

OVERSIGHT VISIT REPORT OF THE PORTFOLIO COMMITTEE ON HUMAN SETTLEMENTS, CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS CONDUCTED AT NEWTOWN PROJECT (WATER AND SANITATION BULK INFRASTRUCTURE), AT STEVE TSHWETE LOCAL MUNICIPALITY - DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (COGTA) – 15 AND 16 MARCH 2017

1. INTRODUCTION

The Portfolio Committee on Human Settlements, Co-operative Governance and Traditional Affairs (the Committee) conducted oversight visits 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 and hold it accountable through various measures.

The Taking Legislature to the People (TLP) project took place at Steve Tshwete Local Municipality from 13 – 17 March 2017.

2. PURPOSE OF THE SITE VISIT AND A PUBLIC HEARING

- ❖ The purpose of the site visit was to assess the progress made by the Department in the delivery of water.
- ❖ To obtain the views from the Steve Tshwete Local Municipality (Middelburg) 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 informed the Department about the TLP and oversight visits to be conducted on 13 and 17 March 2017. The Committee then met on 15 and 16 March 2017 with the Department of Co-operative Governance and Traditional Affairs. Other stakeholders invited were South African Local Government Association (SALGA), the Executive Mayor for Steve Tshwete Local Municipality (Local Councillors), Public Service Commission (PSC), Auditor General's Office, Provincial Treasury and Community Development Workers (CDWs).

4. OBSERVATIONS

- ❖ The MEC for Department of Co-operative Governance and Traditional Affairs, Ms RM Mtshweni tendered an apology due to ill health.
- ❖ The HOD, Mr TP Nyoni and his Senior Officials were in attendance of the oversight visits and the public hearing.
- ❖ The establishment and induction of Ward Committees have been completed councilors are expected to convene community meetings by the end of the 4th Quarter.

5. PRESENTATION BY THE DEPARTMENT ON NEWTOWN WATER AND SANITATION BULK INFRASTRUCTURE PROJECT- (STEVE TSHWETE LOCAL MUNICIPALITY)

5.1. Background on Newtown Project

The objective of the project was to relocate existing Newtown informal settlement, create security of tenure for households and also to build low cost houses for those who

qualify. There were about 500 stands planned and pegged adjacent to Newtown informal settlement. The proposed Newtown Township is planned on the vacant piece of land situated just adjacent to the Newtown informal settlement.

The geotechnical investigation on the land development area was conducted by DIGES during June 2012. Subsequently, the Council appointed Sisonke Development Planners on 29 November 2012 to facilitate the process of township establishment of Newtown Extension comprising of the 1100 stands for the amount of R838 185, 00 VAT inclusive. On 15/10/2014, Council appointed Rand Water as an Implementing Agent (IA) for execution of water and sanitation projects which includes servicing of the 1100 stands in Newtown. The status quo on the Newtown Project is as follows:

ACTIVITIES	PROGRESS
Project Name	Servicing of 1100 stands at Newtown
Consultant	SADEC
Contractor	Lenjo / Sivuthumlilo JV
Start Date	15 October 2015
Expected Completion Date	01 July 2017
The total project value	R 35,1 million (water and sanitation only)
Source of funding	Municipal Infrastructure Grant (MIG)
Bulk water supply line	95% completed (250mm diameter 2.9km)
Reticulation of stands with water network	90% completed phase 1 (400 stands 98% reticulated)

5.2 Challenges and Remedial action

The Department is faced with the following challenges:

- ❖ Slow start by Rand Water - an accelerating plan has been put in place;
- ❖ Unsatisfactory performance by contractor – an accelerating plan has been put in place.
- ❖ Poor soil condition - Additional funding of R6, 8 million was approved by Co-operative Governance and Traditional Affairs and rock blasting was done
- ❖ Redesign of the pump stations - New bigger pumps currently constructed to accommodate future development

6. COMMENTS MADE BY THE COMMITTEE

6.1 NEWTOWN PROJECT

The Committee noted that the Newtown Project started in 2013 but up to date, there is slow progress, no accurate information provided and no top structures constructed. The Department reported that the contractor is on site and will commence with the construction before the end of March 2017. Technical task teams from the municipality and the Department of Human Settlements will do an inspection and submit a detailed report to the Committee.

The Committee wanted to know the relationship between the municipality and Rand Water and why the municipality is not responsible to its own reticulation. In its response the Department reported that, the municipality provides both bulk and reticulation. The municipality has got internal capacity to do both. The Department further reported that the municipality appointed Rand Water as an Agent to do reticulation for Newtown and Kwazamokuhle Extension 8.

The Department also indicated that there were number of challenges (e.g technical challenges) as Rand Water started the project late. The Department further reported that the contract with Rand Water has come to an end and the municipality is directly managing the contract. The municipality has challenges with alternative bulk supply of water due to high demand and limited source (Dam Capacity); alternative sources are being investigated like mine reclaim water and recycling from the Waste Water Treatment plant.

6.2 MKHULU SCHOOL

The Committee also wanted to know why Mkhulu School is charged with high tariff. In its response the Department reported that the school is charged in line with the Council tariff policy and the matter will be further investigated and assistance will be provided where possible.

6.3 KWAZAMOKUHLE EXTENSION 8

The Committee wanted to know what will the municipality do with the five (5) water locked sites allocated to Human Settlements Department at KwaZamokuhle Extension 8. The Department reported that the municipality will allocate alternative five stands to address the issues of site with the Department. The Committee also noted that there is illegal dumping site not attended by the municipality next to the clinic at Kwazamokuhle Extension 8.

