

REPORT OF THE PORTFOLIO COMMITTEE ON HUMAN SETTLEMENTS, CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS IN RELATION TO THE 2016/2017 BUDGET VOTE 13 OF THE DEPARTMENT OF HUMAN SETTLEMENTS – MEETING HELD ON 14 APRIL 2016 IN COMMITTEE ROOM 7

1. INTRODUCTION

The Portfolio Committee on Human Settlements, Co-operative Governance and Traditional Affairs (the Committee) conducted an inquiry and interacted with the Department of Human Settlements (the Department), as it is mandated by Section 114 of the Constitution of the Republic of South Africa to determine whether the Department has a specific, measurable, achievable, realistic and timeous (SMART) plan and a sufficient budget to implement an efficient, effective, equitable and economic service delivery to all the people of the Province during the 2016/17 financial year.

2. METHOD OF WORK

The Speaker referred the following documents to the Portfolio Committee on Human Settlements and Co-operative Governance and Traditional Affairs for consideration and report back to the Legislature, as contemplated in the Rules and Orders of Mpumalanga Provincial Legislature (the Rules):

- Budget Vote 2016/17;
- Annual Performance Plan (APP) 2016/17;
- Department Organogram.

On 12 April 2016, the researcher briefed the Committee on the analysis of the budget documentation. The Committee then met with the Department of Human Settlements on 14 April 2016, in order to deliberate in detail on the aforementioned documents. The Committee again met on 22 April 2016 to consider the draft Committee report.

3. PROGRESS ON HOUSE RESOLUTIONS IN RESPECT OF BUDGET VOTE REPORT FOR 2015/16 FINANCIAL YEAR

The Committee noted the progress report on the implementation of the 2015/16 budget vote House resolutions of the Department (see Annexure A).

4. GENERAL OBSERVATIONS BY THE COMMITTEE ON THE ANNUAL PERFORMANCE PLAN (APP) 2016/17

- ❖ The APP is in compliance with the National Treasury Regulations and PFMA.
- ❖ The annual and quarterly targets are well aligned and specific, measurable, achievable, realistic and timeous (SMART).
- ❖ The Department has received a qualified audit outcome in 2015/16 financial year.
- ❖ The Department failed to meet the submission deadline of written responses as it was supposed to be tabled in the Legislature on 15 April 2016, instead were tabled on 20 April 2016. The Committee expressed its disappointment as it was not the first time the Department not meeting deadline given by the Committee.

5. ANALYSIS OF THE ANNUAL PERFORMANCE PLAN (APP) 2016/17

5.1. Overview of 2016/17 budgets and Medium-Term Expenditure Framework (MTEF) estimates

R '000	Revised Estimates	Medium term estimates			
		2014/15	2015/16	2016/17	2017/18
Programmes					
1. Administration	123 717	120 996	133 425	158 1	
2. Housing Needs, Research and Planning	319 432	39 585	38 265	46 273	
3. Housing Development	1 310 603	1 513 077	1 647 162	1 460 337	
4. Housing Asset Management	3 651	3 819	3 256	3 691	
Total	1 757 403	1 677 477	1 822 108	1 668 662	

ECONOMIC CLASSIFICATION				
Compensation of Employees	151 197	151 937	167 725	187 102
Goods and Services	51 089	54 523	57 060	77 436
Transfers and Subsidies	1 535 180	1 269 017	1 589 524	1 389 369
Payments of Capital Assets	19 937	202 000	7 799	5 755
Total	1 757 403	1 677 477	1 822 108	1 668 662

The Committee noted that the Department is allocated a total budget of **R1 822 108 000** for the 2016/17 financial year, which shows an increase of 8% as compared to the budget of the previous financial year. Compensation of employees has increased by 9% (**152 million to 167 million**). The goods and Services show an expenditure increase of up to 5% (**54 million to 57 million**) from the previous financial year. Transfers and subsidies have increased by 20% from the previous financial year (**R1 269 billion to R1 589 billion**). Capital assets have decreased by 97% (**R202 million to R7.799 million**).

