



Wes-Kaapse Provinsiale Parlement Western Cape Provincial Parliament IPalamente yePhondo leNtshona Koloni

Ref Number: WCPP 11/4/6

Report of the Standing Committee on Infrastructure on its oversight visit to the Joe Slovo Housing Project in Rivierseind on Friday 14 April 2023, as follows:

Delegation

The delegation consisted of the following members:

Maseko, LM (Chairperson)

America, D

Klass, T

Marran, P

Sileku, I

The following staff attended the oversight visit:

Jones, S; Procedural Officer

Barends, A; Driver

1. Introduction

The 2023/24 Strategic Objectives of the WCPP linked to the Speakers' Priorities which impact on committees are as follows:

Priority 1: Building a credible WCPP; and

Priority 3: strengthening the core business.

The Standing Committee on Infrastructure, as part of its oversight mandate, conducted an oversight visit to the Joe Slovo Housing Project in Rivierseind, which was followed by a briefing in Caledon. Discussions were held on:

- 1.1 The Municipality's housing projects that are currently being implemented;
- 1.2 The status of the outstanding/delayed projects in Theewaterskloof region;
- 1.3 Reported and invasion per town with specific reference to:
 - 1.3 The number of structures invaded/illegally occupied; and
 - 1.4 The cost incurred per town to address land invasion.

The oversight visit took place on Friday, 14 April 2023.

2. Overview and background

The Committee was received by Mr. A Franken, Executive Mayor: Overberg District Municipality; Mr D Appel, Speaker; Mr W Solomons, Acting Municipal Manager; Ms S Nomdolo,

Senior Housing Officer; Ms N Ndyalvan, Technical Officer; Mr S Tebele, Acting Deputy Director: Human Settlements; Ms T Lesesa, Executive Mayoral Committee, Portfolio Chair: Community Services; Mr R Nongxaza, Executive Mayoral Committee, Portfolio Chair: Community Services; Mr S Fredericks, Councillor; Ms M Mentoer, Alder Lady; Mr H Syster, Executive Mayoral Committee, Portfolio Chair: Technical Services; Ms R Mienies, Executive Mayoral Committee, Portfolio Chair: Finance; Mr B Mkhuibiso, Member: Human Settlements Committee; Mr P Stander, Councillor; Mr C Cloete, Councillor; Mr C Benjamin, Councillor; Ms S Sable, Councillor; Mr M Mpamboni, Councillor; Mr L Litholi, Project Coordinator-Human Settlements. From the Department of Infrastructure Mr B Nkosi, Acting Chief Director: Strategic Management Support and Mr S Matshisi, Project Manager were present. From the Department of Community Safety, Ms N Gamgana, Safety Officer; Mr P Jansen van Rensburg, Safety Officer; Mr J Jooste, Safety Officer; Mr C Williams, Safety Officer were present.

This report highlights the findings, key issues discussed and recommendations stemming from the oversight visit.

3. Joe Slovo Housing Project in Riviersonderend

The Department of Infrastructure, the Theewaterskloof Municipality (TWK) and the Peoples Housing Empowerment Process (PHEP) embarked on a tri-partite agreement on 28 November 2017 to construct 135 houses at a total cost of R16 352 145; the houses would accommodate beneficiaries from the Joe Slovo informal settlement in Riviersonderend.

ASLA Construction was appointed as the contractor for the housing project in 2018. A total of 87 houses of the 135 houses were built; this occurrence was due to 48 households that were not relocated. The 48 households did not form part of the beneficiaries identified for a housing opportunity in the PHEP project. No available land for human settlement was available for relocation of the families. Numerous attempts were made to relocate the 48 households with no success. Due to no further progress on the relocation of the 48 households, ASLA Construction resolved to stop construction on the site until the matter was resolved.

In 2019 a new strategic relocation plan was formulated for the 48 households with a revised subsidy quantum. ASLA Construction contracted to continue with construction of the remaining 48 housing units but indicated that it was dissatisfied with the new subsidy quantum. The TWK applied for revised funding, which was approved in accordance with funding resolution reference 19/116 on 10 October 2022. The funding was increased to R17 225 460 and included an unchanged transfer fee of R2 000 per unit. The subsidy had since increased to R125 956 per unit excluding transfer fees. ASLA Construction indicated once again that the revised subsidy did not meet their requirements. The cost to build the remaining 48 houses exceeded the amount provided in the subsidy, and it would not be in their best interest to continue with the contract. A mutual agreement was reached to terminate the contract. A new developer, Erika 19 Construction Company, was appointed in early 2020. Delays were reported when Erika 19 Construction Company also expressed concern regarding the subsidy quantum. They also indicated that the amount provided was insufficient to finalise the project. Simply Do Construction was appointed in November 2021 to continue with project, but they also informed the Municipality that the funding provided was insufficient.

