

OVERSIGHT VISIT REPORT OF THE PORTFOLIO COMMITTEE ON HUMAN SETTLEMENTS, CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS CONDUCTED AT SIYANQOBA INTERGRATED RESIDENTIAL DEVELOPMENT PROGRAMME (IRDP) PROJECT, AT EMALAHLENI LOCAL MUNICIPALITY - DEPARTMENT OF HUMAN SETTLEMENTS – 14 AND 15 MARCH 2018

1. INTRODUCTION

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

The Taking Legislature to the People (TLP) project took place at eMalahleni Local Municipality from 12 – 16 March 2018.

2. PURPOSE OF THE SITE VISIT AND A PUBLIC HEARING

- ❖ The purpose of the site visit was to assess the provision of quality human settlement in Siyanqoba project and consider implementation and adherence to policy prescripts guiding Human Settlements
- ❖ To obtain the views from the eMalahleni Local Municipality community on the provision of the basic service delivery.

3. METHOD OF WORK

In preparation for the TLP, the Portfolio Committee after the approval of the Legislature programme, invited the Department to the TLP and be part of the oversight visits to be conducted on 14 and 15 March 2018. The invitations were also extended to South African Local Government Association (SALGA), the Executive Mayor for eMalahleni Local Municipality, the Councillors), Public Service Commission (PSC), Auditor General's Office, Provincial Treasury and Community Development Workers (CDWs) to be part of the site visits and the public hearing.

The Committee then met on 14 and 15 March 2018 to conduct oversight over the Department of Human Settlements on service delivery.

4. OBSERVATION

- ❖ The HOD, Mr K Masange and his Senior Officials were in attendance of the oversight visit and the public hearing.
- ❖ The houses reflected good quality workmanship and the Committee commended the Department.
- ❖ Some of the houses were completed even though the front doors had slight openings which could be seen from outside.
- ❖ The process of completing the water and sewer networks is still in progress.
- ❖ The contractor known as TSSN Carriers seem to dominate by being constantly being provided to build more than 2000 housing units.
- ❖ There's a challenge on people from communities who allocated themselves houses whilst the contractor was still on site, which cause the contractor not to complete on time.

- ❖ The Department and the municipality still have a challenge on the allocation of houses to the rightful beneficiaries
- ❖ The Department did not report on the commencement and completion date thereof for each project.
- ❖ There was no access to water which actually meant that there are no proper basic services eg: Sanitation and Electricity.
- ❖ The Committee was informed that the Municipality has arranged water tanks and flushable toilets at Siyanqoba.
- ❖ In November 2017, twenty one (21) military veterans' units were completed and occupied but without electricity and most of the houses are of poor workmanship.
- ❖ Inadequate/unavailable bulk infrastructure leading to delayed and non-implementation of approved projects.
- ❖ Lack of support by National Department of Agriculture, Forestry and Fisheries [DAFF] despite the project being a priority.
- ❖ Mushrooming of informal settlements within the municipal area remains a challenge.

5. PRESENTATION ON SIYANQOBA, EMPUMELELWENI AND DUVHA INTERGRATED RURAL DEVELOPMENT PROGRAMME (IRDP) MADE BY THE DEPARTMENT OF HUMAN SETTLEMENTS - (EMALAHLENI LOCAL MUNICIPALITY)

Mr K Masange, Head of Department (HOD) - Human Settlements reported that there are three (3) projects which are currently in progress within the eMalahleni Local Municipality which comprises of Siyanqoba, Empumelelweni and Duvha Park.

