



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

Ref Number: 11/4/1/2/6

Report of the Standing Committee on Human Settlements on its oversight visit to Plettenberg Bay and Mossel Bay, as follows:

Delegation

The delegation consisted of the following members:

Maseko, LM (DA) (Chairperson)
America, D (DA)
Bosman, G (DA)

The following staff attended the oversight visit:

Jones, S (Procedural Officer)
Mshumpela, N (Committee Assistant)
Barends, A (Driver: Security and Facilities)

1. Introduction

On 3 March 2021 the Committee met with the Bitou Municipality to discuss issues pertaining to the emergency housing building material intended to create temporary relocation for 71 households. The material was distributed by national government to the Bitou Municipality after a fire that gutted over sixty homes in Kurland, Qolweni and Kwa-Nokuthula in June 2018. Stemming from that meeting the Committee resolved to conduct an oversight visit to the project sites to observe the status of the constructed emergency alternate building material structures, allocated to areas determined by the Bitou Municipal Council. The Committee resolved to conduct another oversight visit to the area to receive and update on the status of the allocated emergency alternate building material for construction of emergency housing.

1.1 Overview

On 12 April 2022 the Committee was met by Mr. Dave Swart, Executive Mayor: Bitou Municipality; Mr. Mbulelo Memani, Municipal Manager; Mr. Fezile Maki, Engineering Technician: GIS; Mr. Mark Fourie, Acting Director: Community Services; municipal officials and councillors. Persons in attendance from the Provincial Department of Human Settlements were, Ms. Mayisela, Acting Head of Department; Mr. Mfundo Taliwe, Regional Manager and Mr. Francois De Wet, Chief Financial Officer. The meeting was an in person meeting and the Committee was joined by members of the Garden Route District Municipality, as follows: Mr. Memory Booysen, Mayor; Mr. Monde Stratu, Municipal Manger; Mr. Lusanda Menze, Executive Manger: Planning and Economic Development; Mr. Joel Mkunqwana, Manger: Housing; Ms. Shihaam Sims, Manager: Human Settlements and Cllr. Jerome Lambaatjeen.

After the meeting representatives of the Bitou Municipality and the Garden Route District Municipality accompanied the delegation on a guided tour of the Plettenberg Bay airport hangar where the Emergency Housing building material was stored by the Bitou Municipality. The Committee proceeded to the Kranshoek Housing Project where the Emergency Structures were erected with material sourced from the alternate building material obtained from the Plettenberg Bay airport hangar.

This report highlights the findings, key issues discussed and recommendations stemming from the oversight visit that took place on 12 April 2022.

2. Engagement with Bitou Municipality

2.1 Background of the emergency housing material

The Bitou Municipality reported a disaster incident on 18 May 2018 indicating that a fire devastated two informal settlements and townships. A formal application was made to the National Department of Human Settlements to provide an Emergency Housing Grant to procure fireproof building materials for the affected residents. An amount of R3 988 200 as an Emergency Housing Grant was allocated to Bitou Municipality to provide temporary housing residential structures for the affected households.

The National Department of Human Settlements in a letter dated 3 October 2018 approved the application for the Municipal Emergency Housing Grant to pay for the relocation of the affected parties and to pay for the transitional residential structures of the affected communities. Challenges occurred with the implementation of the relocation project as affected parties had to be moved to different areas, as the designated areas could not accommodate all the structures. The identified areas did not have basic services like electricity, water, sanitation and streets and it was not conducive for human settlement. As a result the proposed relocation was rejected by the communities. The communities viewed the provision of the emergency housing structures to be a municipal ploy to deprive them from obtaining the low cost housing units that they were waiting for.

On 19 December 2018 Nzuzo Yalo (Pty) Ltd was procured through Section 36 of the Supply Chain Management Policy (the award value was R3 443 652 (VAT Excl.)) to assemble the units for the affected parties. The contractor and his employees were subsequently driven out by the communities. Some of the emergency building material was damaged as a result of the unrest and a request was made that the material be moved from the designated areas.

