**MINISTRY FOR HUMAN SETTLEMENTS**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: 971**

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**Ms L V James (DA) to ask the Minister of Human Settlements:**

(1) How many houses were built by her department in the Nelson Mandela Bay Metropolitan Municipality in the Eastern Cape in the (a) second and (b) third quarters of the 2015-16 financial year;

(2) with reference to the R500 million budget allocation from the National Treasury to the specified municipality (a) how many houses will be built, (b) by what date and (c) what are the further relevant details of this funding with regard to housing;

(3) whether any of the specified funds will be used for rectification purposes; if not, what is the position in this regard; if so, what are the relevant details;

(4) what are the details of any monies to be used outside of the specified municipality for the building of the specified houses?  **NW1101E**

**REPLY:**

(1) The Nelson Mandela Bay Metropolitan Municipality constructed 1219 new houses, serviced 139 stands with water and sanitation and rectified 1561 houses during the 2015/16 financial year.

 As far as rectification is concerned, it is now policy that my Department will no longer rectify any houses using its funds. A directive in this regard as been issued to all Provincial Human Settlements Departments that no funding from the Human Settlements Development Grant may be utilised for rectification. Any house that has defaults is the responsibility of the National Home Builders Registration Council (NHBRC), which is responsible to identify the contractor and ensure that they rectify the shoddy work at their own cost.

 (a) 198 houses/units were built during the second quarter of 2015/16 financial year in the Nelson Mandela Bay Metropolitan Municipality, Eastern Cape.

 (b) 215 houses/units were built during the third quarter of 2015/16 financial year in the Nelson Mandela Bay Metropolitan Municipality, Eastern Cape.

(2) An additional R500m was allocated to the Eastern Cape Provinces by the National Department and was disbursed as follows:

1. R122m to Housing Development Agency which was appointed as the implementing agent for all new developments in the municipality;
2. R46,5m for projects to be completed in the municipality by the Eastern Cape Department of Human Settlements – ECDOHS;
3. R50,3m to the Municipality to complete current running projects (R50, 3m);
4. R95m to the Revolving Fund of municipality as a reimbursement for bridge financing to fund housing construction;
5. R186,2 to fund project commitments in the Eastern Cape other than Nelson Mandela Metropolitan Municipality.

(3) The funds expended on rectification during the year under review were funded from the original Human Settlement Development Grant allocation to the Eastern Cape for 2015-16 financial year.

(4) An amount of R186, 2 m was spent on subsidised housing construction in the Eastern Cape other than in the Nelson Mandela Metropolitan Municipality, from additional R500m allocation.