



**GAUTENG PARTNERSHIP FUND
(GPF)
ANNUAL PERFORMANCE PLAN
for
2023 – 2024**

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ACCOUNTING AUTHORITY STATEMENT

It is my pleasure to present the Annual Performance Plan (APP) for the Gauteng Partnership Fund (GPF) for the 2023/24 financial year which has been derived from the Revised Strategic Plan for the 2020/21 - 2025/26 Medium Term Strategic Framework (MTSF) period (Strategic Plan).

This APP is the second iteration of the Revised Strategic Plan, a plan which is aimed at redefining and reinvigorating the GPF as an entity that is focused on spatial transformation but an entity that is generally responsive to the developmental needs of the people of Gauteng.

However, the Strategic Plan sets the GPF on a strategic trajectory with a clearer vision and mission, as well as impact statement and strategic outcomes. The outcomes and outcome indicators have been developed to reflect the results for beneficiaries of the many outputs that are in the APP. Due to the revisions to the strategic outcomes, the APP too has to be revised accordingly.

This APP acknowledges that the GPF is still a maturing organisation that appreciates the challenges and opportunities provided by its mandate as the preferred partner for the implementation of mega projects in Gauteng, as well as an implementation agent for some of the projects of the Gauteng Department of Human Settlements (GDHS). At the heart of the GPF's mandate is the government's constitutional imperative of ensuring spatial transformation supportive of society based on equality and fair access to urban resources and economic opportunities.

This APP offers a watershed opportunity for the GPF to ensure the acceleration of its renewal and rebuilding to ensure that there is a sense of urgency that is inculcated in the organisation to achieve on the operational programmes and pillars. This APP will be a building block upon which the management, the employees, and partners of the GPF can build upon. It will ensure that the GPF continues to build the kind of partnerships that seeks to return it to an integrated, cooperative, and collaborative approach to service delivery that is envisaged in the Khawuleza District Model of Service Delivery. The GPF will focus intensely on pursuing strategic partnerships with private funders, development funders, civil society, and the various spheres of government in implementing its mandate.

Further, the APP acknowledges that the rebuilding and renewal of a more responsive and collaborative GPF, will be underpinned by a value-driven leadership. This would entail the rebuilding of an institution that would not compromise on good governance and legislative compliance. The GPF must be an epitome of both service delivery excellence as well as one that is conscientiously focused on good governance and accountability. As a Board of Trustees, ours would be to ensure that we create an environment that is supportive of professionalism and compliance without stifling innovation and continuous learning and development. I am confident that this APP strikes a correct balance to continue with past excellence and the introduction of the elements that begins to put the entity on a right footing to reimagine itself and how it delivers services to its clients and as an agent of its shareholder department, the GDHS.

It is my pleasure to present the Annual Performance Plan for the 2023/24 financial year and confident that the GPF is beginning to assume its rightful place as partner of choice in catalysing the funding and development of integrated and sustainable human settlements in Gauteng.



PP _____

Ms Hlengiwe Bhengu

Chairperson of the Board of Trustees

CHIEF EXECUTIVE OFFICER STATEMENT

I am pleased to present the 2023 - 2024 Annual Performance Plan of the GPF. In line with the DPME Revised Framework for Strategic Plans and Annual Performance Plans (2019), and cognisant of the impact of COVID-19 on every aspect of our lives, the GPF has undertaken a comprehensive process, led by the Board, towards the development of this APP, which is aligned to the GPF's revised 2019-2024 Strategic Plan .

The 2023/24 financial year is a significant milestone in the life of the organisation, being the 20th anniversary of the establishment of the Trust. It is therefore opportune to reflect on the journey of the entity since its establishment in 2002, and to craft an appropriate future strategic direction and pathway for the next 20 years. The 2019-2024 Strategic Plan provides a comprehensive assessment of the current situation, reflecting on the evolution of the GPF's mandate from a focus on affordable housing to being the capital raising and implementing agency of the Gauteng Department of Human Settlements (DHS). The Plan acknowledges the urgent need for the entity to contribute meaningfully to the spatial transformation and integrated human settlements development outcomes and targets of the Medium Term Strategic Framework (MTSF) 2019-2024 and the Growing Gauteng Together (GGT2030) Plan of Action.

While the GPF has many achievements to be proud of in deploying its affordable housing mandate over the past 20-years, a number of challenges have come to the fore. Some of the constraints relate to the corporate structure and the Schedule 3C listing of the entity under the PFMA, as well as inadequate capitalisation and a weak balance sheet. There are, however, other challenges that are self-inflicted and performance-related, such as a non-performing loan book and the non-achievement of a clean audit outcome for the last two years. The challenges need to be addressed head-on in the 2023/24 financial year as we take stock and redefine our 20th anniversary value proposition in order to deliver on the extended mandates provided to the entity. We intend to push boundaries as we identify what we can do better, and differently, and where we can innovate.

Our aspirational vision provides us with a common purpose: *"To be a partner of choice in catalysing the funding and development of integrated and sustainable human settlements in Gauteng"*. Our mission directs us to facilitate the development of integrated, sustainable human settlements for communities in Gauteng by:

- Raising and managing the capital required for the successful implementation of identified and sustainable human settlements.
- Serving as a turnkey property developer on strategic public land and providing management services.
- Enhancing the lives of people in communities, while also providing investors and partners with sound financial returns.

Adopting a results-based management approach, and aligned to the MTSF and GGT2030 priorities, we have defined our outcomes for the period to 2024, which directs our strategic focus and informs the outputs of this Annual Performance Plan:

Outcome 1: Efficient, effective, and sustainable organisation.

Outcome 2: Enhanced capital base to deliver core GPF mandate.

- Outcome 3: Increased access to affordable rental and social housing in strategically located areas.
- Outcome 4: Increased access to integrated, inclusive, and sustainable human settlements.
- Outcome 5: Increased access to liveable settlements and secure tenure.
- Outcome 6: Enhanced contribution of GPF's human settlements' developments to inclusive economic growth.

Our planning priorities informing the outputs of this APP for 2023 - 2024 include:

- 1) Building a sustainable loan book.
- 2) Implementing the revised capital raising and strategic partnerships strategy.
- 3) Managing the costs to income ratio through revenue growth and costs optimization.
- 4) SMME development, job creation, mainstreaming GEYODI and implementing inclusive growth initiatives.
- 5) Achievement of all GGT2030 targets delegated to the GPF.

The above is underpinned by building organisational capacity, capabilities and a high-performance culture; achieving governance excellence and fiscal discipline, and implementing an effective planning, monitoring and reporting framework to ensure accountability for performance.

We remain vigilant in the wake of the COVID-19 pandemic, which has posed a challenge to the GPF's ability to execute its programmes. In view of our ambitious five-year strategy, and with the continuous support of the transferring department and the Board in leading the entity, we have ensured that our APP is not simply a compliance tool but an expansive Plan, with outcomes, output indicators and stretch targets that are practical and appropriate for the phase of GPF's strategy implementation and development.

The commitment of the Board to strong oversight and governance is acknowledged and appreciated. I also thank the staff of the GPF for their hard work and outstanding commitment to delivering on the GPF's mandates.

In closing, I affirm my commitment to lead the GPF to the best of my ability, as we strive, as a collective, to realise the priorities, outcomes and outputs reflected in this APP for 2023 - 2024.



Ms Lindiwe Kwele
Chief Executive Officer

OFFICIAL SIGN-OFF

It is hereby certified that this Revised Annual Performance Plan for the Gauteng Partnership Fund:

- 1) Was developed by the management team under the guidance of the Board of Trustees.
- 2) Takes into account all the relevant policies, legislation, and other mandates for which the Gauteng Partnership Fund is responsible; and
- 3) Accurately reflects the outcomes and outputs which the Gauteng Partnership Fund will endeavour to achieve over the 2023/24 period.



Ms. Amanda Clark
Corporate Services Executive

30/01/23

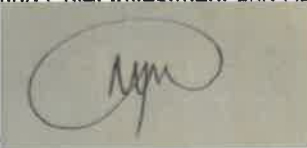
Date



Mr. Shiraaz Lorgat
Acting Chief Investment and Development Officer

30/01/23

Date



Ms. Nomfanelo Genuka
Chief Financial Officer

30/01/23

Date



Ms. Lindiwe Kwele
Chief Executive Officer

30/01/23

Date

APPROVED BY:

Signed by: Sello Enoch Morero
Signed at: 2023-01-31 13:48:01 +02:00
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PP



Ms. Hlengiwe Bhengu
GPF Chairperson

31/01/23

Date



Ms. Phindile Mbanjwa
Head of Department
Gauteng Department of Human Settlements

30/01/2023

Date



Mr. Lebogang Maile, MPL
Executive Authority

30/01/2023

Date

ABBREVIATIONS AND ACRONYMS

AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
ARC	Audit and Risk Committee
B-BBEE	Broad-Based Black Economic Empowerment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COE	City of Ekurhuleni
COJ	City of Johannesburg
COT	City of Tshwane
COVID-19	Corona Virus Disease 2019
DBSA	Development Bank of Southern Africa
DM	District Municipality
EEPF	Entrepreneur Empowerment Property Fund
EXCO	Executive Committee / Executive Council
GCR	Gauteng City Region
GDHS	Gauteng Department of Human Settlements
GDP	Gross Domestic Product
GEYODI	Gender, Youth and People with Disabilities
GGT2030	Growing Gauteng Together, 2030
GPF	Gauteng Partnership Fund
GPG	Gauteng Provincial Government
GSDF	Gauteng Spatial Development Framework
GVA-R	Gross Value Added by Region
ICT	Information and Communication Technology
IGR	Intergovernmental Relations
IMF	International Monetary Fund
KZN	KwaZulu-Natal
MEC	Member of the Executive Council
MM	Metropolitan Municipality
MPL	Member of the Provincial Legislature
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
PFMA	Public Finance Management Act (No.1 of 1999), as amended
PHSHDA	Priority Human Settlements and Housing Development Area
PPE	Provincial Public Entity

PWD(s)	People With Disability/ies
RLRP	Rapid Land Release Programme
SCM	Supply Chain Management
StatsSA	Statistics South Africa
SWOT	Strengths, Weaknesses, Opportunities, Threats
TPN	Registered Global Credit Bureau
UISP	Upgrading Informal Settlements Programme

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PART A: OUR MANDATE

1. UPDATES TO RELEVANT LEGISLATIVE AND POLICY MANDATES

As the capital-raising and implementation agency of the Gauteng Department of Human Settlements (GDHS), the Gauteng Partnership Fund (GPF) derives its mandate from Chapter 2, Section 26 of the Constitution of the Republic of South Africa (Act No. 108 of 1996), which states:

- 1) Everyone has the right to have access to adequate housing.
- 2) The State must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of this right; and
- 3) No one can be evicted from their home, or have their home demolished, without an order of court made after considering all relevant circumstances. No legislation may permit arbitrary evictions.

Under the ambit of the Constitution, the GPF is established as a Schedule 3C Provincial Public Entity (PPE) that was founded in 2002 as a Benevolent Trust under the Trust Properties Control Act 57 (1988), by the Executive Authority of the GPF, the Member of the Provincial Legislature for the Gauteng Department of Human Settlements (GDHS).

The Schedule 3C PFMA listing in terms of the Public Finance Management Act (No. 1 of 1999, as amended) (PFMA) confers on the GPF a limited degree of autonomy as well as the fiduciary and other responsibilities reflected in Section 9 of the New Companies Act (Act 71 of 2008, as amended).

The key legislation and policy frameworks directing how the GPF should give effect to its founding mandate is described in the 2020-2025 Strategic Plan. There are no updates to the legislative and policy mandates, listed as follows:

LEGISLATIVE MANDATES	POLICY MANDATES
<ul style="list-style-type: none"> • Trust Property Control Act (No. 57 of 1988) • The Companies Act (No. 71 of 2008) • Public Finance Management Act (No. 1 of 1999), as amended • Housing Act (No. 107 of 1997) • Social Housing Act (No. 16 of 2008) • Rental Housing Act (No. 5 of 1999) • Housing Consumers Protection Measures Act (No. 95 of 1998) • Housing Development Agency Act (No. 23 of 2008) • Spatial Planning and Land use Management Act (No. 16 of 2013) (SPLUMA) • Infrastructure Development Act (No. 23 of 2014) • Intergovernmental Relations Framework Act (No. 13 of 2005) (IRFA) • Broad-Based Black Empowerment Act, 2003 (No. 53 of 2003), as amended • Preferential Procurement Policy Framework Act (No. 5 of 2000), as amended • Promotion of Access to Information Act (No. 2 of 2000) (PAIA) • Other sector-specific legislation of direct relevance to the GPF <ul style="list-style-type: none"> - Financial Intelligence Centre Act (No. 38 of 2001) - Home Loan and Mortgage Disclosure Act (No. 63 of 2000) - National Building Regulations and Building Standards Act (No. 103 of 1977) - Gauteng Land Administration Act (No. 11 of 1996) - Financial Advisory and Intermediary Services Act (No. 37 of 2002) • Pending amendments: <ul style="list-style-type: none"> - Inclusionary Housing Bill - Amendment to the Gauteng Housing Act (No. 6 of 1998) - Amendment to the Gauteng Rental Housing Act (No. 50 of 1999) - Amendment to the Deeds Registries Act (No. 47 of 1937) 	<p>DEVELOPMENTAL PRIORITIES</p> <ul style="list-style-type: none"> ▪ National Development Plan (NDP) 2030 ▪ National Spatial Development Framework (NSDF) 2050 ▪ Integrated Urban Development Framework (IUDF) 2016 ▪ Gauteng Spatial Development Framework (GSDF) 2030 ▪ GPG's Ten-Pillars Programme of Transformation, Modernisation and Reindustrialisation (TMR) ▪ District Development Model (DDM) <p>GOVERNMENT'S PRIORITIES FOR THE 2019-2024 PLANNING PERIOD</p> <ul style="list-style-type: none"> ▪ Medium-Term Strategic Framework (MTSF) 2019-2024 ▪ Growing Gauteng Together (GGT) 2030 <p>SECTOR AND OTHER INFORMING POLICIES</p> <ul style="list-style-type: none"> ▪ Breaking New Ground (BNG) 2004 ▪ National Housing Code 2009 ▪ Social Housing Policy 2005 ▪ Other Informing Policies and Strategies <ul style="list-style-type: none"> - South African Economic Reconstruction and Recovery Plan 2020 - National Housing Policy and Subsidy Programmes 2010 - National Youth Policy 2030 - Gauteng Township Economy Revitalisation Strategy - GCR Economic Development Plan - GCR Governance and Planning Roadmap - Accelerated Social Transformation Strategy - GCR Youth Development Strategy - Gauteng Mega Human Settlements Strategy - Gauteng Human Settlements Masterplan - Upgrading of Informal Settlements Programme (UISP)

2. UPDATES TO INSTITUTIONAL POLICIES AND STRATEGIES

There are no updates to the institutional policies and strategies informing the focus of GPF's core mandate, summarised below.

2.1. BACKGROUND AND CONTEXT TO GPF'S MANDATE

The GPF was established in 2002 as an agency of the GDHS and was initially mandated to focus on social and affordable housing. Both the GPF and the GDHS have since undergone several transformation processes in response to changing socio-political and strategic imperatives related to the delivery of housing and the establishment of human settlements. As an agency of the GDHS, the GPF is accountable to the MEC who is also the Executive Authority of the GDHS. The mandate and strategic direction of the GPF is directly informed by the MEC and the GPG's Executive Council (EXCO).

Prior to the introduction of mega projects, GPF's mandate focused on the provision of financial solutions for social and affordable housing. This was successfully implemented, with over 20 000 social and affordable housing units having been delivered. In 2017/18, GPF was given the mandate to move beyond the affordable housing market to raising the capital needed for mega projects and overseeing its implementation. It is important to emphasise that the capital-raising element involves raising the funds required for the overall mixed-use development of mega projects (i.e. for human settlements as well as for social and economic amenities).

In 2019/20 (aligned with the priorities of the Sixth Administration of GPG), GPF's mandate was further extended to include the Upgrading of Informal Settlements Programme (UISP), and the implementation of the Rapid Land Release Programme (RLRP) in Gauteng.

In implementing its mandate, the organisation is bound to comply with and make a meaningful contribution to the strategic outcomes of the GDHS and thus to the GGT2030 Plan of Action and MTSF 2019-2024.

ALIGNMENT TO NATIONAL PRIORITIES

As a provincial public entity, the GPF contributes to the fulfilment of the Human Settlements' Medium Term Strategic Framework for the period 2019 –2024 that is championed by the National Department of Human Settlements. The Framework aims at achieving:

- 1) A spatially just and transformed national space economy that enables access to social services and economic opportunities in cities, regions, and rural areas:
 - a) Spatial transformation,
 - b) Adequate housing and improved quality living environments,
 - c) Security of tenure.
- 2) Transformation of human settlements into liveable neighbourhoods by 2030.

The National Department of Human Settlements is also rolling out the implementation of the PHSDAs, which aim to:

- 1) Create opportunities for liveable, inclusive, and resilient towns and cities.
- 2) Reverse the unjust and dysfunctional spatial legacy of Apartheid.
- 3) Improve participation of the disadvantaged in the residential property market.
- 4) Increase the asset creation potential of the State's investments in human settlements.

Several areas within the 5 development corridors of the GCR are earmarked as PHSHDAs, including, among others, Greater Alexandra and Lanseria/Diepsloot for improvement of the existing areas for smart cities, renewal, redevelopment, and consolidation; and Greater Mamelodi-Nellmapius Integrated Node, City of Tshwane Metropolitan Municipality.

Through its work, the GPF also contributes to MTSF 2019-2024 Priority 2 – Economic transformation and job creation. This is done by supporting SMME development, growth, and sustainability. GPF also needs to ensure that it builds an efficient, effective, and sustainable organisation through its alignment with MTSF 2019 - 2024 Priority 1 – Capable, ethical, and developmental State.

ALIGNMENT TO PROVINCIAL PRIORITIES

The GGT2030 Plan of Action comprises several interventions and measures of success. The GGT2030 Priority 3 Impact is:

“Access to social and economic opportunities through spatial transformation and prioritising well-located, inclusive communities, so that by 2030”:

- 1) All the people can reside in well-built homes that are situated in safe, clean, and cared for environments, with all the conveniences and services they need being close at hand.
- 2) That they can live close to their places of work, without having to make long and expensive journeys twice a day.

The Plan of Action comprises 3 provincial outcomes, namely, adequate housing and improved living environments, security of tenure, and rapid land release. The measures of success relevant to GPF include the following:

- 1) **A total of 128 803 housing opportunities created in the GCR corridors, including:**
 - a) 77 314 new houses built by the mega housing settlement projects.
 - b) Development of mega housing settlements across the province, namely, Vaal River City and Lanseria City.
 - c) Developments in the following areas: Alexandra, Bekkersdal, Evaton, Kliptown, Winterveld.
 - d) 7 986 housing opportunities created through the Social Housing Programme.
 - e) 4 000 rental housing and student accommodation units.
 - f) Offering accessible facilities for children with disabilities.
- 2) **Informal settlements upgraded:**
 - a) 181 informal settlements upgraded in the West Rand and Sedibeng, in accordance with the Upgrading of Informal Settlements Programme (UISP) grant.
- 3) **Rapid Land Release:**
 - a) Unused government buildings and land being released for development, economic growth, and job creation.
 - b) 100 000 serviced sites released as part of the RLRP to beneficiaries and developers.

The GPF is directly connected to the above policy environment through the strategic framework and plans of its oversight department, the GDHS. The specific GDHS 2020 - 2025 Strategic Plan outcome to which the GPF contributes is as follows:

- 1) Integrated, sustainable and spatially transformed human settlements and liveable neighbourhoods, with a 5-year target to realise spatially transformed human settlements developments. This is to be achieved in terms of the human settlements’ spatial masterplan.
- 2) Key priorities include: 1) the phasing out of legacy projects, 2) the development of mega projects providing mixed-income housing typologies with social amenities, 3) beneficiary

administration and the issuing of title deeds, and 4) the resuscitation of urban renewal and 5) the upgrading of informal settlements.

The main human settlements policy initiatives of the sixth term of GPG are:

- 1) Gauteng Human Settlements Masterplan.
- 2) Gauteng Mega Projects Strategic Framework.
- 3) Upgrading Informal Settlements Programme (UISP).
- 4) Amendments to the National Housing Code to support the Rapid Land Release Programme.

2.2. CORE BUSINESS AREAS OF GPF'S MANDATE

GPF's mandate is to raise the required capital and to serve as the preferred implementing agent of the GDHS in support of the achievement of the above priorities of government, in a sustainable and cost effective manner. The core business areas of GPF's mandate for the term of the 6th Administration are as follows:

- 1) Raising and managing the capital required for the successful implementation of the core business areas of the GPF's mandate.
- 2) Serving as a developer of turnkey projects on strategic government-owned land.
- 3) Providing loans to private sector developers for the development of affordable rental, student accommodation, and social housing projects.
- 4) Providing project development, implementation, and management services, including:
 - a) Implementing identified mega projects.
 - b) Implementing affordable rental, student accommodation, and social housing projects.
 - c) Implementing the Upgrading Informal Settlements Programme (UISP).
 - d) Implementing the Rapid Land Release Programme (RLRP).