The Municipality was compelled to remove the building material and store it at the unused vacant land at the Plettenberg Bay airport. The Municipality advised that the service provider Nzuzo Pty Ltd construction company was informed to commence with the assembling of the emergency structures in the newly allocated areas as directed by the Bitou Municipal Council.

The original application indicated that 69 structures will be constructed but only 44 were constructed in Kwa-Nokuthula, Bossiesgif/Qolweni and Kurland. There is still a total of 25 structures outstanding.

The total project cost amounted to R10 982 869 and was broken up as follows:

- The Contractor submitted a quote or "Tender Bill of Quantity" for construction costs of R3 988 200 which was not clear whether the cost included VAT.

- Between 2019 – 2021 the contract expenditure was as follows:
- Value of Works paid – R6 160 327 (VAT Excl.)
- Value of Work paid – R2 112 885 (No VAT claimed)
- Material storage costs – R183 600 (No VAT claimed)
- Adjudication award – R2 356 000 (No VAT claimed)
- Adjudication Fees, Mvana & Associates – R150 031
- Adjudication Fees, Adjudicator (Adv. Moloisane) – R20 025

2.2 Plettenberg Bay Hangar

The Committee conducted a site visit of the Plettenberg Bay Hangar where approximately 25 of the alternate building material units were still being stored. A portion of the emergency building material was used to provide 44 housing units in Kwa-Nokuthula, Bossiesgif/Qolweni and Kurland for qualifying beneficiaries. The remaining emergency building material was stored in crates at the Waste Transfer Station in Kwa-Nokuthula for a monthly storage fee of approximately R6 000.

A request was made for the bulk purchase of the alternate building material that was stored at the Plettenberg Bay hanger. Recommendations were made for the remaining material to be placed on sale. The Municipality indicated that council still has to make a decision in this regard.

2.3 Kranshoek Housing Project

The Committee conducted a site visit of the emergency housing structures in Kranshoek. During the site visit the Committee noted that the area where the units were constructed resembled a wetland. The site had been serviced to make provision for housing units but the stagnant water was not conducive for human settlement. A Council decision was taken to utilise the site for human settlement. The project does not allow for bathroom facilities for the individual units. The beneficiaries were provided with four outside toilet facilities which were erected in the far right hand corner of the project. No lighting facilities were made available to light the route to the toilet facilities.

Residents complained regarding their living conditions and implored the Committee to assist with the rectification of their situation. They indicated that the area is prone to flooding. No guttering and drainage systems were made available to drain rain water away from the structures. No inner panels were provided for the units which would protect residents from the elements in summer and winter. The units were not sealed to prevent leaking.

2.4 Waste Transfer Station Kwa-Nokuthula

The Committee conducted a site visit of the storage crates at the Waste Transfer Station in Kwa-Nokuthula. The Municipality indicated that the storage crates were locked and that the service provider was in possession of the keys. The Municipality indicated that the storage crates were not opened due to possible legal implications. Queries pertaining to the content of the storage crates remained unanswered.

During the site visit of the Waste Transfer Station in Kwa-Nokuthula, the storage crates were opened in the presence of the Committee, officials from the Department of Human Settlements, municipal officials and councillors. The majority of the storage crates were found to be empty and only one crate contained a few aluminum window frames and

building rubble. The Municipality indicated that the matter would be investigated and that corrective action would be taken.

2.5 Findings

The Municipality advised that funds to complete the project are depleted. The structures stored at the Municipal Aerodrome are damaged and cannot be used to finish the project. The issue pertaining to the alternate building material stored at the Waste Transfer Station in Kwa-Nokuthula is to be submitted to Council for a resolution on a way forward. Persons who previously dealt with the matter are not providing information pertaining to why the supplier has the keys to the storage units, why the supplier had to be paid adjudicator fees and who has to be held responsible for the fruitless and wasteful expenditure.

