



**MINISTRY
HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA**

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NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER: 5724 (NW6387E)

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QUESTION:

5724. Mr C J Poole (DA) to ask the Minister of Human Settlements:

(1) Whether the designation of the Syferfontein Housing Project in the Western Cape as a catalytic project includes a ring-fenced budget across the three spheres of government; if not, what is the position in this regard; if so, what are the relevant details.

(2) what (a) are the specific timelines for the (i) commencement and (ii) completion of the Syferfontein project and (b) measures has her department put in place to maintain a centralised tracking system for deadlines of all catalytic projects.

(3) to what extent are all three spheres of government jointly accountable for (a) risks and (b)(i) consequence and (ii) project management in the implementation of such projects? NW6387E

REPLY:

(1) Syferfontein-Thembalethu housing project is one of the 50 catalytic or mixed development projects that were gazetted by the National Department of Human Settlements. Therefore, the funding model thereof is a blended finance that consists of government grants (HSDG and ISUPG) and private funding. The expenditure incurred to date is as follows:

- a. **HSDG:** A budget of R40.163 million is in the business plan and R42.464 million has been spent for the Syferfontein Combined & Security and whilst Syferfontein East has a budget of R9.360 million and PHC (30 Tops) (MV) with a reported expenditure of R9.387 million.
- b. **ISUPG:** Provinces: (an amount of R16.4 million is budgeted for in the Approved Business Plan and no reported expenditure)

2(a) This project is a multi-year (10-15 years) project that started in 2018 and is anticipated to yield **6 975** housing typologies over multiple financial years, consisting of BNGs, First Home Finance and Military Veterans units. To date 874 units have been completed at the Eastern Phase of this project, despite the ongoing challenges relating to lack of funding for bulk infrastructure and the rehabilitation of the sotrmwater management system.

(b) To enhance project monitoring, the National Department of Human Settlements is in the process of appointing a panel of built envrionment practitioners that will provide technical implementation support for exisitng and future catalytic projects. In addition, the digital system that is being developed through SITA will consist of a project management module for ease of tracking the progress of all infrastructure projects funded through the HSDG, USDG and ISUPG.

3 (a) **Financial and Project Management Risk:** The Division of Revenue Act (DoRA) prescribes that the Transferring Officer (DG: National Department of Human Settlements) transfers the conditional grants to provincial departments and metropolitan municipalities for all projects contained in the annual approved business plans and as per the payment schedules thereof. Thus, the Affordable Rental and Social housing branch and Monitoring & Evaluation Unit provides quarterly implementation support on these projects, whereas the Grants Management Unit monitors the financial progress thereof, as per the Departments' Annual Performance Plan (APP). In addition, the Department has established a National Steering Committee to assist provinces and municipalities in unblocking stalled housing projects and strengthen oversight.

(b)(i) **Consequence Management:** the various directorates of the department as stated on 3(a) do report any unauthorised deviations from the approved business plans to the DG: National Human Settlements and National Treasury as and when they arise. One of the most common measures that are implemented by the department is to withhold tranches of the specific provincial department or metropolitan municipality until the non-compliance has been addressed.