

REPORT OF THE PORTFOLIO COMMITTEE ON HUMAN SETTLEMENTS, CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS ON OVERSIGHT VISITS TO NEWTOWN PROJECT (WATER AND SANITATION BULK INFRASTRUCTURE AND SHELDON WATER RESERVOIR AT STEVE TSHWETE AND THEMBSILE HANI LOCAL MUNICIPALITIES - DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (COGTA)

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 oversight was a follow up visit which transpired during a Taking Legislature to the People (TLP) project which took place at Steve Tshwete Local Municipality in March 2017. The Portfolio Committee also conducted a site visit to Thembisile Hani Local Municipality.

2. PURPOSE OF THE SITE VISIT

- ❖ To assess the progress made by the Department in the delivery of water.
- ❖ Track progress on construction of bulk infrastructure in Newtown Project.
- ❖ To assess the extent of service delivery rendered by the Department.
- ❖ To determine whether there is value for money in the implementation of projects in the municipality.

- ❖ To evaluate the realization of the provincial government priorities within the municipalities.
- ❖ To assess the provision and sufficiency of quality water in Thembisile Hani Local Municipality.

3. METHOD OF WORK

In preparation for the Oversight Visit, the Portfolio Committee after the approval of the Legislature programme informed the Department about the oversight visits to be conducted on 31 July and 01 August 2019. The Committee then met with the Department of Co-operative Governance and Traditional Affairs. Other stakeholders invited were South African Local Government Association (SALGA), the Executive Mayor, Speaker, Municipal Manager and Local Councillors for Steve Tshwete and Thembisile Hani Local Municipalities, House of Traditional Leaders, Public Service Commission (PSC), Auditor General's Office, Provincial Treasury and Community Development Workers (CDWs).

4. OBSERVATIONS

- ❖ The Department of Cooperative Governance and Traditional Affairs was represented by the Acting Senior Manager for Water Services, Mr F Khumalo.
- ❖ HOD, Mr TP Nyoni tendered an apology and his Senior Officials were in attendance of the oversight visits.
- ❖ The project is completed, with a snag list being currently attended by the contractor.
- ❖ Physical progress work done is up to date in the installation of Municipal Water and Sanitation Infrastructure Services in Newtown.

- ❖ The Portfolio Committee commends the Department for the progress made on the Newtown project.
- ❖ 36 work opportunities created in this project (Newtown project).
- ❖ 58 work opportunities created in this project (Sheldon Water Reservoir).
- ❖ 1100 household were supposed to benefit but only 842 has benefitted and 258 household were excluded due to insufficient budget caused by excessive hard rock encountered on the project.
- ❖ There is no relationship between the Department and the municipality as it was alleged that the Department interfere on procurement processes.
- ❖ Honey-sucker is used for the pump station instead of an electrified one.
- ❖ Sewer blockage causes a health hazard to the community.

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

5.1. Background on Newtown Project

The Portfolio Committee was informed that the Newtown Extension one (1) was proclaimed in March 2014. The Newtown Township was established to eradicate the existing objective of the project that was to relocate existing Newtown informal settlement. The community of Newtown launched a march to the municipal offices demanding acceleration of services. Rand water was appointed as an implementation agent in order to assist the municipality to execute the water and sanitation project.

The Department of Co-operative Governance and Traditional Affairs approved the Municipal Infrastructure Grant (MIG) funding for the installation of water and sewer services in Newtown for new 1100 household units. Construction commenced in December 2014, after the appointment of the contractor. The project is completed, with a snag list being currently attended by the contractor. The status quo on the Newtown Project is as follows:

ACTIVITIES	PROGRESS
Project Name	Installation of Municipal Water and Sanitation infrastructure Services in Newtown
Project Scope	<p>Water</p> <ul style="list-style-type: none"> ▪ Installation of bulk water supply distribution mains and water reticulation networks including ERF connections but excluding water meters and taps <p>Sanitation</p> <ul style="list-style-type: none"> ▪ Installation of sewer internal reticulation network including erf connection ▪ Installation of bulk outfall sewer line and rising mains ▪ Construction of two sewer pump stations and inlet works
Project Registration No.	Water: MIG/MP/1290/W/14/17 Sanitation: MIG/MP/1291/14/17
Project location	Middelburg, Newtown (Ward 17 and 27)
Project type	Water and Sanitation
Total project cost	R34 836 220.33
MIG funds	Yes
Amount spent in previous financial year	R32 336.220.33
Amount spent in current financial year	None
Actual start date	09 December 2015 (2015/16 FY)
Appointment of Consultants	Rand Water Implementation Agent