3. UPDATES TO RELEVANT COURT RULINGS

There are no relevant court rulings that impact on the mandate, operations, or service delivery obligations of the GPF.

PART B: OUR STRATEGIC FOCUS

In giving effect to the legislative and policy mandate outlined in Part A, the 2020 - 2025 Strategic Plan articulates the Gauteng Partnership Fund strategic focus – its vision, mission, and institutional values – as follows:

VISION

Be a partner of choice in catalysing the funding and development of integrated and sustainable human settlements in Gauteng.

MISSION

GPF exists to facilitate the development of integrated, sustainable human settlements for communities in Gauteng by:

- Raising and managing the capital required for the successful implementation of identified and sustainable human settlements.
- Serving as a turnkey property developer on strategic public land and providing management services.
- Enhancing the lives of people in communities, while also providing investors and partners with sound financial returns.

VALUES

Our core values are embedded in our culture of professionalism and excellence and are expressed in the execution of its mandate, vision, mission, goals, and objectives

Teamwork	We have a culture of excellence in the execution of our common goal. We work in unison and view our work as a collective.
Innovation	We continuously develop great products and services We are agile and flexible to solve problems for our internal and external customers, while we continuously learn and grow
Integrity	We uphold honesty and professionalism always We do our work in an ethical and transparent manner
Customer Centricity	We place our customer at the centre of all that we do We add value to our customer at all times through great experiences.
Respect	We aim to minimise adverse environmental impacts across all our projects
Accountability	We take responsibility for the sustainability of our organisation in all that we do.

1. SITUATIONAL ANALYSIS

1.1. EXTERNAL ENVIRONMENT ANALYSIS

1.1.1. MACRO ENVIRONMENT

GLOBAL ECONOMIC OUTLOOK

A tentative recovery in 2021 has been followed by increasingly gloomy developments in 2022 as risks began to materialise. Global output contracted in the second quarter of 2022, owing to downturns in China and Russia, while US consumer spending undershot expectations. Several shocks have hit a world economy already weakened by the pandemic: higher-than-expected inflation worldwide—especially in the United States and major European economies—triggering tighter financial conditions; a worse-than-anticipated slowdown in China, reflecting COVID-19 outbreaks and lockdowns; and further negative spill overs from the war in Ukraine.

The baseline forecast is for growth to slow from 6.1 percent last year to 3.2 percent in 2022, 0.4 percentage points lower than in the April 2022 World Economic Outlook. Lower growth earlier this year, reduced household purchasing power, and tighter monetary policy drove a downward revision of 1.4 percentage points in the United States. In China, further lockdowns and the deepening real estate crisis have led growth to be revised down by 1.1 percentage points, with major global spill overs. And in Europe, significant downgrades reflect spill overs from the war in Ukraine and tighter monetary policy. Global inflation has been revised up due to food and energy prices as well as lingering supply-demand imbalances and is anticipated to reach 6.6 percent in advanced economies and 9.5 percent in emerging market and developing economies this year—upward revisions of 0.9 and 0.8 percentage point, respectively. In 2023, disinflationary monetary policy is expected to bite, with global output growing by just 2.9 percent.

The risks to the outlook are overwhelmingly tilted to the downside. The war in Ukraine could lead to a sudden stop of European gas imports from Russia; inflation could be harder to bring down than anticipated either if labour markets are tighter than expected or inflation expectations unanchor; tighter global financial conditions could induce debt distress in emerging market and developing economies; renewed COVID-19 outbreaks and lockdowns as well as a further escalation of the property sector crisis might further suppress Chinese growth; and geopolitical fragmentation could impede global trade and cooperation. A plausible alternative scenario in which risks materialise, inflation rises further, and global growth declines to about 2.6 percent and 2.0 percent in 2022 and 2023, respectively, would put growth in the bottom 10 percent of outcomes since 1970.

With increasing prices continuing to squeeze living standards worldwide, taming inflation should be the priority for policy makers. Tighter monetary policy will inevitably have real economic costs, but delay will only exacerbate them. Targeted fiscal support can help cushion the impact on the most vulnerable, but with government budgets stretched by the pandemic and the need for a disinflationary overall macroeconomic policy stance, such policies will need to be offset by increased taxes or lower government spending. Tighter monetary conditions will also affect financial stability, requiring judicious use of macroprudential tools and making reforms to debt resolution frameworks all the more necessary. Policies to address specific impacts on energy and food prices should focus on those most affected without distorting prices. And as the pandemic

continues, vaccination rates must rise to guard against future variants. Finally, mitigating climate change continues to require urgent multilateral action to limit emissions and raise investments to hasten the green transition.

THE GLOBAL CONSTRUCTION INDUSTRY¹

Construction is typically much more volatile than the overall economy. Reduced economic activity results in less demand for new commercial or industrial facilities, and ambiguity further dampens investment. The loss of income and consequent lack of consumer confidence negatively affects demand for construction or refurbishment.

The impact of COVID-19 on the global construction industry has been profound, with construction sites in many countries forced to shut down and those who have re-opened have been faced with disrupted supply chains and operational restrictions. Beyond such short-term impact, the crisis has hit long-term supply and demand,

The pandemic also represented a shock to supply. Both migrant and domestic construction workers have been unable to reach job sites and where they were able to, needed to adhere to new on-site protocols that has reduced productivity. Building-materials' supply chains have also been interrupted, suspending production and distribution.

AN AFRICAN PERSPECTIVE – MIGRATION INTO THE GAUTENG PROVINCE

The theme of the 2022 African Economic Outlook according to the African Development Bank is “*Supporting Climate Resilience and a Just Energy Transition in Africa*”. The theme highlights climate change as a growing threat to lives and livelihoods in Africa.

Despite having 17% of the current global population, Africa has accounted for a negligible 3% of cumulative worldwide CO2 emissions historically. However, climate change and extreme weather events disproportionately affect Africa, with severe economic, social, and environmental consequences for its people.

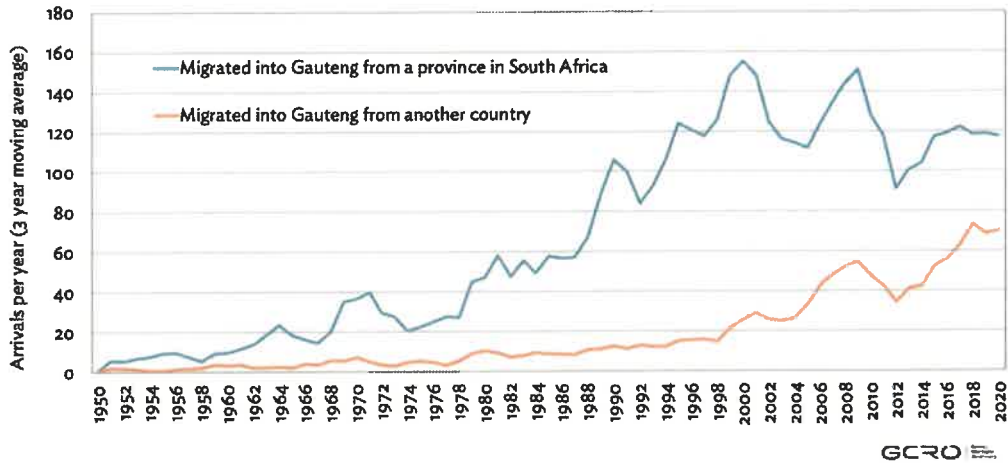
It is clear that the pandemic and the Russia-Ukraine war could leave a lasting impression over several years, if not as much as a decade. Meanwhile, around 30 million people in Africa were pushed into extreme poverty in 2021 and about 22 million jobs were lost in the same year because of the pandemic. And the trend is expected to continue through the second half of 2022 and on into 2023.

The economic disruptions stemming from the Russia-Ukraine war could push a further 1.8 million people across the African continent into extreme poverty in 2022. That number could swell with another 2.1 million in 2023.

¹ McKinsey & Company (2020): *How Construction Can Emerge Stronger After Coronavirus*. 8 May 2020.

The continent’s additional financing needs for 2020-22 are estimated at \$432 billion. Financing African countries’ nationally determined contributions—public pledges from countries on how they plan to play a part in post-2020 collective action on climate change—will require up to 1.6 trillion between 2022 by 2030. The continent loses between 5% and 15% of gross domestic product to climate change. Collectively, African countries received only \$18.3 billion in climate finance between 2016 and 2019. This leaves a climate finance gap of up \$1288.2 billion annually from 2020 to 2030.

Figure 1: Source of migrants into the Gauteng Province



Source: Gauteng City Region Observatory (GCRO) Quality of Life Survey VI, 2020/21²

SOUTH AFRICAN OUTLOOK

The COVID-19 crisis has weakened an already fragile economy. South Africa's growth underperformed during the past decade: GDP per capita was already lower in 2019 than in 2008. Unemployment remains high, at around 35%, and youth unemployment even exceeds 50%. In the meantime, spending pressures are mounting to close the financing gap in health, infrastructure and higher education. To finance those needs while putting public finances on a more sustainable path, which is key to restore confidence, spending efficiency should improve and be accompanied with increased government tax revenues.

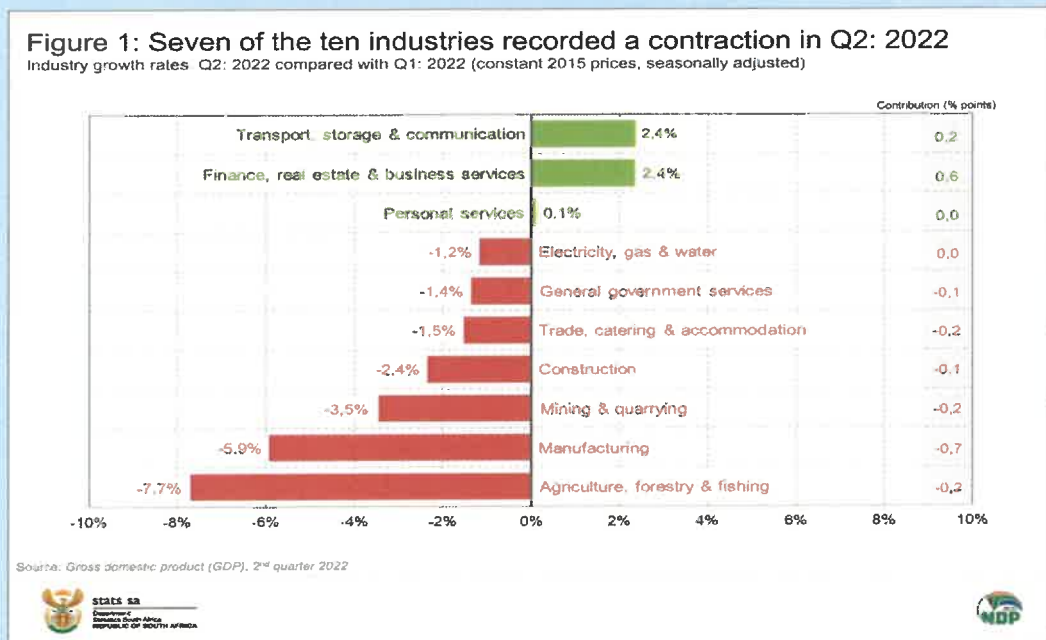
After a strong rebound in 2021, GDP is projected to grow by 1.8% and 1.3% in 2023 and 2024 respectively. Household consumption and investment will remain the main drivers of growth. Household income will benefit from the continuation of the COVID-relief grant. The commodity prices boom will support exports. Investment will continue to strengthen over the projection horizon. Inflation reached close to 6% in early 2022, and is projected to increase further due to higher energy prices before starting to fall.

THE NATIONAL CONSTRUCTION INDUSTRY³

Over the past few years, South Africa’s construction sector has been plagued by a variety of challenges, including, declining government infrastructure spend – capital expenditure on infrastructure by the government has been on the decline since 2016, rising material input costs, increasing electricity costs, electricity supply disruptions, increasing transportation costs, reduced profit margins, and decreased profit margins arising from the above.

The negative impact of these have been worsened by the onset of the COVID-19 pandemic as depicted in the figure below:

Figure 2: Industry growth rates and GDP



The sector was hard-hit by lockdown regulations in 2020, with real value-added falling by approximately 20 percent in the first 3 quarters of 2020. Consequent disruptions to global construction supply chains have increasingly affected construction activities, with shortages of raw materials and other inputs, as well as delays and increasing costs for imported raw materials being reported across the sector.

Government has historically been viewed as the biggest spender on infrastructure in the construction industry. With the onset of the national lockdown, traditional infrastructure spend

³ StatsSA Gross Domestic Product. Second Quarter 2021

was diverted to alleviate the economic and social crisis facing the country thereby further crippling the sector.

Between Apr-Jun 2020, the industry shed 1 066 jobs, 32 percent (343) in Gauteng. Employment levels increased for the next 2 quarters and then dropped again between Jan-Mar 2021 with another drop of 1079. Gauteng appears to have borne the brunt of these job losses just construction industry jobs increasing in just 1 quarter (Oct-Dec 2020) since the onset of the pandemic.

Whilst government spending is expected to grow, the outlook remains muted in the context of weak infrastructure investment and continued low confidence.

GAUTENG ECONOMY AND HOUSEHOLD INCOME

Although it is the smallest province geographically, Gauteng is the richest province as measured by its contribution to the national GDP. In 2011, Gauteng contributed 34.8 percent to the GDP of South Africa (R988 billion), and by 2015 this was 34.8 percent of the South African GDP (R1.07 trillion) – equating to a contribution of approximately 11 percent to the African GDP⁴. By 2017, the Gauteng contribution to national GDP had declined slightly to 34.64 percent (R1,080 billion)⁵.

Consistently, the GDP growth rate in Gauteng tracks and just exceeds the national growth rate and has gradually decelerated since 2013 growing roughly at 2.5 percent. Over the period 2000 to 2014, the average Gauteng economic growth rate was 3.6 percent (above that of South Africa at 3.1 percent), although it slowed to 1.2 percent in 2015, and further to 0.9 percent by 2018. The IHS Markit expects the Gauteng economy to recover to over 2 percent by 2021⁶.

While the manufacturing sector was once the prominent contributor to the Gauteng economy, it had almost halved its contribution by 2015 (only 14.9 percent of GVA-R). The construction, agriculture, and mining sectors were also only relatively minor contributors. Conversely, the finance and business services sector were the largest contributor in 2015 (26.5 percent). The government, social and personal services sector had also increased its contribution, alongside the wholesale and retail trade sector⁷.

A key concern is the sharp negative relationship between the growth of the finance sector and the decline of manufacturing and non-services sectors – implying that the financial sector is not serving the manufacturing productive base; and that there is a high probability that the relationship between growth in community services and manufacturing indicated that State interventions, such

⁴ *Gauteng Provincial Government, Socio-economic Review and Outlook, 2016*

⁵ *Gauteng Provincial Government, Socio-economic Review and Outlook, 2019*

⁶ *Gauteng Provincial Government, Socio-economic Review and Outlook, 2019*

⁷ *Gauteng Provincial Government, Socio-economic Review and Outlook, 2016*

as procurement and public works programmes, are not linked to the development of the industrial/manufacturing base⁸.

While Gauteng is one of the most affluent regions in South Africa, the province has one of the highest levels of inequality, compared to other provinces. As at 2015, 16.5 percent of households in Gauteng have no annual household income, while 52.7 percent of households in Gauteng have an annual household income of less than R38,200.00, which makes them eligible for housing subsidies. The highest percentage of these households are found in the Sedibeng DM. This is important in deciding on the most suitable form of housing to provide in the different regions of the GCR.

THE GAUTENG PROVINCE – POPULATION AND POPULATION GROWTH

Although it is the smallest province geographically, Gauteng is home to an estimated 15 055 000 people (approximately 26.3 percent of the South Africa population) in 2021, up from 13 399 725 people in 2016. For the period 2016–2020, Gauteng is estimated to have experienced the largest inflow of migrants of all provinces, at approximately 1 553 162⁹.

At 2021 estimates, Gauteng records an annual average population growth rate of 2.5 percent, higher than the national average of 1.4 percent¹⁰. The figure below reflects the population growth in Gauteng and for individual municipalities.

Figure 3: Gauteng population growth¹¹



Growth rates were positive in all but the Sedibeng DM, which shrunk by 0.42 percent. Compared to 2011 - 2016 growth rates, the COJ MM and COE MM reflect the highest growth rates of 21.44 percent and 20.10 percent respectively.

The overall population growth rate reflects the high levels of in-migration into the Gauteng Province, combined with natural population growth, mostly into the urban areas of the metropolitan municipalities and to a lesser extent into the economic hubs of the district municipalities. According

⁸ Gauteng Provincial Government, GCR Economic Development Plan, June 2016

⁹ StatsSA, Mid-Year Population Estimates 2020, 9 July 2020

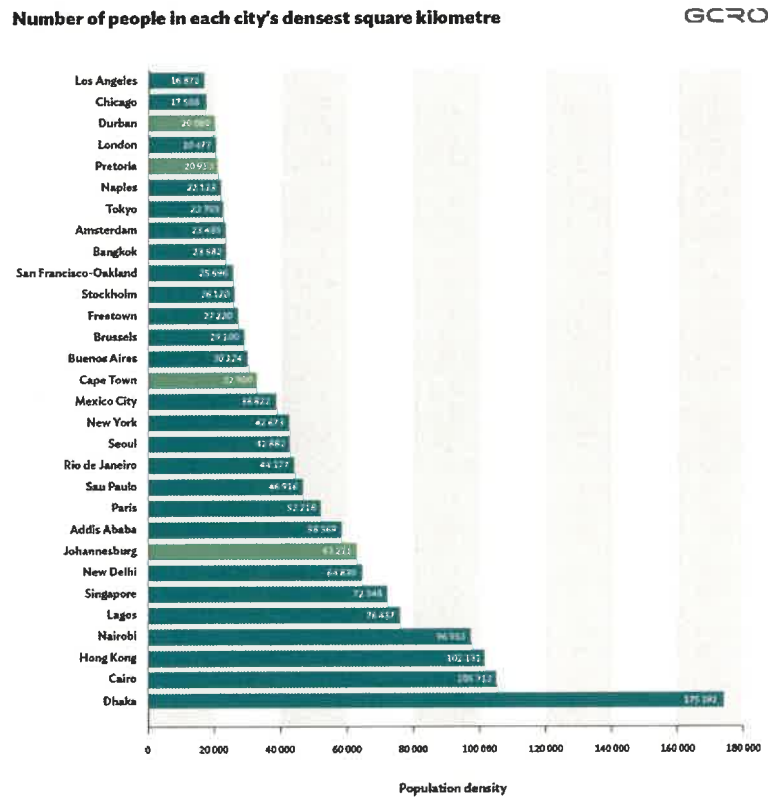
¹⁰ StatsSA Mid-Year Population Estimates 2021

¹¹ StatsSA cited in GPG Medium Term Review of Performance 2019-2020. Policy Unit, 20 September 2021

to the GSDF, Gauteng has a population density roughly equivalent to the average across all 90 metropolitan regions in the OECD Metro Database (which is 672 per km²), and like cities, such as Barcelona, Brussels, and Copenhagen.

Using data from the GCRO, projecting forward at current growth rates, the province will have an estimated 859 persons per km² by 2020, which will give it a density matching that of current Los Angeles and New York. The densest square kilometre within Gauteng is Hillbrow and Berea (63 211 people), making it slightly less dense than New Delhi (64 830 people) but denser than Rio de Janeiro, Mexico City and New York, for example.

Figure 4: Densest square kilometre comparison



Source: GCRO, QOL VI, 2020/21

The 3 metropolitan municipalities carry most of the Gauteng's population, with the COJ MM at circa 36 percent, COE MM at 26 percent and the COT MM at 24 percent. The COJ MM and the COT MM are experiencing the most pressure in terms of population growth¹².

On the one hand, the high level of in-migration has provided, particularly the municipalities, with the opportunity for revenue growth through an increased tax base. On the other hand, it has placed pressure on the province and municipalities to keep pace with the demand for services and infrastructure, particularly for those in need of free basic services, subsidised and affordable housing¹³.

DYNAMICS OF HOUSEHOLDS IN GAUTENG

When considering that the population of all but one of the Gauteng municipalities is projected to grow more than 15 percent, the potential impact on the number of additional households across the province that will require access to affordable housing and basic services needs to be understood.

The number of households in the province increased by 1.57 million between 2001 and 2016, an increase of 62.8 percent. StatsSA General Household Survey 2019¹⁴ (GHS 2019) estimated that the total number of households in the province had increased to 5 072 000 in 2019. This represents an increase of 81.7 percent, or 2 280 730 households, since 2001.

The average household size in Gauteng in Census 2001 was 3.4 persons per household. In 2011 it decreased to 3.2 and then to 2.7 in 2016. As reported in the GHS 2019, there has been a noticeable increase in the number of single-headed households across the province with 25.5 percent of households comprising a single-person. The equivalent percentage for 2019 is 25.1 percent.

Households comprising 2-3 persons accounted for 41.1 percent in 2018 and decreased slightly to 39.8 percent in 2019. This is an important shift informing decisions on the norms and standards for the provision of social housing and affordable housing.

A high-level analysis of household growth and population growth data shows that the number of households is growing at a faster rate than population size, suggesting that there is a need for accommodation across the province. Rapid and uncontrolled household growth places additional burden on the provision of basic services.

