIVE AND EFFICIENT MANAGEMENT AND GOOD GOVERNANCE OF THE HDA.

Outcome 1 of the HDA's contribution to the MTSF Priority 1 “A capable, Ethical and Developmental State” is evident in its emphasis on the management and good governance foundation and support functions that enables efficient and effective delivery of the Agency's mandate. The support provided by this Outcome cuts across the entire Agency and is essentially the vehicle that ensures the HDA implements its role in a capable, ethical and developmental manner.

The management element of Outcome 1 will address the persistent challenges mentioned in the MTSF that is applicable to the current status quo of the HDA. These challenges are “declining public confidence and trust; skills gap; weak accountability and governance; uneven service delivery; an unsustainable wage bill; persistent corruption; a leadership deficit; and poor governance of ICT resulting in missed opportunities and efficiency gains”⁵

The good governance element of Outcome 1 responds to the need for the HDA, as a government entity to ensure that it fits the expectations of a developmental state as described in the MTSF, i.e. “A developmental State has an effective governance and accountability capability that intervenes to deal with the structural causes of economic and social underdevelopment. It is accountable and responds to the expectations and needs of citizens.”⁶

This outcome responds at all the MTSF outcomes linked to MTSF Priority 1, namely:

- Improved leadership, governance and accountability.
- Functional, efficient and integrated governance.
- Professional, meritocratic and ethical public administration.
- Social Compact and Engagement with Key Stakeholders.

⁵ MTSF 2019-2024, DPME

⁶ MTSF 2019-2024, DPME

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

HDA OUTCOME 2: INTEGRATED AND SUSTAINABLE HUMAN SETTLEMENTS AND SECURITY OF TENURE

“Human settlement patterns remain inequitable and dysfunctional across the country, with densely settled former homeland areas and insecure tenure. Despite far-reaching efforts over the past 25 years, housing demand has increased dramatically as household size has reduced and urbanisation has accelerated this. To address this, the MTSF 2019-2024 focuses on three (3) inter-related outcomes:

- Spatial Transformation through multi-programme integration in priority development areas.
- Adequate housing and improved quality living environments, and
- Security of Tenure”.⁷

The HDA's Outcome 2 directly contributes to all the above-mentioned inter-related outcomes.

In acquiring land for human settlement developments, the HDA will ensure that the land acquired is suitable and well located, i.e. close to economic opportunities and social amenities with reduced travel times between the spaces that people live, work and play in. Emphasis will be placed on acquiring and developing land in the declared PHDAs. The HDA will also acquire landed property for the re-development thereof into housing, will upgrade informal settlements, provide emergency housing and develop selected Catalytic/Mega project developments. The issuing of title deeds for the housing units completed by the HDA in its capacity as a public sector property developer will directly contribute to providing security of tenure.

Outcome 2 of the HDA is effectively the result of it implementing programmes as property developer to ensure that the country has “co-ordinated spatial planning systems that transform human settlements into equitable and efficient spaces, with citizens living in close proximity to work, social facilities and the necessary infrastructure”⁸.

⁷ MTSF 2019-2024, DPME

⁸ MTSF 2019-2024, DPME

PART C MEASURING OUR PERFORMANCE

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1.4. CONTRIBUTION TO MANDATE OF THE HDA

Outcome 2 of the HDA, i.e. “Integrated and sustainable human settlements and Security of Tenure” directly contributes to the mandate of the HDA and the strategic shift to playing the role of a fully-fledged public sector property developer. In this role, the HDA will perform all the key functions and associated tasks in the life-cycle value chain of infrastructure development explained and represented diagrammatically in Part B, sub-section 6.1 of this Strategic Plan.

Outcome 1 refers to the required functions that supports the HDA to implement its mandate effectively, efficiently and in compliance with all corporate services, financial management and good governance policies, legislation and regulations.

It is important to re-iterate that the mandate of the HDA is determined by and derived from the mandate of the NDHS which is informed by the Constitution and its related policies and legislation. These are summarised in Part A, Sections 1 and 2 of this Strategic Plan.