Date of site establishment	20 January 2016 (2015/16 FY)
Actual/projected end date	30 September 2019 (2019/20 FY)
Water Networks	
Lines	Varies 90mm, 110mm and 160mm Diameter, UPVC pipe
Total length	8589m
ERF Meters	ERF meters installed
Valves	42
Hydrants	15
Sewer Networks	
Lines	Varies 160mm, 200mm Diameter, UPVC pipe (86)
Number of Manholes	86
Semi-functional (extensive maintenance required)	66
Poor functionality (require remedial action)	17
Non-functional (replacement required)	3

5.2 Challenges and remedial actions raised by the Department/Municipality on the Newtown Project

The Department is faced with the following challenges:

- ❖ Condition of water and sewer network is functional and caters to the requirements of the development;
- ❖ Water flowing into exposed house connection has caused silt to accumulate in sections of the network causing potential blockages;
- ❖ Routine maintenance is required;
- ❖ Condition of sewer network is functional and caters to the requirements of the development Slow start by Rand Water - an accelerating plan has been put in place;

- ❖ Out of 171 manholes assessed, 50% of the manholes in the network are semi-functional; blocked and overflowing manholes due to silt and debris and manholes without lids;
- ❖ Awaiting for the completion of two pump station and fixing of the remedial works;

6. COMMENTS MADE BY THE COMMITTEE

6.1. Construction of two (2) Sewer Pump Stations

The Committee noted that there is a serious challenge with regards to one of the sewer pump station and requested the Department together with the municipality to attend to the issue as a matter of urgency. The Committee further raised a concern on why the sewer pump station was not installed according to the sewer lines criteria, again the honey-sucker was used instead of the electrified one. The Committee further noted that there was poor planning on this project. The second pump visited was not in a good state (leakages/sewer) such that the local council, ward committee members and the residence marched to the plant and demanded to be addressed.

The Department together with the municipality indicated that there were number of challenges and assured the Committee that all the challenges will be attended to.

6.2. 258 OUTSTANDING BENEFICIARIES

The Committee noted that two hundred fifty eight (258) outstanding beneficiaries were excluded due to insufficient budget caused by an excessive hard rock encountered on the project. The Committee requested the Department to indicate when the outstanding beneficiaries would be allocated with their units, and to ensure that the beneficiary list would not change. In its response, the Department reported that the beneficiary list will not change as the matter will be finalised during the 4th quarter and the Portfolio Committee will be provided with a detailed report.

6.3. RELOCATION OF PEOPLE TO INFORMAL SETTLEMENTS

The Department having reported that there would be relocation of people to informal settlements; the Committee also noticed that the area where the pump is erected is within an area that has been developed for residential purposes; the Committee wanted to know the impact to be caused by the relocation of the cattle and their land. The Department reported that the people's land and cattle will not be affected.

7. PRESENTATION BY THE DEPARTMENT ON SHELDON WATER RESERVOIR (THEMBISILE HANI LOCAL MUNICIPALITY)

7.1. Background on Sheldon Water Reservoir

The Committee was informed that the Water supply disruptions have occurred within the areas known as KwaMhlanga, Phola Park, Mountain View, Sheldon and Zakheni which are currently been supplied with potable water from the main supply feeding the Kameelpoortnek reservoir. The Department reported that it has been mentioned during the project inception that water shortages are also experienced within the Moloto and Enkeldoornoog C areas, therefore the inclusion thereof. The proposed project entails the addition of new infrastructure such as storage and bulk mains which will form part of the "Southern Scheme" (Rand Water & City of Tshwane) of the "Western Highveld Regional Scheme".