6.4 PUBLIC PARTICIPATION

The Committee raised a concern on the provision of basic services; and the lack of public participation. In its response, the Department reported that the municipality annually conducts a scientific community satisfaction survey through a professional service provider; the results of the latest survey conducted in 2016 are positive.

Ward Councillors also conduct Ward Community meetings bi-monthly and the reports are submitted to Council for consideration. A minimum of six (6) mayoral Izimbizo are conducted annually.

The Committee also informed that according to the Department, the municipality has established Ward Committees and 28 out of 29 wards have established Ward Committees. The municipality has also confirmed that induction of Ward Committees has been done thus far. The Department also reported that no community meetings have been convened to date. The focus has been on the establishment and induction of Ward Committees; since that the processes of establishment of ward committees and induction have been completed; councillors are expected to convene community meetings by the end of the 4th quarter. The Municipality has 31 Community Development Workers and seven (7) Wards are without CDWs.

The Department confirmed that CDWs understand their roles and responsibilities because role clarification workshops have been conducted in the Municipality. The Community Development Workers Programme (CDWP) District Coordinators in the three (3) districts monitor the activities of CDWs. The daily activities of the CDWs are also monitored through the Provincial Operation Centre. The CDWs participated in the household profile projects as per the programme by the Department of Social Development (DSD) because household profile has been centralized and coordinated by DSD.

6.5 Local Economic Development (LED)

The Committee was informed by the Department that the municipality has an approved LED strategy which had been developed and adopted in 2015. The Municipality does involve the communities in LED through the established and functional LED Forum.

Communities are also consulted on LED through the IDP public participation processes hence the following number of job opportunities were created: 1339 Jobs have been created through implementation of Municipal Infrastructure Grant (MIG) and municipal funding for the implementation of capital projects; Implementation of Community Works Programme in all rural wards which has maintained 1000 work opportunities.

The Department stated that the LED strategy of the municipality does promote the creation of cooperatives and Small, Medium Micro Enterprise (SMME) support through initiatives such as training and building, and linkage to opportunities. The municipality does not have challenges in implementing the LED Strategy as it is implemented through funding sources such as the District Municipality, Sector Departments, and Private sector including the mining houses. National Department of COGTA is responsible for the payment of CWP workers. Participants as CWP workers are paid on monthly basis. CWP is integrated in the municipal IDP). The municipality through the Local Reference Committee, Provincial and National CoGTA monitors the CWP. The Municipality has further submitted that it has township economic development ear-marked industrial stands at Newton; Industrial Park Mhluzi; Youth Flea market and car wash which will have kiosk and Shisa Nyama. In terms of industrial development, the municipality is targeting two new coal mines; expansion of incubation programme whilst in regard to retail the municipality is planning phase 3 of Middelburg Mall; two shopping centers in Mhluzi and the construction of a hotel.

7. Findings made by the Committee on Newtown project

After thorough interaction with the Department, the committee found that:

- a) There is a delay in the construction of the Newtown project that commenced in 2013.
- b) Mkhulu School is faced with a challenge of paying the municipal services as it is charged in line with the Council tariff policy.
- c) There is an illegal dumping site not attended by the municipality next to the clinic at KwaZamokuhle Extension 8.

8. Recommendations made by the Committee on Newtown project

After the findings, the committee recommended that the department must:

- a) Strengthen its monitoring system and ensure that the Newtown project is finalised and a detailed progress report be submitted by 31 May 2017.
- b) Urgently intervene to prevent the disconnection of the municipal services; the rates must also be reviewed. A progress report to be submitted by 31 May 2017.
- c) Ensure that the illegal dumping site is urgently attended too and that the Department should also consider identifying designated areas that will not cause health hazard for the communities. A progress report to be submitted by 31 May 2017.

9. PUBLIC HEARINGS

The public hearing was held at Themba Sinamela Stadium (Middelburg) and the comments were as follows;

- ❖ The communities' main major challenge is the shortage of water; and there is no free water supply;
- ❖ There are no boreholes;
- ❖ There is poor road infrastructure;
- ❖ Youth empowerment is needed at Steve Tshwete Local Municipality;
- ❖ Councillors are attacked for poor service delivery;
- ❖ A request for Apollo lights (high-mast lights) have been made;
- ❖ There are allegations of nepotism in the municipality.
- ❖ No feedback given to applicants for RDP houses (wait for more than 10 years)
- ❖ Allocation of houses to rightful beneficiaries sometimes is not done;
- ❖ Poor Management of beneficiary list
- ❖ There are no job opportunities (e.g. Catering for municipalities)

Recommendations on a public hearing

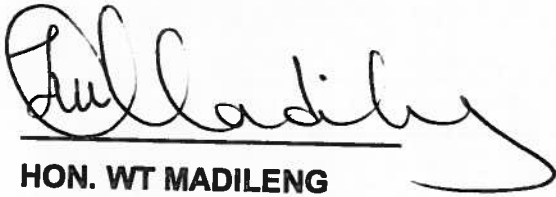
The Committee recommends that the Department of Co-operative Governance and Traditional Affairs must attend to issues raised at the public hearing. A comprehensive progress report must be submitted by 31 May 2017.

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 12 June 2017.

10. CONCLUSION

The Chairperson wishes to thank the Hon. Members of the Committee, NCOP Permanent Delegate, Mr G Mthimunya for their participation and contributions during the deliberations on the TLP site visits and public hearing. The Chairperson further extends his appreciation to the HOD, Mr TP Nyoni and his Senior Officials of the Department of Co-operative Governance and Traditional Affairs, the Mayor of Steve Tshwete Local Municipality, Mr M Masina, 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 Steve Tshwete 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**

23/05/2017
DATE