5.1. BRIEF BACKGROUND ON SIYANQOBA INTEGRATED HUMAN SETTLEMENT

The Committee was informed that upon completion of the Siyanqoba project, it will entail the following land uses: 9049 residential, one (1) zoned stands to accommodate low and middle income housing [IRDP], Financial Linked Individual Subsidy Programme (FLISP), Serviced Sites, Bonded Houses]; Four (4) Residential two (2) and three (3) zoned stands to cater for 448 housing units; and Community Residential Units [CRUs]; Twenty three (23) Social amenities with Police Station, five primary schools and two Secondary Schools]

The Department also indicated that there are challenges which are as follows;

- ❖ Inadequate /unavailable bulk infrastructure leading to delayed and non-implementation of approved projects.
- ❖ Lack of support by National Department of Agriculture, Forestry and Fisheries [DAFF] despite the project being a priority.
- ❖ Mushrooming of informal settlements within the municipal area remains a challenge.

The Department further reported that the required remedial actions will be for better coordination and alignment of funding for external engineering services that is required to enhance the project implementation.

The Department also reported that engagements are in a process with DAFF to solicit consent in terms of Act 70 of 1970.

The Committee noted that the project was established to move the people from Old Coronation and Masakhane to Siyanqoba. Further to that the project was supposed to implement the (BNG Policy); however the policy is not fully implemented noting that there are no Health Clinics, Churches, Shops, Recreational and Educational facilities. The portion of land was serviced by the Department of Human Settlements with a total number of 8763 stands; however during the inspection in loco, the Committee found that there was no access to water which actually meant that there are no proper basic services eg: Sanitation and Electricity. The Municipality has arranged water tanks and flushable toilets.

The Committee also noted the challenges encountered on the project which included illegal occupants that invaded the units in 2017. Vandalism and theft is also a major challenge in the area, the matter was however resolved by the department being assisted by the municipality. The contractor also indicated that he experienced delays due to shortfall of the aluminium windows, roof and bricks due to high demand in eMalahleni, however the Aluminium window frames are not on the specification of the department and they cost more than the normal window frames. The contractor also installed bath tubs instead of showers which are also not on the department specification however it was approved by the Department. Beneficiaries have not received their title deeds; beneficiaries only started occupying the houses last year November 2017.

The status quo on Siyanqoba IRDP Phase 1 is at 100 % complete

ACTIVITIES	PROGRESS TO DATE
Project Name	Siyanqoba IRDP Phase 1
Project Contract Value	R386 918 994.00
Expenditure to date	R386 918 994.00
Scope	Servicing of 8 869 Sites
Developer	Vipcon
Duration	3 years

The status quo on Siyanqoba Building of Top Structures Phase 2

ACTIVITIES	PROGRESS TO DATE
Project Name	Siyanqoba
Project Contract Value	R175 928 910.00
Expenditure to date	R50 619 639.98
Scope	1500 RDP houses
Developer/Contractor	Motoko Cost Consultants
Duration	3 years
Slabs	20
Wall plates	52
Roofed	270
Completions	230 units completed and occupied

The status quo on Construction of 21 Military Veteran Housing Units

ACTIVITIES	PROGRESS TO DATE
Project Name	Siyanqoba
Project Contract Value	R3 966 564
Expenditure to date	R3 966 564
Scope	Construction of 21 Military Veteran Housing Units
Developer/Contractor	Siyafuna
Duration	1 year
Slabs	0
Wall plates	0
Roofed	0
Completions	21 units completed and occupied

The status quo on Siyanqoba Building of Top Structures Phase 2

ACTIVITIES	PROGRESS TO DATE
Project Name	Siyanqoba
Project Contract Value	R124 449 400.00
Expenditure to date	R16 372 245.83
Scope	1000 RDP houses
Developer/Contractor	Balethayha
Duration	3 years
Slabs	172
Wall plates	151

Roofed	0
Completions	0

The status quo on Siyanqoba Building of Top Structures Phase 2

ACTIVITIES	PROGRESS TO DATE
Project Name	Siyanqoba
Project Contract Value	R73 319 400.00
Expenditure to date	R5 0002 130.61
Scope	500 RDP houses
Developer/Contractor	Roswika
Duration	3 years
Slabs	0
Wall plates	100
Roofed	0
Completions	0