The Committee wanted to know if the Department ensured that the budget meets the requirements of efficiency, economy and equity. The Department reported that it has ensured that there is efficiency, economy and equity. The Department has improved and enhanced its internal control measures (e.g. approved operational plan, business plan procurement plan and cost curtailment measures).

Summary of receipts: Human Settlements

R'000	Medium-term estimates			
	2014/15	2015/16	2016/17	2017/18
Equitable share	545 119	410 315	505 451	274 026
Conditional Grants	1 327 960	1 267 162	1 316 657	1 488 961
Human Settlements Development	1 327 960	1 265 162	1 314 645	1 394 636
Extended Public Works Programme	-	2 000	2 012	-
Total receipts	1 873 079	1 677 477	1 822 108	1 668 662
Total payments	1 757 403	1 677 477	1 822 108	1 668 662

Conditional Grant

The Committee had noted that the Speech of the MEC for Finance, Mr SE Kholwane, reported that a Conditional Grant amounting to **R1 billion 314 million rand** is allocated to accelerate the provisioning of human settlements and bulk infrastructure for households in line with the Human Settlements Master Plan. The allocation of **R1 billion 822 million 108 thousand rand** is allocated to the Department of Human Settlements.

The Committee wanted to know whether this means that most of the budget will be spent on the conditional grant or not. The Department reported that the Conditional Grant will be as follows;

Description	Amount
Human Settlements Development Grant	R 1 314 645 000
Equitable Share	R 503 596 000
Statutory	R 1 855 000
EPWP	R 2 012 000
TOTAL	R 1 822 108 000

6. BROAD OVERVIEW BY THE MEC

In her opening remarks, the MEC, Hon VS Siwela thanked the Committee for the invitation to attend the Committee meeting. On her overview, she reported that the Legislature has a right to oversee the Department and requested the Portfolio Committee to bless the Annual Performance Plan for 2016/17 financial year. She indicated that the APP was prepared in line with the 2015 - 2020 Strategic Plan of the Department.

The MEC made mention of the Department's commitment to increase the delivery pace of integrated human settlements in order to ensure that the people of Mpumalanga are housed adequately with dignity. The commitment is geared towards addressing the huge housing backlog of 197 156 households as per Census 2011 and eradicating the informal settlements faster.

The MEC also outlined the commitments to pursue in the 2016/17 financial year, which includes building 8 720 housing units and servicing 7 466 sites across the province to ensure that water, sanitation, electricity and access roads come first before top structures. Furthermore, she reported that the Department will continue with the development of integrated sustainable human settlements which will be developed out of the portions of land at the disposal of the Department.

The MEC reported that fully serviced stands will be made available for beneficiaries who want to build their own houses, thereby ensuring social cohesion among people of various income brackets. The MEC further reported that her department will also be focusing on the following Key Policy Priorities for the 2016/17 financial year;

- ❖ Build new integrated human settlements with 3000 units of different typologies, including social housing units in eMzinoni.
- ❖ Make funds available for the Youth Brigade Project. This project aims to support the integration of the youth into construction sector through the provision of practical and technical skills training in collaboration with Mpumalanga Regional Training Trust (MRTT) and the Local Municipalities.
- ❖ Implement the recommended Organisational Structure in order to be aligned to the strategy.
- ❖ Pay attention to land use planning for faster human settlements projects approval processes.

- ❖ Assess suitability of land for human settlements development across the province.
- ❖ Recruit the right people with the right skills for the built/construction environment.
- ❖ Establish a Human Settlements Advisory Committee which will look at the following amongst other things, examine all applications for human settlements development and recommend to the Honourable Member of the Executive Council for approval.
- ❖ Revitalize distressed mining towns and participate in the Operation Vuka Sisebente in order to deliver services to the people of the Province.
- ❖ Intensifying the roll-out of title deeds.

She further reported that the Human Settlements Master Plan has been approved and will inform the sector's long term horizon, mid-term strategy and annual implementation of programmes. The Department has also appointed town planners in all the three (3) Districts.

7. PRESENTATION BY THE HEAD OF DEPARTMENT (HOD) AND THE INTERACTION WITH THE DEPARTMENT

After the presentation by the HOD, the Committee welcomed the presentation. Clarity seeking questions were raised. Written responses were submitted and considered by the Committee.