The Department reported on the projected water requirement and populations as follows:

Census year	Population	Water Demand(MI/D)
2011	310458	41.2
2014	327 526	52.2
2024	372684	66.14
2034	424068	75.26

The status quo of the Sheldon Water Reservoir is as follows:

ACTIVITIES	PROGRESS
Project name	Construction of new reservoir and pipe mains at KwaMhlanga for Phola Park, Mountain view and Moloto Co Phase 2
Project Scope	<ul style="list-style-type: none"> ▪ Construction of 10MI ground level reservoir at Enkeldoornoog C Site ▪ Construction of a new 770m of 550mm diameter class 12 type uPVC pipe mains. ▪ Construction of a new dedicated 8 672 m of 250mm diameter from the new reservoir to the existing diameter 300mm pipeline which splits into two directions namely supply upwards into existing 300mm pipe diameter to Phola Park and Enkeldoornoog B and supply downwards into existing 300mm pipe diameter to Mountain view and Sheldon Ext. ▪ Installation of 2 x new flow control valves to the pipeline branching to Phola Park and Mountainview
Project registration number	MIG/ MP 1574/W/16/18
Project location	Enkeldoornoog C
Project type	Water
Total project cost	R 311 227 311.41
MIG funds	R 52 38 455.00
Amount spent in previous FY	R 44 564 419 (Excl. VAT)
Amount spent in current FY	R 0.00

Actual start date	10 October 2016
Appointment of Consultants	Monde Consulting JV
Date of site establishment	10 October 2016
Actual/projected end date	30 August 2019
Physical progress on work done to date	Completion of the 10MI reservoir Completion of 9 442m of pipe mains. Construction of concrete chambers and installation of all fittings.
Reasons for the variance	The Department reported that there was a violent community unrest in February 2017 that resulted in the construction materials worth R1, 4 million burnt into ashes by those that were involved in the violent action. This was the action largely by the Local Business Forum where disruptions and site stoppages lasted for almost three weeks fighting for entitlement to secure business opportunities. The Contractor had to claim from the Insurance for all damages incurred.
No of Job opportunities created	58
No of Households benefited	14 456

8. COMMENTS MADE BY THE COMMITTEE

The Committee commended the Department and Thembisile Hani Local Municipality for the progress made with regard to Sheldon Water Reservoir and requested the Department to ensure that the completion time is adhered to. The Committee further requested the Department to ensure that the Loskop Dam line is attended to as there were challenges and fully supports the Department to find a permanent solution to the matter as it was also pronounce by the Premier.

9. Findings made by the Committee

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

9.1. Steve Tshwete Local Municipality project

- a) Newtown project is faced with a challenge of sewer blockages and ineffective honey-sucker.
- b) There is poor communication and working relationship between the Department and the municipality that resulted to non-effective operation of the project.
- c) The expected completion date is 30 September 2019 for the Newtown project.

Thembisile Hani local municipality project

- d) There is progress in this project as it's at 99% completion at Sheldon Water Reservoir.
- e) There is a challenge with regards to Loskop Dam bulk line within Thembisile Hani Local Municipality.

10. Recommendations made by the Committee

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

10.1. Steve Tshwete Local Municipality project

- a) Urgently intervene to prevent the sewer blockage and ensure that the municipality electrify the pump-station by 30 September 2019 so that it does not cause health hazard for the communities.

- b) Strengthen the communication system and working relationship with municipalities for the smooth running of the project work, especially on the procurement processes.
- c) Strengthen its monitoring system and ensure that the Newtown project is finalised by 30 September 2019 so that there should be no cost escalation to the project.

Thembisile Hani local municipality project

- d) Fast-track the completion of the Sheldon Water Reservoir; strengthen the monitoring and evaluation process to comply with the completion date of the project (30 August 2019).
- e) Come up with a permanent solution as pronounced by the Hon Premier during the State of the Province Address in July 2019 on the matter of Loskop Dam Bulk line in order to alleviate the scarcity of water.

The Department must submit a detailed progress report to the Portfolio Committee on or before 30 September 2019.

11. CONCLUSION

The Chairperson wishes to thank the Hon. Members of the Committee, for their participation and contributions during the deliberations on the Oversight visit. The Chairperson further extends her appreciation to the Senior Officials of the Department of Co-operative Governance and Traditional Affairs, Steve Tshwete and Thembisile Hani Local Municipalities, CDWs and Contractors for supporting the programme of the Committee.

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

Masilela

HON. MC MASILELA

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

27/08/2019

DATE