

OVERSIGHT REPORT OF THE PORTFOLIO COMMITTEE ON HUMAN SETTLEMENTS, CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS ON THE PRE-TAKING LEGISLATURE TO THE PEOPLE (PRE-TLP) CONDUCTED AT PEOPLES HOUSING PROJECTS UNITS AT STEENBOK AND IMAGAGANE HOUSING PROJECT IN MGOBODZI ON 23-25 JUNE 2015 AT NKOMAZI LOCAL MUNICIPALITY - DEPARTMENT OF HUMAN SETTLEMENTS

1. INTRODUCTION

The Taking Legislature to the People (TLP) programme will take place at Nkomazi Local Municipality from 7 – 11 September 2015. As part of the preparations for the main TLP event, the Portfolio Committee on Human Settlements and Cooperative Governance and Traditional Affairs (the Committee) undertook pre-TLP oversight visits from 23 - 25 June 2015.

Two (2) projects of the Department of Human Settlements (the Department) were visited and two (2) public hearings were held. The House resolutions emanating from this Committee report will be referred to the Department for the necessary interventions and report back to the Legislature before the TLP event.

2. PURPOSE OF THE PRE-TLP AND PUBLIC HEARINGS

The purpose of the pre-TLP was as follows;

The purpose of the pre-TLP oversight visits to the projects was to verify their functionality, identify their challenges and to assess the service delivery by the Department of Human Settlements.

At the public hearings, the purpose was to listen to the community voice their concerns and then allow the departments to respond accordingly and indicate what interventions they would provide to fast track service delivery to these communities.

3. METHOD OF WORK

The Research Section conducted preliminary visits to identify projects to be visited by the Committee. Their findings and recommendations were incorporated into the research report, and subsequently the programme of the Social Transformation Cluster oversight visits and public hearings for the week of 23 - 26 June 2015 was circulated to the Committee Members.

Invitations were sent to the Department (MEC and HOD) informing them of the oversight programme and requesting them to ensure the availability of the Department officials to interact with the Committee during the oversight visits and to respond to the concerns of the community in the public hearings.

The Nkomazi Local Municipality (Executive Mayor and Speaker) and all municipal structures were invited to accompany the Committee. Other stakeholders invited to the pre-TLP programme were the Office of the Auditor-General, the Department of Finance, South African Local Government Association (SALGA), the Public Service Commission (PSC) and the House of Traditional Leaders (HTL).

On 23 June 2015 the Committee was briefed by the researcher on the findings of the two identified projects at the Mbuzini Library; thereafter a site inspection was conducted at the PHP houses-Steenbok. The Committee further conducted the oversight visit at Imagagane Rural Housing Project – Mgobodzi on 25 June 2015. The Committee subsequently considered and adopted its pre-TLP report on 10 July 2015.

4. PEOPLES HOUSING PROCESSES (PHP) UNITS IN STEENBOK

4.1 Background

These units were built by the Department of Human Settlements during 2011/12 financial year but were not completed. During 2012/13 financial year, the Department of Human Settlements then built another 74 units but only managed to complete 13. The 61 units were rolled over to the next financial year (2013/14).

Most of the houses were abandoned at various levels (foundation and wall plate level). The owners of the houses at Steenbok tried to complete the units on their own.

4.2 Observations

- ❖ The Steenbok Housing Project was not completed; it was allocated 74 units but only completed 13 during 2012/13 financial year;
- ❖ The Department circulated a report which did not have detailed information; thus the Committee could not engage on the report. The Department was requested to re-submit a detailed report to the Committee by 01 July 2015. During the consideration of the draft Committee report on 10 July 2015, the detailed report from the Department had not yet been submitted to the Committee.

4.3 Inspection in loco

During the inspection in loco, the Committee noted that most houses were not completed. The Committee wanted to know the reason thereof and what measures have been put in place to ensure the completion of the houses. In its response, the Department indicated that the contractors abandoned the sites due to non-payment by the Department of Human Settlements and the challenge of water. Having heard the response, the Committee wanted to know the reasons led to the non-payment of these contractors considering that some families had used their own money to complete these houses.

The Department did not have information; however, it was reported that there is an amount of R70 million that has been allocated for the Youth Brigade Project. The Department might use some of this money to complete the project after consultation with the MEC.

