

# **OVERSIGHT VISIT REPORT OF THE PORTFOLIO COMMITTEE ON HUMAN SETTLEMENTS, CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (COGTA) ON TAKING LEGISLATURE TO THE PEOPLE AT LEKWA LOCAL MUNICIPALITY - DEPARTMENT OF COGTA - 13 AND 15 SEPTEMBER 2016**

## **1. INTRODUCTION**

The Portfolio Committee on Human Settlements, Co-operative Governance and Traditional Affairs (the Committee) conducted oversight over the Department of Co-operative Governance and Traditional Affairs as mandated by Section 114 of the Constitution of the Republic of South Africa, (Act 108 of 1996), to oversee the performance of the Department of Co-operative Governance and Traditional Affairs (the Department), and hold it accountable through various measures.

The Taking Legislature to the People (TLP) project took place at Lekwa Local Municipality from 12 – 16 September 2016.

## **2. PURPOSE OF THE SITE VISIT AND A PUBLIC HEARING**

**The purpose of the site visit was as follows:**

- ❖ To assess progress made by the Department in implementing the pre-TLP House Resolutions and improving overall functionality of the Standerton Water Reservoir.
- ❖ To obtain the views from the Standerton community on the provision of the basic service delivery.

### **3. METHOD OF WORK**

In preparation for the TLP, the Portfolio Committee had conducted a Pre-TLP (site visits) at Standerton Local Municipality during August 2016. After the Pre-TLP, the Portfolio Committee had tabled its Committee Report that was adopted by the House. The House resolutions were then sent to the Department for implementation.

In September, after the approval of the Legislature programme, the Committee invited the Department to the TLP and oversight visits to be conducted on 13 and 15 September 2016.

The Committee met on 13 and 15 September 2016 with the Department of Co-operative Governance and Traditional Affairs. The Department was represented by the MEC, HOD and other officials from the Department. The representatives from South African Local Government Association (SALGA), the Executive Mayor, Standerton Local Municipality (Local Councillors), Public Service Commission (PSC), Auditor General's Office, Provincial Treasury and Community Development Workers (CDWs) were part of the meetings and site visits.

### **4. BACKGROUND AND PROGRESS REPORT AS PRESENTED BY THE DEPARTMENT ON THE HOUSE RESOLUTIONS OF THE PRE-TLP OVERSIGHT VISIT HELD AT LEKWA LOCAL MUNICIPALITY IN AUGUST 2016 ON THE STANDERTON WATER TREATMENT WORKS AND CONSTRUCTION OF STANDERTON RESERVOIR**

After the Pre-TLP, the House resolved that the Department must provide a detailed report why the reservoir is still not yet functional; the responses must include strategies to be used to ensure that this project will be completed before 31 December 2016.

The Department progress report was then tabled by the Department as follows: The Department reported that the project was funded and implemented by the Department of Water and Sanitation (DWS), it was considered appropriate to furnish all information that DWS has regarding the details of the project. The same applies for the Standerton Reservoir that was funded by the Gert Sibande District Municipality.

The Department further reported that a summary of the details for these projects—and is also aimed at correcting the misconceptions or inaccuracies that have been communicated during the Pre-TLP by the delegated officials to represent the department.

### **Refurbishment of Standerton Water Treatment Works**

The Department reported that the purpose of the intervention was to improve the functionality of the Water Treatment Works to reach its design capacity and also improve its water quality to the acceptable compliance standard. The Department further reported that according to the technical report as was approved by the Department of Water and Sanitation, the summary of scope of work for the project was to refurbish the following:

- Building and civil works
- Mechanical and electrical components of the plant
- 444 Filter Plant
- Candy Filter Plant
- Raw water abstraction pumps and installation of submersible pumps
- Kieser Street Pump station
- Standerskop Pump station
- High Pressure Pump station
- Old Standerskop Pump station
- Candy Backwash Pump station

The Department also reported to the Committee that the intervention of R20 million which was allocated and funded under the National Water Resources Infrastructure (NWRI) grant and an amount of R16 072 170 was the actual amount spent on the project. The Project started in February 2014 and was completed in September 2014. This plant is currently functional.