HOUSEHOLD TENURE STATUS AND SIZE

In 2019, 81.9 percent of South African households lived in formal dwellings, a slight increase from 81.1 percent in 2018. Nationally, 12.7 percent lived in informal dwellings (a decrease from 13.1 percent). Northwest (18.4 percent), Western Cape (18.7 percent), Gauteng (18.7 percent), and

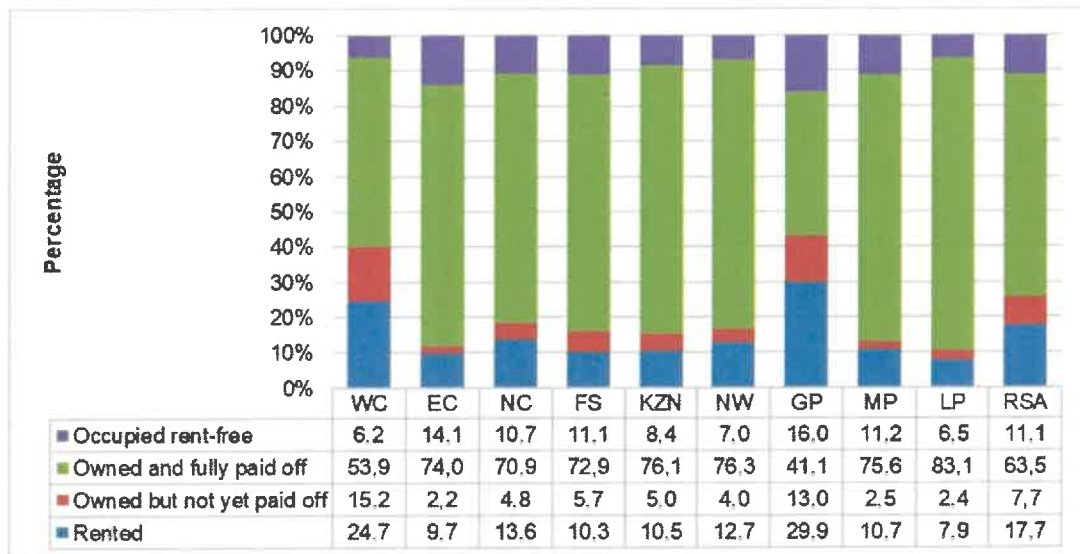
¹² *Gauteng Spatial Development Framework 2030, 2016*

¹³ *Gauteng Provincial Government, Mid-Term Review of Performance 2014-2016, 17 May 2017*

¹⁴ *StatsSA, General Household Survey 2019*

Free State (17.9 percent) are the provinces with the highest proportions of households in informal dwellings.

Figure 5: Tenure status by province, 2020



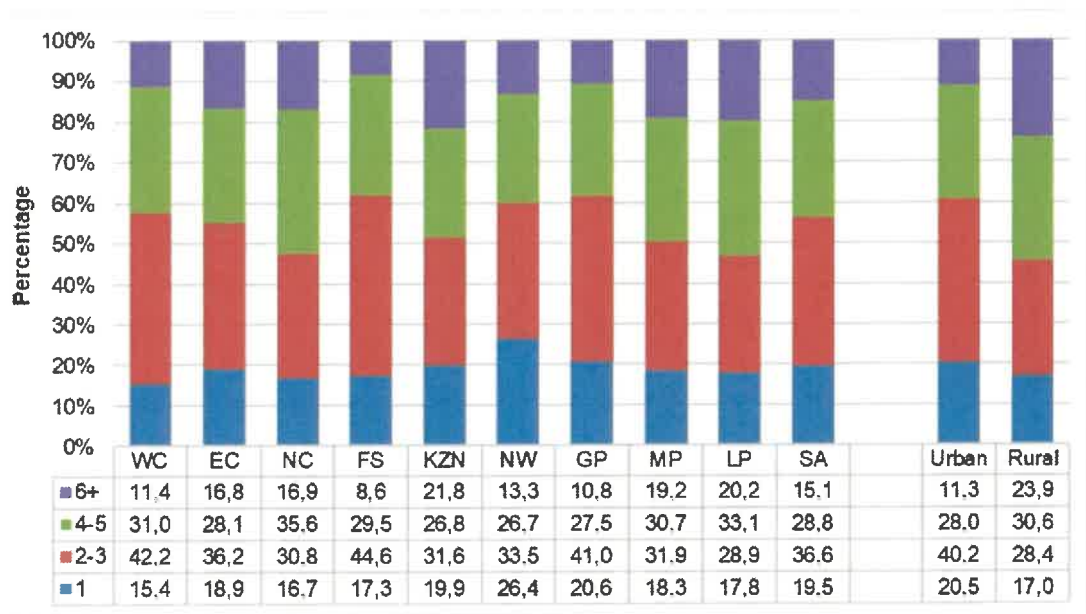
Source: GHS 2020

The figure above reflects that both the Gauteng Province (35.3 percent) and the Western Cape (25.9 percent) show much higher levels of rented accommodation, relative to other provinces. The average for the country is 21.9 percent. The demand for rented accommodation is, therefore, very high, suggesting that there is opportunity to be exploited.

However, at the strategic planning session of GPF on 30 September 2021, a contextual presentation by First National Bank (FNB) reflected on their experience of a growing demand for home ownership as measured by increasing numbers of home loan applications. As compared to 2019, in this COVID-19 pandemic and low economic growth period of low interest rates, many more households are opting to buy rather than rent. The rental market is thus subdued when compared to 2 years ago. A growing proportion of the successful home loan applicants are single women.

The figure below illustrates that 23.4 percent of South Africans reside in single-person households. Of these, the Northwest has the highest provincial proportion (28.3 percent), followed by Gauteng (21.6 percent) and KZN (24.2 percent). The next category with the highest proportional representation is the '2-3-person household' with the Western Cape recording 43.8 percent, Free State (40.2 percent) and Gauteng (39.8 percent). This dynamic suggests the need to review policy and focus to cater for smaller sized government provided housing units where most people live in 1 and 2 member households.

Figure 6: Household size by province, 2020



Source: GHS 2020

The percentage of households that received some form of government housing subsidy has progressively increased from 5.6 percent in 2002 to 18.7 percent in 2019 (13.6 percent in 2018) and accounting for 5.1 percent increase year on year. Female-headed households account for 17.4 percent and male-headed accounting for 11.0 percent. This aligns with government policies that give preference to households headed by individuals from vulnerable groups, including females and individuals with disabilities.¹⁵

FORMAL VS. INFORMAL DWELLINGS

The high rate of growth in the number of households alludes to the impact of in-migration, which is most pronounced in the Gauteng Province, making the work of the Gauteng municipalities that more challenging. Migration creates sustainability pressures as it results in increased demands for services, such as water, land, energy, food, etc., and for housing and human settlements, access to public transport, educational, health and community facilities¹⁶. Compounding this challenge is that many of the in-migrants live in informal dwellings¹⁷ (could be in a backyard or not) and many fall within the free basic services category.

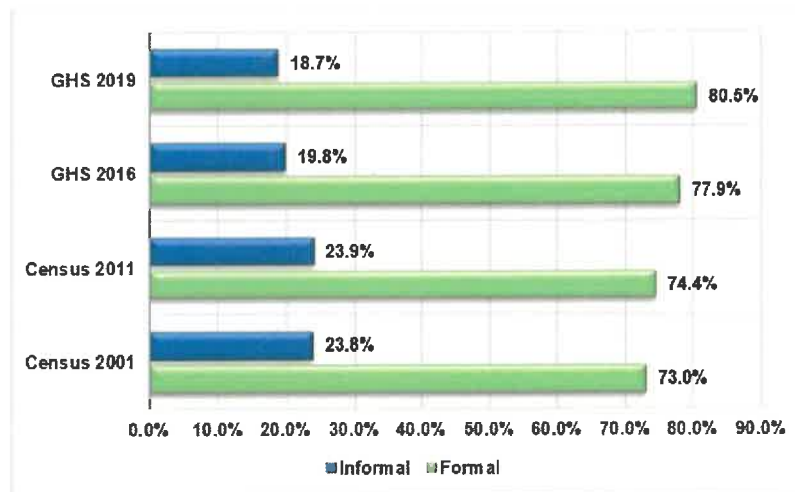
¹⁵ General Household Survey 2018

¹⁶ State of South African Cities Report (2016)

¹⁷ Informal dwelling is a makeshift structure not erected according to approved architectural plans, for example, shacks or shanties in informal settlements or in backyards

The figure below illustrates that the number of households in informal dwellings (informal settlements and backyards) as a percentage of total households had increased between 2001 and 2011 and has since steadily decreased. The number of households in informal dwellings was recorded at 23.8 percent in 2001 and at 18.7 percent in 2019.

Figure 7: Formal and informal household growth in Gauteng (2001 – 2019)



Source: StatsSA – Census 2001, 2011; General Household Survey 2016 and 2019

The location of informal dwelling (backyard or not) represents different challenges in the provision of basic services. Dwellings not in backyard, for example, are typically located in areas without the necessary bulk infrastructure required to provide services. Dwellings in backyards on the other hand are part of already established infrastructure and thereby have access to services. However, backyard dwellings also add pressure on existing infrastructure which may not have been designed for the increased number of households.

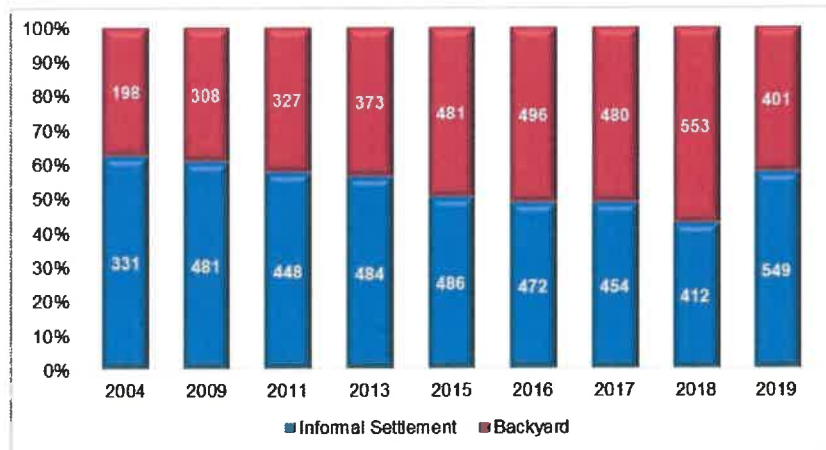
It is important to note that the dynamic of informal dwellings also appears to be changing. According to the GCRO, there has been a noticeable move to informal dwellings in the backyards of formal dwellings which, while considered 'technically illegal', does appear to have inherent benefits. These units are a form of densification, which is an important developmental aspect in Gauteng. Furthermore, these informal dwellings are more likely to have access to basic services than dwellings in informal settlements as they are, in effect, part of the formal housing infrastructure which is planned, well-laid-out and has the necessary bulk infrastructure to enable the provision of basic services¹⁸.

The figure below shows that there has been a steady increase in the number of informal dwellings in a backyard and a corresponding decrease in informal dwellings in informal settlements. In 2004, dwellings in informal settlements accounted for 62.6 percent, whilst dwellings in backyards

¹⁸ GCRO - "Settlements". Access from https://gcro.ac.za/documents/332/We_are_here_-_Settlements.pdf. 2016

accounted for 37.4 percent of all informal settlements. By 2016, the ratio had shifted with dwellings in backyards accounting for 51.2 percent and dwellings in informal settlements 48.8 percent. This trend continued to 2018, with dwellings in backyards accounting for 57.3 percent of all informal settlements. However, in 2019, the composition of informal settlements showed a marked turnaround with dwellings in backyards accounting for a reduced 42.2 percent of informal settlements.

Figure 8: Gauteng – number of informal settlements and backyards, 2004 to 2019



Source: StatsSA – General Household Surveys

This data suggests that there is demand for accommodation that is not within informal settlements, possibly driven by the need for improved access to basic services and the conveniences these services provide. This might also confirm a need for 'honestly affordable rental housing in the context of high rate of urbanisation'¹⁹.

HOUSING BACKLOG

Current data on the housing backlog in Gauteng is not readily available and the available data is reflected here to highlight the challenge faced.

The data in the table below is drawn from the Gauteng Housing Demand Database²⁰ and reflects the following demand/backlog, as at 2012/13. At this point, demand for suitable accommodation in Gauteng far exceeded supply.

¹⁹ GDHS (2021). Presentation by DDG Leshabane at the SHRA Strategic Session, Sep 2021.

²⁰ Gauteng Department of Human Settlements, Mega Projects: Clusters and New Cities, 2015

Municipality	Demand /Backlog
COJ MM	256 480
COE MM	203 361
COT MM	120 498
West Rand DM	44 186
Sedibeng DM	62 490
TOTAL	687 015

An updated backlog total was presented by the Gauteng Department of Human Settlements at its budget vote in 2019, in which it reaffirmed its commitment in addressing the massive 1 000 000 (1 million) housing backlog in the province. This backlog persists despite the significant progress made by the provincial government in delivering subsidised housing to Gauteng residents²¹.

IMPACT OF COVID-19 ON THE CONSTRUCTION INDUSTRY²²

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

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

There are signs of change with commitment from Government to infrastructure spending, and positive signs on the energy front with a determination by Mineral Resources and Energy Minister Gwede Mantashe to procure 11.8GW of additional electricity in the coming years from independent power producers. Government has also committed to expedite the implementation of at least 50

²¹Gauteng Department of Human Settlements, MEC Budget Vote 2019. Accessed from <https://www.gauteng.gov.za/News/NewsDetails/ce869e00-87ee-452f-b7ea-b0e681d745c4>

²²Viterenwa, M. (undated). Construction sector is critical to SA’s post-COVID economic recovery. Accessed from: <https://aon.co.za/insights/construction-sector-is-critical-to-sa-s-post-covid-economic-recovery/>

infrastructure projects with a total investment value of more than R340 billion in the coming months as part of South Africa's economic recovery plan.

IMPACT OF COVID-19 ON RENTAL GOOD STANDING

One of the direct consequences of the COVID-19 pandemic and the consequent lockdowns has been the immediate loss of income experienced by many, which has led to an increase in the number of people unable to meet rental and/or bond repayments and having to find refuge with family or friends. This created additional pressure along the property and construction value chains with developers finding themselves cash strapped and facing fewer options to access finance. Property owners have also carried the brunt of the consequences through missed rental payments, and a substantial drop in demand for rental space. In essence, a perfect storm made up of rising house prices and negative escalation set upon the market²³.

According to the TPN Residential Retail Monitoring Report, at the end of Q2, Gauteng recorded 78.67 percent of tenants in good standing, lower than the national average of 80.06 percent. Whilst vacancy levels have improved quarter-on-quarter from 13.8 percent to 12.4 percent in the second quarter, demand is still weak and negative escalation continued for the third consecutive quarter at -0.55 percent.

Approximately 70 percent (market share) of tenants rent for less than R7 000.00 per month. The most popular properties compete in the R4 500.00 to R7 000.00 segment, making up 35 percent of all lease agreements. At the 'low end' of the market (monthly rent below R3 000.00), landlords are still struggling with 16.08 percent of tenants unable to pay rent and a further 15.72 percent of tenants making only a partial payment. The 'in-demand' segment, with monthly rentals between R4,500.00 – R7,000.00 experienced only 4.94 percent of non-payment by tenants. Although 82.76 percent of these tenants are in good standing, they were slower to pay with 67.67 percent paid on time and 10.58 percent paid late, indicating that cashflow management is important. The 'sweet-spot' segment, with monthly rentals between R7,000.00 – R12,000.00 performed well, with 86.32 percent of tenants in good standing, and nearly 3-in-4 tenants paid on time. Nevertheless, affordability remains a key constraint²⁴.

IMPACT OF COVID-19 ON VACANCY RATES

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

Within Gauteng, the Demand Rating has dipped below 50 to 48.15, coupled with persistently strong Supply Rating of 73.90. This is significant as Gauteng accounts for approximately half of all rentals in the country. Across the province, vacancy rates in the second quarter have improved from 13.8

²³ Gauteng Department of Human Settlements – Strategic Plan 2021/22 – 2024/25

²⁴ TPN Residential Rental Monitor. Q2, 2021.

percent to 12.4 percent quarter- on-quarter. Sandton, however, remains a concern with a vacancy rate of 26.7 percent, most likely the impact of office-to-residential conversions providing quality new units and enticing incentives. Vacancy rates across the province are presented in the figure below.

The vacancy report further notes that²⁵:

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

WOMEN, YOUTH AND PEOPLE WITH DISABILITIES

Prioritised by the MTSF 2019-2024, and GGT2030, GPF takes the lead from the GDHS and intends to step up efforts to address the challenges faced by the designated groups in participating meaningfully in the value of human settlements' developments. As highlighted in the Strategic Plan of the GDHS, the challenges include:

- 1) Lack of transformation in the construction sector, which contributes to the designated groups experiencing difficulties in accessing participation opportunities.
- 2) The set supply chain management (SCM) targets are not met, which results in the designated groups remaining marginalized economically.
- 3) Building material suppliers: The area of manufacturing and supplying building materials must be to transform ownership patterns and pave a way for participation of the designated groups.
- 4) Universal access and design: Special attention needs to be paid to the universal access design principles.
- 5) Spatial integration: Spatial injustice perpetuates inequality, particularly for the designated groups. Human settlements' developments therefore need to be on suitable, well-located land with people residing closer to their places of work, with access to quality transport.

²⁵ TPN Vacancy Survey - Q2 2021

A concerted effort will be made by the GPF to contribute to transforming the sector by building on past contributions and having more targeted programmes to increase the participation of women, youth and people with disabilities at the various touch points of the sector value chain that GPF impacts. Currently:

- The GPF, through the entrepreneur empowerment property fund (EPPF) has funded HDI companies, with 42% of the participating companies being women owned and 31% youth owned.
- The GPF has a campaign running to bring in more female developers and a similar campaign for youth will be introduced to reach the GEYODI targets, in various areas of the value chain, that have been set in this APP.

In the 2022/23 financial year, the GPF will work on strengthening its data collection, monitoring and reporting framework to ensure future decisions, programmes and targets for this priority are evidence-based.

1.1.2. CONSOLIDATED EXTERNAL ENVIRONMENT ANALYSIS – PESTEL ANALYSIS

P	Political	<ul style="list-style-type: none"> ▪ The global trading landscape is being altered by growing tensions between large economic powers. ▪ Credibility and negative perceptions of public institutions and policies arising from policy uncertainty, delays in realising the new dawn, lack of clarity on economic recovery plans, and looming inefficiencies in decision-making driven by coalition management of municipalities. ▪ This is most prominent in the Gauteng province where human settlement projects with local government dependencies experience prolonged delays. The risk is that coalition governments in the three metros may amplify the challenge, and slowdown delivery. ▪ Perceived lack of strong political will to deal decisively with corruption and economic transformation and lack of performance by government is manifesting in growing despondency and impatience amongst the majority populace. ▪ However, the prioritisation of infrastructure delivery, including human settlements, is being driven from the highest office in the country. The Presidency, creating opportunities for investment and partnerships to support government’s economic reconstruction and recovery plan (ERRP).
E	Economic	<ul style="list-style-type: none"> ▪ There is intensifying competition between countries to attract FDI, using incentives and structural changes to raise domestic attractiveness. ▪ Disruptions to global shipping operations have temporarily resulted in higher transport costs, backlogs at ports, and container shortages, directly impacting the construction sector. Building materials’ supply chains continue to be affected, slowing down project implementation. ▪ Intense pressure along the property and construction value chains with developers finding themselves cash strapped and facing fewer options to access finance. Property owners have also carried the brunt of the

		<p>consequences through missed rental payments, and a substantial drop in demand for rental space.</p> <ul style="list-style-type: none"> ▪ The geo-political conflict between Russia and Ukraine has, among other factors, contributed to unprecedented inflation levels in the global economy. Central banks authorities have responded with interest hikes thus slowing down the demand for home ownership and stimulating the rental market.
S	Social	<ul style="list-style-type: none"> ▪ Socio-economic and structural inequality continues to widen. Increasing unemployment due to a sluggish economy, particularly among women, youth and people with disabilities continues to test government's ability to reduce inequality and provide access to adequate housing, as entrenched in the Constitution. ▪ High levels of population growth and in-migration, increasingly from African nations seeking economic opportunities and a better life, continue to increase the demand for housing, basic services and access to social amenities. ▪ In the absence of an adequate supply of free, social rental and affordable housing a high proportion of Gauteng's residents find themselves in below standard informal settlements and backyard rentals, thus deepening societal inequality. ▪ The demand for housing and housing development backlogs creates the risk of land invasions and the further expansion of informal settlements. ▪ Access to strategic government owned land for development by infrastructure implementing agencies has not proceeded with the required speed and intent, slowing down delivery. Leveraging IGR platforms and the District Development Model (One Plans) is a recent government intervention to strengthen inter-governmental coherence and collaboration. ▪ Spatial inequality, a core tenet of the Apartheid regime, persists, with many poor communities living in areas far from economic nodes, and social amenities, entrenching exclusion, high travelling costs, and the limited participation of designated groups in the mainstream economy. ▪ A direct consequence of the COVID-19 pandemic lockdowns has been the immediate loss of income experienced by many, which has led to an increase in the number of people unable to meet rental and/or bond repayments, being evicted, losing their homes and having to find refuge with family and friends. ▪ Social injustices persist, including the differential in education standards between public and private schools, public and private healthcare, and access to basic services. ▪ Gender-based violence is prevalent and gender mainstreaming is yet to deliver results, this is particularly important in the housing sector where most single parent households are headed by women.
T	Technological	<ul style="list-style-type: none"> ▪ Technological advances are rapidly altering production structures and the balance of economic power - characterised by US leadership, China's ascendancy, Europe's relative complacency, and Africa's lethargy.