1.5. CONTRIBUTION TO WOMEN, CHILDREN AND PEOPLE WITH DISABILITIES

The HDA contributes to the mainstreaming of women, children and persons with disabilities primarily through its preferential procurement targets and supply chain management processes which is located within Outcome 1, and its choice of strategic implementation partners is located within Outcome 2. The Table 6 reflects the Agency's commitment to targets it has set.

Table 11: HDA Transformation and Empowerment Targets

DESIGNATED GROUP	INDICATOR	TARGET
BEEE Level 1-4	Percentage of HDA procurement spend on BEE 1-4	55% of the total procurement
Women	Percentage of HDA procurement spend from women-owned businesses	35% of the total procurement
Youth	Percentage of HDA procurement spend youth owned businesses.	15% of the total procurement
Persons with Disabilities	Percentage of HDA procurement spend on businesses owned by people living with disabilities.	5% of the total procurement
Military Veterans	Percentage of HDA procurement spend on businesses owned by military veterans.	5% of the total procurement

PART C MEASURING OUR PERFORMANCE

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1.6. ENABLERS TO ACHIEVE THE 5-YEAR TARGETS

The key enablers to achieving the Vision, Impact, Outcomes and 5-year targets expressed in this Strategic Plan relates to the measures and actions that must be undertaken to empower the HDA to fulfil its mandate and play its role as a fully-fledged public sector property developer. These enablers are summarised in the Table 7 below.

1.7. TABLE 7: ENABLERS

Political Enablers	Public sector property developer role, niche focus areas and key functions written into 5-year mandate/social compact provided by the Minister. In terms of Section 29 of the HDA Act 23 of 2008, the Minister in consultation with the board can authorize any other function that is consistent with the Act, and the authorization must be in writing, detailing the funding arrangements.
Legal Enablers	Drafting of generic Service Level Agreements, Development Agreements and other related agreements that the HDA will require for its role as a fully-fledged public sector property developer. Generic agreements can be drafted that can be revised and tailored to respond to the specifics of each project and partnership.
Financial Enablers	Facilitating the development of the new DORA conditions that allows for HS grants to be transferred by provinces and municipalities to the HDA. Establishing the necessary funding systems and protocols for accessing and managing DPW, ISA and SIDS funding. Undertaking the necessary consultations and engagement to finalise and realise the HDA's proposed operating and funding model for the long-term.
Organisational Enablers	Improving organisational effectiveness. Realigning the Agency's organisational structure to deliver on its strategy. Strengthening IGR relations.

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1.8. OUTCOMES CONTRIBUTION TO ACHIEVING THE IMPACT

Both outcomes, collectively and individually, contribute to achieving the impact, albeit Outcomes 2 will be the dominant contributors. This collective and individual contribution is summarised below.

Outcome 1 relates to the support functions required to enable the core functional areas to perform at optimal levels and to deliver on Outcome 2. This outcome incorporates the principles of good governance and management, as well as effective, efficient and prudent use of resources. It encompasses Strategic management, governance and accountability; Financial Management, Human Resource Management; ICT; Financial Management; Communications and Enterprise Risk Management services. This outcome is aligned to the national MTSF cross-cutting priority “A capable, ethical and developmental state”.

Outcome 2 is the actual delivery of security of tenure, spatial transformation and integrated sustainable human settlements through the Upgrading of Informal Settlements, the provision of Emergency Housing, the development of landed properties into housing units and the implementation of selected Catalytic/Mega Projects. This outcome is the core of the HDA's work and the Impact it seeks to achieve which is “Land Reform, Spatial Transformation and Security of Tenure through integrated and sustainable human settlement developments”.

