

OVERSIGHT VISIT REPORT OF THE PORTFOLIO COMMITTEE ON HUMAN SETTLEMENTS, CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS ON TAKING LEGISLATURE TO THE PEOPLE CONDUCTED AT MAKOPANONG WATER RESERVOIR, PUBLIC HEARING HELD AT VULTURES FC SPORT FROUND IN MSHONGO VILLAGE, KATJIBANE (DR JS MOROKA LOCAL MUNICIPALITY) - DEPARTMENT OF COGTA – MEETING HELD ON 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 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) programme 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 as follows:

- ❖ To reach out to the communities and to enable the people to have access to the Legislature especially people who are living in deep rural areas and those who are disadvantaged;

- ❖ To assess the provision and sufficiency of quality water in Dr JS Moroka Local Municipality;
- ❖ To assess the extent of service delivery rendered by the Department of COGTA at Dr JS Moroka Local Municipality;
- ❖ To obtain the views from the Dr JS Moroka 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 Cooperative Governance and Traditional Affairs was represented by the Chief Director, Mr S Ngubane.

- ❖ The presentation circulated to the Portfolio Committee was signed off by an Assistant PMU Manager of the Dr JS Moroka Municipality.
- ❖ There was no presentation to be presented by the Department of Co-operative Governance and Traditional Affairs.

5. BACKGROUND ON MAKOPANONG WATER RESERVOIR DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (CoGTA)

The pre-research report indicated that the Makopanong Water Reservoir project was constructed as part of the scope to upgrade and the extension of reticulation networks in Makopanong Village. It was reported that the big reservoir was said to be 400 kilolitres. The report provided to the Portfolio Committee also shows that the project end date was 02 August 2018. The Matiyane Civils were appointed as the contractor (contract amount of R 7 000 000) and the consultant is Phekiso Consulting Engineers which were appointed on 07 August 2016.

It was further reported that there is slow progress in completion of the project as a result of the poor performance of the contractor. As a remedial action the Department has received a commitment letter from the contractor that he will resume work for the completion of the extension of network within the Makopanong Village. The reservoir is expected to benefit 1446 households.

The Committee also noted that during the site inspection, the reservoir did not have water. The Department reported that the major challenge was pertaining to the 400 kilolitre reservoir is fill it to its full capacity because the pump station requires more improvement so that it can be able to have sufficient water to the reservoir.

The Committee further noted that the lack of water remains a major challenge for the community of Makopanong and it was also indicated that this challenge of water also leads to service delivery protest actions.

6. COMMENTS BY THE COMMITTEE

The Committee noted the Makopanong Water Reservoir Project date back to 2016. It was also noted that the original completion date of the project was 02 August 2016 and it seems as it has been extended to November 2018 as indicated by the Department during the site inspection.

The Committee also noted that the slow progress on the reservoir is at 80% and that the Department has taken remedial action by ensuring that there is a commitment letter submitted by the contractor in order to finalise the project.

Budget

The Committee requested the Department together with municipality to ensure that there are no escalations of cost on the project. The Department responded by indicating that the municipality has assured that there will be no escalation cost except where it is allowed for in the tender documents due to external factors beyond the control of the contractor.

Shortage of water

The Committee also noted that the Makopang community has been complaining about not having access to water for several months and the Committee wanted to know the plan that has been put in place in ensuring that the Department assists the municipality in addressing this challenge.

Working Relations

The Committee also noted that there is no working relation between the Department and the Municipality, of which it affected the research work of the Legislature.

The Chief Director Mr S Ngubane also highlighted the difficulties experienced by the department with regards to monitoring of the projects in the local Municipality and cooperation of the Officials of the Municipality as a results it affects service delivery.

7. Findings

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

- a. There is progress in this project; during the TLP visit it was at 80% completion.
- b. The provision of water has been raised as a major challenge in Dr JS Moroka Local Municipality - Makopanong;
- c. There is lack of monitoring and evaluation on the work done by the contractors.

8. Recommendations

After the findings the Committee recommended that the Department must:

- a. Fast-track the completion of the Makopanong Water Reservoir; strengthen the monitoring and evaluation process complies with the completion date of the project (30 November 2018).
- b. Address the shortage of water (as temporary measure), the Department must ensure that the municipality uses water tanks to provide free water to the community weekly while finalizing the Makopanong Water Reservoir project;
- c. Submit a detailed report on the process used to appoint the service providers that abandoned the Makopanong Water Reservoir project, including penalties, if any.

9. PUBLIC HEARINGS

The public hearings were held at Vultures FC Sport Ground in Mshongo Village, Katjibane and the comments were as follows;

- ❖ The communities' main major challenge is the shortage of water
- ❖ Poor road infrastructure;
- ❖ Youth empowerment is needed at Dr JS Moroka Local Municipality;
- ❖ Municipality does not supply water at Makopanong Village

10. 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 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.

11. 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. The Chairperson further extends his appreciation to the MEC, SK Mashilo, HOD, Mr. TP Nyoni, Senior Officials of the Department of COGTA, the Mayor of Dr JS Moroka Local Municipality, representatives of South African Local Government Association (SALGA), representatives of Public Service Commission (PSC), CDWs, Contractors as well as the Councillors and officials 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

DATE

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

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

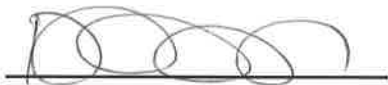
The Committee recommends that the Department of Human Settlements must attend to issues raised at the public hearing. A comprehensive progress report must be submitted by 30 November 2018.

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