The following are other intervention projects by DWS on sewer infrastructure in Standerton and Morgenzon.

### **Refurbishment of Standerton Sewer Infrastructure**

The summary of Scope of Work was the:

- Refurbishment of all sewer pump stations within Standerton
- Fencing of all refurbished pump stations
- Assessment of Rooikopen sewer pipe network system
- Refurbishment of (old plant) Bio – filter plant with design capacity of 4.5 Ml/day as part of Standerton WWTW

The Department has refurbished the eight (8) sewer pump stations which were non-operational before namely:

- Rooikopen 1 & 2 Pump Stations
- TLC Sewer Pump Station
- Vaal Pump Station
- Taljaard Pump Station
- Steijn Sewer Pump Station
- Muller Pump Station
- Johan Pump Station

The Department reported that all the above mentioned pump stations are fully operational and pumping to the Standerton WWTW. The assessment of Rooikopen sewer network pipes of about 42 km was conducted through CCTV inspection and found that: Pipes were laid to correct grading, and Section of Rooikopen not connected to Rooikopen 2 pump station

### **Refurbishment of Bio-filter plant still to be attended under Phase III**

The allocated budget for the whole project through NWRI: R70 million, however an additional of about R70 million is required for the refurbishment/replacement of 42 sewer pipelines in Rooikopen.

### **Refurbishment of Morgenzon Sewer Pump Station**

The project commenced in November 2015 for the period of four (4) months. The summary of scope of work for the refurbishment of the pump station:

- Pump station building and civil works
- Mechanical and electrical works and
- Ground work and fencing of the pump station

The refurbishment project was completed in mid-March 2016 with allocated budget of R2 413 448.40 from Accelerated Community Infrastructure Programme (ACIP).

### **STANDERTON WATER RESERVOIR**

The construction of 10Ml reservoir in Lekwa Local Municipality is a project that was implemented by the Gert Sibande District Municipality. The project's objective was to address water challenges in the area of Sakhile and Standerton Extension 8.

The communities that were meant to benefit directly from intervention include Sakhile Extension 2, Sakhile Extension 6, Standerton Extension 7 and Standerton Extension 8. Most of these communities are currently connected to the old square reservoir which proved to be not sufficient to provide water consistently due to a number of issues which include that this reservoir is badly leaking.

Construction of the 10MI reservoir commenced later during 2011 with the appointment of a JV contractor (Messrs TK Julius Main Reason JV). The contract of the JV was terminated in March 2013 due to non-performance which emanated from the split of the JV. Gert Sibande appointed another contractor to finalize the project. This project was then completed in August 2015. The Local Municipality has been unable to fill this reservoir for all quality test needed to integrate this reservoir into the water supply network due to challenges with Bulk Supply.

#### **Technical approval and budget**

The project went through the Bid Committees where technical approvals were done. The construction of this reservoir, at completion, was confirmed to have used a total budget of R 22 927 364.81 including professional fees.

#### **Construction challenges of Bulk Water Supply**

As indicated, the contract of the JV was terminated in March 2013 due to non-performance which emanated from the split of the JV. This led to the project being delayed until a new contractor (Caluma Projects) was appointed in March 2013. The reservoir is currently at 100% in terms of construction, but it could not be commissioned due to water shortage. The shortage is due to challenges in the bulk water supply system.

### **Filter Refurbishment**

The filters in the water purification process require refurbishment as three (3) of them are not operational. This affects the purified water in terms of quantity and quality as without these filters, the backwash process will have to be done frequently and since it uses purified water, lot of water is wasted as part of this process. These filters will need to be attended to as a matter of urgency.

### **Pump Supply System**

The clear water pumps dedicated to this reservoir at the Water Works have a small pumping capacity as their size is less than the capacity demanded. This simply implies that the pumping system requires that these pumping units be changed to pump with bigger capacity.