The status quo on Siyanqoba Building of Top Structures Phase 2

ACTIVITIES	PROGRESS TO DATE
Project Name	Siyanqoba
Project Contract Value	R62 224 700.00
Expenditure to date	R3 300 105.00
Scope	500 RDP Houses
Developer/Contractor	Siyafuna
Duration	3 years
Slabs	20
Wall plates	50
Roofed	0
Completions	0

The status quo on Siyanqoba Building of Top Structures Phase 2

ACTIVITIES	PROGRESS TO DATE
Project Name	Siyanqoba
Project Contract Value	R124 449 400.00
Expenditure to date	R7 120 218.15
Scope	1000 RDP houses
Developer/Contractor	TSSN Carriers

Duration	3 years
Slabs	0
Wall plates	100
Roofed	0
Completions	0

The status quo on Siyanqoba Building of Top Structures Phase 2

ACTIVITIES	PROGRESS TO DATE
Project Name	Siyanqoba
Project Contract Value	R62 224 700.00
Expenditure to date	R1 698 693.29
Scope	500 RDP houses
Developer/Contractor	T and Z Construction
Duration	2 years
Slabs	20
Wall plates	0
Roofed	50
Completions	0

5.2. BRIEF BACKGROUND ON EMPUMELELWENI INTEGRATED HUMAN SETTLEMENT

The Empumelelweni is one of the informal settlements found in Emalahleni Local Municipality. The informal settlement has about 6100 households and to date the Department has built approximately 4000 units. It is earmarked for in-situ upgrading.

The status quo on Empumelweni IRDP Phase 1 is at 100 % complete

ACTIVITIES	PROGRESS TO DATE
Project Name	Siyanqoba IRDP Phase 1
Project Contract Value	R386 918 994.00
Expenditure to date	R386 918 994.00
Scope	Servicing of 8 869 Sites
Developer	Vipcon
Duration	3 years

The status quo on Empumelelweni Building of Top Structures Phase 2

ACTIVITIES	PROGRESS TO DATE
Project Name	Empumelelweni
Project Contract Value	R119 430 670.00
Expenditure to date	R52 290 530.54
Scope	1000 RDP houses
Developer/Contractor	TSSN Carriers
Duration	3 years
Slabs	13
Wall plates	50
Roofed	80
Completions	380 units completed

The status quo on Empumelelweni Building of Top Structures Phase 2

ACTIVITIES	PROGRESS TO DATE
Project Name	Empumelelweni/Hlalanikahle
Project Contract Value	R25 079 400.00
Expenditure to date	R7 941 647.95
Scope	200 RDP houses
Developer/Contractor	Mbhene
Duration	2 years
Slabs	13
Wall plates	19
Roofed	47
Completions	26 units completed

5.3. BRIEF BACKGROUND ON DUVHA PARK INTEGRATED HUMAN SETTLEMENT

The Duvha Park is a Greenfield project situated at Emalahleni Local Municipality. The contractors that have been appointed to construct top structures in the current financial year are Shirdo Trading, Vuka Magagula and Seedi Developments with an allocation of 500 units over a period of three (3) years. Informal Settlement Upgrade programme with a total yield of 1500 residential 1 zoned stands to accommodate low and middle income housing [IRDP, FLISP, Serviced Sites and Bonded Houses]; Social amenities are available in close proximity of the settlement. The Department has reported that there are 1000 sites serviced to date. The contractors have already been appointed to construct 500 top-structures.