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

2. KEY RISKS AND MITIGATIONS

Outcome	Risk Key	Risk Mitigation
Improved administrative and compliance with all applicable prescripts	Tender irregularities	Strengthen SCM internal controls: <ul style="list-style-type: none"> • On-the job training for all SCM Staff • Continuously monitoring of the Procurement Plan to reduce emergency procurements. • Review all tender files before proceeding to BEC & BAC. • Review outdated SCM Policy and align with NT Regulations.
	Increase in Irregular Expenditure and fruitless and wasteful expenditure	Strengthen SCM processes and internal controls to detect and prevent irregular expenditure: & Fruitless & wasteful expenditure <ul style="list-style-type: none"> • Detection of expired contracts • Non- payment of irregular or expired contracts. • Maintain and review an Irregular Expenditure Register monthly basis • Instituting disciplinary action against persons liable for fruitless & wasteful expenditure
	Fraud & Corruption	<ul style="list-style-type: none"> • All Whistleblowing Reports will be investigated and tabled at the Audit & Risk Committee on a quarterly basis. • Fraud & Corruption Awareness & training to be conducted on an annual basis
	Non -Compliance of statutory requirements & missed deadlines	<ul style="list-style-type: none"> • Develop and maintain a Compliance Calendar to ensure that the Agency complies with required statutory deliverables timeously.
	Old & outdated Policies & Procedures	<ul style="list-style-type: none"> • Embark on a Policy Drive to update all policies with applicable legislations and regulations
	Failure to discharge the HDA legislative mandate within the approved operational budget	<ul style="list-style-type: none"> • New Strategy approved by board that is in line with HDA's legislated mandate, awaiting National approval
	Failure to meet HDA transformation and empowerment targets	<p>HDA to be developer of choice as per the Act.</p> <p>Review and update existing role-specific and generic indicators to make transformation and targets more impactful</p> <p>Establish HDA's BBBEE level Set targets for the preferential procurement, enterprise and supplier developments pillars</p> <p>Develop an implementation plan</p>

PART C MEASURING OUR PERFORMANCE

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Outcome	Risk Key	Risk Mitigation
Land Acquired for Human Settlements	Lack of funding to acquire land for human settlement due to current fiscal arrangements.	Obtained Cabinet approval for the release of 14 000 hectares of public land. Preparation of multiyear land acquisition pipeline
	Delays from state land custodians in the release of targeted state land required for human settlement	The inter-ministerial committee on land reform has been established to coordinate expedited release of state land required for human settlement
	Potential land price collusion	Review of controls/processes on land acquisition Land valuation processes conducted by independent values
	Delays in the acquisition of land through expropriation	Expedite the process through meaningfully engagements with the expropriation authorities (Minister, MECs, Local Authority, Courts)
Adequate housing for lower- and middle-income households provided in liveable neighbourhoods	Programs and projects not delivered on time within budget and according to scope	Participate in the business planning processes of the Provinces Implementation of proper project management processes Accept fully funded mandates with implementation controls
	Misalignment between National Priority Programmes and the priorities of Provinces, Municipalities and Sector Departments	Review of Planning Regime Fiscal alignment and coordinated budgeting between Provinces/Municipality and HDA The signing of Implementation Protocols and MOAs
	Inability to provide supporting and spatial information for decision making	Develop GIS Strategy for new MTSF period and communicate it to stakeholders to address time frames, resource limitations, data governance, data quality and security.
	The unwillingness of stakeholders (Project manager's/development managers/municipalities and contractors) to provide land, project information and source documents to measure spatial transformation.	<ul style="list-style-type: none"> • Development of Spatial Transformation Scoring Tool • A framework developed for M&E • Formulated appropriate M&E indicators in consultation with stakeholders • Secured baseline data