		<ul style="list-style-type: none"> ▪ Rapid technological change underpinning the dominance of corporate giants in specific areas (tech, fintech), but also reducing entry-barriers and leading the proliferation of start-ups in many areas. ▪ In South Africa specifically, access to technology mirrors the structural inequality - lack of access and high data costs undermine the emergence of Fourth Industrial Revolution (4IR) technologies and skills requirements. ▪ In the construction industry, particularly housing development, the use of alternative building technologies is yet to take hold in South Africa, notwithstanding the opportunities for speeding up delivery and reducing costs.
E	Environmental	<ul style="list-style-type: none"> ▪ The real impact of climate change is becoming increasingly evident, disproportionately affecting the most vulnerable - who for their very existence 'live off the land', especially in Sub-Saharan Africa, Asia, South America, and the Pacific ▪ Corporate investment decisions are increasingly being influenced and/or driven by climate change mitigation and environmental, social, and governance (ESG) considerations ▪ While China and Russia are reluctant participants in the global agenda on climate change, South Africa has secured funding for a move away from coal at COP26. However, mixed messages from government and the clear conflict with current generation investment and clean energy requires clarity. ▪ Fixed investment in infrastructure and the green economy (including renewable energy and climate-friendly industrial and construction processes) is expected to accelerate, supporting the emergence of 'green' industries, occupations and buildings (human settlements included).
L	Legal/Regulatory	<ul style="list-style-type: none"> ▪ The regulatory burden on SMMEs in South Africa is severe and, in instances, contradictory - undermining the role of SMMEs to drive employment and economic performance. ▪ Legislation pertaining human settlements has not as yet progressed towards being explicitly non-inclusionary, in order to regulate all role-players and ensure developments cater for mixed-income groups, supportive of spatial integration.

From the above, within GPF's context, the core problems requiring a response in planning include (1) high demand for housing (various tenures), (2) lack of an inclusionary environment, particularly for women, youth and people with disabilities, (3) lack of vertical and horizontal coherence and collaboration across the spheres of government, particularly in relation to leveraging well-located government land for development, (4) high unemployment and affordability of GPF developments for the target groups, and (5) inefficiencies and lack of innovation and adoption of new technologies in construction.

1.1.3. STAKEHOLDER ANALYSIS

Stakeholders of the GPF are individuals or groups who can affect or are affected by the programme or its outcomes. They are both internal and external and may hold varying needs and concerns.

The GPF Stakeholder Management Plan addresses the significance of planning and implementing actions designed to influence and satisfy these stakeholders. It seeks to ensure that key stakeholders - including their interests - are identified, and that appropriate strategies are developed to engage with them consistently.

Initial analysis of the stakeholders' list of the GPF was undertaken based on the following criteria:

- Interest of stakeholders in the GPF
- Influence of stakeholder on the GPF
- Current level of support for the GPF
- Communication needs of the stakeholder

GPF's stakeholder analysis is summarised in the table below

Stakeholders	Stakeholder Needs	GPF Response
External Stakeholders		
Gauteng Department of Human Settlements	<ul style="list-style-type: none"> ▪ To contribute to the transformation of Gauteng through the delivery of integrated sustainable human settlements ▪ Spatial transformation 	Sustainable budget allocations and facilitation of bulk infrastructure
Executive Authority/ Shareholder	<ul style="list-style-type: none"> ▪ To contribute to the transformation of Gauteng through the delivery of integrated sustainable human settlements ▪ Spatial transformation 	Sustainable budget allocations and facilitation of bulk infrastructure
Municipalities	<ul style="list-style-type: none"> ▪ Delivery of mega cities ▪ Spatial transformation 	Coordination with municipalities for alignment of plans and resources
Private sector developers	Funding and mentorship	<ul style="list-style-type: none"> ▪ Funding solutions ▪ Delivery of completed units
Mega projects developers	<ul style="list-style-type: none"> ▪ Quick turnover payment process ▪ Facilitate funding for other components of mega projects 	Delivery of mega projects

Stakeholders	Stakeholder Needs	GPF Response
	<ul style="list-style-type: none"> ▪ Involvement of other stakeholders during the planning ▪ Unlocking bottlenecks 	
Financial institutions/ Senior Funders	<ul style="list-style-type: none"> ▪ Risk sharing (security and co-funding) ▪ Maximising return on investment 	Long term and development finance
Other government departments	Coordinating role within the mega projects, property, management services, and consulting services	Align their business plans to accommodate the mega cities amenities
Regulators	Compliance.	Proactively manages compliance with laws and regulations
Auditors	Accountability and sound governance	Ensuring that systems of internal control are effective and reliable
Rand Water	Partnership	Collaborate in the upgrading of informal settlement programme (UISP).
Housing development agencies/social housing institutions	Partnerships and Collaborations	Delivery of integrated sustainable human settlements.
Communities	Investments in and the delivery of sustainable human settlements	Partnership and collaboration in the delivery of sustainable human settlements
Media	Accurate, relevant, and newsworthy information	<ul style="list-style-type: none"> ▪ Building trust ▪ Delivery of quality content via targeted communication platforms
Service Providers	<ul style="list-style-type: none"> ▪ Looking for business opportunities ▪ Consistent payment cycles 	<ul style="list-style-type: none"> ▪ Creating business opportunities ▪ Improvement in the turnaround times for payments
Professional associations	Partnership	Building strategic relationships - collaborations on industry events, including webinars and thought leadership

Stakeholders	Stakeholder Needs	GPF Response
Internal Stakeholders		
GPF internal departments	Career path and life growth - confidence and a vision into a progressive future	Competent high performing staff
GPF Board of Trustees	<ul style="list-style-type: none"> ▪ Governance and delivery of mandate ▪ Reputation and stakeholder management 	<ul style="list-style-type: none"> ▪ Strategic Leadership ▪ Ensuring risk management is properly implemented

STAKEHOLDER REVIEW

GPF's relationship with stakeholders is dynamic and evolving. Thus, proactive management is required. GPF commits to review of the Stakeholder Management Plan on a quarterly basis to determine the following:

- 1) Whether the interest in or influence over the programme has changed.
- 2) Whether new stakeholders have been introduced to the programme.
- 3) The current level of support each stakeholder has for the programme.
- 4) Whether there are any significant future events or impacts from the stakeholder's business areas.

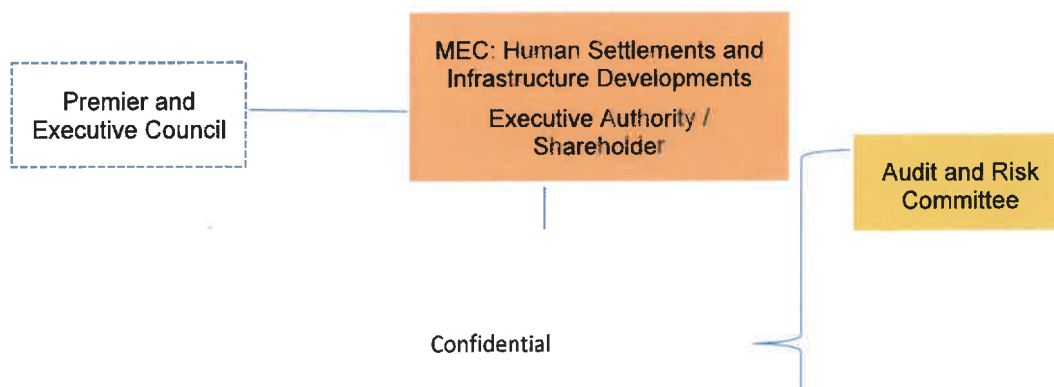
Stakeholders will be managed by the individual or groups best placed to address the stakeholders. The benefits and outcomes of the programme should be reiterated to remind stakeholders of the end goals, particularly during challenging times.

1.2. INTERNAL ENVIRONMENT ANALYSIS

1.2.1. GOVERNANCE ARRANGEMENTS

The GPF is governed by a Board of Trustees, which is responsible for governance, oversight, and monitoring; and directs the Entity in the exercise of its powers, the performance of its functions, and the carrying out of its duties in accordance with the Trust Deed, the PFMA and the principles of good governance.

Figure 9: Corporate governance structure of the GPF





As reflected in this figure, the MEC of the GDHS is the Executive Authority (Shareholder) of the GPF. The Board of Trustees is the Accounting Authority of the GPF and is accountable to the MEC. GPF’s board members are appointed in terms of their overall capacity to effectively fulfil their governance and oversight functions, with the requisite competence and experience to represent and advise on the wide range of human settlements issues, including on mega projects, capital-raising, and investments.

The governance structure is aligned with the needs of the GPF’s mandate and with the principles of the King IV Code of Corporate Governance. The Board has 3 subcommittees, namely, Audit and Risk Committee, Investment and Funding Committee, and Human Resources and Social and Ethics Committee.

An annual board review is performed to assess the performance of both the Board as a whole and of individual Trustees. The evaluation of the board members is overseen by the Board Chairperson, assisted by the Company Secretary. The feedback arising from the evaluation of individual members is consolidated and reported to the Board. This enables the Board to determine whether it is performing its functions and fiduciary responsibilities effectively, as well as to identify areas that may require improvement. The Board, in turn, appraises the performance of the Chairperson on an annual basis or on any other basis that may be determined by the Board.

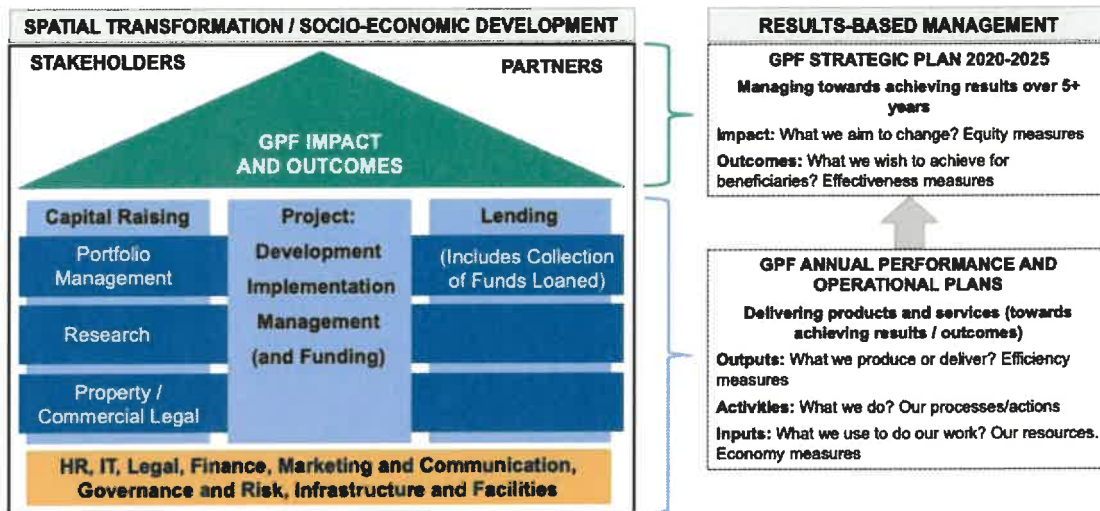
The CEO is the Head of the Administration and the Accounting Officer of the GPF. The CEO is directly accountable to the GPF Board of Trustees, while also keeping the Head of the GDHS informed of the performance of the GPF and of any key developments in its strategy and operations.

The GPF’s senior management team are accountable to the CEO for performance against divisional and organisational objectives and targets. Management will be responsible for the identification, evaluation, and management of the significant risks applicable to each of the different areas of business. These risks are assessed on a regular basis (at least annually) and may be associated with a variety of internal and external factors.

1.2.2. GPF OPERATING MODEL

Under the ambit of the vision of the GPF, *“to be a partner of choice in catalysing the funding and development of integrated and sustainable human settlements in Gauteng”*, and the public sector results-based management approach, the GPF has conceptualised its operating model as follows.

Figure 10: GPF operating model



The operating model reflects that the long-range intended impact of the GPF, and medium-term results (outcomes) will be pursued through the core business functions of GPF's mandate:

- 1) Raising and managing the capital required for the successful implementation of the core business areas of the GPF's mandate.
- 2) Serving as a developer of turnkey projects on strategic government-owned land.
- 3) Providing loans to private sector developers for the development of affordable rental, student accommodation, and social housing projects.
- 4) Providing project development, implementation, and management services, including:
 - a) Implementing identified mega projects.
 - b) Implementing affordable rental, student accommodation, and social housing projects.
 - c) Implementing the Upgrading Informal Settlements Programme (UISP).
 - d) Implementing the Rapid Land Release Programme (RLRP).

Supporting the core business functions (vertical pillars) are the cross-cutting, mission critical support functions of:

- 1) Portfolio management (including the collection of funds loaned).
- 2) Research, to inform decision-making.
- 3) Property/commercial and legal, to secure GPF's investment.

The support/enabling functions include:

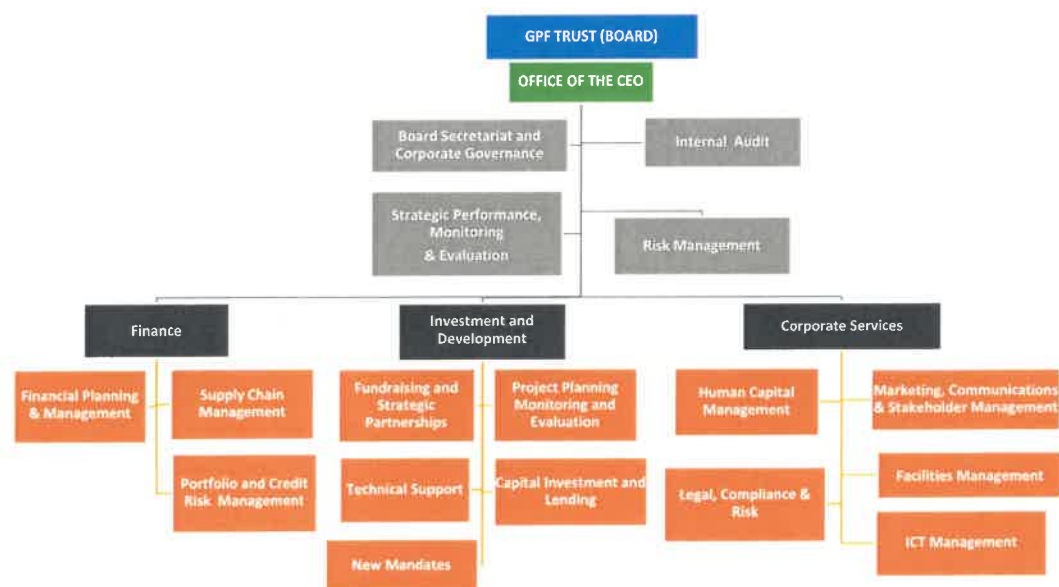
Human Capital Management (HR) | Information and Communications Technology | Corporate Legal | Finance | Marketing and Communications | Governance and Risk | Infrastructure and Facilities.

1.2.3. GPF'S APPROVED ORGANISATIONAL STRUCTURE

The Board of Trustees approved the review of the structure in May 2021. This enabled GPF to align the structure to the additional mandates that were assigned by the Shareholder.

The review entailed collapsing some of the functions and abolishing certain posts in order to strengthen the effectiveness of functions and positions that are critical to the execution of the mandate within the allocated funding. GPF is in the process of evaluating the revised positions to ensuring that the positions are graded at the appropriate level. A concurrent process is also underway to populate the vacant positions.

Figure 11: GPF organisation structure



NOTE: The Treasury function has been moved to the Investment and Development Business Unit and has been renamed Fundraising & Strategic Partnerships.

GPF CORPORATE FORM

At a strategy session held in October 2017, the GPF’s Board, executive management, and senior managers reviewed the strategic framework of the organisation. The Board resolved that an important aspect of the GPF’s ability to deliver on its mandate was its legal and corporate structure.

To quote: “The most critical implication lies in the corporate form (structure) of the GPF. The GPF’s mandate requires the organisation to raise money and leverage capital from the private sector and other funding institutions, as well as to operate as a legal persona to attract funding partners. To

implement the capital-raising element of its mandate, the current form of the GPF is to be converted from a Trust to a Statutory entity with its own founding legislation. Thereafter the current PFMA Schedule 3C listing of the GPF must be changed to a Schedule 3D listing”.

Processes are underway to give effect to this resolution. This requires the consideration of the executive memorandum for enabling legislation by provincial EXCO, an update of the Business Case to consider current developments, an approval of enabling legislation and finalisation of the conversion; and to obtain National Treasury Approval for the PFMA 3D listing.

HOWEVER, the premise of this APP is that the GPF should not be hamstrung by its current corporate form and should pursue its mandate to the best of its ability, by exploring all available options and actively establishing strategic partnerships to augment its investment role, and thus to deliver in full on its mandate.

1.2.4. SWOT ANALYSIS

The external and internal environmental analysis has been consolidated into a SWOT analysis, discussed below.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> ▪ Proven track record in deploying public risk capital to leverage investment in social rental and affordable housing. ▪ Management fee income has been received through implementation of the Mega Projects Programme, the Upgrading of Informal Settlements Programme and the Rapid Land Release Programme. ▪ GPF has been successful in the role of pay master and should strive to maintain or even improve on this. ▪ New leadership team in place with most senior positions filled, bringing stability and renewed energy to the organisation. 	<ul style="list-style-type: none"> ▪ Low investment capital base requires recapitalisation – GPF is currently under-capitalised. ▪ Non-performing loan book as a result of weak lending controls negatively influences attraction of investment capital. ▪ As a PFMA Schedule 3C entity, GPF cannot borrow, issue guarantees, indemnities, securities or transact to bind itself/ government to any future financial commitment. ▪ The absence of coherent strategic partnerships, capital-raising and long-term sustainability strategy and plan. ▪ Reliance on a walk-in, word of mouth approach to soliciting property development deals as compared to a systematic approach of proactively sourcing land and/or inviting property developers to invest. ▪ Capacity challenges in the technical areas of the extended mandate and some discrepancies in the placement of certain functions in the organisational structure. ▪ Low levels of stakeholder satisfaction – external and internal (employees).

STRENGTHS	WEAKNESSES
	<ul style="list-style-type: none"> ▪ Disconnect between support services and the core business, and below par performance culture and accountability. ▪ Lack of automated, integrated ICT systems for critical investment and development functions. ▪ Cost-to-income ratio has been increasing.

OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> ▪ Implementation of a coherent capital raising and strategic partnership strategy, including the establishment of a senior loan funding facility, best practice transactional advisory capabilities, to include environmental, social and governance (ESG) principles, the expansion of the current senior loan facility partnership base, and sourcing of alternative grant funding. ▪ Build trust and develop relationships with key strategic partners to accelerate the implementation of GPF's extended mandate and to support institutional sustainability. ▪ Strengthen the loan book, dispose of non-performing assets, and aggressively monitor loan book performance in order to yield the cash needed to finance new projects – supported by an integrated loan management system. ▪ Create top-of-mind brand awareness and visibility by showcasing GPF's value proposition through implementation of a targeted marketing, communication and stakeholder management strategy. ▪ Leverage IGR and DDM platforms to foster collaborative inter-governmental partnerships to advance the development of government-owned strategic land parcels. ▪ To support government's priority to reverse the spatial inequities of the past by aligning developments with the priority human 	<ul style="list-style-type: none"> ▪ In-migration and urbanisation, increasing the housing backlog, and the inability to respond effectively to the extended mandate due to lack of implementation of critical structural and resourcing requirements. ▪ Continued ineffective stakeholder management and participation in IGR forums, limiting the required collaborative approach to implementing GPF's mandate. ▪ The subdued economy and weak market conditions presents an unfavourable landscape for attracting investment capital, requiring a clear and coherent value proposition and market positioning of GPF. ▪ Inability to secure new strategic funding partnerships, with the existing two partnerships coming up for expiry. ▪ Continued negative perception of government and mixed messages on policy and economic recovery implementation may stifle investment appetite. ▪ The effects of COVID-19 and disruptions in supply chain will continue to slowdown project implementation in the short-term. ▪ Community unrest, especially the disruptions to projects by construction mafia and community business forums, threatens project delivery, requiring a significantly improvement in GHDS/GPF social facilitation.