The status quo on Duvha Park IRDP Phase 1 is at 100 % complete

ACTIVITIES	PROGRESS TO DATE
Project Name	Duvha Park IRDP Phase 1
Project Contract Value	R43 626 000.00
Expenditure to date	R43 626 000.00
Scope	Servicing of 1000 Sites
Developer	Encor Prop
Duration	1 year

The status quo on Duvha Park Building of Top Structures Phase 2

ACTIVITIES	PROGRESS TO DATE
Project Name	Duvha Park
Project Contract Value	R87 200 000.00
Expenditure to date	Not mentioned
Scope	500 RDP houses
Developer/Contractor	Shirdo Trading; Vuka Magagula and Seedi Developments
Duration	3 years
Slabs	0
Wall plates	0
Roofed	0
Completions	0

5.4. CONSTRUCTION OF A NEW WATER PIPELINE FROM GLENCORE TO PHOLA

The Committee was informed that the Project Scope entails construction of a new water pipeline which is about (15.8 km, 500mm diameter PVC) to convey water from Glencore Mine to Phola Reservoirs. The progress of the project was reported as follows:

ACTIVITIES	PROGRESS TO DATE
Project Name	Bulk Water Infrastructure – Glencore to Phola
Project Contract Value	R77 229 093
Expenditure to date	R55 156 028
Scope	The scope of the project entails construction of a new water pipeline (15.8 km, 500mm diameter PVC) to convey water from Glencore mine to Phola Reservoirs.
Consultant	Moteko Construction Cost Consultants
Contractor	Tiger Business Enterprise
Duration	18 Months

The Committee noted that the project is at 90% complete; 90% of the pipeline construction work (comprising excavation, bedding, laying, filling, installation of valves and chambers)

5.5. Construction of three (3) sewer pump stations and a new pipeline (bulk sanitation project)

The Committee was informed that the project scope entails the construction of three (3) sewer pump stations and a new sewer pipeline to convey sewer from Siyanqoba to the Klipspruit Waste Water Treatment Works.

ACTIVITIES	PROGRESS TO DATE
Project Name	Bulk Sanitation Infrastructure – Siyanqoba to Klipspruit Waste Water Treatment Works (WWTW) Reservoirs
Project Contract Value	R49 102 000
Expenditure to date	R28 044 333
Scope	The scope of entails the construction of three (3) sewer pump stations and a new sewer pipeline to convey sewer from Siyanqoba to the Klipspruit Waste Water Treatment Works
Consultant	Moteko Construction Cost Consultants
Contractor	Tiger Business Enterprise
Duration	18 months

The Committee has also noted that the project is at 85% complete. The Committee further noted that 85% of the three (3) sewers pump stations and a new sewer pipeline construction work (comprising of excavation, bedding, laying, filling, installation of valves and valves).

5.6. Construction of the new water pipeline from Klarinet to Siyanqoba Township Development

The scope of this project entails construction of the new water pipeline to convey water from the existing 400mm Klarinet pipeline to Siyanqoba township development.

ACTIVITIES	PROGRESS TO DATE
Project Name	Bulk Sanitation Infrastructure – Siyanqoba to Klipspruit Waste Water Treatment Works (WWTW) Reservoirs
Project Contract Value	R49 102 000
Expenditure to date	R28 044 333
Scope	The scope of entails the construction of three (3) sewer pump stations and a new sewer pipeline to convey sewer from Siyanqoba to the Klipspruit Waste Water Treatment Works
Consultant	Endecon
Contractor	SMP
Duration	18 Months
	19

5.7. Brief background on Klarinet Integrated Human Settlements Phase 1.

The department reported that the Klarinet IRDP Phase one (1) comprises of 3915 housing opportunities with the following activities: Breaking New Ground (BNG) - 2272 Housing Units; Apartment & Rental Housing Units- 540 Units (Ownership & Rental) and Free Market Bonded Houses which consist of 1103 Units.

ACTIVITIES	PROGRESS TO DATE
Project Name	Klarinet IRDP Phase 1
Implementing Agent	ABSA DEVCO
Consultant	Bigen Africa
Duration	3 years

5.8. Brief background on Klarinet Integrated Human Settlements Phase 2.

The department reported that the Klarinet project is based on the current planning process, the developable land for Klarinet Phase 2 will yield 3 794 houses and 732 institutional/rental units. Further to that the envisaged project scope will entail 5072 housing opportunities comprising of the following: Breaking New Ground (BNG) - 3 299 Housing Units; Apartment & Rental Housing Units- 732 Units (Ownership & Rental) and Free Market Bonded Houses which consist of 660 Units.