PART D

TECHNICAL INDICATORS DESCRIPTIONS

PART D TECHNICAL INDICATORS DESCRIPTIONS

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

Outcome: Effective and Efficient Management and Good Governance of the HDA

Indicator title	Unqualified audit outcome with no material findings
Definitions	This refers to the Agency receiving a positive audit opinion, from the Auditor General, on the Department's financial and non-financial performance. The indicator measures the performance of the Agency in compliance with all applicable policies, legislation, regulations and prescripts.
Source of data	<ul style="list-style-type: none"> External audit report, management, Final Audit Report and opinion is duly signed and stamped by the Auditor General (AG)/AG's office
Method of calculation / Assessment	<ul style="list-style-type: none"> Simple Calculation
Means of verifications	<ul style="list-style-type: none"> 2020/21 external audit report outcomes, management report
Assumptions	<ul style="list-style-type: none"> Timeous reconciliations and regular financial reporting and monitoring Complete, accurate, financial information and co-operation from internal stakeholders All financial and non-financial performance reflected in each financial year's APP implemented in compliance with all applicable policies, legislation, regulations and prescripts.
Disaggregation of beneficiaries (where applicable)	Not Applicable
Spatial Transformation where applicable)	N/A
Desired performance	<ul style="list-style-type: none"> An effective and compliant financial management Achievement of the 2021/22 APP target of unqualified audit outcome with no material findings
Indicator responsibility	Chief Financial Officer

PART D TECHNICAL INDICATORS DESCRIPTIONS

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

Outcome: Integrated and sustainable human settlements and Security of Tenure

Indicator title	Number of hectares of well-located land acquired within PSHDAs
Definitions	<ul style="list-style-type: none"> • This refers to the acquisition of well-located land parcels for human settlement developments to address human settlements challenges. • The Land is purchased, donated or expropriated or leased from private or public sector for the development of Human Settlements. • Land in respect of which development rights have been secured by means of an agreement is prioritised. • The indicator is inclusive of all land acquired in the three regions of the Agency and which is consolidated at the Head Office level. • It is also inclusive of land targets set by the NDHS for the MTSF period and of land that the Agency will acquire for HS projects it will be implementing in its role as public sector developer of choice.
Source of data	• Deeds Office, Conveyancers, Lapsis, Deeds office search, Windeed search, Municipality planning division
Method of calculation / Assessment	• Simple counting
Assumptions	• Cooperation and support from stakeholders
Disaggregation of beneficiaries (where applicable)	N/A
Spatial Transformation where applicable)	• Undertake land assembly to ensure that actual delivery of human settlements is used to restructure towns/cities and to strengthen livelihood prospects of households.
Desired performance	• Achievement of the 21/22 APP target for 1500 hectares acquired.
Indicator responsibility	Manager: Land Management

Indicator title	Percentage of the 1884.6870ha of land acquired during 2014 – 2019 falling within PSHDAs rezoned
Definitions	<ul style="list-style-type: none"> • The indicator measures land parcels within the PSHDA facilitated for rezoning. • PSHDA's and PHDA's refer to the same thing, the terms are used interchangeably.
Source of data	• Rezoning Certificates or letter of approval from the relevant municipality, General Plans.
Method of calculation / Assessment	<ul style="list-style-type: none"> • Simple counting • Percentage: Total hectares actually rezoned / total hectares to be rezoned x 100
Assumptions	• Relevant stakeholders co-operate in terms of providing relevant approvals and certificates.
Disaggregation of beneficiaries (where applicable)	N/A
Spatial Transformation where applicable)	• Undertake land assembly to ensure that actual delivery of human settlements is used to restructure towns/cities and to strengthen livelihood prospects of households.
Desired performance	• Achievement of the 21/22 APP target for 30% of 1884.6870 hectares rezoned.
Indicator responsibility	• Manager: Land Identification and Planning

PART D TECHNICAL INDICATORS DESCRIPTIONS

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

Indicator title	Number of hectares of well-located land acquired or released for human settlements development
Definitions	<ul style="list-style-type: none"> • This refers to the acquisition of land on the periphery of PHSHDAs and which is required to provide a complete integrated human settlement within a PHSHDA. • Ensure that there are adequate land parcels for development to address human settlements challenges. • Land purchased, donated or expropriated or leased from private or public sector for the development of Human Settlements. • Land in respect of which development rights have been secured through an agreement.
Source of data	• Deeds Office, Conveyancers, Lapsis, Deeds office search, Windeed search, Municipality planning division.
Method of calculation / Assessment	• Simple counting
Assumptions	• Cooperation and support from stakeholders
Disaggregation of beneficiaries (where applicable)	N/A
Spatial Transformation where applicable)	• Undertake land assembly to ensure that actual delivery of human settlements is used to restructure towns/cities and to strengthen livelihood prospects of households.
Desired performance	Achievement of the 21/22 target of 750 hectares of land.
Indicator responsibility	Manager: Land Management