7.1 PROGRAMME 1: ADMINISTRATION

The Committee noted that, a representation of programme 1 is outlined. The programme is fleshed with the purpose, strategic objective and programme performance indicators, as well as the budgetary estimates.

There is a clear breakdown of how the targets will be implemented throughout the 2016/17 financial year as per the treasury guide for strategic plans and APPs. However, programme 1 seems to have 10 subprogrammes opposed to the four (4) that are reported on the APP.

The Committee enquired how does part B as reflected in page 19 of the 2016/17 APP find expression in the APP itself. The Department reported that Part B on page 19 is a summary of all the Programmes in the Department. Subprogrammes 4 through to subprogramme 11 of the table, fall under Corporate Services. Furthermore, the programme has the following items, among others:

- ❖ Strategic Objective Annual Target for 2016/17;
- ❖ Programme Performance indicators and Annual Targets for 2016/17;
- ❖ The Quarterly Targets for 2016/17; and
- ❖ Reconciliation of Performance Targets with Budget and MTEF.

Programme 1: Administration

Subprogrammes	2016/17 planned targets
1. Office of the MEC	04
2. Office of the HOD	04
3. Office of the CFO	19
4. Human Resources Management	05
5. Transversal Services	05
6. Housing Subsidy Scheme	8000
7. Communication	05
8. Information Technology	05
9. Stakeholder Management	09
10. Strategic Planning & Programme Management	06
11. Legal Services	12
TOTAL	8074

The programme is appropriated **R133 425 000** for the 2016/17 financial year, which is 9.3% increase compared to the 2015/16 financial year. The department did not provide the financial estimates with the economic classifications for the subprogrammes in programme 1.

Shortage of Staff

The Committee wanted to know how the Department would implement the mandate given the shortage of staff. The Department reported that the organizational structure has been finalized and the application to advertise prioritized critical positions is in progress.

7.2. PROGRAMME 2: HOUSING NEEDS, RESEARCH AND PLANNING

The programme has also followed the treasury guide; the purpose, strategic overview and performance indicators are reflective. The Annual Performance Plan shows that this programme has 4 subprogrammes; however the representation of which targets are assigned to the respective subprogrammes is not outlined. This programme also responds to the commitment of building 8 720 housing units across the province, as pronounced by the MEC; however the target is not captured in the programme's quarterly reports to enable the tracing of its implementation.

The Committee requested the Department to clarify the manner in which this target will be implemented and traced to enable accountability by the portfolio committee. The Department reported that there was an omission on the part of the Department. The annual target should have been 8 720 housing units instead of 7 433 housing units. In addition, the total planned targets to be accounted for in the 2016/17 financial year are 7 467 as indicated in the table below.

Sub-Programmes	Planned Targets	2015/16	2016/17	Increase/(Decrease) as %
		R'000	R'000	
1. Administration	-	33 627	32 028	(4.7%)
2. Policy	-	1 563	1 649	5.5%
3. Planning	-	1 821	1 954	7.3%
4. Research	-	2 574	2 634	2.2%
TOTAL	7 467	39 585	38 265	(2.1%)
ECONOMIC CLASSIFICATION				
Compensation of Employees		30 962	31 713	2.3%
Goods and services		8 623	6 552	31.6%
Total		39 585	38 265	(2.1%)

The Committee noted that the programme is allocated **R38 265 000** for the 2016/17 financial, which is a 3.4% decrease compared to 2015/16 financial year. Programme 2 takes up 2.1% of the total budget in the 2016/17 financial year. Compensation of employees has increased by 2.3% (**R30 962 000 – R31 713 000**), Goods and Services decreased by 31.6% (**R8 623 000 – R6 552 000**).