OPPORTUNITIES	THREATS
<p>settlement and housing development areas (PHSHDAs) in the GCR development corridors.</p> <ul style="list-style-type: none"> ▪ Develop and implement a long-term sustainability and recapitalisation plan, including, securing an agreement with provincial treasury and the transferring department for surplus fund retention, and the implementation of various revenue generation and capital raising strategies. ▪ Lobby for the change in GPF corporate form to be more suitable to the operating environment, to allow for borrowing and a strengthened capital base to leverage high impact strategic partnerships. ▪ Assess and demonstrate the socio-economic impact of the work of GPF, particularly in relation to women, youth and people with disabilities. ▪ Promote the implementation of alternative building technologies by developers – building of smart cities. ▪ Wide range of potential investment partners as GPF's programmes carry a low investment risk. ▪ Strong working relationships between developers, municipalities and GDHS/GPF. ▪ Established relationships with current capital providers – a good platform for attracting further investment capital. 	<ul style="list-style-type: none"> ▪ Lengthy and costly public private partnership (PPP) approval process resulting in non-performance by the GPF and failure to deliver projects. ▪ Failure to increase loan recovery levels to a sustainable level threatens GPF's value proposition of being a partner of choice. ▪ Ongoing delays in converting GPF to a PFMA schedule 3D listed business enterprise, combined with the inability to retain surplus funds, is a major limitation on GPF's effectiveness as a capital raising and implementing agent of the GDHS. ▪ Ongoing limited participation of women, youth and people with disabilities in the value chains of the various areas of GPF's mandate, impacting GPF's reputation as a contributor to developmental. ▪ Misalignment of developments with the PHSHDAs thus entrenching the lack of spatial transformation, which Priority 5 of the MTSF aims to address.

1.2.5. STRATEGIC PRIORITIES FOR THE PLANNING PERIOD

The analysis of the external and internal environment has informed the following strategic priorities of GPF's revised Strategic Plan for 2020-2025.

Figure 12: GPF Strategic Priorities



The priorities have informed the outcome-level performance measures of this Strategic Plan and the output-level performance metrics and planned performance interventions of the 2022/23 Annual Performance Plan.

PART C: MEASURING OUR PERFORMANCE

1. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

GPF is constituted by the following budget programmes, which informs the packaging of this Annual Performance Plan:

Programme No.	Programme Purpose
Programme 1	<p>Administration</p> <p>Provides strategic leadership, management, and support services to the core business functions of GPF, and is responsible for ensuring sound governance, high performance and the optimal utilisation of available capital and resources.</p> <p>The programme focuses on:</p> <ul style="list-style-type: none"> ▪ Building a self-sufficient and sustainable organisation while enabling the delivery of targeted human settlement outcomes in a high-performance environment. ▪ Collections of funds from funded projects. ▪ Raising awareness about the GPF brand by developing and implementing branding, public relations, and stakeholder management initiatives.
Programme 2	Capital-raising

Programme No.	Programme Purpose
	<p>Comprises financial investments or loans made by organisations to raise more funds in support of the implementation of the GPF strategy, its project lending, and investment activities.</p> <p>As GPF is a Schedule 3C provincial public entity, borrowing is not an option and therefore the focus is on sourcing funding through strategic partnerships in line with the revised capital-raising strategy.</p> <p>The multipronged capital-raising strategy and plan in this regard focuses on off-balance sheet structures as on-balance sheet structures will only come into effect if/when the GPF attains a Schedule 3D listing status.</p>
Programme 3	<p>Project Lending</p> <p>Focuses on the provision of loans to the private sector developers for the delivery of affordable rental, social housing, and student accommodation projects.</p>
Programme 4	<p>Project Implementation, Development and Management</p> <p>Focuses on the implementation and development of GPF core mandate projects as determined by the GDHS, in line with provincial targets.</p>

Informed by the legislative and policy mandates and strategic focus, the revised 2020-2025 Strategic Plan presents the impact statement of Gauteng Partnership Fund as:

Improved Quality of Life through the development of sustainable, integrated and spatially transformed Human Settlements in Gauteng.

Listed below, the outcomes of the revised 2020-2025 Strategic Plan are aligned to MTSF 2019 - 2024, GGT2030 Plan of Action and the GDHS's strategic priorities:

- Outcome 1:** Efficient, effective, and sustainable organisation.
- Outcome 2:** Enhanced capital base to deliver core GPF mandate.
- Outcome 3:** Increased access to affordable rental and social housing in strategically located areas.
- Outcome 4:** Increased access to integrated, inclusive, and sustainable human settlements.
- Outcome 5:** Increased access to liveable settlements and secure tenure.
- Outcome 6:** Enhanced contribution of GPF's human settlements' developments to inclusive economic growth.

The four (4) programmes then contribute to the attainment of the outcomes through programme level outputs, output indicators, and annual and quarterly targets, as reflected in the sections below.

1.1. PROGRAMME 1: ADMINISTRATION

1.1.1. PROGRAMME PURPOSE

The Administration Programme provides strategic leadership, management, and support services to the core business functions of GPF, and is responsible for ensuring sound governance, high performance and the optimal utilisation of available capital and resources.

The Programme focuses on:

- Building a self-sufficient and sustainable organisation while enabling the delivery of targeted human settlement outcomes in a high-performance environment.
- Continuous improvement on collection of funds from GPF funded projects.
- Raising awareness about the GPF Brand by developing and implementing branding, public relations, and stakeholder management initiatives.

The Administration Programme includes the following subprogrammes:

Subprogramme	Functions / Responsibilities
OFFICE OF THE CEO:	To provide strategic leadership and management and to ensure effective corporate governance.

Subprogramme	Functions / Responsibilities
Internal Audit	To provide internal audit management services.
Risk Management	To provide proactive risk management services to the organisation.
OFFICE OF THE CFO:	To ensure sound financial management and accounting, supply chain management, portfolio, and credit risk management.
Portfolio Management	To ensure sound portfolio and credit management through the efficient and effective collection of funds from funded projects.
CORPORATE SERVICES:	To provide business enabling and support services to the core business, based on specialised knowledge, good practice, and effective use of technology.
Human Capital Management	To provide efficient and effective recruitment and selection, organisational design and development, employee relations and wellness, recognition, and reward services, and HRIS.
Legal Compliance	To provide proactive and sound legal and compliance management services.
Marketing, Communications and Stakeholder Management	To provide effective marketing, communications, and stakeholder management services.
Information and Communication Technology	To ensure operational excellence and business continuity through the provision of digitisation enhanced ICT security and reliable ICT system availability.
Facilities Management	To provide an enabling facilities management service for the optimal provision of GPF services

In contributing towards the GPF impact of ***“Improved Quality of Life through the development of sustainable, integrated and spatially transformed Human Settlements in Gauteng”***, the Administration Programme delivers against the following outcome and 5-year targets in the approved Strategic Plan:

Outcome 1: Efficient, effective, and sustainable organisation.

The 2023/24 Performance Plan of Programme 1 is reflected in the log frame tables below:

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

OUTCOME	SUB PROGRAMME	OUTPUTS	OUTPUT INDICATORS	AUDITED PERFORMANCE				ESTIMATED PERFORMANCE				MTEF TARGETS			
				2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26		
Outcome 1: Efficient, effective, and sustainable organisation	Portfolio Management	1.1. Loans collected	1.1.1. Percentage of loans collected	59%	56%	63%	80% of loans collected	85% of loans collected	90% of loans collected	95% of loans collected	95% of loans collected	95% of loans collected	95% of loans collected	95% of loans collected	95% of loans collected
	Human Capital Management	1.2. Human capital managed	1.2.1. Percentage implementation of annually approved Human Capital Management Plan	New indicator	89%	New indicator	90% implementation of annually approved Human Capital Management Plan	100% implementation of annually approved Human Capital Management Plan	100% implementation of annually approved Human Capital Management Plan	100% implementation of annually approved Human Capital Management Plan	100% implementation of annually approved Human Capital Management Plan	100% implementation of annually approved Human Capital Management Plan	100% implementation of annually approved Human Capital Management Plan	100% implementation of annually approved Human Capital Management Plan	100% implementation of annually approved Human Capital Management Plan
			1.2.2. Percentage implementation of employee engagement survey findings	-	New indicator	50% implementation of employee engagement survey findings	75% implementation of employee engagement survey findings	100% implementation of employee engagement survey findings	100% implementation of employee engagement survey findings	100% implementation of employee engagement survey findings	100% implementation of employee engagement survey findings	100% implementation of employee engagement survey findings	100% implementation of employee engagement survey findings	100% implementation of employee engagement survey findings	100% implementation of employee engagement survey findings
	Office of the CFO	1.3. AGSA post-audit action plan implemented	1.3.1. Percentage implementation of the 2021/22 AGSA post-audit action plan	-	New indicator	100% implementation of the 2021/22 AGSA post-audit action plan	100% implementation of the 2021/22 AGSA post-audit action plan	100% implementation of the 2021/22 AGSA post-audit action plan	100% implementation of the 2021/22 AGSA post-audit action plan	100% implementation of the 2021/22 AGSA post-audit action plan	100% implementation of the 2021/22 AGSA post-audit action plan	100% implementation of the 2021/22 AGSA post-audit action plan	100% implementation of the 2021/22 AGSA post-audit action plan	100% implementation of the 2021/22 AGSA post-audit action plan	100% implementation of the 2021/22 AGSA post-audit action plan
		1.4. Payment processing	1.4.1. Percentage of valid invoices paid within 30 days	-	New indicator	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days
	1.5. Costs management	1.5.1. Percentage expenditure of the approved budget	-	-	New indicator	≤100% expenditure of the approved budget	≤100% expenditure of the approved budget	≤100% expenditure of the approved budget	≤100% expenditure of the approved budget	≤100% expenditure of the approved budget	≤100% expenditure of the approved budget	≤100% expenditure of the approved budget	≤100% expenditure of the approved budget	≤100% expenditure of the approved budget	≤100% expenditure of the approved budget

Gauteng Partnership Fund: Revised Annual Performance Plan 2023/24



OUTCOME	SUB PROGRAMME	OUTPUTS	OUTPUT INDICATORS	AUDITED PERFORMANCE			ESTIMATED PERFORMANCE			MTEF TARGETS		
				2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26		
	Supply chain management	1.6. SCM processes efficiency	1.6.1. Percentage implementation of the approved SCM turnaround plan	-	-	SCM turnaround strategy and plan approved, and implementation	100% implementation of the approved SCM turnaround plan	Continuous improvement	Continuous improvement	the approved budget	the approved budget	the approved budget
	Marketing and Communications	1.7. Stakeholders managed and brand visibility enhanced	1.7.1. Percentage implementation of the annual marketing, communications, and stakeholder management plan	-	50% implementation of the annual marketing, communications, and stakeholder management plan	92% implementation of the annual marketing, communications, and stakeholder management plan	90% implementation of the annual marketing, communications, and stakeholder management plan	100% implementation of the annual marketing, communications, and stakeholder management plan	100% implementation of the annual marketing, communications, and stakeholder management plan	100% implementation of the annual marketing, communications, and stakeholder management plan	100% implementation of the annual marketing, communications, and stakeholder management plan	100% implementation of the annual marketing, communications, and stakeholder management plan
	Risk Management	1.8. Risk maturity managed	1.8.1. Percentage implementation of risk maturity assessment recommendations	-	New indicator	25% implementation of risk maturity assessment recommendations	80% implementation of risk maturity assessment recommendations	100% implementation of risk maturity assessment recommendations	100% implementation of risk maturity assessment recommendations	100% implementation of risk maturity assessment recommendations	100% implementation of risk maturity assessment recommendations	100% implementation of risk maturity assessment recommendations
	ICT Management	1.9. Best practice ICT governance implemented	1.9.1. Percentage implementation of the annual ICT governance plan	-	-	95% implementation of the annual ICT governance plan	95% implementation of the annual ICT governance plan	100% implementation of the annual ICT governance plan	100% implementation of the annual ICT governance plan	100% implementation of the annual ICT governance plan	100% implementation of the annual ICT governance plan	100% implementation of the annual ICT governance plan

Gauteng Partnership Fund: Revised Annual Performance Plan 2023/24



OUTCOME	SUB PROGRAMME	OUTPUTS	OUTPUT INDICATORS	AUDITED PERFORMANCE		ESTIMATED PERFORMANCE	MTEF TARGETS	
				2019/20	2020/21		2023/24	2024/25
Outcome 6: Enhanced contribution of GPF's human settlements' developments to inclusive economic growth	Supply Chain Management	6.1. Preferential procurement	6.1.1. Percentage procurement spend on designated groups (GEYODI)	-	New indicator	Women: 25% Youth: 20% PWDs: 1%	Women: 35% Youth: 25% PWDs: 3%	Women: 40% Youth: 30% PWDs: 5%
				2021/22	2022/23	2023/24	2024/25	2025/26

1.1.3. PROGRAMME 1: OUTPUT INDICATORS: ANNUAL AND QUARTERLY TARGETS

OUTPUT INDICATORS	2022/23 ANNUAL TARGET	QUARTERLY TARGETS			
		Q1 Apr - Jun 2023	Q2 Jul - Sep 2023	Q3 Oct - Dec 2023	Q4 Jan - Mar 2024
1.1.1. Percentage of loans collected	85% of loans collected	85% of loans collected	85% of loans collected	85% of loans collected	85% of loans collected
1.2.1. Percentage implementation of annually approved Human Capital Management Plan	90% implementation of annually approved Human Capital Management Plan	20% implementation of annually approved Human Capital Management Plan	50% implementation of annually approved Human Capital Management Plan	75% implementation of annually approved Human Capital Management Plan	100% implementation of annually approved Human Capital Management Plan
1.2.2. Percentage implementation of employee engagement survey findings	100% implementation of employee engagement survey findings	25% implementation of employee engagement survey findings	50% implementation of employee engagement survey findings	75% implementation of employee engagement survey findings	100% implementation of employee engagement survey findings
1.3.1. Percentage implementation of the 2021/22 AGSA post-audit action plan	100% implementation of the 2021/22 AGSA post-audit action plan	-	-	-	100% implementation of the 2021/22 AGSA post-audit action plan
1.4.1. Percentage of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days
1.5.1 Percentage expenditure of the approved budget	≤100% expenditure of the approved budget	≤25% expenditure of the approved budget	≤50% expenditure of the approved budget	≤75% expenditure of the approved budget	≤100% expenditure of the approved budget
1.6.1. Percentage implementation of the approved SCM turnaround plan	100% implementation of the approved SCM turnaround plan	20% implementation of the approved SCM turnaround plan	50% implementation of the approved SCM turnaround plan	80% implementation of the approved SCM turnaround plan	100% implementation of the approved SCM turnaround plan
1.7.1. Percentage implementation of the annual marketing, communications, and stakeholder management plan	100% implementation of the annual marketing, communications, and stakeholder management plan	20% implementation of the annual marketing, communications, and stakeholder management plan	60% implementation of the annual marketing, communications, and stakeholder management plan	80% implementation of the annual marketing, communications, and stakeholder management plan	100% implementation of the annual marketing, communications, and stakeholder management plan

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OUTPUT INDICATORS	QUARTERLY TARGETS				
	2022/23 ANNUAL TARGET	Q1 Apr - Jun 2023	Q2 Jul - Sep 2023	Q3 Oct - Dec 2023	Q4 Jan - Mar 2024
1.8.1. Percentage implementation of risk maturity assessment recommendations	100% implementation of risk maturity assessment recommendations	25% implementation of risk maturity assessment recommendations	50% implementation of risk maturity assessment recommendations	75% implementation of risk maturity assessment recommendations	100% implementation of risk maturity assessment recommendations
1.9.1. Percentage implementation of the annual ICT governance plan	100% implementation of the annual ICT governance plan Women: 25% Youth: 20% PWDs: 1%	25% implementation of the annual ICT governance plan Women: 25% Youth: 20% PWDs: 1%	50% implementation of the annual ICT governance plan Women: 25% Youth: 20% PWDs: 1%	75% implementation of the annual ICT governance plan Women: 25% Youth: 20% PWDs: 1%	100% implementation of the annual ICT governance plan Women: 25% Youth: 20% PWDs: 1%
6.1.1. Percentage procurement spend on designated groups (GEYODI)					

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

The Administration Programme is the driver of Outcome 1 – An efficient, effective, and sustainable organisation and strives to ensure compliance with the highest standards of corporate governance, integrity, sound financial management, best practices, and accountability in the provision of enabling support services to the rest of the organisation.

CONTRIBUTION OF OUTPUTS TO ACHIEVING THE OUTCOMES AND IMPACT IN THE STRATEGIC PLAN

It is essential that the performance of the loan book of GPF be significantly improved by ensuring that loans are repaid on time and that any defaults or delays are attended to urgently with all of the tools available to GPF, as this impacts on the sustainability of GPF, its credibility to investors, and its ability to carry out its mandate effectively and efficiently. Effective loan collection will result in improved sustainability of the GPF, which is a key element of the Outcome 1.

GPF will provide adequate capacity to its services capabilities to provide efficiencies to fully enable the following functions: human resources, information technology, corporate legal and compliance, marketing, and facilities management. This in order to maintain good corporate practices as well to build an efficient and effective organisation, which is a key result of Outcome 1.

Finance and SCM as a support function to the institution will play a role by ensuring a well-managed, governed, and credible organisation that is financially sustainable, effective, and efficient. Finance and SCM will ensure that controls, policies, and procedures are in place to ensure compliance with the PFMA and relevant legislation and to support the GPF towards the achievement of an unqualified audit outcome with no material findings.

Finance and SCM will ensure that austerity measures as instructed by National Treasury are complied with and that procurement is done in a fair, equitable, transparent, cost-effective, and competitive manner to achieve value for money. Furthermore, that the approved budget is prioritised and no over-expenditure occurs.

The coordination of role-players in the human settlements sector is vital to achieving the impact of an improved quality of life through the development of sustainable, integrated and spatially transformed human settlements in Gauteng. Marketing, communications, and stakeholder management is a critical enabler of intergovernmental collaboration and coherence. GPF will begin planning for a stakeholder satisfaction survey to be conducted in the following financial year.

The management and credible governance of the GPF entity through the promotion of quality of management, challenging, and supporting management to perform at their best is concomitant with the possibility of success in the provision of human settlement services.

Human Capital Management as a support function to the institution will play a role by attracting, training, and developing appropriate human resource capacity of the organisation, as well as promote and institutionalise performance management systems that focus on the achievement of the organisational goals and impact. Enablers in this regard include government policy framework on skills development and the cooperation of the relevant SETAs.

THE PROGRAMME'S CONTRIBUTION TO PRIORITIES IN RELATION TO WOMEN, YOUTH AND PEOPLE WITH DISABILITIES

Through its supply chain process the GPF commits to the securing of goods and services by promoting the policy of GEYODI.

SCM will strive to ensure compliance with the Gauteng Provincial Government (GPG) Broad-Based Black Economic Empowerment (B-BBEE) strategy and targets by measuring B-BBEE spend on Black women, township suppliers and youth.

An indicator has been included in the APP for measuring preferential procurement spend on GEYODI groups.

PLANNED PERFORMANCE IN RELATION TO THE PROGRAMME'S OUTPUTS (KEY INTERVENTIONS)

- 1) The GPF embarked on the analysis of the loan book, and, because of the findings, an implementation plan was developed and approved by the Board. The implementation plan is monitored monthly. It is expected that loan collections will improve from 65 percent in the last financial year to 80 percent by the end of the financial year.
- 2) GPF will be adequately capacitated with the relevant and competent resources to ensure an efficient and effective organisation (high performing):
 - a) Due to its importance, a focused initiative will be implemented to improve the collections function by capacitating it with appropriate human resources and systems.
- 3) A target of 100 percent achievement of the AGSA post-audit action plan has been set – a clear intent to get the GPF back to attaining an unqualified audit outcome with no material findings. This will be supported by ensuring strict adherence to SCM Regulations and that all suppliers are paid within 30 days of a valid invoice.
- 4) Implement marketing and stakeholder management activities to ensure the GPF is a reputable brand and the service offered by the GPF are known by its stakeholders.
- 5) Improve employee productivity and satisfaction and create a more seamless communication collaboration across location and platforms, while maintaining security and integrity of systems and data. This will include addressing the findings of the employee engagement survey.
- 6) On the back of the risk maturity assessment conducted in 2021/22, the GPF plans implement 80 percent of the improvement plan by the fourth quarter of 2023/24.
- 7) Business processes and the lack of automated systems has been identified in the SWOT analysis as a critical constraint. It is expected that the approved annual plan for digitalization will be completed in full by the end of the financial year.

1.2. PROGRAMME 2: CAPITAL-RAISING

1.2.1. PROGRAMME PURPOSE

The Capital-raising Programme focuses on sourcing funding to support implementation of the GPF strategy, its project lending and investment activities. The multipronged capital-raising strategy and plan in this regard focuses on off-balance sheet structures. On-balance sheet structures will only come into effect if/when the GPF attains a PFMA Schedule 3D listing status. The programme includes a development management function for turnkey project's development and property management on strategic GPG land that has been transferred to GPF for this purpose.

The Capital-raising Programme covers the work of the following subprogrammes:

Subprogramme	Functions / Responsibilities
Capital Funding	Capital catalysed and facilitated to support the implementation of the GPF's strategy, its project lending, and investment activities.
Fee Management	Non-interest income (management fees) received from third parties and administration fees (first disbursements) for fund and project management services provided.