PART D TECHNICAL INDICATORS DESCRIPTIONS

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

Indicator title	Number of Informal settlements supported for upgrading to phase 3
Definitions	<p>Implementation support of informal settlements upgraded to phase 3 of the UISP, as per the Housing Code 2009.</p> <ul style="list-style-type: none"> • Conclude Development Agreements with Provinces and Municipalities: <ul style="list-style-type: none"> o Input into provincial and municipal business planning processes to ensure prioritisation of informal settlements for upgrading to phase 3 o Where agreements are reached assume role of delivery agent o Develop settlement interim business plans to secure and monitor funding for UISPG o Project packaging for all informal settlements o Develop / update settlement pipeline for implementation of existing informal settlements categorised with upgrading plans: <ul style="list-style-type: none"> - Category A - Incremental in-situ upgrading - Category B1 - Provision of Interim services / land acquisition / town planning - Category B2 - Emergency Basic Services - Category C - Land Acquisition and facilitation of relocation o Due diligence reports on blocked ISU projects resolving blockages - (preparation of interim business plans to unlock capital upgrading) o Facilitation of Relocation and Emergency interventions (housing)
Source of data	• Project Managers, SIR and Regional Heads
Method of calculation / Assessment	• Quantitative and Qualitative
Assumptions	• Achievement of the target will be based on support provided
Disaggregation of beneficiaries (where applicable)	N/A
Spatial Transformation where applicable)	<ul style="list-style-type: none"> • Reflect on contribution of spatial transformation priorities • Reflect on the spatial impact area
Desired performance	• Identifies whether actual performance that is higher or lower than the targeted performance is desirable
Indicator responsibility	Programme Manager ISU

PART D TECHNICAL INDICATORS DESCRIPTIONS

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

Indicator title	Number of Catalytic Projects provided with Implementation support
Definitions	<ul style="list-style-type: none"> • Implementation support includes: <ul style="list-style-type: none"> • Programme planning, coordination and implementation support • Facilitate multi-year programme and projects planning • Hands-on technical delivery capacity support to catalytic projects • Mobilisation and harnessing of programme resources (financial and non-financial) • Provide legal and socio-economic due diligences to catalytic projects • Facilitate strategic partnerships and stakeholder mobilisation and participation • Programme institutional arrangements (signing of IPs) • Programme and project contracting (Project Delivery Agreements where HDA is the Implementing Agent) • Complete all planning processes and land and legal issues • Development of socio-economic amenities in catalytic projects • Programme monitoring and development of impact assessments • Programme performance analysis and reporting
Source of data	• Monthly progress report / quarterly progress reports
Method of calculation / Assessment	• Approval of all planning processes i.e. Engineering master plans/ feasibility studies/ Design concepts/ Township establishment processes
Assumptions	• Mixed-use and integrated communities
Disaggregation of beneficiaries (where applicable)	N/A
Spatial Transformation where applicable)	<ul style="list-style-type: none"> • Contribution to the development of integrated and sustainable human settlements • Mixed-use developments with social and economic amenities
Desired performance	• Projects absorbing more beneficiaries and reducing the backlog
Indicator responsibility	Programme Manager: Catalytic Projects Programme

PART D TECHNICAL INDICATORS DESCRIPTIONS

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

Indicator title	Number of municipalities provided with technical and implementation support for distressed mining communities
Definitions	<ul style="list-style-type: none"> • Programme planning and project conceptualization <ul style="list-style-type: none"> – Profile, status quo, and issues for a specific municipality – Interventions and development of credible plan and projects pipelines – Projects pipelines approval by respective councils – Alignment of projects and pipelines into the HSDG business plans • Programme and project feasibility • Development and Project Designs & Planning • Programme and projects implementation plans • Project institutional arrangements • Project Management and project execution • Contracting, risk management and mitigation • Project costing and tracking • Stakeholder mobilization and management
Source of data	• Project Managers and Regional Managers
Method of calculation / Assessment	• Number of municipalities provided with technical and implementation support for distressed mining communities How the performance is assessed (qualitative)
Assumptions	• Achievement of the target will be based on support provided
Disaggregation of beneficiaries (where applicable)	N/A
Spatial Transformation where applicable)	• The distressed mining communities programme is focused on re-integrating mining communities with broader local communities through planning and intervention in infrastructure investment
Desired performance	• Reporting against prescribed guidelines
Indicator responsibility	• Programme Manager Mining Towns

