**MINISTRY FOR HUMAN SETTLEMENTS**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: 1197**

**DATE OF PUBLICATION: 22 APRIL 2016**

**Mr S M Gana (DA) to ask the Minister of Human Settlements:**

(1) Whether, with reference to the overspending of the KwaZulu-Natal Department of Human Settlements of its Human Settlements Development Grant by R230 million in the 2015-16 financial year, any of its human settlement programmes were cut to raise the additional funds; if not, where did the extra funds come from; if so, what are the relevant details;

(2) whether any additional funding was sourced from outside of the specified department to compensate for the overspending of its Human Settlements Development Grant in the 2015-16 financial year; if so, (a) from where were the funds sourced and (b) what are the terms attached to the repayment of the specified funds? **NW1337E**

**REPLY:**

(1) No. The additional allocation of R230.973 million was in respect of the following:

* The Provincial Department had commitments to the existing planned development that required an additional funding which was requested from its Provincial Treasury. In this regard, the Provincial Treasury agreed to provide R100 Million to the department from the provincial coffers. This was allocated to the Provincial Department to deal with budget constraints as a result of budget cuts and spending pressures from the previous financial year as well as the fact that most of the housing projects were far ahead of the planned development programme.
* An amount of R130.973 million was returned to the department from Ithala and National Housing Finance Cooperation (NHFC) in respect of funds that were transferred in the previous financial years for housing projects.
* These funds were requested to be allocated back to the Department to cater for escalation costs of housing projects from the old subsidy quantum to the current financial year’s subsidy quantum,(KZN commitment No.47 of 2015/16 has reference)

(2) (a**)** The province received the funds from the Provincial Treasury as well as returned monies from Ithala and NHFC.

(b) No terms are attached to the allocated funds.