7.3. PROGRAMME 3: HOUSING DEVELOPMENT

Sub-Programmes	Planned Targets	2015/16	2016/17	Increase/(Decrease) as %
		R'000	R'000	
1. Administration	8 709	33 627	32 028	(4.7%)
2. Financial Intervention	167	1 563	1 649	5.5%
3. Incremental Intervention	14 491	1 821	1 954	7.3%
4. Social and Rental Intervention	100	2 574	2 634	2.2%
5. Rural Intervention	1 356	99 851	139 668	(28.5%)
6. Provincial specific	26 981	-	-	-

TOTAL	51 804	1 513 077	1 647 162	8.1%
Economic classification				
Compensation of employees		41 382	49 817	16.9%
Goods and Services		6 533	7 716	15.3%
Transfers and Subsidies		1 265 162	1 586 229	20.2%
Capital assets		200 000	3 400	(98.3%)
Total		1 513 077	1 647 162	8.1%

The programme is allocated R1 647 162 000 for the 2016/17 financial year, which is 8.1% increase from the previous financial year budget. The programme takes up 90.3% of the total allocated budget for 2016/17. The compensation of employees increased by 16.9% , Goods and Services increased by 15.3%, Transfers and Subsidies increased by 20.2% and the Capital Assets decreased by 98.3%. The programme has followed the same format as done by the previously discussed programmes. It has 6 subprogrammes, which will be working towards achieving 51 804 planned targets for the 2016/17 financial year, noting that the sixth subprogramme (provincial specific) has absorbed some of the targets that were in subprogramme Rural Intervention. It is also worth noting that the new programme does not reflect any budget allocated.

The Committee requested the Department to provide a clear breakdown of how the 90% of the total budget, allocated to this programme will be utilized and whether it will cover the targets in the newly introduced subprogramme following that it does not reflect any budget. The Department reported that the table below reflects a breakdown of the Human Settlements Development Grant. The Department further reported that the sixth subprogramme will be covered by the allocation. It is reflected under Financial Intervention subprogramme.

MTSF Programme	Picture Per	Annual Targets	Amount Budgeted R'000
Serviced Sites		5 989	262 276
Housing Units		8 620	823 883
CRU		100	50 000
Title Deeds		15 000	15 000

SOCIAL AMENITIES (Community Hall And Child Care Centre)	6	46 500
OPSCAP	0	65 732
NHBRC	0	1 332
Land Parcel	1	32 000
Disaster Relief	0	17 922
Total Allocation (HSDG)		1 314 645

Military Veterans Houses

The Committee wanted to know why military veterans' houses in Brooklyn in the Bushbuckridge Local Municipality are different from those in Rockdale in the Steve Tshwete Local Municipality. The Department reported that there are two types of house plans for war veteran's namely; urban (serviced areas) and rural (unserviced areas) plans. Therefore the houses in question were constructed in a rural area and therefore there is no provision for inside toilets. However, there is a VIP toilet that has been constructed outside. The houses in Steve Tshwete Local Municipality were built using the urban plan.

The Committee raised a concern that the target on Military Veterans should decrease to indicate that the Department addresses the backlog of military veterans. The Department reported that the Military Veterans Database is continuously utilized to identify potential qualifying beneficiaries. The Department receives funding from the National Department of Human Settlements.

Identification of beneficiaries

The Committee raised a concern on how does the Department identify beneficiaries because people are complaining that elderly people are not prioritized. The Department reported that beneficiaries are identified through local municipalities. The beneficiaries should ideally be persons that already appear on the housing needs register. The following beneficiaries are prioritized; the aged, child headed households and the disabled.

The Department further emphasized that all role-players which includes the Traditional Leaders should play an important role to ensure that potential beneficiaries needing shelters are registered on the housing need register.

Building Inspectors

The Committee wanted to know if the Department has departmental building inspectors who are competent to ensure quality houses are built. In its response the Department reported that it does have competent personnel. The Committee further wanted to know on what action the Department takes against an official who certifies houses that are not of good quality. The Department reported that disciplinary actions are taken against officials who commit fraud. The new structure makes provision for the employment of qualified personnel in the built environment.

Dr JS Moroka Local Municipality

The Committee enquired whether the Department still has incomplete slabs, because there is a portion in Dr. JS Moroka where the land was almost invaded. The Department welcomed the concern raised and promised to investigate the matter further and a detailed report will be forwarded to the Committee.