PART D TECHNICAL INDICATORS DESCRIPTIONS

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

Indicator title	Number of housing units delivered by the HDA
Definitions	<p>Region A: This refers to the total number of ABT housing units/top structures that will be completed in 10 townships: 1 in the W. Cape (Masiphummelelo = 1100 units) and 9 in the E.Cape (1687 units). To avoid the risk of double counting housing units and serviced sites between the Agency and its provincial and municipal partners, this indicator distinguishes between the projects managed by the Agency, and the projects implemented by the Agency. This indicator speaks to the projects implemented by the Agency.</p> <p>Region B: This refers to the total number of housing units/top structures that will be completed in Limpopo (Capricorn, Sekhukhune and military veterans) and Gauteng (Palm Ridge, Nellmapius, Munsieville and Alex X52) Provinces. To avoid the risk of double counting housing units and serviced sites between the Agency and its provincial and municipal partners, this indicator distinguishes between the projects managed by the Agency, and the projects implemented by the Agency. This indicator speaks to the projects implemented by the Agency.</p>
Source of data	<ul style="list-style-type: none"> • A simple calculation of units completed (quantitative). • Practical Completion Certificate is issued when the work under the contract has reached the stage of completion described in the general conditions of the contract. • Completion certificate issued by municipality confirming completion of a unit.
Method of calculation / Assessment	<ul style="list-style-type: none"> • Simple count of units
Assumptions	<ul style="list-style-type: none"> • The completion certificate is valid and the municipality or NHBRC has the capacity to inspect the unit and issue a certificate. • The contracted service provider achieves all construction milestones within stipulated timeframes.
Disaggregation of beneficiaries (where applicable)	N/A
Spatial Transformation where applicable)	<ul style="list-style-type: none"> • Provision of sustainable and integrated human settlements. • Reverse apartheid spatial patterns advance the development of Priority Housing Development areas.
Desired performance	<p>Region A: Achievement of the 21/22 APP target of 2787 units from 10 projects.</p> <p>Region B: Achievement of the 21/22 APP target of 1463 units. (GP- 845 units)</p>
Indicator responsibility	Regional Managers

PART D TECHNICAL INDICATORS DESCRIPTIONS

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

Indicator title	Number of serviced sites delivered by the HDA
Definitions	<p>Region A: This refers to the delivery of serviced sites that are connected to connected to basic services i.e. roads, sanitation, water and electricity. The serviced sites will be delivered in W.Cape (Masiphumlelo – 1100), E.Cape (Duncan Village – 820) and N.Cape (Sesheng 1265 – 593). To avoid the risk of double counting housing units and serviced sites between the Agency and its provincial and municipal partners, this indicator distinguishes between the projects managed by the Agency, and the projects implemented by the Agency. This indicator speaks to the projects implemented by the Agency.</p> <p>Region B: This refers to the delivery of serviced sites that are connected to connected to basic services i.e. roads, sanitation, water and electricity. The serviced sites will be delivered in Gauteng (Alex X52 and Zandspruit) and North West. To avoid the risk of double counting housing units and serviced sites between the Agency and its provincial and municipal partners, this indicator distinguishes between the projects managed by the Agency, and the projects implemented by the Agency. This indicator speaks to the projects implemented by the Agency.</p> <p>Region C: This refers to the delivery of serviced sites that are connected to connected to basic services i.e. roads, sanitation, water and electricity. The serviced sites will be delivered in the Free State (Meloding and Baken Park). To avoid the risk of double counting housing units and serviced sites between the Agency and its provincial and municipal partners, this indicator distinguishes between the projects managed by the Agency, and the projects implemented by the Agency. This indicator speaks to the projects implemented by the Agency.</p>
Source of data	<ul style="list-style-type: none"> Signed Engineering certificate issued when the works under the contract have reached the stage of completion described in the general conditions of the contract.
Method of calculation / Assessment	<ul style="list-style-type: none"> Simple counting of sites that are feasible and that have available services or infrastructure – quantitative.
Assumptions	<ul style="list-style-type: none"> After assessment suitable sites will then be installed with services. There are financial resources to provide services to each site. The contracted service provider achieves all construction milestones within stipulated timeframes.
Disaggregation of beneficiaries (where applicable)	N/A
Spatial Transformation where applicable)	<ul style="list-style-type: none"> Provision of sustainable and integrated human settlements. Reverse apartheid spatial patterns advance the development of Priority Housing Development areas.
Desired performance	<p>Region A: Achievement of the 21/22 APP target of 2513 serviced sites delivered</p> <p>Region B: Achievement of the 21/22 APP target of 1389 serviced sites delivered</p> <p>Region C: Achievement of the 21/22 APP target of 500 serviced sites delivered</p>
Indicator responsibility	Regional Managers

