



**MINISTRY
HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA**

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NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER: 5725 (NW6388E)

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QUESTION:

5725. Mr C J Poole (DA) to ask the Minister of Human Settlements:

With reference to the speeches delivered on 2 July 2025 in the National Assembly and on 9 July 2025 in the National Council of Provinces, in which she emphasised the importance of addressing stalled housing projects, what (a) total number of stalled and/or unfinished projects has her department identified to date, (b) is the estimated number of job opportunities that have been lost and/or delayed as a result of the specified stalled projects and (c) are the financial and/or economic consequences of such stalled projects for (i) the national budget and (ii) affected communities? NW6388E

REPLY:

The information we are presenting in response to the Parliamentary Question is based on reports received from provincial human settlements departments.

(a) Total number of stalled and/or unfinished projects identified

Across the country, provinces have identified approximately 97 stalled or unfinished projects, excluding Mpumalanga, which reported 1 174 incomplete housing units at various stages of construction.

To illustrate:

- a. Gauteng has 20 legacy projects under implementation and 9 in planning that require alignment with the Spatial Planning and Land Use Management Act (SPLUMA) before work can proceed.
- b. Limpopo reported 286 unfinished housing units currently undergoing structural integrity assessments by the NHBRC.
- c. Northern Cape identified 8 unfinished projects.
- d. KwaZulu-Natal reported 16 stalled projects.
- e. Western Cape identified 10 stalled/ blocked projects.
- f. North West is implementing 21 blocked projects in its 2025/26 business plan, targeting 426 units.
- g. Free State has 10 stalled projects awaiting replacement contractors.
- h. Mpumalanga, as mentioned, has 1 174 incomplete houses, of which 617 have already been completed and the remainder scheduled for completion by the end of the financial year.
- i. The Eastern Cape reported no stalled projects.

(b) Estimated number of job opportunities lost or delayed

Housing delivery is by nature labour-intensive, and stalled projects inevitably delay or reduce potential employment opportunities. However, only some provinces provided estimates. Based on available data, approximately 1 000 work opportunities were either lost or delayed across the country.

This includes:

- Limpopo – 57 job opportunities lost.
- KwaZulu-Natal – approximately 500 delayed opportunities.
- Western Cape – about 340 delayed work opportunities (including both provincial and City of Cape Town People's Housing Process projects).
- North West – around 300 opportunities that would have been created during construction.
- Free State – approximately 100 opportunities that were interrupted.

It is important to note that several of these projects are being reactivated, meaning many of the lost job opportunities will be recovered as work resumes.

(c) Financial and economic consequences

(i) For the national budget:

In some provinces, budget allocations had to be redirected or rolled over to other active projects while stalled projects undergo unblocking processes. For example:

- ii. The North West Province has set aside R89 million in the 2025/26 financial year to unblock stalled projects.
- iii. Free State redirected its budget to ongoing projects while appointing replacement contractors.
- iv. Limpopo returned unspent funds to the National Fiscus.

In other provinces, such as Mpumalanga, the incomplete projects are being finalised using current financial-year allocations, ensuring continuity rather than loss of funds.

While there are financial implications, these are being actively managed through reprioritisation within existing grant frameworks, such as the Human Settlements Development Grant (HSDG) and Urban Settlements Development Grant (USDG).

(ii) For affected communities:

These delays prolong the waiting period for beneficiaries and undermine progress in reducing the housing backlog. They leave thousands of people in limbo, waiting for access to adequate housing, which exacerbates overcrowding in informal settlements and worsens social inequalities.

Additionally, blocked projects can become sites of vandalism, crime, and decay, further eroding community well-being, and delaying much-needed urban renewal.

Local SMMEs lose temporary business opportunities, and communities are deprived of the economic multiplier effects of housing construction, such as local procurement and on-site employment.