Amersfoort (Ward 7)

The Committee wanted to know about the plan being put in place by the Department to rectify the 800 defective houses at Ward seven (7) (Amersfoort) at Dr Pixley ka Isaka Seme local municipality. The Department reported that according to the Ministerial Directives, provinces were instructed not to implement rectification programme. However the Department has engaged the National Department to reconsider the directives due to high demand for rectification in the Province.

7.4. PROGRAMME 4: HOUSING ASSET MANAGEMENT

The programme shows the standard required information such as the purpose; it does not give a clear indication of how targets have been split across all four subprogrammes. The programme has 45 633 planned targets for the 2016/17 financial year.

Sub-Programmes	Planned Targets	2015/16	2016/17	Increase/(Decrease) as %
		R'000	R'000	
1. Administration	-	3 819	3 256	17.2%
2. Sale and transfer of housing properties	-	-	-	-
3. Devolution of housing properties	-	-	-	-
4. Housing properties maintenance	-	-	-	-
TOTAL	15250	3 819	3 256	(17.2%)
ECONOMIC CLASSIFICATION				
Compensation of Employees				
Goods and services				
Transfers and subsidies				
Total		3 819	3 256	(17.2%)

The Committee requested the Department to provide reasons why the targets are not presented in the respective subprogrammes. The Department reported that it is currently reporting on title deeds and the resolution of tenant/landlord disputes. The other sub-programmes are not implemented by the Department.

The Committee also noted that the programme is allocated **R3 256 000** for the 2016/17 financial year, which is a 17.2% decreased from the previous budget allocation. This programmes takes up 0.17% of the total budget allocated to the Department in the 2016/17 financial year.

Title Deeds

The Committee wanted to know the challenges faced by the Department from reaching the target on title deeds. The Department reported that the province is dominantly rural and as such most of departmental projects are in rural areas that are not declared as townships, hence no title deeds can be issued in those areas.

8. PETITIONS

The Committee raised a serious concern on the failure of the Department in meeting the due dates given for submission of petition reports which negatively impact the work of the Committee and the Legislature. The Committee also wanted to know what is the mechanism the Department has in place to finalize all outstanding petitions dating back to 2008; does the Department have a dedicated person dealing with all these matters since there is a concern that the same documents have to be resent to the Department several times.

9. FINDINGS

After the interaction, the Committee found that:

- a) The Department failed to meet the submission deadline of written responses as it was supposed to be tabled in the Legislature on 15 April 2016 including responses for petitions, instead were tabled on 20 April 2016. The Committee expressed its disappointment as it was not the first time the Department not meeting deadlines given by the Committee.
- b) The organizational structure of the Department has been finalized and the application to advertise prioritized critical positions is in progress.

- c) The Department has planned to build 8 720 housing units and servicing 7 466 sites across the province to ensure that water, sanitation, electricity and access roads come first before top structures.
- d) Fully serviced stands will be made available for beneficiaries who want to build their own houses, thereby ensuring social cohesion among people of various income brackets.
- e) The Department will make funds available for the Youth Brigade Project. This project aims to support the integration of the youth into construction sector through the provision of practical and technical skills training in collaboration with Mpumalanga Regional Training Trust (MRTT) and the Local Municipalities.
- f) New integrated human settlements with 3000 units of different typologies, including social housing units in eMzinoni would be built by the department;
- g) In some instances wrong people have been recruited for construction environment;
- h) Human Settlements Master Plan has been approved and will inform the sector's long term horizon, mid-term strategy and annual implementation of programmes;
- i) The Department will establish a Human Settlements Advisory Committee which will look at the following amongst other things, examine all applications for human settlements development and recommend to the Honourable Member of the Executive Council for approval.
- j) Provinces were instructed not to implement rectification programme. However the Department has engaged the National Department to reconsider the directives due to high demand for rectification in the Province.