2.6 Concerns

Concern was raised regarding:

- 2.6.1 Claims from the Contractor for an Adjudication fee which amounted to R2 356 000. The Adjudication fee was attributed for standing time, storage cost and security cost.
- 2.6.2 The circumstance that no criminal investigation was conducted regarding the R10 982 869 for the construction of the shacks.
- 2.6.3 The monthly storage cost paid by the Bitou Municipality for empty storage units.
- 2.6.4 The deplorable state of the living conditions of the residents of Kranshoek. Members indicated that the area was not suitable for human settlements as the water did not drain and the area was prone to flooding.

2.7 Documents requested

Members requested that the Bitou Municipality provide it with the minutes where the decision was taken to pay the Adjudication fee to the Contractor.

2.8 Recommendations

The Committee RECOMMENDED that the:

- 2.8.1 Auditor General be consulted in the investigation into the irregular expenditure to provide the Bitou Municipality with the necessary assistance to rectify the irregular expenditure.
- 2.8.2 Bitou Municipality employ an independent forensic investigator to investigate and identify what led to the irregular expenditure of the Emergency Housing Project. The outcome of the findings should then be utilised to pursue the relevant perpetrators for the misappropriation of municipal funds.

3. Engagement with the Garden Route District Municipality

3.1 Background

The Committee met with the Garden Route District Municipality to discuss the Memorandum of understanding with the Minister of Human Settlements on affordable housing and on obtaining a level one accreditation.

The B-Municipalities met with the Committee to discuss the following:

- 3.1.1 The current status of the Housing Demand Database for the various towns that fall under the Municipality, including how the Housing Demand Database aligned with the Provincial Housing Demand Database;
- 3.1.2 The housing typologies in terms of the area's needs and how the typologies were integrated;
- 3.1.3 The challenges experienced since the inception of the housing projects;
- 3.1.4 The housing business plans/projects in the pipeline including projects that generate revenue e.g. social housing;
- 3.1.5 The Municipality's 10 year Strategic Plan; and
- 3.1.6 The Municipality's spatial planning for the financial year.

3.2 Overview

On 13 April 2022, the Committee was met by the Garden Route District Municipality's Mr. Memory Booysen, Mayor; Mr. Monde Stratu, Municipal Manger; Mr. Lusanda Menze, Executive Manger: Planning and Economic Development; Mr. Joel Mkunqwana, Manger: Housing; Ms. Shihaam Sims, Manager: Human Settlements; Cllr. Jerome Lambaatjeen; from Kannaland Municipality Mr. Nicolaas Valentyn, Executive Mayor; Mr. Ian Avontuur, Acting Municipal Manager; Ms. Adri Fortuin, Senior Housing Officer; from Mossel Bay Municipality, Executive Mayor, Alderman Dirk Kotzé; Mr. Carel Venter, Manager: Integrated Human Settlements; Mr. Lindilizwe Mngxekeza, Manager: Integrated Human Settlements; Alderman Cliffie Bayman, Executive Deputy Mayor & Portfolio Councillor: Planning & Economic Development Services; Persons in attendance from the Provincial Department of Human Settlements, Ms. Mayisela, Acting Head of Department; Mr. Mfundo Taliwe, Regional Manager and Mr. Francois De Wet, Chief Financial Officer The meeting was an in person meeting and the Committee was joined by members of George Municipality Alderman Bazil Petrus, Portfolio Councillor for Human Settlements; Mr. Edwin Herandien, Deputy Director: Human Settlements; Ms. Wendy Mentor, Manager: New Housing; from Oudtshoorn Municipality Cllr. C Louw, Executive Mayor; Mr. Walter Hendricks, Acting Municipal Manager; Ms. Sylvia Tyatya, Acting Manager: Human Settlements; from Bitou Municipality Mr. Dave Swart, Executive Mayor; Mr. Mbulelo Memani, Municipal Manger; Mr. Mark Fourie, Acting Director: Community Services; Mr Fezile Maki, Engineering Technician: GIS; from Knysna Municipality Cllr. Susan Campbell;

3.3 The Garden Route District Municipality and the Western Cape Provincial Department of Human Settlements Memorandum of Agreement, Level one accreditation and how the District Municipality assists the B-Municipalities

3.3.1 Level 1 accreditation

The Level 1 accreditation between the Department and the municipalities entails placing the authority and responsibility at the point of implementation as a means of accelerating the provision of housing opportunities. The involvement of municipalities in the housing delivery is possible through the accreditation and assignment of programmes. The Accreditation Programme is all about building additional capacity in qualifying municipalities in order to enable them to administer/manage the housing function on behalf of provinces. The aim is to provide a better coordinated approach to Human Settlements planning and project implementation through integrated sustainable human settlements and improved quality of household life.

