



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

Ref Number: WCPP 11/4/6

Draft report of the Standing Committee on Infrastructure on its oversight visit to the Joe Slovo Housing Project in Riviersonderend on Monday 14 August 2023, as follows:

Delegation

The delegation consisted of the following members:

De Villiers, P
Klaas, T
Marran, P
Maseko, LM (Chairperson)
Sileku, I

The following staff attended the oversight visit:

Cloete, L; Senior Procedural Officer
Jones, S; Procedural Officer
Naidoo, W; Security and Facilities
Barends, A; Driver
Fortuin, S; 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 Riviersonderend on 14 April 2023. The visit was followed by a briefing in Caledon to discuss the status of the remaining 48 incomplete houses in Joe Slovo, Riviersonderend, which the Theewaterskloof (TWK) Municipality indicated would be completed by 30 June 2023.

2. Overview and background

The Committee was received by Mr. K Papier, Mayor: Overberg District Municipality; Mr W Solomons, Municipal Manager; 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 Mkhubiso, Member: Human Settlements Committee; Mr P Stander, Councillor; Ms C Benjamin, Councillor; Mr W Moses, Manager: Human Settlements; Mr B Benson, Councillor; and Mr D Jacobs, Councillor. From the Department of Infrastructure Mr G De Villiers, Acting Chief Director: Implementation; Mr J Brieks, Chief Engineer and Mr S Matshisi, Project Manager.

In a meeting that took place on 14 April 2023, the TWK Municipality invited the Committee to revisit the area for the housing handover after three months had expired from April 2023 of this project. The Committee, for this reason, resolved to revisit the Joe Slovo Housing Project to observe the remaining completed 48 houses in Joe Slovo, Riviersonderend.

On 1 November 2017, approval was granted to build 135 Breaking New Ground housing units in Joe Slovo at a cost of R19 342 885,00. Due to pricing disagreements between the TWK municipality and several service providers, only 87 top structures were completed. The 7 SIR's Group was appointed in July 2022 to complete the remaining 48 top structures. A total of 21 foundations were excavated before the contractor abandoned the site.

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

3. Observations and concerns

During the walk-about in Joe Slovo on 14 April 2023, the Committee observed that waste material was disposed in a nearby stream by the residents of Joe Slovo. There was a concern regarding the waste material jeopardising the ecological health of the stream and that it could have a hazardous impact on the community.

Following the walk-about on 14 April 2023, the Committee conducted a follow-up visit on 14 August 2023, to the Joe Slovo Housing Project in Riviersonderend. During the walk-about, the Committee observed the excavation of the waste material from the nearby stream by the TWK Municipality. Upon further inspection of the area, the Committee observed that the waste material excavated from the stream was transferred to the opposite end of the stream.

Concerns were raised once again regarding waste material and the ecological impact this would have on the stream and the community should the matter not be resolved. The Municipality advised the Committee that skips for waste removal would be placed in the area as part of its plan for refuse removal. The Committee was informed that awareness programmes would be held in the community as part of the TWK Municipality's drive for clean neighbourhoods.

4. Key issues discussed

- 4.1 The Committee was informed that construction on the 48 housing units did not commence due to the prescripts of the Western Cape Land Use Planning Act (Act 3 of 2014) (LUPA). The Act governs planning permissions, approvals, and sets parameters for new developments and provides for different lawful land uses that must be adhered to for all housing developments. The Joe Slovo housing project required subdivision approvals, without which the project could not continue.

- 4.2 The Contractor 7 SIR's was requested to halt construction until compliance in terms of the LUPA prescripts was met. Due to a lengthy delay in the finalisation of the compulsory compliance approvals and the fact that the contract did not make provision for standing time, the contractor abandoned the site, and no further progress was made to the project.
- 4.3 The Municipality sent correspondence to Minister Bredell, the Minister for Local Government, Environmental Affairs and Development Planning, informing the Minister of the challenges to completing the 48 houses in Joe Slovo. The Minister afforded the municipality the opportunity to utilise the Emergency Housing Project funds to complete the project. Funding was made available in the 2022/23 financial year business plan from R17 656 504,00 to R19 415 925,00 based on the subsidy quantum for the 48 houses. The funding was subsequently rolled over to the 2023/24 financial year due to the lack of progress at the site.
- 4.4 The TWK municipality approached the 7 SIRS's contractor, instructing him to finalise the housing project. The municipality after several attempts to engage with the contractor, was advised to terminate the contract and appoint a new contractor to complete the remaining 48 units. A formal letter was sent to 7 SIR's informing them that their contract would be terminated if they failed to finalise the construction of the 48 houses, and in failing to finalise the construction would mean that they are in breach of their contract, which could result in contractual termination.
- 4.5 The Committee raised concerns that three years have passed and the beneficiaries of the 48 housing units are still waiting for their houses to be completed. Further concerns were raised regarding the consequences of the termination of the contract with 7 SIR's, and whether the terms of the contract could be negotiated amicably with the contractor.

5. Resolutions/Actions

- 5.1 The Committee REQUESTED that the Theewaterskloof Municipality provide it with:
- 5.1.1 A reconciliation of the construction costs of the Joe Slovo Housing Project from inception to date;
- 5.1.2 A report that defines and details the responsibility of the Theewaterskloof Municipality and that of the Department of Infrastructure with regards to the Joe Slovo Housing project;
- 5.1.3 A business plan on the revised Joe Slovo Housing Project;
- 5.1.4 A report on the steps that will be taken by the Municipality after the 14-day notice period to 7 SIR's has expired; and
- 5.1.5 A monthly progress report on the Joe Slovo Housing Project.

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.

M. Maseko

HON. M MASEKO (MPP)
CHAIRPERSON: STANDING COMMITTEE ON INFRASTRUCTURE
DATE: 8 April 2024