The Committee raised a serious concern on the propositions made by the Department of utilizing the money allocated for Youth Brigade to complete the abandon houses. Since the Department did not have responses on this matter, they (Department) requested to submit a written response by 01 July 2015. During the consideration of the draft Committee report on 10 July 2015, the detailed report from the Department was not yet been submitted to the Committee.

4.5. Findings made by the Committee

After the inter-action and in loco inspection, the Committee found that:

- a) The Department did not have a detailed report on the Steenbok Housing Project;
- b) The contractors failed to complete 74 units of the PHP housing project due to non-payment by the Department of Human Settlements;
- c) Water shortage is a major concern at Steenbok area;
- d) The beneficiaries were not informed about progress with regards to the completion of their houses;
- e) There is a budget of R70 million allocated for Youth Brigade Project that **might be** used by the Department of Human Settlements to complete the Steenbok PHP project;

4.6. Recommendations

The Committee recommended that the Department of Human Settlements must:

- a) Ensure that it submits a detailed report with costs on all projects that were supposed to be completed during 2011/12; 2012/13 and 2013/14 at Nkomazi Local Municipality including the Steenbok PHP project;

- b) Strengthen its monitoring system to ensure that contractors are paid on time and are adhering to deadlines;
- c) Engage the Department of CoGTA and the Nkomazi Local Municipality to address the shortage of water;
- d) Strengthen its communication with the beneficiaries by providing feedback and progress made on the units still to be completed;
- e) Not use the R70 million allocated for Youth Brigade Projects to complete the Steenbok PHP housing project. A detailed report must be submitted on how the R70 million will be spent to construct the Youth Brigade project.

5. IMAGAGANE RURAL PROJECT: MGOBODZI

5.1. Background

The Department reported that Imagagane Rural Project was appointed on 08 September 2014 (2014/15 financial year) to construct fifty (50) low cost housing for the community of Mglobodzi. An estimated budget allocation was as follow:

Total budget :	R 5 8 77 172, 00
Spent :	R 4 596 456, 62
Remaining :	R 1 280 715, 38

The Department reported that the potential beneficiaries comprise of the local people within the area which include the elderly, child headed households and people living with disabilities. The Department further reported that due to the slow progress of the project, the project was later rolled over to the 2015/2016 financial year.

5.2. Inspection in loco

During the inspection in loco, the Committee noted that:

- ❖ Most of the houses were of good quality though been reported of the slow progress by the contractor.
- ❖ The beneficiaries indicated their satisfaction with the houses given to them.
- ❖ The only challenge that was raised was the shortage of water.

5.3. Findings made by the Committee

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

- a) Imagagane Rural Housing project failed to adhere to the completion deadline as the project (units) was then rolled over to 2015/16 financial year.
- b) There is a common challenge of shortage of water.

5.4. Recommendations made by the Committee

The Committee recommended that Department:

- a) Must strengthen its monitoring system to ensure that deadlines are adhere to by contractors;
- b) Engage the Department of CoGTA to assist in addressing the challenge of water.

6. PUBLIC HEARINGS AT MGOBODZI COMMUNITY HALL AND MBANGWANE THUSONG CENTRE

6.1 Comments by the public

The public hearings were held at two venues (Mgobodzi Community Hall and Mbangwane Thusong Centre). The main challenge raised by both communities was that of getting their title deeds.

In its response, the Department reported that, the title deeds will be given to the relevant beneficiaries. Beneficiaries of the RDP houses were warned not to sell them (RDP houses); they were also cautioned not to use them as spaza shops or crèches. If they are found to have done either of the two, the Department will follow the necessary procedures to repossess the house.

6.2. Recommendation by the Committee

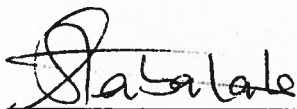
The Committee recommends that the Department of Human Settlements must attend to the issue of title deeds as raised during the public hearings.

The Committee requests the House to adopt this report with its findings and recommendations. A comprehensive progress report must be submitted by 31 August 2015.

7. CONCLUSION

The Chairperson wishes to thank the Hon. Members of the Committee for their participation and contributions during the deliberations on the Pre-TLP site visits and public hearings. The Chairperson further extends her appreciation to the Department of Human Settlements as well as the Nkomazi Local Municipality and Traditional Leaders for supporting the programme of the Committee.

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



HON. GC SHABALALA
CHAIRPERSON: PORTFOLIO COMMITTEE ON
HUMAN SETTLEMENTS AND CO-OPERATIVE GOVERNANCE &
TRADITIONAL AFFAIRS

17/07/2015
DATE