- k) The Department will revitalize distressed mining towns and participate in the Operation Vuka Sisebente in order to deliver services to the people of the Province.
- l) The Department will intensify the roll-out of title deeds.
- m) At Dr JS Moroka Local Municipality; there are still incomplete slabs, because there is a portion in Dr. JS Moroka where the land was almost invaded. The Department welcomed the concern raised and promised to investigate the matter further and a detailed report will be forwarded to the Committee.
- n) The Department does not comply with the due dates given for submission of petition reports which negatively impact the work of the Committee and the Legislature

10. RECOMMENDATIONS

The Committee recommends that the Department must:

- a) Ensure that submission deadlines are met in all respect in the near future.
- b) Ensure that the prioritized critical positions are filled including the building inspectors as the department reported that there are no competent inspectors before the end of the first quarter (30 June 2016).
- c) Submit a plan to be used to build the 8 720 housing units and that of the servicing of the 7 466 sites across the province to ensure that water, sanitation, electricity and access roads come first before top structures. A progress report must be submitted on 30 May 2016 and on quarterly basis;
- d) Must provide a breakdown in terms of the fully serviced stands per municipality and to provide a progress report to the Committee by 30 May 2016 and on a quarterly basis.

- e) Must ensure that all the transversal requirements viz gender; people living with disabilities and the demographics of the province are taken into account when funding is made available for the Youth Brigade Project in all municipalities. Quarterly progress reports to be submitted on a quarterly basis.
- f) Ensure that the new integrated human settlements with 3 000 units of different typologies, including social housing units is built by the department at eMzinoni. Strengthen its monitoring and evaluation systems during the construction of these units. A programme of action must be submitted to the Committee before 30 June 2016. Quarterly progress reports to be submitted on a quarterly basis.
- g) Ensure that the right people with the right skills for construction environment are recruited.
- h) Must monitor the implementation of the Human Settlements Master Plan and ensure that it is published on the website of the department.
- i) Ensure that the Human Settlements Advisory Committee which will look at the following amongst other things is established before 30 May 2016, to examine all applications for human settlements development and recommend to the Member of the Executive Council for approval. A quarterly progress report must be submitted to the Committee.
- j) Should convene a public meeting with the affected households in Ward seven (7) at Amersfoort to assure them that their houses will be rectified once the National Department has authorized the rectification programme for all the defected houses and a progress report must be submitted on 30 May 2016 and a on quarterly basis;
- k) Provide a progress report on the revitalization of the distressed mining towns and on their participation in the Operation Vuka Sisebente on a quarterly basis;
- l) Provide a progress report on the roll-out of title deeds on a quarterly basis.

- m) Provide a progress report of the incomplete slabs as being identified at Dr JS Moroka Local Municipality by 30 May 2016.
- n) The Department should provide the Legislature with a dedicated person as contact, in order to fast-track the submission of reports and communication; submit reports on due dates provided in order for the Legislature to give timeous feedback to the petitioners and encourage Municipalities to submit reports on time too and to submit a comprehensive and progressive report to the Legislature by the 06 May 2016 on all the petitions forwarded to the Department; indicating progress to date and by when all petitions will be finalized.

The House to approve the budget of **R1 billion 822 million 108 thousand rand** allocated to the Department of Human Settlements to implement its Annual Performance Plan for 2016/17 to achieve outcome 8, namely "Sustainable Human Settlements and An Improved Quality of Household Life".

A progress report should be submitted to the Legislature on 30 June 2016.

11. CONCLUSION

The Chairperson wishes to express his gratitude to the MEC for Department of Human Settlements, Hon VS Siwela, the HOD, Mr K Masange, representative of SALGA and the senior officials of the Department of Human Settlements for their active involvement during the deliberations on the budget vote of the department.

The Chairperson further wishes to thank the Hon. Members of the Committee for their sterling participation and inputs during the deliberations on the budget vote of the Department of Human Settlements and also thank the Legislature staff for the support they provided the Committee during the deliberations.

Lastly, the Chairperson requests the august House to adopt the report with its recommendations.