This will consist of:

- Developing credible Housing sector plans;

- Housing management and oversight;
- Beneficiary management; and
- Budget Planning.

The Garden Route District Municipality (GRDM) and the Western Cape Provincial Department of Human Settlements entered into a Memorandum of Understanding (MOU) to enhance cooperation between the respective spheres of government and to provide affordable housing in the Garden Route District. The GRDM signed an MOU in November 2020 to obtain a level 1 accreditation. The MOU is a high level document between the GRDM and the Department of Human Settlements to broadly demonstrate their respective intent to cooperate on a number of specific affordable housing programmes and projects. The aim of the MOU was to strengthen endeavours, to realise specific housing interventions of a mixed range and options. This intervention was aligned with a Joint District Metro Approach, where each decision that will be taken will be done through consultation with local municipalities to ensure that there is not an overlapping of functions. This will allow the GRDM and the B-Municipalities, which fall under it to provide housing opportunities for the required beneficiaries as and when projects are in a state of readiness to be offered to the public.

The following key activities have been implemented to receive accreditation:

- 3.3.1.1 New GRDM Integrated Human Settlements Strategic Plan was approved;
- 3.3.1.2 Consultative workshops were conducted with seven B-Municipalities in April, July and November 2021 respectively;
- 3.3.1.3 All inputs that were collected regarding housing projects were reflected on the new formal GRDM IHS Strategic Plan, Human Settlements Sector Plan (HSSP) and Policy Guidelines;
- 3.3.1.4 The New Organisational Structure, the new Internal Housing Solutions Directorate and defined programme operational staff and system resources; and
- 3.3.1.5 The development of the Municipal Accreditation Business Plan.

3.3.2 A Memorandum of Agreement

The Memorandum of Agreement (MOA) was signed in December 2020 and expires on 31 March 2023. The GRDM will assist the Provincial Department of Human Settlements with the planning, development and management of certain priority projects, while the Provincial Department of Human Settlements will provide the necessary human resources, so that the relevant skills and experience are available within the GRDM. It should be noted that the MOA is a targeted approach on specific projects. Municipalities will continue as usual with all functions and programmes which are not within the scope of the agreement.

The Western Cape Provincial Department of Human Settlements provided the GRDM Human Settlements Division, with funding to appoint four staff members. The appointments were that of a Town Planner who will assist with Spatial Planning, Town Planning Authorities and Project Feasibilities and an Administration Officer who will concentrate on the Demand Data Base and Subsidy Administration.

The Municipality will pursue an approach that ensures that there was synergy and full cooperation between the different spheres of Government, while also removing unnecessary red tape and bureaucracy that at times tend to delay the implementation of projects. The strategic objectives was to ensure that there was integrated development planning, that it was socially and financially affordable and sustainable and offered a wide choice of housing and tenure options.

3.3.3 Assistance to B-Municipalities

The GRDM will be assisting the B-municipalities by addressing certain challenges that were experienced in housing delivery in the district which include:

- 3.3.3.1 Providing affordable housing opportunities which include the Financed Linked Individual Subsidy Programme (FLISP) market also referred to as the "GAP" market. This is for the beneficiaries earning between R3 501 – R22 000; and
- 3.3.3.2 The issuing of historic title deeds for the period 1994 – 2014.

