

**MINISTRY**

**HUMAN SETTLEMENTS**

**REPUBLIC OF SOUTH AFRICA**

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**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: PQ 609**

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**Ms N Tafeni (EFF) to ask the Minister of Human Settlements:**

Whether her Department has resolved the problem of expenditure on transfers that were not captured in the funds of segment of the Basic Accounting System; if not, why not; if so, what are the relevant details? NW742E

**Reply**

The National Department has not experienced problems of not capturing expenditure on transferred funds in the Basic Accounting System (BAS)

Internally, the National Department:

* Captures all Human Settlements Grant funds to be transferred/ disbursed to both Provinces and Metros on the Basic Accounting System (BAS) as per the monthly Payment Schedules approved by the National Treasury
* All transfers that could not be effected on scheduled dates were re-scheduled in consultation with the National Treasury. The rescheduling was done immediately when the Basic Accounting System (BAS) would reject captured payments.

**On Provinces’ capturing of transferred funds on BAS, the responses from Provinces are as follows**:

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|  | **Province** | **Details** |
| 1 | Eastern Cape | All of the Province’s Conditional Grants and related expenditure and payments are paid through and captured on BAS, against the relevant segments and are accounted for. |
| 2 | Free State | The Province confirmed that expenditure on transfers is recorded against the correct BAS segment types. Monthly reconciliations are performed to ensure accuracy and completeness of transactions. |
| 3 | Gauteng: | The Province captures all transfers under the Funds segment on the Basic Accounting System within the SCOA framework. |
| 4 | Limpopo | The Province has never had a problem of capturing expenditure of transferred funds on BAS. All incurred expenditures are indicated under the fund segment, whether they are HSDG or ISUPG or PEHG payments. |
| 5 | Kwa-Zulu-Natal | The province has never experienced such a problem. All of the Province’s expenditure on BAS are captured against the Fund segment i.e. Human Settlement Development Grant, ISUPG, Voted Funds, etc. There is no expenditure captured without the full 8 segments of BAS. |
| 6 | Mpumalanga | The Province does not have expenditure on transfers that is not captured on Basic Accounting System. All incurred expenditure on transfers is recorded on BAS. |
| 7 | Northern Cape | All of the Province’s Conditional Grants’ expenditure are transferred through and captured on both the Housing Subsidy System and Basic Accounting System. |
| 8 | North West | The Province has not had an instance where expenditure was inappropriately captured for the fund segment in BAS. Loading of budget for grant funding is done specifically under conditional funds allocation in BAS and related expenditure is also reported under same. The only challenge previously experienced was that, budget and related expenditure were reported under incorrect interventions but under the correct fund segment. |
| 9 | Western Cape | The Province captures every cent spent on either the HSDG or and ISUPG on BAS and the HSS. |