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

Indicator title	Number of integrated implementation programmes for PDAs completed
Definitions	<p>The indicator measures the number of implementation programmes which are human settlements development plans prepared for each priority development area. The implementation programme is based on information obtained from existing planning documents (e.g. development frameworks, precinct plans, master plans, etc.) and statutory plans (eg IDPs and SDFs).</p> <p>The human settlements development plan format will be guided by the 7 pillars that underpin the PHSFDA programme. These includes land assembly (public and privately owned land), infrastructure (bulk, transport, ecological, social amenities etc), economic development and planned grant commitments.</p> <p>Additionally, the human settlements development plan outline the recommended interventions needed to achieve integrated human settlements. The interventions can be informed by the housing code and planning guidelines such as the Neighbourhood Planning and Design Guide (Red Book) and may include housing densities and typologies.</p> <p>PHSFDA and PDA refer to the same thing.</p>
Source of data	StatsSA data, Provincial plans, Municipal Spatial Development Frameworks, Municipal IDPs, Sector Department plans, DHS Entities plans, Land Use Managements Schemes, SPLUMA Development Plan Guidelines, Red Book
Method of calculation / Assessment	Number of implementation programmes, which are human settlements development plans prepared for each priority development area
Means of verifications	1. Implementation programmes, which are human settlements development plans prepared for each PDA
Assumptions	Cooperation from stakeholders: provinces, municipalities, entities, sector departments, and private sector; funding available for preparation of the development plans
Disaggregation of beneficiaries (where applicable)	N/A
Spatial Transformation where applicable)	Yes
Calculation Type	Cumulative
Reporting cycle	• Quarterly
Desired performance	Implementation programmes, which are human settlements development plans prepared for each priority development area
Indicator responsibility	Manager: Land Assembly and PHSFDAs

PART D TECHNICAL INDICATORS DESCRIPTIONS

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

Indicator title	Number of Informal settlements supported for upgrading to phase 3
Definitions	<p>Implementation support of informal settlements upgraded to phase 3 of the UISP, as per the Housing Code 2009.</p> <ul style="list-style-type: none"> • Conclude Development Agreements with Provinces and Municipalities: <ul style="list-style-type: none"> o Input into provincial and municipal business planning processes to ensure prioritisation of informal settlements for upgrading to phase 3 o Where agreements are reached assume role of delivery agent o Develop settlement interim business plans to secure and monitor funding for UISPG o Project packaging for all informal settlements o Develop / update settlement pipeline for implementation of existing informal settlements categorised with upgrading plans: - Category A - Incremental in-situ upgrading - Category B1 - Provision of Interim services / land acquisition / town planning - Category B2 - Emergency Basic Services - Category C - Land Acquisition and facilitation of relocation <ul style="list-style-type: none"> o Due diligence reports on blocked ISU projects o resolving blockages - (preparation of interim business plans to unlock capital upgrading) o Facilitation of Relocation and Emergency interventions (housing)
Source of data	• Project Managers, SIR and Regional Heads
Method of calculation / Assessment	• Quantitative and Qualitative
Means of verifications	<ul style="list-style-type: none"> • Development Agreements (where applicable) • Interim Business Plans to unlock Capital funding for incremental upgrading • Project pipelines for implementation • Due diligence reports to resolve blockages for implementation
Assumptions	• Achievement of the target will be based on support provided
Disaggregation of beneficiaries (where applicable)	N/A
Spatial Transformation where applicable)	<ul style="list-style-type: none"> • Reflection contribution of spatial transformation priorities • Reflect on the spatial impact area
Calculation Type	• Cumulative (Year End)
Reporting cycle	Quarterly
Desired performance	• Identifies whether actual performance that is higher or lower than the targeted performance is desirable
Indicator responsibility	• Programme Manager ISU