Research has shown that there was a great need for "GAP" housing in this District. The current housing demand database showed that there were 63 879 overall applicants for this District. The GRDM will therefore assist the Department with accelerating opportunities for those within this market. In addition, those who might qualify for FLISP, but due to a poor credit record was unable to obtain a bond could also be assisted through the Department's Credit Readiness Programme (CRP). The aim was to enable individuals to own their homes to ensure security of tenure, thereby accelerating human settlement delivery, while promoting social inclusion through the development of integrated, resilient, safe and sustainable human settlements in an open opportunity society.

3.4. Concerns

Concern was raised regarding the following:

- 3.4.1 The GRDM was taking over the functions of the B Municipalities;
- 3.4.2 The lack of rental stock in the Bitou Municipality for the GAP market;
- 3.4.3 The rapid increase of infrastructure in the Garden Route, which could negatively impact on the areas fauna and flora. The Garden Route economy thrives off its tourism industry which promotes its pristine beaches, fauna and flora; and
- 3.4.4 That there is only one Senior Secondary School in Bitou and with the rapid growth in the area this could become problematic.

4. Presentations by Garden Route District Municipalities and the B-Municipalities

4.1 Mossel Bay Municipality

The day commenced with opening remarks by, Mr. Dirk Kotzé, the Executive Mayor for Mossel Bay. He provided an overview on the Growth Strategy of the Municipality as follows:

4.1.1 Safety and the environment

Mr. Kotzé stressed that the Municipality's role was to govern through service delivery, and to also create a safe environment. He indicated that a safe environment promoted economic growth and secured investors. Growing the economy secured jobs and if people earned more than R3 500 they were not on the indigent register and could live a dignified life.

4.1.2 Social regeneration

The Municipality was actively working on its social regeneration strategy despite budget constraints. The Mayor advised that the Municipality would focus on the environment, not only in terms of safety, but preserving the natural beauty of the area.

4.1.3 Local Economic Development

Mossel Bay Municipality has entered into a Participatory Assessment of Competitive Advantage (PACA) process to determine the future of the town's local economic development (LED) and tourism strategy. PACA has been shown to be effective in small- to

medium-sized economies looking to speed up their LED functions. PACA is a way of taking a snapshot of an economy to enable one to determine its constraints and opportunities. The PACA model allowed the municipality, various local interested parties, and the facilitators to form a team which collaborated to process the necessary information to develop local economic development strategies.

4.1.4 Key challenges

The following challenges were listed by Mr. Dirk Kotzé:

- 4.1.4.1 In-migration of people looking for a better life. He indicate that this caused strain on the already limited resources of the area; and
- 4.1.4.2 Land grabs, electricity theft and the pressure placed on community services, clinics and schools facilities exacerbated the problem.

4.2 Presentation by Mossel Bay Municipality

Mr. Carel Venter and Ms. Lindilizwi Mngxekeza briefed the Committee on the Municipality's Housing Demand Database. They indicated that the current waiting list consisted of 11 216 people. The Housing Pipeline is updated bi-annually. The practice is that Council review the pipeline every second year and follow it up with Housing Imbizos within the affected communities. The business plans of the municipality reports on the project readiness by indicating which housing typologies will be utilised for a specific project, the time allocated for the finalisation for each phase and the projected budget that would be required for project completion.

4.2.1 Council approved projects

Council approved projects that were completed in Asazni/isinyoka, Sonskynvalley, Mountain View, Elangeni, the upgrading of toilet projects and granted approval for the transfer of 227 title deeds as part of the Title Deed Restoration Programme. Approximately 408 new top structures were completed, 27 Finance Linked Individual Subsidy Programme (FLISP) units built and 77 rectifications projects were conducted on the abovementioned projects.

4.2.2 Breaking New Ground Projects

Housing opportunities for beneficiaries for Breaking New Ground Projects (BNG) were allocated in accordance with prescribed legislation that provides preference to the elderly, military veterans, child headed households and persons who are recorded as the longest on the housing waiting list.

4.2.3 Varkies Kloof Housing Project

Provision was made for farm workers, military veterans and persons 60 years and older in the Varkies Kloof Housing Project. The project commencement date is scheduled to take place in the 2024 financial year.