HON. WT MADILENG
CHAIRPERSON: PORTFOLIO COMMITTEE ON
HUMAN SETTLEMENTS AND CO-OPERATIVE GOVERNANCE &
TRADITIONAL AFFAIRS

22/04/2016
DATE

ANNEXURE "A"**UPDATED PROGRESS REPORT ON THE 2015/2016 BUDGET VOTE 13
HOUSE RESOLUTIONS – DEPARTMENT OF HUMAN SETTLEMENTS**

No.	RESOLUTION	PROGRESS TO DATE
a)	Appoint capable contractors that will adhere to the standards as per the plans and specifications. The Department should further strengthen its monitoring system to all contractors before any contract can be terminated.	Capable contractors have been appointed. However, poor performing contractors have been replaced and some with less capacity their scope has been reduced.
b)	Ensure compliance to Treasury Regulations 8.2.3 (payment of contractors within 30 days).	The Department has improved in paying contractors within 30 days except in instances where the tax clearance has expired, when invoices have been received when the contract has expired and when there is a court interdict/legal dispute.
c)	Ensure the development of data base of houses that reflect poor workmanship in collaborates with the municipalities in order to obtain the correct information.	Departmental database of project that reflects poor workmanship is on-going process. The department has records of contractors that have produced houses of sub standards and or poor performing due to lack of capacity. This information is available.
d)	Submit a copy of the approved Mpumalanga Human Settlements Master Plan to the Committee and ensure effective implementation of it.	The copy of the approved Mpumalanga Human Settlements Masterplan has been submitted to the Committee.

e)	Speed up the process of identifying the four (4) municipalities to be assessed with bulk infrastructure.	<p>The following municipalities were identified to be assisted with bulk infrastructure:</p> <table border="1" data-bbox="812 450 1292 801"> <thead> <tr> <th>Municipality</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Mbombela</td> <td>80 million</td> </tr> <tr> <td>Lekwa</td> <td>20 million</td> </tr> <tr> <td>Emalaheni</td> <td>40 million</td> </tr> <tr> <td>Bushbuckridge</td> <td>74 million</td> </tr> <tr> <td>Govan Mbeki</td> <td>59 million</td> </tr> <tr> <td>Total</td> <td>R 273 million</td> </tr> </tbody> </table>	Municipality	Amount	Mbombela	80 million	Lekwa	20 million	Emalaheni	40 million	Bushbuckridge	74 million	Govan Mbeki	59 million	Total	R 273 million
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Bushbuckridge	74 million															
Govan Mbeki	59 million															
Total	R 273 million															
f)	Strengthen the monitoring process in order for the poor workmanship to be detected earlier; and develop a policy on emergency crisis.	A draft Policy on Emergency has been developed.														
g)	Provide a project list of the 18 municipalities that will benefit from the housing subsidy scheme.	The project was list was submitted to the Portfolio Committee.														
h)	Provide the list of names of municipalities that will benefit from the 9 301 houses to be certified.	The list of names was forwarded to the Portfolio Committee.														
i)	Provide a detailed report on why it failed to implement the previous House resolutions on the Golden Nest houses in Ward 7 at Dr Pixley Ka Isaka Seme Local Municipality.	The Department did not implement the house resolution due to the fact that rectification programme is no longer funded by the Human Settlement Development Grant. However, the Department has engaged the National Department to reconsider the directive due to high demand of rectification in the province.														
j)	Ensure that the Sakhile hostel at Lekwa Local Municipality is occupied by the rightful tenants by 01 June 2015 and provide the list of	The Sakhile CRU (Hostel) was officially handed over to the municipality by the Department. The municipality has appointed Govan Mbeki Housing Association to assist with the														

	beneficiaries by 30 June 2015.	management of the Community Residential Unit including the allocation process. List of beneficiaries was forwarded to the Portfolio Committee.
k)	Ensure the 30% compliance on the allocation of the Rural Housing project.	The Department did not reach the target of 30% compliance on the allocation of the Rural Housing project due prioritisation of the Mining and fast growing towns. However, the total expenditure on Rural Housing Project was 24%.
l)	Develop a plan and also engage Provincial Treasury on how the Department can address the issue of the backlog so that it can be in line with the APP.	Departmental plans are directed at reducing the housing backlog, the plans considers the SERO report and Statistics South Africa. The Department does approach the Provincial Treasury to augment the HSDG for special interventions such as the bulk infrastructure.