In contributing towards the GPF impact of *“Improved Quality of Life through the development of sustainable, integrated and spatially transformed Human Settlements in Gauteng”*, the Project Finance and Fund Management Programme delivers against the following outcome and 5-year targets in the approved Strategic Plan:

Outcome 2: Enhanced capital base to deliver core GPF mandate

The 2023/24 Performance Plan of Programme 2 is reflected in the log frame tables below:

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

OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED PERFORMANCE					ESTIMATED PERFORMANCE					MTEF TARGETS		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26	2024/25	2025/26	
Outcome 2: Enhanced capital base to deliver core GPF mandate	2.1. Collaboration partnerships	2.1.1. Number of collaboration partnerships concluded	-	New indicator	2 partnerships concluded	5 collaboration partnerships concluded	5 collaboration partnerships concluded	5 collaboration partnerships concluded	5 collaboration partnerships concluded	5 collaboration partnerships concluded	5 collaboration partnerships concluded	5 collaboration partnerships concluded	5 funding and collaboration partnerships concluded		
		2.1.2. Total Rand value of funds raised from funding and collaboration partnerships	-	New indicator	R21,4m raised from funding partnerships	R250m raised from funding partnerships	R500m raised from funding partnerships	R700m raised from funding partnerships	R1 Billion raised from funding partnerships						
	2.2. Management fee income received	2.2.1. Percentage management fee received for project management services -Mega Projects 5% -RLRP 3% -UISP 2,5% -Turkey 5%	-	New indicator	R54,4m of non-interest income received <i>Indicator reframed</i>	5% management fee received for project management services	Percentage management fee received for project management services -Mega Projects 5% -RLRP 3% -UISP 2,5% -Turkey 5%	Percentage management fee received for project management services -Mega Projects 5% -RLRP 3% -UISP 2,5% -Turkey 5%	Percentage management fee received for project management services -Mega Projects 5% -RLRP 3% -UISP 2,5% -Turkey 5%						

1.2.3. PROGRAMME 2: OUTPUT INDICATORS: ANNUAL AND QUARTERLY TARGETS

OUTPUT INDICATORS	2023/24 ANNUAL TARGET	QUARTERLY TARGETS			
		Q1 Apr - Jun 2023	Q2 Jul - Sep 2023	Q3 Oct - Dec 2023	Q4 Jan - Mar 2024
2.1.1. Number of funding and collaboration partnerships concluded	5 funding and collaboration partnerships concluded	0	2 funding and collaboration partnership concluded	2 funding and collaboration partnerships concluded	1 funding and collaboration partnerships concluded
2.1.2 Total Rand value of funds raised from funding partnerships	R500m raised from funding and collaboration partnerships	R0		R 250 raised from funding partnerships	R 250 m raised from funding partnerships
2.2.1. Percentage management fee received for project management services	5% management fee received for project management services	Percentage management fee received for project management services	5% management fee received for project management services	5% management fee received for project management services	5% management fee received for project management services
		-Mega Projects 5% -RLRP 3% -UJSP 2,5% -Turnkey 5%	-Mega Projects 5% -RLRP 3% -UJSP 2,5% -Turnkey 5%	-Mega Projects 5% -RLRP 3% -UJSP 2,5% -Turnkey 5%	-Mega Projects 5% -RLRP 3% -UJSP 2,5% -Turnkey 5%

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

Lack of access to housing has been identified by the National Development Plan (“NDP”) as one of the challenges facing South Africa today. Specific outcomes, programmes, and initiatives are reflected in MTSF 2019 - 2024 and GGT2030 Plan of Action to address the demand and backlogs. Government, however, does not have adequate resources to successfully deliver on its own.

CONTRIBUTION OF OUTPUTS TO ACHIEVING THE OUTCOMES AND IMPACT IN THE STRATEGIC PLAN

More innovative financing and collaboration between the private and public sector is required to bridge the funding gap and address the infrastructure backlog. The GPF seeks to leverage on existing relationships to continue seeking new funding partners in order to further minimise counterparty concentration risk within its funding base.

Corporate form has been identified as one of the major constraints impeding the ability of the GPF to raise capital. While a change in corporate form will enable the GPF to borrow on its balance sheet and support its various lending activities, the change is not imminent and, therefore, GPF must focus on off-balance sheet structures, including PPPs for turnkey projects and strategic partnerships to leverage investment funds to augment the delivery of GPF’s mandate. This is a major challenge and the GPF has reviewed its capital-raising strategy to include private and social equity fund options, among other mechanisms for raising the capital needed. An additional revenue stream is the non-interest income that the GPF charges for providing fund and project management services to other government institutions, including municipalities and the current (and future) funding partners.

The Capital-raising Programme will provide financial enablement towards achieving the GPF’s proportional (percentage) impact in increasing access to the greater integrated, inclusive, and sustainable human settlements and Gauteng provincial governments housing opportunities. The quantum of the programme’s contribution will be directly influence by the proportional delivery targets of programme’s 3 and 4.

WHERE APPLICABLE, THE PROGRAMME’S CONTRIBUTION TO PRIORITIES IN RELATION TO WOMEN, YOUTH AND PEOPLE WITH DISABILITIES

The Capital-raising Programme does not directly contribute to these priorities. However, it has an indirect impact in that the achievement of the programme’s outcome will filter through as the financial enabler in the delivery of human settlements wherein which these prioritised individuals will benefit.

PLANNED PERFORMANCE IN RELATION TO THE PROGRAMME’S OUTPUTS (KEY INTERVENTIONS)

The Programme will provide investment capital through its conclusion of partnership agreements with identified strategic partners who will provide a range of financing solutions as articulated in the revised Capital-raising Strategy. The Programme will further be supported by the contribution of non-interest income fees earned in the management of partnership agreements. Interventions include:

- 1) Table a recapitalisation plan, to strengthen GPF’s investment capital base (balance sheet).
- 2) Develop and implement a commercialisation plan to increase the investment fund base.
- 3) Leverage funding through strategic partnerships for affordable housing.
- 4) Implement the revised capital-raising strategy, inclusive of options for the establishment of a private equity fund, social fund, and the consolidation of all non-interest (management) fee income.

1.3. PROGRAMME 3: PROJECT LENDING

1.3.1. PROGRAMME PURPOSE

The Project Lending Programme focuses on the provision of loans to the private sector developers for the delivery of affordable rental and student accommodation projects through:

- Project preparation, packaging, and facilitation of funding approvals to enable the development of affordable rental and student accommodation projects.

The Project Lending Programme covers the work of the following subprogrammes:

Subprogramme	Functions
Project Investment Assessment	Assessments of projects to enable the approval of funding for the development of strategic properties to provide student, rental, and social housing.

In contributing towards the GPF impact of *“Improved Quality of Life through the development of sustainable, integrated and spatially transformed Human Settlements in Gauteng”*, the Project Lending Programme delivers against the following outcome and 5-year targets in the approved Strategic Plan:

- Outcome 3: Increased access to affordable rental and social housing in strategically located areas.**
- Outcome 6: Enhanced contribution of GPF’s human settlements’ developments to inclusive economic growth.**

The 2023/24 Performance Plan of Programme 3 is reflected in the log frame tables below:

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

OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED PERFORMANCE				ESTIMATED PERFORMANCE	MTEF TARGETS		
			2019/20	2020/21	2021/22	2022/23		2023/24	2024/25	2025/26
Outcome 3: Increased access to affordable rental and social housing in strategically located areas	3.1. Loans disbursed	3.1.1. Rand value of loans disbursed – rental accommodation	R37.9m of loan disbursed – rental accommodation	R75m of loan disbursed – rental accommodation	R54.48m of loan disbursed – rental accommodation	R32m of loan disbursed – rental accommodation	R32m of loan disbursed – rental accommodation	R70m of loan disbursed – rental accommodation	R80m of loan disbursed – rental accommodation	
		3.1.3. Rand value of loans disbursed – student accommodation	R34.4m of loan disbursed – student accommodation	R150m loan disbursed – student accommodation	R20,1m loan disbursed – student accommodation	R57m loan disbursed – student accommodation	R35m loan disbursed – student accommodation	R40m loan disbursed – student accommodation	R50m loan disbursed – student accommodation	
		3.1.4. Rand value of loans disbursed – Social Housing	-	-	-	New Indicator	R12m loan disbursed – Social Housing	R25m loan disbursed – Social Housing	R30m loan disbursed – Social Housing	
		3.2. Affordable housing units completed	636 units completed	750 units completed	1010 units completed	680 units completed	348 units completed	500 units completed	600 units completed	
	3.3. Student accommodation beds completed	3.3.1. Number of beds completed	-	0 beds completed	780 beds completed	1000 beds completed	830 beds completed	600 beds completed		
	3.4 Number of Agreements concluded through IGR	3.4.1 Number of Agreements concluded through IGR	-	-	-	New Indicator	2 agreements concluded	3 agreements concluded (incremental)	5 agreements concluded (incremental)	

OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED PERFORMANCE			ESTIMATED PERFORMANCE	MTEF TARGETS		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Outcome 6: Enhanced contribution of GPF's human settlements' developments to inclusive economic growth	6.2. Targeted (GEYODI) loan approvals	6.2.1. Percentage of rand value of loans approved towards GEYODI-owned (HDI) developers	-	New indicator	66% of loans approved towards GEYODI-owned (HDI) developers	10% of loans approved towards GEYODI-owned (HDI) developers	15% of loans approved towards GEYODI-owned (HDI) developers	15% of loans approved towards GEYODI-owned (HDI) developers	15% of loans approved towards GEYODI-owned (HDI) developers
	6.3. Job opportunities created through loans disbursed	6.3.1. Number of job opportunities created through loans disbursed		New indicator	904 job opportunities created through loans disbursed	554 job opportunities created through loans disbursed	585 job opportunities created through loans disbursed	1 000 job opportunities created through loans disbursed	1 200 job opportunities created through loans disbursed

1.3.3. PROGRAMME 3: OUTPUT INDICATORS: ANNUAL AND QUARTERLY TARGETS

OUTPUT INDICATORS	2023/24 ANNUAL TARGET				QUARTERLY TARGETS			
	Q1 Apr - Jun 2023	Q2 Jul - Sep 2023	Q3 Oct - Dec 2023	Q4 Jan - Mar 2024				
3.1.1. Rand value of loans disbursed – rental accommodation	R0m of loans disbursed – rental accommodation	R5m of loans disbursed – rental accommodation	R15m of loans disbursed – rental accommodation	R12m of loans disbursed – rental accommodation				
3.1.3. Rand value of loans disbursed – student accommodation	R5m loans disbursed – student accommodation	R10m loans disbursed – student accommodation	R15m loans disbursed – student accommodation	R5m loans disbursed – student accommodation				
3.1.4. Rand value of loans disbursed – social housing	R0m of loans disbursed – Social Housing	R0m of loans disbursed – Social Housing	R5m of loans disbursed – Social Housing	R7m of loans disbursed – Social Housing				

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OUTPUT INDICATORS	2023/24 ANNUAL TARGET	QUARTERLY TARGETS			
		Q1 Apr - Jun 2023	Q2 Jul - Sep 2023	Q3 Oct - Dec 2023	Q4 Jan - Mar 2024
3.2.1. Number of units completed	348 units completed	0 units completed	30 units completed	119 units completed	199 units completed
3.3.1. Number of beds completed	1000 beds completed	0 beds completed	90 beds completed	400 beds completed	510 beds completed
3.4.1. Number of Agreements concluded through IGR	2 agreements concluded	0	0	1 agreement concluded	1 agreement concluded
6.2.1. Percentage of rand value of loans approved towards GEYODI-owned (HDI) developers	15% of loans approved towards GEYODI-owned (HDI) developers	15% of loans approved towards GEYODI-owned (HDI) developers	15% of loans approved towards GEYODI-owned (HDI) developers	15% of loans approved towards GEYODI-owned (HDI) developers	15% of loans approved towards GEYODI-owned (HDI) developers
6.3.1. Number of job opportunities created through loans disbursed	585 job opportunities created through loans disbursed	50 job opportunities created through loans disbursed	210 job opportunities created through loans disbursed	250 job opportunities created through loans disbursed	75 job opportunities created through loans disbursed

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

The demand for affordable housing in Gauteng far exceeds the supply and this may be primarily attributed to, amongst others, in-migration as people generally migrate to Gauteng in search of employment opportunities and access to better facilities and amenities.

Through the provision of affordable rental accommodation, including student accommodation, and social housing, the GPF will be responding to the growing need for quality and affordable rental accommodation in strategic locations, particularly urban centres and PSHHDAs. In this regard, the GPF intends to deliver 100 percent of the GGT2030 target of 4 000 affordable rental units and 25 percent of the GGT2030 target of 7 986 social housing units over the period of the strategic plan.

CONTRIBUTION OF OUTPUTS TO ACHIEVING THE OUTCOMES AND IMPACT IN THE STRATEGIC PLAN

The GPF intends to increase access to affordable rental housing, social housing, and student accommodation by being the partner of choice in the provision of debt finance in development of projects, this will be achieved by:

- 1) Securing a pipeline of projects that are aligned with the GDHS's priority housing development areas, per DDM One Plan and gazetted PSHHDAs.
- 2) Obtaining timeous approval for projects.
- 3) The developments must ensure maximum benefit is passed on to affordable and social housing beneficiaries.

WHERE APPLICABLE, THE PROGRAMME'S CONTRIBUTION TO PRIORITIES IN RELATION TO WOMEN, YOUTH, AND PEOPLE WITH DISABILITIES

GPF as the debt funding provider is actively affecting transformation through policy by way of ensuring shareholding of potential borrowers and professionals have majority HDI shareholding.

This contributes to GEYODI transformation from an APP perspective. The APP includes outputs on the percentage of rand value of loans approved towards GEYODI-owned (HDI) developers, and the number of job opportunities created through approved loans.

PLANNED PERFORMANCE IN RELATION TO THE PROGRAMME'S OUTPUTS (KEY INTERVENTIONS)

The GPF contributes to the increased delivery of affordable, social, and student accommodation by providing increased amounts of debt finance for the development of affordable housing projects into the market. The objectives are guided by the GDHS' housing needs and priorities, which is in turn aligned with the targets of the GGT2030 Plan of Action.

The GPF focuses specifically on mobilising alternative funding for the acceleration of housing delivery in Gauteng:

- 1) The aim is to complete a total of 240 affordable housing units and 1000 student accommodation beds by the end of the financial year.

- 2) A total of R65 million will be disbursed to deliver the above targets.
- 3) GPF will commence with the delivery of social housing in the 2023/24 financial year. Targets will be set in forthcoming years.
- 4) In delivering the above, the GPF must ensure:
 - a) Alignment with GDHS' priority areas in respect of housing, with a focus on PSHDAs (per MTSF 2019 - 2024).
 - b) Alignment with provincial stakeholder needs to maximise impact.
 - c) Maximum benefit is passed on to housing project beneficiaries.
 - d) The promotion of HDI and companies, the GPF will set aside funds to prioritise, promote, and empower HDI-driven projects.
 - e) Leverage finance through strategic partnerships; and
 - f) Appropriate risk sharing with GPF co-funding partners in a transaction, where applicable.

1.4. PROGRAMME 4: PROJECT IMPLEMENTATION, DEVELOPMENT AND MANAGEMENT

1.4.1. PROGRAMME PURPOSE

The Project Implementation, Development and Management Programme serves as the Implementing Agent for projects related to the core GPF mandate, as determined by the Shareholder.

The Project Implementation, Development and Management Programme covers the work of the following subprogrammes:

Subprogramme	Functions
Implementing Agency Services	Implementing identified mega projects, UISP, RLRP, and all other projects that may be added to the GPF's mandate.

In contributing towards the GPF impact of *“Improved Quality of Life through the development of sustainable, integrated and spatially transformed Human Settlements in Gauteng”*, the Project Implementation, Development and Management Programme delivers against the following outcome and 5-year targets in the approved Strategic Plan:

Outcome 4: Increased access to integrated, inclusive, and sustainable human settlements.

Outcome 5: Increased access to liveable settlements and secure tenure.

Outcome 6: Enhanced contribution of GPF's human settlements' developments to inclusive economic growth.

The 2023/24 Performance Plan of Programme 4 is reflected in the log frame tables below:

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

OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED PERFORMANCE					ESTIMATED PERFORMANCE	MTEF TARGETS		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26		
Outcome 4: Increased access to integrated, inclusive, and sustainable human settlements	4.1. Serviced sites completed – mega projects	4.1.1. Number of serviced sites completed	5 694 serviced sites completed	1 700 serviced sites completed	4813 serviced sites completed	3 701 serviced sites completed	400 serviced sites completed	2 800 serviced sites completed	2 800 serviced sites completed	2 800 serviced sites completed	
	4.2. Top structures completed (houses) – mega projects	4.2.1. Number of top structures (houses) completed	3 217 top structures (houses) completed	2 278 top structures (houses) completed	3266 top structures (houses) completed	2 544 top structures (houses) completed	1 223 top structures (houses) completed	2 800 top structures (houses) completed	2 800 top structures (houses) completed		
		4.2.2. Number of service sites for mixed-income sold	-	500 service sites for mixed-income sold	78 service sites for mixed-income sold	128 service sites for mixed-income sold	200 service sites for mixed-income sold	300 service sites for mixed-income sold	300 service sites for mixed-income sold		
Outcome 5: Increased access to liveable settlements and secure tenure	5.1. Serviced sites acquired	5.1.1. Number of serviced sites acquired	-	New indicator	Zero	1 000 serviced sites acquired	1 500 serviced sites acquired	2 000 serviced sites acquired	2 500 serviced sites acquired		
	5.2. Upgrading of Informal Settlements Programme	5.2.1. Number of informal settlements upgraded	-	-	New indicator	72 upgrading informal settlements plans completed	24 informal settlements upgrading	30 informal settlements upgrading incremental	35 informal settlements upgrading incremental		
Outcome 6: Enhanced contribution of GPF's human settlements' developments to inclusive	6.4. Targeted project expenditure	6.4.1. Percentage of project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented	30% of project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented	30% of project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented	35,21% of project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented	30% of project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented	30% of project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented	30% of project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented	30% of project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented		

OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED PERFORMANCE				ESTIMATED PERFORMANCE	MTEF TARGETS		
			2019/20	2020/21	2021/22	2022/23		2023/24	2024/25	2025/26
economic growth	6.5. Job opportunities created through projects implemented	6.5.1. Number of job opportunities created through projects implemented	3 903 job opportunities created through projects implemented	1 500 job opportunities created through projects implemented	4960 job opportunities created through projects implemented	2 850 job opportunities created through projects implemented	1 500 job opportunities created through projects implemented	2 500 job opportunities created through projects implemented	2 500 job opportunities created through projects implemented	2 500 job opportunities created through projects implemented

1.4.3. PROGRAMME 4: OUTPUT INDICATORS: ANNUAL AND QUARTERLY TARGETS

OUTPUT INDICATORS	2023/24 ANNUAL TARGET					QUARTERLY TARGETS			
	Q1 Apr - Jun 2022	Q2 Jul - Sep 2022	Q3 Oct - Dec 2022	Q4 Jan - Mar 2023	2023/24 Annual Total	Q1	Q2	Q3	Q4
4.1.1. Number of serviced sites completed	0	0	0	0	0	0	0	200 serviced sites completed	200 serviced sites completed
4.2.1. Number of top structures (houses) completed	0	0	0	0	0	200	500 top structures (houses) completed	423 top structures (houses) completed	423 top structures (houses) completed
4.2.2. Number of service sites for mixed-income sold	0	0	0	0	0	0	100 service sites for mixed income sold	100 service sites for mixed-income sold	100 service sites for mixed-income sold
5.1.1. Number of serviced sites acquired	-	-	-	-	-	-	-	-	1 000 serviced sites acquired
5.2.1. Number of informal settlements upgrading	24 informal settlements upgrading	24 informal settlements upgrading	24 informal settlements upgrading	24 informal settlements upgrading	24 informal settlements upgrading	24 informal settlements upgrading	24 informal settlements upgrading	24 informal settlements upgrading	24 informal settlements upgrading
6.4.1. Percentage of project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented	30% project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented	30% project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented	30% project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented	30% project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented	30% project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented	30% project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented	30% project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented	30% project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented	30% of project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented

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OUTPUT INDICATORS	2023/24 ANNUAL TARGET	QUARTERLY TARGETS			
		Q1 Apr - Jun 2022	Q2 Jul - Sep 2022	Q3 Oct - Dec 2022	Q4 Jan - Mar 2023
6.5.1. Number of job opportunities created through projects implemented	1 500 job opportunities created through projects implemented	375 jobs opportunities created through projects implemented	375 jobs opportunities created through projects implemented	375 jobs opportunities created through projects implemented	375 job opportunities created through projects implemented

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

The programme responds to GPF's role as Implementing Agent for identified mega projects, UISP, RLRP, and all other projects that may be added to the GPF's mandate.

CONTRIBUTION OF OUTPUTS TO ACHIEVING THE OUTCOMES AND IMPACT IN THE STRATEGIC PLAN

Gauteng's mega projects currently under construction are responding to the growing need for a live, work, play lifestyle. Once completed, these projects will provide for inclusive human settlements that enable low and high-income earners to live in and access the same social and economic amenities. The GDHS has a target to oversee the delivery of 34 713 serviced sites and 30 958 top structures (houses) in mega projects over the planning period.

As the GDHS's Implementing Agent, or currently primarily mega projects pay master, the GPF aims to contribute to at least 50 percent of the set targets. This is primarily done through the signed Implementation Protocol (IP) that the GPF has with the department. The GPF would like to increase the number of units beyond the 8 that are currently in the IP. It is, however, critical that sufficient budget is allocated to the GPF to implement the projects.

The GPF aims to increase access to liveable settlements and secure tender opportunities by being the GDHS's partner of choice in implementing the RLRP and the UISP programmes. Through the IP, the GPF plans to contribute to at least 5 percent (or 10 formalised settlements) and 4.5 percent (or 4 500 land releases) of the provincial target over the MTSF.