ACTIVITIES	PROGRESS TO DATE
Project Name	Klarinet Integrated Human Settlements Projects
Implementing Agent	Housing Development Agency (HAD)
Consultant	Bigen Africa
Duration	3 years

6. COMMENTS MADE BY THE COMMITTEE

Appointment of contractors

The Committee wanted to know why the contractor by the name of TSSN Carriers has been allocated more than 2000 housing units and the differences in terms of the budget since it's the same allocation. The Department was requested to provide an explanation why the empowering only one contractor. In its response the Department reported that the allocation of the budget will not be the same as the allowance for the geotec in varies from one place to another due to soil or area in question. The Department has given the TSSN Carriers more than 2000 housing units due to capacity and resources that they are able to provide.

6.1. Findings made by the Committee

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

- a) There is Housing Backlog within Emalahleni Local Municipality for the people moved from Old Coronation, Masakhane and backyard dwellers from KwaGuqa.
- b) There are projects that are not completed on time due to slow performance of the contractors.
- c) The Department of Human Settlements and Co-operative Governance and Traditional Affairs is not assisting Siyanqoba community with basic services such as water, sanitation and electricity.
- d) Finalization of title deeds is still a major challenge.

6.2. Recommendations made by the Committee

The Committee recommended that Department must:

- a) Develop an effective plan to address the challenge of the housing backlog within Emalahleni Local Municipality. A progress report to be submitted by 31 May 2018.
- b) Strengthen its monitoring system to ensure that the projects are completed on time. A progress report be submitted by 31 May 2018 and thereafter on a quarterly basis.
- c) Engage the Department of CoGTA to assist in addressing the challenge of basic service delivery such as water, sanitation and electricity as a matter of urgency and that a progress report to be submitted by 31 May 2018.
- d) Develop an effective system to process the registering of the title deeds in order to address the challenges of issuing of the title deeds. A progress report to be submitted by 31 May 2018 and thereafter on a quarterly basis.

7. PUBLIC HEARINGS

The public hearing was held at Sy Mthimkhulu Stadium (eMalahleni Local Municipality) and the comments were as follows; the Committee also notes that the Department of Human Settlements was able to assist most of the community members on the day of the public hearing

- Community Members are requesting RDP Houses.
- No feedback given to applicants for RDP houses (wait for more than 10 years)
- The incorrect allocation of houses to rightful beneficiaries has been raised as a concern.
- Poor Management of beneficiary list

- It was reported that some houses are dilapidated
- Title deeds are not handed over on time to beneficiaries
- The Department of Human Settlements is utilising TSSN Carriers in most of the projects within Emalahleni Local Municipality

7.1. Recommendations on a public hearing

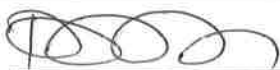
The Committee recommends that the Department of Human Settlements must attend to issues raised at the public hearing. A comprehensive progress report must be submitted by 31 May 2018.

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 31 May 2018.

8. CONCLUSION

The Chairperson wishes to thank the Hon. Members of the Committee, for their participation and contributions during the deliberations on the TLP site visits and public hearing. The Chairperson further extends her appreciation to the MEC, SK Mashilo, HOD, Mr. K Masange, Senior Officials of the Department of Human Settlements, the Mayor of eMalahleni Local Municipality, Ms L Ntshalintshali, Nkangala District Mayor and Speaker, representatives of House of Traditional Leaders (HTL) South African Local Government Association (SALGA), representatives of Auditor General's Office, CDWs, Contractors as well as the Councillors and officials of eMalahleni Local Municipality for supporting the programme of the Committee.

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



HON. P NGOBENI

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

18/04/2018

DATE