PART D TECHNICAL INDICATORS DESCRIPTIONS

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

Indicator title	Number of catalytic projects provided with implementation support
Definitions	<ul style="list-style-type: none"> • Implementation support includes: • Programme planning, coordination and implementation support • Facilitate multi-year programme and projects planning • Hands-on technical delivery capacity support to catalytic projects • Mobilisation and harnessing of programme resources (financial and non-financial) • Provide legal and socio-economic due diligences to catalytic projects • Facilitate strategic partnerships and stakeholder mobilisation and participation • Programme institutional arrangements (signing of IPs) • Programme and project contracting (Project Delivery Agreements where HDA is the Implementing Agent) • Complete all planning processes and land and legal issues • Development of socio-economic amenities in catalytic projects • Programme monitoring and development of impact assessments • Programme performance analysis and reporting
Source of data	• Monthly progress report / quarterly progress reports
Method of calculation / Assessment	• Approval of all planning processes i.e. Engineering master plans/ feasibility studies/ Design concepts/ Township establishment processes
Means of verifications	• Reports on the 50 projects
Assumptions	• Mixed-use and integrated communities
Disaggregation of beneficiaries (where applicable)	N/A
Spatial Transformation where applicable)	<ul style="list-style-type: none"> • Contribution to the development of integrated and sustainable human settlements • Mixed-use developments with social and economic amenities
Calculation Type	• Cumulative
Reporting cycle	• Quarterly
Desired performance	Projects absorbing more beneficiaries and reducing the backlog
Indicator responsibility	Programme Manager: Catalytic Projects Programme

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

Indicator title	Number of municipalities provided with technical and implementation support for distressed mining communities
Definitions	<ul style="list-style-type: none"> • Programme planning and project conceptualization <ul style="list-style-type: none"> – Profile, status quo, and issues for a specific municipality – Interventions and development of credible plan and projects pipelines – Projects pipelines approval by respective councils – Alignment of projects and pipelines into the HSDG business plans • Programme and project feasibility • Development and Project Designs & Planning • Programme and projects implementation plans • Project institutional arrangements • Project Management and project execution • Contracting, risk management and mitigation • Project costing and tracking • Stakeholder mobilization and management
Source of data	• Project Managers and Regional Managers
Method of calculation / Assessment	• Number of municipalities provided with technical and implementation support for distressed mining communities How the performance is assessed (qualitative)
Means of verifications	<ul style="list-style-type: none"> • Spatial Transformation Plans for distressed mining communities • Programme plans • Projects pipeline developed • Technical support in mining towns (Geotech, Planning, etc) • Projects funding, implementation plans and technical implementation support for mining towns • Inclusion of diagnostic plans, pipelines and development projects into the Municipal Council IDPs, BEPPs and budgeting plans (SDBIPs) • Development agreements and development partnerships for projects implementation
Assumptions	• Factors of evidence required to verify the validity of data
Disaggregation of beneficiaries (where applicable)	N/A
Spatial Transformation where applicable)	• The distressed mining communities programme is focused on re-integrating mining communities with broader local communities through planning and intervention in infrastructure investment
Calculation Type	• Cumulative (Year End)
Reporting cycle	• Quarterly
Desired performance	• Reporting against prescribed guidelines
Indicator responsibility	• Programme Manager Mining Towns





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