

NATIONAL ASSEMBLY

FOR ORAL REPLY

QUESTION 29

Mr Z A Kota (ANC) to ask the Minister of Housing:

- (1) (a) How many housing projects have been blocked nationally and (b) what has been done to reverse this situation;
- (2) Whether any of the developers are held accountable in this regard; if not, why not; if so, what are the relevant details?

REPLY

- (1)(a) The total number of blocked housing project phases is 483.
- (b) Specific guidelines were approved by Housing MINMEC in November 2005 in order to unblock housing projects that became blocked as a result inflation or other related factors. These guidelines were developed in collaboration with Provincial Housing Departments. The guidelines make provision for, amongst other, the introduction of penalties in the project agreement and also address the accountability of contractors. In addition, Housing MINMEC also instructed that attention be given to the development of a database of defaulting contractors and the preparatory work in this regard is already in progress.
- (2) The approved guidelines to address blocked projects do make provision for penalties in the project agreements. There are already defaulting contractors against which legal action have been initiated. It may, however, be harmful to Government's case if the names of the relevant contractors are made known.