### **Pumping Rising Main**

The old rising main which is dedicated for this line is in use but has challenges of frequent pipe bursts as well as having a number of draw offs from the line supplying the community directly. The Municipality, via the District Council, has implemented a project dating as back as 2007 to install a new rising main to these reservoirs. This project has had a number of challenges and to date this new line has not been commissioned. This is also a very critical bottleneck in ensuring that water supply to the new and old water reservoir is realized. Most challenges on this line are on the pipe installation and positioning of the critical accessories (i.e. air valves) to this line.

### **Project delivery and impact**

The reservoir is meant to benefit Sakhile Extension 2, Sakhile Extension 6, Standerton Extension 7 and Standerton Extension 8 which will ensure consistent water supply to these communities.

### Remedial actions to address the challenges

The Department reported that it will be co-ordinating with the Gert Sibande District Municipality, the Lekwa Local Municipality; where possible the Department of Water and Sanitation to ensure that the following actions are considered and implemented with immediate effect to redress this situation:

Item	Description	Estimated Costs	Estimated Timeframe
1	Refurbishment/replacement of three filters and repair of raw water turbine pumping units at the Standerton Water Treatment Plant	R2,000,000	6 to 8 weeks
2	Replacement and upgrade pumping units for Square Reservoir	R2,500,000	6 to 8 weeks
3	Installation of air valves and commissioning of the new 315mm uPVC diameter pumping main line	R500,000	4 weeks
4	Refurbishment of round Reservoirs 450mm diameter AC pumping main line	R500,000	4 to 6 weeks
	<b>Total</b>	<b>R5,500,000</b>	

### Projects planned to further address the water challenges

Financial Year	Name of project	Project Status	Budget	Implementing Agent
2015/16	Water Conservation and Demand Management (Multi-year)	Funding Complete	R 22m	GSDM
2016/17	Installation of Bulk Water Infrastructure (Refurbishment of Standerkop reservoir)	On tender	R 3.61m	MIG
	Rehabilitation of clear water pump units at Standerton WTP	In progress	R 2.5m	New Denmark
	Water Conservation and Demand Management (Multi-year)	Planning phase	R 1.0m	GSDM
2017/18	Water Conservation and Demand Management (Installation of dedicated pumping main to Round reservoirs)	Planning phase	R 10.0m	Lekwa LM



## **5. COMMENTS MADE BY THE COMMITTEE**

The Committee requested the Department together with the municipality and all the relevant stakeholders to provide a detailed report which will include all the written responses to questions that were asked by the Committee by Friday, 23 September 2016.

### **Project delivery and impact**

The Committee requested the Department to provide an explanation on why the Department has not provided the financial year when reporting on timeframes. In its response, the Department reported that the interventions that the Department made in its presentation are earmarked as an immediate short-term intervention to improve the functionality of the Water Treatment Plant, the pumping capacity to fill the reservoirs and installing of air valves to assist with conveyance of water from the Treatment Plant to the reservoir and distribution of water to the households.

The timeframes have been set for two (2) months ending November 2016 to allow for the Department of Human Settlements to finalize and relocate people before end of December 2016. The Municipality has been directed to accelerate its processes within the legal framework and to put all efforts to ensure that the targets are met. Department of CoGTA, Department of Water and Sanitation (DWS), Gert Sibande District Municipality (GSDM), Department of Human Settlements (DHS) and the Lekwa Local Municipality have formed a Task Team of dealing with these issues as a matter of urgency.

### **Poor performing contractors**

The Committee wanted to know what punitive measures have been taken by the Municipality on shoddy work done by the contractor in ensuring that the proper project planning management is also adhered to.

In its response, the Department reported that the General Conditions of Contract (GCC's) apply in case shoddy work is identified. The service providers are notified on time in writing on the identified pending snags/technical problems that need to be fixed prior to any form of payment. No work is paid for snags that have not been fixed.

