

**OVERSIGHT VISIT REPORT OF THE PORTFOLIO COMMITTEE ON HUMAN SETTLEMENTS, CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS CONDUCTED AT GAMAKOLA PHP, RURAL AND FARM WORKERS PROJECT, AT DR JS MOROKA LOCAL MUNICIPALITY - DEPARTMENT OF HUMAN SETTLEMENTS – 19 and 20 SEPTEMBER 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 Dr JS Moroka Local Municipality from 18 – 21 September 2018.

**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 providing quality housing project and consider implementation and adherence to policy prescripts guiding Human Settlements.
  
- ❖ To obtain the views from the Dr JS Moroka Local Municipality Vultures FC Sport Ground in Mshongo Village, Katjibane) 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 19 and 20 September 2018. The invitations were also extended to South African Local Government Association (SALGA), the Executive Mayor for Dr JS Moroka Local Municipality, the Councillors), House of Traditional Leaders (HTL) 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 19 and 20 September 2018 to conduct oversight over the Department of Human Settlements on service delivery.

### **4. OBSERVATION**

- ❖ The Department of Human Settlements was represented by the Acting HOD, Mr. Doctor Nkosi.
- ❖ The progress to date presentation which was presented by the Department had too many discrepancies in terms of start and completion dates of the projects.
- ❖ The houses reflected good quality workmanship and the Committee commended the Department
- ❖ The Department has not submitted a detailed report on the projects that were presented to the Portfolio Committee.
- ❖ The presentation was not numbered or did not have page numbers.
- ❖ During the site inspection, the contractor promised to buy some furniture for the beneficiary of the house that was visited.

## **5. PRESENTATION ON GAMAKOLA PEOPLES HOUSING PROCESS (PHP), RURAL AND FARM WORKERS PROJECT - (DR JS MOROKA LOCAL MUNICIPALITY)**

### **5.1. Brief background on Gamakola project situated in Ward 11**

The Acting HOD, Mr Doctor Nkosi reported that the project was conceptualized by the previous Premier of the Province, Mr DD Mabuza due to how impoverished the identified families in the area. He was assisted by three businessmen to help him build about nine (9) units for the most affected families as per the national housing policy.

The former Premier also requested the Department to assist with fifty (50) more low cost housing units so that most of the poor families can benefit and be assisted with houses. The Mahlalerwa Construction was appointed as a contractor to deliver 50 units; the project is rural and there are no services for these units except for a VIP toilet that will be constructed on each and every house. He reported that the total budget allocated to the project was R5 497 350.00 with a total number of 50 beneficiaries approved to date.

He reported that the progress to date was at 3 slabs, 19 Wall Plates and 23 roofed houses. The project is a one year contract which commenced in November 2017 and moving at a satisfactory pace and the contractor has completed only five (5) units and the expected completion date in November 2018.

The Department also reported on two other projects that have been allocated to Dr JS Moroka Local Municipality. The contractors appointed are Mahlalerwa Construction with an allocation of 200 units and Matjoba Maria Trading, also with an allocation of 200 units. The Mahlalerwa Construction was subdivided into two (2) with 100 units which are rural at various wards of the municipality and the other is for 100 units under the Peoples Housing Process (PHP) programme.

He further reported that the Matjoba project is also subdivided to five (5) areas at 40 units each in Loding, Phaake and Matsemadiba. The Committee was also informed that these are rural therefore there are no services for these units but a VIP toilet that will be constructed on each house.

## **5.2. Challenges raised by the Department**

- ❖ Payment problems by the subcontractors that was late due to sudden death by the main contractor.
- ❖ Business forums disrupting progress from time to time due to wardism and tribalism.
- ❖ The project stopped for a period of three (3) months due to lengthy talks with the lawyers on finalising of the estate and who should take over the project.
- ❖ EIA approval for Siyabuswa "E" still outstanding and there are some sites that are not serviced.

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

### **Rightful Beneficiaries**

The Committee commended the Department on progress made so far on the GaMakola Rural Project in Ward 11. The Committee also wanted to know why the Department is not complying with the 30% that should be benefitted by the community.

The Committee also requested the Department to ensure that where there are completed houses, the Department must ensure that rightful beneficiaries take occupation and not wait for all the houses to be completed.

## **Appointment of contractors**

The Committee wanted to know why the contractor by the name of Mahlalerwa Construction has been allocated more housing units and requested the Department to provide an explanation why its empowering only one contractor. The Committee also requested the Department to appoint the subcontractors (especially if they qualify) that are within the communities where the units are build.

### **6.1. Findings made by the Committee on 50 units in Gamakola in Ward 11**

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

- a) The construction of the 50 units at Gamakola in Ward 11 has not been completed though is at a satisfactory level and that rightful beneficiaries benefit.
- b) There are forty five (45) units still outstanding and the expected completion date is 30 November 2018.
- c) There are projects that are not completed on time due to slow performance of the contractors.
- d) Local Business Forums (sub-contractors) interfering with the work in progress of the appointed contractor.
- e) The Department is not monitoring the implementation of awarding the 30% of contracts to the local communities.

## **6.2. Recommendations made by the Committee on 50 units in Gamakola in Ward 11**

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

- a) Ensure that the Houses at Gamakola in Ward 11 are completed on time and that are allocated to the rightful beneficiaries and in line with the beneficiary management policy. A progress report to be submitted to the Committee by 30 November 2018.
- b) Strengthen its monitoring system to ensure that the forty five (45) units are finalised and adhere to deadlines of 30 November 2018. A progress report to be submitted to the Committee by 03 December 2018 and thereafter on a quarterly basis.
- c) Strengthen its monitoring system to ensure that the projects are completed on time and that a list to be submitted on contractors that are unable to complete the construction on time. A progress report to be submitted by 30 November 2018 and thereafter on a quarterly basis.
- d) Develop measures/binding policies between contractors and sub-contractors to ensure that effective services delivery is delivered on time.
- e) Monitor the implementation of awarding the 30% contracts to the local communities and to work closely with the Social Enterprise Model.

## 7. PUBLIC HEARINGS

The public hearing was held at Vultures FC Sport Ground in Mshongo Village in Katjibane – Dr JS Moroka Local Municipality) and the comments were as follows;

- Community Members are requesting RDP Houses.
- No feedback given to applicants for RDP houses
- 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

### 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 30 November 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 03 December 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, N Mahlangu, Acting HOD, Mr. D Nkosi, Senior Officials of the Department of Human Settlements, the Mayor of Dr JS Moroka Local Municipality, Mr WT Madileng, 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 Dr JS Moroka 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. P NGOBENI**

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

18/10/2018  
**DATE**