

# Multi-Year Planning in the National Department of Housing



## South Africa

October 2007 – April 2008

**Client:**  
National Department of  
Housing

## Building capacity of government to plan and budget for housing needs

Provision of housing to the poor is a national priority in South Africa. Government subsidies for homeless people, as well as those living in shacks and other forms of inadequate housing, are provided through an annual grant transfer from the National Department of Housing to the nine provincial counterpart departments. Needs are identified through integrated development plans produced at the municipal level. In 2006/07 more than R5 billion (\$715 million) was allocated to provinces to meet human settlement needs.

In order to receive grant allocations, provincial Departments of Housing must have adequate systems in place to provide assurance that the funds can be appropriately managed and controlled. This includes agreeing on outputs and targets in line with grant objectives, and developing multi-annual business plans linking

cash flows to projects, and projects to identified need. Often grant funds are not spent to meet housing needs, or are otherwise spent inefficiently, due to inadequate government capacity to plan and budget effectively.

ECIAfrica in partnership with The Project Shop is working with the National Department of Housing (NDoH) to facilitate the development of multi-year business plans. Under the project, ECIAfrica and its partner are assisting the National Department to set up an internal audit team that effectively analyses business plans submitted by provinces, and provides support to improve the content. Provincial consultant teams are then providing hands-on assistance and capacity building to provincial Departments of Housing to develop their multi-year business plans.