The GCC also warrant for withholding of funds to a value of 10% for any payment certificate submitted for construction completed. The retention fees can be with-held for 6 to 12 months depending on the nature and size of the project. As for this particular reservoir, no funds were paid for work that the initial contractor failed to perform until they were terminated. The replacement contractor was able to finish the work assigned however, the Reservoir was never tested for leaks and functionality as the Lekwa Municipality was not able to fill the reservoir to capacity with water.

The Gert Sibande District Municipality is still holding the retention fees of R780 000 as surety against any shoddy work; up until the Reservoir is tested and found fully functional, it is not advisable to release the retentions as it could be used to fix identified snags. The District will be entering into an Agreement with the contractor for an extended period to allow the Municipality to fill-up the Reservoir or alternatively that the contractor make means to fill it up at an additional cost to be paid to the contractor for testing purposes. Once happy letter is issued, the retention fees shall then be released.

### **Vacancy rate**

The Committee wanted to know what measures have been put in place to address the vacancy rate. In its response the Department reported that the Lekwa Municipality will be undergoing its strategic planning session on 21 to 23 September 2016 which should provide fresh and renewed decisions on accelerating the interventions on identified gaps.

The Department of CoGTA has also directed that all municipalities fill their critical vacant funded posts not later than end of December 2016. A period of three (3) months has therefore been given to all municipalities.

## **6. Finding**

After the interaction with the Department, the Committee found that:

- (a) The Standerton Water Reservoir is still not functional (i.e. it is not filled with water to be supplied to the community) and this has a negative impact as Lekwa Local Municipality is failing to provide the basic needs like water to the community.
- (b) Some critical vacant funded positions are not filled by the municipality. The department then directed all municipalities to a period of three months to fill these funded critical vacancies.
- (c) There is inappropriate ranking of Senior Officials at Lekwa Local Municipality e.g. Director for Corporate Services is referred as Head of Department (HOD).

## **7. Recommendations**

After the findings the Committee recommended that the Department must:

- (a) Ensure that the new Standerton Water Reservoir is functional before or by 30 November 2016;
- (b) Provide a progress report on the filling of the critical vacant funded posts in all the municipalities by or before 30 December 2016.
- (c) Ensure that the appropriate titles in Lekwa municipality and all other municipalities are used for senior officials/Directors.

## 8. PUBLIC HEARINGS

The public hearing was held at Sakhile Stadium (Standerton) and the comments were as follows;

- ❖ The communities' main major challenge is the shortage of water; sometimes drinking water not suitable for consumption
- ❖ There are allegations of nepotism in the municipality in terms of employment.
- ❖ Dysfunctional of high-mast lights
- ❖ Lot of potholes
- ❖ Lack of electricity
- ❖ Leakage of sewer system and lack of sanitation in some wards

## 9. RECOMMENDATIONS ON A PUBLIC HEARING

The Committee recommends that the Department of Co-operative Governance and Traditional Affairs must attend to all the issues raised at the public hearing. A comprehensive progress report must be submitted by 30 November 2016.

***The Chairperson requests the House to adopt the Committee Report with the findings and its recommendations. The Department must submit a detailed progress report to the Portfolio Committee on or before 30 November 2016.***

## 10. CONCLUSION

The Chairperson wishes to thank the Hon. Members of the Committee, NCOP Permanent Delegates for their participation and contributions during the deliberations on the TLP site visits. The Chairperson further extends his appreciation to the MEC, RM Mtshweni, HOD, Mr. TP Nyoni, Senior Officials of the Department of COGTA, the Mayor of Lekwa Local Municipality, Mr Linda Dlamini, representatives of South African Local Government Association (SALGA), representatives of Public Service Commission (PSC), CDWs, Contractors as well as the Councillors and officials of Lekwa Local Municipality for supporting the programme of the Committee.

Lastly, he also wishes to thank the Legislature support staff for supporting the Committee during the TLP.



HON. WT MADILENG

CHAIRPERSON: PORTFOLIO COMMITTEE ON  
HUMAN SETTLEMENTS AND CO-OPERATIVE GOVERNANCE &  
TRADITIONAL AFFAIRS

13/10/2016  
DATE