Implementing agency outputs are delivered through strategic partnerships and effective and efficient project implementation and monitoring, as well as having in place a signed Implementation Protocol and an adequate budget allocation for the project/s.

WHERE APPLICABLE, THE PROGRAMME'S CONTRIBUTION TO PRIORITIES IN RELATION TO WOMEN, YOUTH, AND PEOPLE WITH DISABILITIES

The Subsidy Programme details the required local community contribution in terms of local labour and expenditure. The contributes to GEYODI transformation from an APP perspective. The aim is to ensure that 30% of project expenditure spent on GEYODI-owned SMME (HDI) through projects implemented.

PLANNED PERFORMANCE IN RELATION TO THE PROGRAMME'S OUTPUTS (KEY INTERVENTIONS)

By the end of the 2023/24 financial year, the GPF intends to complete:

- 1) 2 800 serviced sites, and
- 2) 2 800 top structures (houses).
- 3) The sale of 300 serviced sites for mixed income.
- 4) The acquisition of 1 500 serviced sites in terms of the RLRP.

- 5) The formalisation of three informal settlements in terms of the UISP.
- 6) In delivering the above, the GPF must ensure:
- Implementation Protocol signed and sufficient budget allocated to GPF.
 - GPF to have better contractual obligations with the developer.
 - Provide cashflow assistance for developers.
 - Better assessment of contractors/developer's financial capacity.
 - Developers deliver as per allocated target.
 - Delivery of bulk infrastructure by the metros and municipalities.
 - Project implementation and development through formalised or conventional public private partnerships.

1.5. GPF RESOURCE CONSIDERATIONS

1.5.1. EXPENDITURE ESTIMATES BY ECONOMIC CLASSIFICATION

GPF MTEF Expenditure Estimates	Audited Outcomes			Estimated Expenditure	MTEF Expenditure Estimates		
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Compensation of employees	46 394 188	46 123 801	53 495 572	63 898 526	65 348 834	66 977 299	68 980 312
Goods and services	33 211 102	31 720 863	24 952 089	43 920 980	45 765 661	47 825 115	50 120 721
Capex	1 665 106	1 303 834	2 303 0649	7 207 961	7 510 695	7 848 677	8 225 413
TOTAL EXPENDITURE	81 270 396	79 148 498	80 750 725	115 027 467	118 625 190	122 651 091	127 326 446
Staff complement (no.)	41	46	52	54	56	57	57

1.5.2. EXPENDITURE ESTIMATES BY GL ACCOUNT

GPF MTEF Expenditure Estimates	Audited Outcomes			Estimated Expenditure	MTEF Expenditure Estimates		
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Personnel	47 088 579	46 123 801	53 495 572	63 898 526	65 348 834	66 977 299	68 980 312
Board stipend	3 027 006	3 652 313	4 538 255	3 968 948	4 135 644	4 321 748	4 529 192

GPF MTEF Expenditure Estimates	Audited Outcomes			Estimated Expenditure	MTEF Expenditure Estimates		
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Repairs & maintenance	2 044 245	2 238 385	2 720 622	3 862 189	4 024 401	4 205 499	4 407 363
Auditors' remuneration	2 773 700	1 928 676	2 639 871	6 322 637	6 588 187	6 884 656	7 215 119
Bank charges	57 986	52 850	15 329	17 178	17 899	18 705	19 603
Consulting & professional fees	13 480 071	13 009 231	45 065 922	10 470 000	10 909 740	11 400 678	11 947 911
Insurance	176 042	525 538	430 951	566 219	590 000	616 550	646 145
Lease rentals on operating lease	4 968 553	5 294 944	5 118 452	8 976 324	9 353 329	9 774 229	10 243 392
Marketing	1 693 102	1 090 867	1 789 476	3 765 000	3 923 130	4 099 671	4 296 455
Magazines, books & subscriptions	203 672	231 727	81 717	413 557	430 926	450 318	471 933
Fuel & oil	8 968	12 851	11 800	12 150	12 660	13 230	13 865
Postage and courier	4 479	816	3 533	3 682	3 837	4 009	4 202
Printing and stationery	336 440	307 259	50 385	89 738	93 506	97 714	102 405
Security	1 804 051	1 297 703	639 310	1 500 000	1 563 000	1 633 335	1 711 735
Telephone and fax	955 847	922 153	1 528 934	1 897 326	1 977 014	2 065 979	2 165 146
Training	380 321	543 135	67 642	1 636 033	1 704 746	1 781 460	1 866 970
Travel	559 087	566 057	156 559	300 000	312 600	326 667	342 347
Offsite storage	43 141	46 358	105 132	120 000	125 040	130 667	136 939
SUB-TOTAL	79 605 290	77 844 664	78 447 661	107 819 506	111 114 495	114 802 414	119 101 033
CAPITAL EXPENDITURE	1 665 106	1 303 834	2 303 064	7 207 961	7 510 695	7 848 677	8 225 413
GRAND TOTAL	81 270 396	79 148 498	80 750 725	115 027 467	118 625 190	122 651 091	127 326 446

NOTES TO THE BUDGET ALLOCATION TABLE

The increase in staff costs is due to an increase in staff complement as per the organisational structure of the GPF. The structure was revised to deliver on the new mandate of the GPF which requires professional financial, project management, and project implementation expertise. This cost directly impacts on the achievement of all the strategic outcome-oriented goals of the organisation.

1.5.3. GPF PROJECT FUNDING REQUIREMENTS

	Audited 2019/20	Audited 2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Mega projects	834 000 000	848 793 836	664 782 023	921 909 400	812 000 000	812 000 000	812 000 000
GPF products	177 300 000	72 435 185	71 842 378	89 000 000	92 000 000	286 250 000	330 000 000
Affordable housing	124 100 000	37 9091 054	16 185 883	32 000 000	32 000 000	95 000 000	100 000 000
Student accommodation	53 200 000	34 444 131	55 656 495	57 000 000	40 000 000	50 000 000	50 000 000
Social housing	0	0	0	0	20 000 000	25 000 000	30 000 000
Other projects	0		31 425 464	210 800 000	306 800 000	881 000 000	1 031 000 000
Turnkey projects	0	0	0	20 000 000	26 000 000	95 000 000	170 000 000
Rapid Land	0	0	0	180 000 000	270 000 000	375 000 000	450 000 000
USIP (PM income only)	0	0	31 425 464	(10 800 000)0	(10 800 000)	411 000 000	411 000 000
Total funding required	1 011 300 000	921 229 021	768 049 866	1 221 709 400	1 210 800 000	1 979 250 000	2 173 000 000

As an agency of the GDHS, the GPF's mandate is derived from and directly informed by the political and strategic stance of the MEC and the GDHS specifically, and the GPG in general. It is, therefore, imperative that the GPF's core functions and programmes be aligned with and responsive to the strategic priorities and programmes of the GDHS.

Prior to the introduction of RLDP and UISP, the GPF's mandate focused on the implementation of mega projects and the provision of financial solutions for social and affordable housing. The agency has successfully implemented this mandate and can proudly account for the delivery of over 18 000 social and affordable housing units. This historical focus and mandate were firmly located in the then strategic approach of government for the provision of housing, which concentrated on providing redress and equity, accelerating the delivery of houses, and clearing housing backlogs. In addition to aligning with the GDHS's strategic priorities, the GPF is expected to work collaboratively with the department to address the challenges that impede the implementation of its mandate and priorities.

As an implementing agent of the GDHS, the GPF will draw on its experience and knowledge of rental housing, social housing, and student accommodation to ensure that the core features of UISP, RLRP, mega projects, and specific urban renewal programmes are properly implemented

The above table is informed by the GPF targets which are based on the GPG 5 targets and GGT2030 targets.

To deliver on the GPF's mandate appropriate contracts, such as the IPs needed to be signed and the necessary budget allocated. GPF's also requires raising of capital for further investment and the inclusion of value adds to ensure the delivery of integrated developments. Other enablers include an increased pipeline from GDHS (mega projects, UISP, and RLRP) for the GPF to implement while the GPF ensure the developers deliver on their targets

2. UPDATED KEY RISKS

The strategic risks reflected in the 2020-2025 Strategic Plan are updated as follows:

Risk N ^o .	Outcome	Risk Description	Root Cause	Risk Mitigation
1	Outcome 1: Efficient, and effective, and sustainable organisation	Default and non-recoverability of loans	<ol style="list-style-type: none"> Feasibility projections not robust enough to withstand adverse economic conditions Inadequate due diligence review <ol style="list-style-type: none"> Poor credit supervision Post-construction with debt collection process not optimally utilised Lack of property management skills by borrowers. (Mentors to appointed) Lack of aftercare support to provide early warning assistance 	<ol style="list-style-type: none"> Formulation of Technical Credit Risk Committee Early warning and forward-looking through predictive data analysis Finalise the Draft Debtors Management Policy <ol style="list-style-type: none"> Proactive review, monitoring, and reporting on loan book portfolio Appointment of independent loan collection agency Review the human resources needs of the unit and capacitate as required Strategic liaison and motivation to other DFI to assist in funding mentorship fund Frequent site visits
2		The maturity level of the organisational platforms, structures, systems, processes, and capacity to ensure the leveraging of resources, deliver on the growing mandate and Strategic Plan 2019/20–2023/24 in an effective, efficient, and sustainable matter	<ol style="list-style-type: none"> Human resources and talent management strategic gap, as compared to best practice HR policies and procedures not comprehensively documented and integrated with key business delivery outputs Desired leadership style, attributes and organisational culture not articulated and embedded by proactive people management programmes Risk management strategic gap to best practice and lack of a risk awareness culture Legal compliance management well-documented but not integrated with all governance, business, and support services Marketing, communications programme strategic gap against best practice GPF facilities not proactively managed 	<p>Turnkey Development Management Services</p> <p>Provide turnkey development management services, which includes property management services for projects on identified strategic GPG land transferred</p>

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Risk N°	Outcome	Risk Description	Root Cause	Risk Mitigation
3		Inadequate partnerships with various stakeholders	<ol style="list-style-type: none"> 1. Stakeholder management strategic gap against best practice with haphazard communication to various stakeholders 2. Visibility and agility of GPF 3. Misalignment between GPF and municipality (Spatial Development Framework) 4. Poorly defined and constituted partnership arrangements 	<ol style="list-style-type: none"> 1.3.4. Review old and conclude new strategic partnerships or collaborations and signing of MOAs 2.1. Stakeholder universe to be documented and segmented on the basis of power interest matrix 2.2. Stakeholder perception and attitude towards GPF assessed 2.3. Stakeholder champions and Annual Implementation Plan developed 2.4. Comprehensive stakeholder engagement monthly dashboard with quarterly EXCO and Board reporting Integrated Stakeholder Report
4		Inadequate or poor oversight by the Board over the governance of the entity and implementation of its mandate	<ol style="list-style-type: none"> 1. Unclear/undefined and poor definition of governance roles between the MEC, Board and GPF management 2. Inadequate or poor oversight by the Board over the development and implementation of the strategy 3. Lack of/inadequate policies governing the organisation 4. Inadequate fraud risk and ethics management 5. Inadequate internal controls and ERM environment 6. Inadequate systems to ensure Board effectiveness 7. Poor business continuity preparedness 8. Inadequate and restrictive legal structure and corporate form of the entity 9. Poor or inadequate capitalisation of the GPF 10. Inadequate implementation and follow-up of Board resolutions 	<ol style="list-style-type: none"> 1.1. Ensure all trustee letters of authority are in place 1.2. Support the Board to perform according to best corporate governance principles (King IV) 2. Board Appraisal Implementation Plan 3. Communicate approved policies to staff 4. Training and awareness of staff on fraud and ethics 5. Co-source internal audit function 6. Aligned charters to the Corporate Governance Protocol 7. Development of a BCM Framework and Business Continuity Plan 8. Follow up with the Shareholder on amended Trust Deed and Shareholders Compact 9. Continue with existing controls 10. Quarterly report/assessment on Board resolutions 11. Risk management improvement road map towards combined assurance and integrated proactive risk management
5		Volatile rapidly changing economic, financial, and construction segment landscape adversely impacting on the viability and/or sustainability of GPF to meet its mandate	<p>A prolonged, slow recovery to the economy due to Covid-19 and GPF might be faced with rising demand for expenditure, countered by a dramatic fall in funding and income - creating a potentially significant 'funding gap' and reduced institutional capacity to deliver within the development sector</p> <ol style="list-style-type: none"> 1. Depressed economic conditions 2. Less funding committed to new projects 	<ol style="list-style-type: none"> 1. Cashflow-based repayment structures in the first few years 2. Improved coordination and stakeholder management

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Risk No.	Outcome	Risk Description	Root Cause	Risk Mitigation
6	Outcome 2: Enhanced capital base to deliver core GPF mandate	The financial unsustainability of GPF leading to inability to carry out its mandate	<ol style="list-style-type: none"> 3. Operations of key stakeholders affect the sustainability of a GPF 4. Increased construction cost due Covid-19 and delays in projects (staff is infected and have to self-isolate/less staff on site due to social distancing) 5. Increase in defaults 6. Value chain disruption 	<ol style="list-style-type: none"> 1. Develop strategies for alternative funding models, which will include project finance and blended finance 2. Follow-up with the shareholder on change in corporate form 3.1. GPF to develop a turnaround plan for the loan book 3.2. Appointment of transaction advisors to assist GPF with securitisation and advising on State properties 4.1. Conclude agreement with identified DFI (Infrastructure SA and DBSA)
7		Loss of potential funds to augment facilities to deliver mandate	<ol style="list-style-type: none"> 1. Inadequate diverse funding model that includes, i.e., project-based funding 2. Lack of borrowing authority (as a Schedule 3C, GPF is unable to borrow) 3. Quality of the loan book declining 4. Limited bankable projects (commercial projects not ready for implementation) 5. Limited capital funds by GPF to attract private funders/no development fund 	<ol style="list-style-type: none"> 1. Develop a Stakeholder Strategy (partner mapping – prioritise based on risk appetite/mandate) 2. Board risk appetite (commercial/development) 3. Enhance delivery capacity of GPF (to meet partner expectations – technical, monitoring, spending, etc.)
			<ol style="list-style-type: none"> 1. Lack of diverse funding model that includes, i.e., project-based funding 2. Lack of bankable projects (commercial projects not ready for implementation) 3. Lack of balance between developmental and commercial lending 4. No alignment between senior funder due diligence requirements/expectation (GPF's developmental mandate vs. senior funder's security/risk appetite) 	

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Risk No.	Outcome	Risk Description	Root Cause	Risk Mitigation
8	Outcome 3: Increased access to affordable rental and social housing in strategically located areas*	<p>Failure or partial failure to deliver on initiatives, particularly:</p> <ul style="list-style-type: none"> ▪ Attracting private funders into affordable housing market ▪ Development of housing stock 	<ol style="list-style-type: none"> 1. Limited senior funders 2. Diminishing pipeline and poor quality of submissions (loans) 3. Failure on projects to deliver on time 4. Project appetite is too high (stages of involvement by GPF are at early stages, where risk gets transferred to GPF). Clients not having funds to do own due diligence. 	<ol style="list-style-type: none"> 1. Develop strategies for alternative funding models, which will include project finance and blended finance 2.1. Contribute to the review and implementation of the Stakeholder Management Strategy and Plan to assist the GPF to remain relevant and aligned with various stakeholder expectations 2.2. Develop deals pipeline (in partnership with DFIs) 2.3. Enhance marketing and awareness: roadshows, summits, engagements with developers/investors 3.1. Effecting the implementation of contract clause "GPF control of project where the developer has failed to deliver". Develop a set of rules for step in rights to complete a project 3.2. Technical Credit Risk Committee formulation 4.1. Develop a draft risk appetite and tolerance levels for project funding and develop a Commercial Investment Plan, i.e., 70% Dev/30% Commercial 4.2. Invest in handholding/COT of investment (review our role of developing clients and unpack the R2m Interest free loan - to ensure that clients are ready for lending) 4.3. Review the Investment Policy to tighten DD
9	Outcome 4: Increased access to integrated, inclusive, and sustainable human settlements	<p>Failure to deliver on projects as per stakeholder expectations for mega projects</p>	<ol style="list-style-type: none"> 1. Insufficient funding for commercial and social aspects of mega projects 2. Non-performance by developers 3. Lack of coordination between spheres of government (coordination with local government) and other role-players 4. Non-achievement of transformation targets/failure by developers to subcontract work to SMMEs 5. Unavailability of site and bulk project capacity/funding 	<ol style="list-style-type: none"> 1.1. Facilitate the funding for developer from Human Settlement Development Bank 1.2. Formulate a tripartite approach where the GPF will facilitate engagements between the developer and the various sister departments 2. Finalise annexure in conjunction with GDHS PMO that will assist in operationalism of the implementing role in the mega projects 5. Develop a Stakeholder Strategy (partner mapping – prioritise based on risk appetite/mandate). Include collaboration with mining houses and Gauteng Infrastructure Finance Agency (GIFA)

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Risk N°	Outcome	Risk Description	Root Cause	Risk Mitigation
10		Failure to deliver on turnkey projects as per stakeholder expectations	<ol style="list-style-type: none"> Delays in issuing of development right and accessing development sites from GPG and municipalities Failure to raise funding for turnkey projects Delays in obtaining municipal approvals Inadequate project preparation funding No development rights in place 	<ol style="list-style-type: none"> Develop strategies for alternative funding models, which will include project finance and blended finance Undertake a public process to request for proposals
11	Increased access to liveable settlements and secure tenure.	Failure to provide basic services support to informal settlements	<ol style="list-style-type: none"> Unavailability of suitable developable land Delays in obtaining municipal approval Conflicting priorities of stakeholders, GPF projects do not form part of the Municipal Service Delivery and Budget Implementation Plan (SDBIP) Unavailability of site bulk infrastructure Planning disruptions due to large population movement, land invasion and community unrest Unavailability or reduction of funding allocated by client department Non-compliance with UISP framework No strategy for informal settlement in the province to guide GPF - User of choice/considering working with IGR Lack of capacity to deliver the UISP (internal capacity) Lack of clear and concise implementation model to ensure business continuity Unavailability of service providers for interim and planning services Multiple implementing agencies (Rand Water, HDA) 	<ol style="list-style-type: none"> Pre-assessment of government-owned land. Deliberate procurement of land parcels from the market exclusively for UISP in collaboration with municipalities. Securing of land to be added as a pre-requirement for enrolment of projects in the Business Plan 3. 4. Establishment of municipal steering committees to coordinate various stakeholders 5.1. Use of civil society - Social facilitation and community engagement 5.2. Monitoring and security of identified parcels through established programmes 5.3. Continuous assessment of informal settlements to determine service needs given the frequency of movement based on the characteristics of informal settlements 5.4 Collaborate with anti-land invasion groups 5.5 Create a forum to collaborate with the municipality to implement bylaws to prevent land invasion 8. 10. Development of the Informal Settlement Strategy to guide prioritisation and goal setting for Gauteng-based informal settlements Establish a panel of service providers to deliver interim and planning services Develop MOU between HDA and GPF

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Risk No.	Outcome	Risk Description	Root Cause	Risk Mitigation
12		Delay in providing suitable land/(liveable settlements, secure tenure) and delivering on targets	<ol style="list-style-type: none"> 1. Availability of suitable land within Gauteng 2. Lack of coordination between the municipalities and GDHS 3. Non-performance by PRT/external resources 4. Inadequate management of community expectations 5. State of readiness of GPF to take on projects 6. Delays with identification of qualifying beneficiaries leading to invasions 7. Acquiring partially serviced stands 8. Risk of double dipping 9. Low response to the call for proposals for suitable land 	<ol style="list-style-type: none"> 1. Call for proposal to procure suitable land for and assessment of proposals received 2., 7. Establishment of municipal steering committees to coordinate various stakeholders 3. Conclude performance contracts 4. Use of civil society - Social facilitation and community engagement 5. Capacitation of body shop of valuers, conveyors, etc. (PRT) to assist GPF 6. Monthly meetings with Beneficiary Allocation Unit within the regions and develop IGR Management Strategy 7. Elevating to the members of the Executive Authority to engage municipalities for partially serviced stands 8. Source a list of developers who received bulk funding from Housing and Infrastructure to ensure double-dipping is not taking place 9. Marketing and awareness campaign
13	Outcome 6: Enhanced contribution of GPF's human settlements' developments to inclusive economic growth	<ul style="list-style-type: none"> Insufficient participation by GEYODI Insufficient deal flow to women-owned entities 	<ol style="list-style-type: none"> 1. Inadequate marketing/lack of focus to the GEYODI 2. GPF funding parameters did not have funding ring-fenced for GEYODI 	<ol style="list-style-type: none"> 1.1. Regular interaction with stakeholders to monitor growth 1.2. Target marketing on GEYODI 2. Update the APP to make budget provision for GEYODI-based loans 3. Increase the target to 50% for women in construction 4. Secure partnerships with women in construction-based organisations

3. PUBLIC ENTITIES

Not applicable

4. INFRASTRUCTURE PROJECTS

Not applicable

5. PUBLIC PRIVATE PARTNERSHIPS

Not applicable

PART D: TECHNICAL INDICATOR DESCRIPTIONS

1. PROGRAMME 1: ADMINISTRATION

Indicator Title 1.1.1.	Percentage of loans collected
Definition	Actual instalment payment collected from due debt on the GPF Loan Book
Source of data	Finance Report
Method of Calculation / Assessment	Actual instalment payments collected divided by expected instalment payments multiplied by 100%
Means of verification	Finance Report and/or Bank statements
Assumptions	That the collection reconciliations are correct
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired Performance	Higher than set target is desired
Indicator Responsibility	CFO/ Portfolio Manager

Indicator Title 1.2.1.	Percentage implementation of annually approved Human Capital Management Plan
Definition	<p>Activities aimed at effective management of GPF's Human Capital. These activities are detailed in the approved Annual Human Capital Management Plan.</p> <p>The plan includes the full spectrum of talent management programmes viz recruitment and selection, organizational design and development, employee relations and wellness, recognition, and reward services, and HRIS.</p>
Source of data	Human Capital Management Report (Quarterly).