After conducting market research, the TWK and the PHEP representatives appointed the Seven Sir's Group to carry out the project as approved by the council in 2021. Once again, the subsidy quantum was reported to be insufficient. TWK requested that a cost breakdown be

provided for the construction of the 48 houses. The Seven Sir's Group complied with the request and submitted a cost breakdown which reflected higher than the amount provided for in the subsidy quantum. In March 2023, the Department of Human Settlements approved the revised cost for the project, which amounted to R160 923.36 per unit. The contract for the revised cost was entered into and signed by the Theewaterskloof Municipality and the Department of Human Settlement in March 2023.

The Seven Sir's Group was awarded the revised quantum and proceeded with the excavation of the foundations. During the excavation rocks were discovered in the erven that were being excavated. The National Home Builders Registration Council (NHBRC), Department of Human Settlement and Theewaterskloof Municipality Inspectors who were on site agreed that a new Method Statement was required to deal with the new challenge. The NHBRC has since approved the Method Statement, and the contractor has subsequently continued with the excavation of the foundations.

4. Key issues discussed in the meeting

- 4.1 Challenges regarding land invasion was reported as a major problem in the Theewaterskloof area. Members were informed that invaders allegedly had access to information which identified land parcels earmarked for housing projects. High-risk areas for invasions were identified as Grabouw with 26 successful land invasions, Riviersonderend with 24 successful land invasions, and Caledon with 18 successful land invasions. Theewaterskloof recorded 115 successful land invasions and 617 instances where land invasion was stopped.
- 4.2 The Human Settlement security cost for land invasion and land protection in Theewaterskloof amounted to R14 387 252,50. Members were informed that security was sourced to safeguard land earmarked for a private school in Greyton. A court order was issued that instructed the land invaders to vacate the area. The threat of invasion at the school became so challenging that the Public Commissioner's aide was sourced to deal with the threat. The Public Commissioner addressed the issue by informing the Municipality to provide services to the people who had invaded the land earmarked for the private school.
- 4.3 Further discussions were held regarding a house that was built on erf 2989 without approved building plans. It was alleged that political involvement was associated with aiding and abetting the illegal action. The owner of the house was instructed to tear down the structure.
- 4.4 The Municipality advised that due to the cost associated with safeguarding projects, alternative strategies would have to be implemented to circumvent illegal land occupation. Part of the Municipality's strategies to circumvent invasion was that the Municipality would consider utilising alternate building material, which would allow for projects to be completed sooner and handed over to beneficiaries sooner for occupation.
- 4.5 The Committee was informed of Paul Cluver, a farmer who engaged with the Municipality to form a partnership for a housing project. The TWK had not met with the farmer to form a collaboration. Discussions were held regarding Private Partnerships where the Municipality was questioned regarding the reasons for not engaging with private partners to collaborate on housing projects.
- 4.6 The Committee was informed of three families in Bergendal who were residing on the land earmarked for the new road that would be built in the area. The Municipality indicated that they were in discussions regarding the placement of the families.
- 4.7 It was reported that the area has had an increase of illegal immigrants. This was due to seasonal farm workers who accessed the area for seasonal work and then remained once the work was

completed. The Municipality informed the Committee that the influx of seasonal workers has strained available resources.

- 4.8 The Municipality identified a housing need of 14 456 in the Theewaterskloof area. Grabouw, Villierdorp and Caledon were identified as the areas with the highest need for housing. Towns with the most informal settlements were construed to have the highest need. A survey taken in the 2021/22 financial year by the Municipality indicated a 12% increased demand for housing in Theewaterskloof area.

5. Resolutions/Actions

- 5.1 The Committee REQUESTED that the Theewaterskloof Municipality provide it with its action plan to circumvent land invasion.
- 5.2 The Committee RESOLVED to:
- 5.2.1 Conduct a follow-up oversight visit to the Joe Slovo Housing project in Rivieronderend after three months to observe the completed housing project; and
- 5.2.2 Engage with the Public Commissioner to find out the rationale behind reasons for overriding the court order pertaining to the land invasion and the reasons for the directive to Theewaterskloof Municipality.

6. Acknowledgements

The Committee expressed its appreciation to the Members, the Mayor of Theewaterskloof, ward councillors, officials from the Department of Infrastructure and the Theewaterskloof Municipality officials for their participation in the meeting and oversight visit.



HON. M. MASEKO (MPP)
CHAIRPERSON: STANDING COMMITTEE ON INFRASTRUCTURE

DATE:

29/06/2023