Method of Calculation / Assessment	Percentage implementation of the milestones of the Human Capital Management Plan.
Means of verification	Quarterly Reports
Assumptions	Budget is available for recruitment and human capital development
Disaggregation of Beneficiaries (where applicable)	GPF employees
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired Performance	Higher than set target is desired
Indicator Responsibility	Corporate Services Executive / Human Capital Manager

Indicator Title 1.2.2.	Percentage implementation of Employee Engagement Survey Recommendations
Definition	The percentage implementation of the 2020-2021 Employee Engagement Survey recommendations as contained in the change management plan.
Source of data	Employee Engagement Survey Implementation report, part of Change Management Plan
Method of Calculation / Assessment	Percentage implementation of the 2020-21 employee engagement survey recommendations as contained in the change management plan
Means of verification	Employee Engagement Survey Implementation Report
Assumptions	All employees participate in the planned management implementation interventions
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable

Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired Performance	Higher than set target is desired
Indicator Responsibility	Corporate Services Executive / Human Capital Manager

Indicator Title 1.3.1.	Percentage implementation of the 2020/21 AGSA Post Audit action plan
Definition	Percentage implementation of the findings raised in the 2020/21 external audit by the Auditor General of South Africa.
Source of data	Management Report and the post audit action plan.
Method of Calculation / Assessment	Findings resolved as per the agreed management timelines in the action plan developed.
Means of verification	Confirmation by EXCO on the resolution of findings before recommendation to Governing structures
Assumptions	Dependency on Provincial Treasury approval on the condonation process.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non cumulative
Reporting Cycle	Annually
Desired Performance	Meeting the target
Indicator Responsibility	CFO

Indicator Title 1.3.2.	Percentage of valid invoices paid within 30 days
Definition	The number of invoices paid within 30 days of receipt by the GPF against the total number of invoices received by GPF, in compliance with S (38) of PFMA, read with Treasury Regulations 8.2.3

Source of data	Date of receipt on GPF registered email.
Method of Calculation / Assessment	Number of invoices paid within 30 days of receipt by the institution over the total number of invoices received by the institution x 100
Means of verification	Number of days invoices being received via the GPF registered mail to the date invoice is paid on the bank statement.
Assumptions	All invoices are received via the registered emails.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired Performance	Meeting the target
Indicator Responsibility	CFO/ Financial Manager

Indicator Title 1.4.1.	Percentage expenditure of the approved budget
Definition	The spending of the operational budget in alignment with the approved budget, which should not be exceeded.
Source of data	Management Accounts
Method of Calculation / Assessment	Actual operational expenditure divided by approved budget, expressed as a percentage
Means of verification	Expenditure schedule
Assumptions	25% of the budget should be spent on a quarterly basis
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable

Calculation Type	Cumulative (year to date)
Reporting Cycle	Quarterly
Desired Performance	Target not to be exceeded.
Indicator Responsibility	CFO/ Financial Manager

Indicator Title 1.5.1.	Percentage implementation of the approved SCM turnaround plan
Definition	Implementation of the various activities in the turnaround plan
Source of data	Demand management plan, training presentation and reminders of project soon to expire
Method of Calculation / Assessment	Number of implemented activities within the turnaround plan, as a percentage of the planned implemented activities.
Means of verification	SCM turnaround plan implementation report, reflecting planned vs. actual activities implemented.
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired Performance	Meeting the target
Indicator Responsibility	CFO / Supply Chain Manager

Indicator Title 1.6.1.	Percentage implementation of the Annual Marketing, Communication and Stakeholder Management Plan
Definition	<ul style="list-style-type: none"> Activities aimed at marketing and enhancing the visibility of the GPF brand. These activities are detailed in an Annual Marketing, Communications and Stakeholder Management Plan.

	<ul style="list-style-type: none"> The indicator will look at the implementation of activities contained in the approved Annual Marketing, Communications and Stakeholder Management Plan. The plan includes Public Relations and Advertising Campaigns, Workshops, Speaker slots at conferences, Media Release, Branding, Brochures, Events, Internal Communications, customer satisfaction survey and production of the Annual Report.
Source of data	<ul style="list-style-type: none"> Annual Report, Media Releases, Events reports, Brochures, Posters, Newsletters, Media coverage, attendance registers, programs, Internal Communication Alerts, customer satisfaction survey Marketing, Communications and Stakeholder Management Report
Method of Calculation / Assessment	Percentage achievement of the planned activities contained in the plan
Means of verification	Audited performance report
Assumptions	<p>The plan will be appropriately funded.</p> <p>SCM and other processes will be utilized to fast track the implementation of the plan</p>
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired Performance	Meeting the target
Indicator Responsibility	Corporate Services Executive / Marketing, Communications & Stakeholder Manager

Indicator Title 1.7.1.	Percentage implementation of risk maturity assessment recommendations
Definition	<p>The indicator looks at the risk maturity of the organisation</p> <p>Exco will ensure that a risk maturity assessment is performed on the organisation, thereafter it is considered by ARC and approved, together with an improvement plan to address the recommendations and move the organisation to the next level of risk maturity.</p>
Source of data	<p>Resolutions of the respective committees</p> <p>Risk Maturity Report, and improvement action plan</p>

Method of Calculation / Assessment	Number of risk maturity recommendations implemented divided by the total number of risk maturity recommendations approved for implementation, expressed as a percentage.
Means of verification	Progress risk implementation reports
Assumptions	Approval is granted to source a service provider to assist in performing a formal assessment
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired Performance	Meeting the target
Indicator Responsibility	Office of the CEO / Risk Manager

Indicator Title 1.8.1.	Percentage implementation of the annual ICT governance plan
Definition	Number of governance initiatives implemented as a percentage of the total number of ICT governance plan initiatives planned.
Source of data	Reports from the IT unit
Method of Calculation / Assessment	Total annual of ICT governance plan initiatives implemented divided by the total number of annual ICT governance plan initiatives planned for the financial year
Means of verification	IT Management work plan progress report
Assumptions	The plan will be appropriately funded. SCM and other processes will be utilized to fast track the implementation of the plan
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A

Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired Performance	Meeting the target
Indicator Responsibility	Corporate Services Executive / ICT Services Manager

Indicator Title 6.1.1.	Percentage procurement spend on designated groups (GEYODI)
Definition	Rand value spend towards designated groups (people with disabilities, youth and woman) as a percentage of total procurement spend
Source of data	Sage pastel system
Method of Calculation / Assessment	Rand value spend on the different designated groups divided by the total procurement spend, expressed as a percentage
Means of verification	Sage pastel system
Assumptions	n/a
Disaggregation of Beneficiaries (where applicable)	Disaggregated to GEYODI categories: <ul style="list-style-type: none"> ▪ Women: 25% ▪ Youth: 20% ▪ People with Disabilities: 1%
Spatial Transformation (where applicable)	n/a
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired Performance	Meeting the targets
Indicator Responsibility	CFO / Supply Chain Manager

2. PROGRAMME 2: CAPITAL RAISING

Indicator Title 2.1.1.	Number of collaboration partnerships concluded
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Definition	Strategic partnerships or collaborations concluded or entered into with private, public or non-governmental partners that will contribute to the achievement or the advancement of the strategic outcomes of the GPF and /or GDHS and/or national Human Settlements objectives.
Source of data	Quarterly performance reports
Method of Calculation / Assessment	Simple count of the number of funding and collaboration partnerships concluded
Means of verification	Partnership and collaboration agreements concluded
Assumptions	Approval of Capital Raising Strategy
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	The purpose of the strategic collaborations would include the advancement of spatial transformation and space economics of the Gauteng region by ensuring that new developments are well located closer to jobs and opportunities.
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Meeting of target
Indicator Responsibility	CIDO / Fund Raising and Strategic Partnerships Manager

Indicator Title 2.1.2.	Total Rand value of funds raised from funding partnerships
Definition	Rand value of funds raised from funding partners for the financing and development of GPF mandated human settlements projects.
Source of data	Partnership agreements, reflecting the rand value of funds raised
Method of Calculation / Assessment	Simple Count of the funds raised from concluded partnerships and collaboration agreements
Means of verification	Rand value of principle amount invested as per the funding agreements.
Assumptions	Active projects pipeline.

Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Location of projects, preferably within the PSHDAs and GCR development corridors.
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Meeting the target
Indicator Responsibility	CIDO / Fund Raising and Strategic Partnerships Manager

Indicator Title 2.2.1.	Percentage management fee received for project management services
Definition	The project management fee charged by the GPF to provide project management services to the client, providing GPF with a non-interest source of income to deliver projects.
Source of data	Agreement signed with the clients
Method of Calculation / Assessment	Rand value of non-interest income (management fee) received as a percentage of the total Rand value of all projects implemented in the financial year (per signed agreements)
Means of verification	Management fee income report reflecting the non-interest income received as a percentage of the project value of all projects implemented in terms of signed agreements with clients.
Assumptions	That GPF receives projects to manage
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Location of projects, preferably within the PSHDAs and GCR development corridors.
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired Performance	Meeting the target

Indicator Responsibility	CIDO / Fund Raising and Strategic Partnerships Manager
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3. PROGRAMME 3: PROJECT LENDING

Indicator Title 3.1.1.	Rand value of loan disbursed – rental accommodation
Definition	Rand value of loans disbursed per annum for the development of rental accommodation projects.
Source of data	Financial reports on disbursements minutes in meetings of the Board/IC or Exco and Claims report presented to EXCO/FIC.
Method of Calculation / Assessment	Sum of the Rand value of claims disbursed towards rental accommodation projects
Means of verification	Project recon from finance
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Location of projects, preferably within the PSHDAs and GCR development corridors.
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Meeting the target
Indicator Responsibility	CIDO/Project Specialist

Indicator Title 3.1.2.	Rand value of loan disbursed – student accommodation
Definition	Rand value of loans disbursed for the development of student accommodation projects.
Source of data	Financial Reports minutes from meetings of Board/IC or Exco on loan disbursed towards student accommodation. And Claims report processed report presented to EXCO/ FIC

Method of Calculation / Assessment	Sum of the Rand value of claims disbursed towards student accommodation
Means of verification	Project recon from finance
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Location of projects, preferably within the PSHDAs and GCR development corridors.
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Meeting the target
Indicator Responsibility	CIDO/Project Specialist

Indicator Title 3.1.4.	Rand value of loan disbursed – social housing
Definition	Rand value of loans disbursed for the development of social housing projects.
Source of data	Financial Reports minutes from meetings of Board/IC or Exco on loan disbursed towards student accommodation. And Claims report processed report presented to EXCO/ FIC
Method of Calculation / Assessment	Sum of the Rand value of claims disbursed towards social housingon
Means of verification	Project recon from finance
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Restructuring Zones, Location of projects, preferably within the PSHDAs and GCR development corridors.

Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Meeting the target
Indicator Responsibility	CIDO/Project Specialist

Indicator Title 3.2.1.	Number of units completed
Definition	Total number of completed housing units
Source of data	Developer reports
Method of Calculation / Assessment	Simple count of the number of occupation certificates and/or practical completion certificates
Means of verification	Practical Completion Certificates
Assumptions	Reports from developers are accepted as accurate
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Location of projects, preferably within the PSHDAs and GCR development corridors.
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Meeting the target
Indicator Responsibility	CIDO/Project Specialist

Indicator Title 3.3.1.	Number of beds completed
Definition	Completed Student accommodation beds
Source of data	Developer reports

Method of Calculation / Assessment	Simple count of the number of occupation certificates and/or practical completion certificates
Means of verification	Practical Completion Certificates
Assumptions	Reports from developers are accepted as accurate
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Location of projects with access to education institutions
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Meeting the target
Indicator Responsibility	CIDO/Project Specialist

Indicator Title 3.4.1.	Number of Agreements concluded through IGR
Definition	Partnerships and Collaborative Agreements concluded or entered into that will contribute to the achievement or the advancement of the strategic outcomes of the GPF and /or GDHS and/or national Human Settlements objectives.
Source of data	Agreement signed
Method of Calculation / Assessment	Simple count of the number of agreements concluded
Means of verification	Collaborative Partnership agreements concluded
Assumptions	Approved Approach to GPF Implementation of IGR
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	The purpose of the strategic collaborations would include the advancement of spatial transformation and space economics of the Gauteng region by ensuring that new developments are well located closer to jobs and opportunities.

Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Meeting of target
Indicator Responsibility	CIDO / IGR Specialist

Indicator Title 6.2.1.	Percentage of rand value of loans approved towards GEYODI owned (HDI) developers
Definition	Rand value of loans approved to women, youth and people with disabilities owned entities owned entities (HDI) for the development of rental and student accommodation
Source of data	Minutes/resolutions of Board/IC or Exco meetings of loan approved towards rental and student accommodation
Method of Calculation / Assessment	Rand value of loans approved towards women, youth and people with disabilities owned entities (HDI) divided by total Rand value of loans approved towards rental and student accommodation, expressed as a percentage.
Means of verification	Minutes/resolutions of Board/IC or Exco meetings of loan approved towards rental and student accommodation
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	Disaggregated into the following categories: GEYODI, HDI
Spatial Transformation (where applicable)	Location of projects, preferably within the PSHDAs and GCR development corridors.
Calculation Type	Non-Cumulative
Reporting Cycle	Annually
Desired Performance	Meeting the target
Indicator Responsibility	CIDO/Project Specialist

Indicator Title 6.3.1.	Number of job opportunities created through loans disbursed
Definition	Number of jobs opportunities created directly through the disbursement of GPF loans
Source of data	Report from developers or contractors
Method of Calculation / Assessment	Sum of the number of jobs opportunities reported by developers and contractors
Means of verification	Report from developers or contractors
Assumptions	Reports from developers are assumed as accurate
Disaggregation of Beneficiaries (where applicable)	To be disaggregated into the following categories: HDI, GEYODI
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Meeting the target
Indicator Responsibility	CIDO/Project Specialist

4. PROGRAMME 4: PROJECT IMPLEMENTATION, DEVELOPMENT AND MANAGEMENT

Indicator Title 4.1.1.	Number of serviced sites completed
Definition	Water, sewer, and sanitation infrastructure installed
Source of data	Services certificates from developer
Method of Calculation / Assessment	Sum of the number of Services certificates approved by Council
Means of verification	Municipal council approved practical completion services certificate
Assumptions	N/A

Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Location of projects, preferably within the PSHDAs and GCR development corridors.
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Meeting the target
Indicator Responsibility	CIDO/Project Specialist

Indicator Title 4.2.1.	Number of top structures (houses) completed
Definition	The total number of top structure (houses) completed in the financial year
Source of data	Quality Assurance 95% completion reports
Method of Calculation / Assessment	Sum of the number of top structures (houses) with quality assurance 95% completion reports
Means of verification	Quality Assurance 95% completion reports
Assumptions	Reports are accepted as accurate from developers
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Location of projects, preferably within the PSHDAs and GCR development corridors.
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Meeting the target
Indicator Responsibility	CIDO/Project Specialist

Indicator Title 4.2.2.	Number of service sites for mixed income sold
Definition	Mixed income housing which comprises of FLISP and bonded houses to achieve integrated sustainable human settlements
Source of data	Offer to Purchase from the Developer
Method of Calculation / Assessment	Sum of the serviced sites with offers to purchase on the open market
Means of verification	Offers to purchase
Assumptions	Reports are accepted as accurate from developers
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Location of projects, preferably within the PSHDAs and GCR development corridors.
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarter 3 and quarter 4
Desired Performance	Meeting the target
Indicator Responsibility	CIDO/Project Specialist

Indicator Title 5.1.1.	Number of serviced sites acquired
Definition	Privately owned serviced sites acquired for allocation by the GDHS to deserving beneficiaries
Source of data	Landowner and Seller
Method of Calculation / Assessment	Number of conditional sale agreement, off take agreements or Service Level Agreements concluded
Means of verification	Conditional sale agreement, off take agreements or Service Level Agreements
Assumptions	Reports from municipalities are accepted as accurate

	GPF role is the acquisition of the serviced sites. GDHS is responsible for allocating the serviced sites to beneficiaries.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Location of projects within PSHDAs
Calculation Type	Non-Cumulative
Reporting Cycle	Annually
Desired Performance	Meeting the target
Indicator Responsibility	CIDO/ Specialist: Project Costing

Indicator Title 5.3.3.	Number of informal settlements upgraded
Definition	A proclaimed township, with bulk services installed and individual surveyed stands pegged in terms of phase 3 of UISP. Phase 3 is formalisation and provision of permanent services.
Source of data	Township proclamation, bulk services reports, including municipal approvals, survey-general plans
Method of Calculation / Assessment	Simple count of number of proclaimed townships with the abovementioned supporting documents
Means of verification	Municipal engineering service certificate
Assumptions	Social compact contracts in place with communities Availability of budget Outcome of assessment being done by consultant will determine the final implementation plan – targets may change based on the final assessment
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Location of Projects within the PSHDAs

Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired Performance	Higher than set target is desired
Indicator Responsibility	CIDO/Construction Manager

Indicator Title 6.4.1.	Percentage of project expenditure spent on GEYODI owned SMME (HDI) through projects implemented
Definition	Project Budget spent on women, youth and people with disabilities owned SMMEs
Source of data	Reports from developers, or contracts or appointment letters, or proof of payments
Method of Calculation / Assessment	Budget spent on GEYODI owned SMMEs divided by total projects budget, expressed as a percentage
Means of verification	Reports from developers, or contracts or appointment letters, or proof of payments
Assumptions	Reports are accepted as accurate from developers
Disaggregation of Beneficiaries (where applicable)	To be disaggregated into the following categories: GEYODI, HDI
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired Performance	Meeting the target
Indicator Responsibility	CIDO/Head of Project Unit

Indicator Title 6.5.1.	Number of job opportunities created through projects implemented
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Definition	Number of job opportunities created directly through projects implemented
Source of data	Reports from developers and service providers as per EPWP templates
Method of Calculation / Assessment	Number of direct job opportunities reported by developers and service providers that are compliant with the EPWP reporting templates
Means of verification	Signed EPWP reports
Assumptions	Reports from developers are accepted as accurate
Disaggregation of Beneficiaries (where applicable)	To be disaggregated as following: GEYODI
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Meeting of target
Indicator Responsibility	CIDO/Project Specialist

ANNEXURES TO THE ANNUAL PERFORMANCE PLAN

ANNEXURE A: AMENDMENTS TO THE STRATEGIC PLAN

Refer to Revised Strategic Plan 2019-2024

ANNEXURE B: CONDITIONAL GRANTS

Not applicable

ANNEXURE C: CONSOLIDATED INDICATORS

Not applicable

ANNEXURE D: DISTRICT DEVELOPMENT MODEL

AREAS OF INTERVENTION	FIVE-YEAR PLANNING PERIOD				
	Project description	District Municipality	Location: GPS coordinated	Project leader	Social partners
Spatial development (Human Settlements) Mega Projects	Elijah Barayi	Merafong	26 23 24.4 S 27 17 36.9 E	Calp Developments (Pty) Ltd	Department of Education & Health South African Police Services Merafong Municipality Mining Houses
	Afri Village Greenhills	Rand West	26 08 52.8 S 27 40 51.3 E	JV Mwalimu Holdings and Xanado (Pty) Ltd	Department of Education & Health Randwest Municipality
	Afri Village Magalies	Mogale	26 00 06.6 S 27 32 56.6 E	JV Mwalimu Holdings and Xanado (Pty) Ltd	Department of Education & Health South African Police Services Mogale City Municipality
	Dan Tloome	Rand West	26 20 12 170 S 27 63 22 340 E	Ariobex (Pty) Ltd	Department of Education & Health South African Police Services Randwest Municipality Mining Houses
	Montrose	Rand West	26 14 21.31 S 27 38 37.62 E	Resilient Rock (Pty) Ltd	Department of Education & Health South African Police Services

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					Randwest Municipality Mining Houses
	Western Mega	Rand West	26 11 58.1 S 27 42 30.6 E	Western Mega (Pty) Ltd	Department of Education & Health South African Police Services Randwest Municipality Mining Houses
	Westonaria Borwa	Rand West	26 32 58 340 S 27 67 24 590 E	Crimson King (Pty) Ltd	Department of Education & Health South African Police Services Randwest Municipality Mining Houses
	Savanah City	Mid-Vaal	26°27'57.3"S 27°54'57.7"E	Savanah City Developments (Pty) Ltd	Department of Education & Health South African Police Services Emfuleni Municipality
	Rama City	Tshwane	25°37'30.9"S 28°01'28.1"E	Rama City Development Company (Pty) Ltd	Department of Education & Health South African Police Services Tshwane Metro