4.2.4 Royal Heights Housing Project

Corruption allegations were made regarding the Royal Heights Housing Project allocations. The Municipality indicated that the matter would have to be addressed with the Minister of Infrastructure or the Mayor.

4.2.5 Gap Housing

Obtaining a bond for beneficiaries who qualify for a GAP housing opportunity has proven to be challenging as beneficiaries in some instances do not have a good credit record. Under these circumstances rental opportunities were made available under social housing subsidies.

4.2.6 Mountain View Housing project

The Mountain View Housing Project provided a housing opportunity for 1003 Upgrading of Informal Settlement Programme (UISP), 278 FLISP and 725 BNG units. The project provided opportunities for backyard dwellers. The total cost of the project amounted to R350 million and would be constructed in phases. Approximately seven areas would benefit from the project.

4.2.7 Upgrading of toilets

The Municipality embarked on a project to upgrade toilets. A total of 84 toilets for various areas were installed under the Second Toilet Project. A total of 254 existing houses would receive toilet upgrades under the Third Toilet Project, 698 alternate building structures with toilets were erected and 188 water stand pipes across the Municipal area were installed. The Municipality indicated that it was challenging to construct toilets in existing privately owned houses. Grant funding which is not considered to be municipal funds have been allocated for the upgrading of toilets on private property.

4.3.8 Title Deed Restoration Programme

A Title Deed Restoration Grant has been made available by the Department of Human Settlements to assist municipalities with the eradication of backlogged title deeds. Municipalities indicated that a monthly target to transfer 30 title deeds to beneficiaries have been put in place. They reported that it was challenging to locate the original benefactors and in some instances the beneficiary had not drafted a will to declare the next of kin. Members recommended that the municipalities bargain with contractors to allocate beneficiaries with title deeds once the units are completed.

4.3.9 Key challenges

The following challenges were reported by the Municipality:

- 4.3.9.1 Organised land grabs have become very challenging as it resulted in the rapid growth of informal settlements.
- 4.3.9.2 Funding approvals and the release of funds from the Department of Human Settlements were very slow due to red tape. Available land for human settlements was very limited. The Mossel Bay Municipality did not own sufficient land for new government supported housing projects.
- 4.3.9.3 The Housing Demand Database was not updated with the current information of beneficiaries. This resulted in challenges to locate beneficiaries due to changes of personal information.
- 4.3.9.4 Illegal land occupation posed a serious challenge to the success of human settlement implementation of projects and municipal service delivery. The cost to protect land from invaders that was earmarked for projects was costly.
- 4.3.9.5 An influx of the in-migration of undocumented foreign nationals in informal settlements have been recorded. The Municipality was not in a position to provide undocumented foreign nationals with a housing opportunity.
- 4.3.9.6 Beneficiaries have been selling and renting out their homes for a profit. This was challenging as they no longer had a fixed asset that could be beneficial in the long term.
- 4.3.9.7 Electricity theft through illegal electrical connections posed a safety risk and put strain on the service provided for a particular area.
- 4.3.9.8 There was not enough available funds in the Municipality to supply emergency starter kits for the escalation of shack fire incidents that have been occurring.

4.4 Bitou Municipality

Mr Mbulelo Memani briefed the Committee on the Municipality's 10 year Strategic Plan. He advised the Committee that the Municipality had no sector strategic plan and that the Bitou Allocation Policy had not been updated since 2014, when it was approved by the Bitou Council. The Municipality recorded 494 unclean data in their Housing Demand Database on February 2022. This is due to missing information such as: identity numbers, first names, contact details and addresses.

4.4.1 Key challenges

The Municipality informed the Committee of the following challenges:

- 4.4.1.1 The delays associated with the drafting of the business plans to implement the projects and commence with construction;
- 4.4.1.2 The unintegrated spatial landscape was challenging for the Municipality to rectify and address. This was due to the previous exclusive spatial planning and segregation;
- 4.4.1.3 In-migration into the area has exceeded the 5.35% of the Bitou population ratio. This growth spurt from 2001 and 2011 has placed a major strain on the regions provisioning of basic services and human settlements; and
- 4.4.1.4 The Municipality elaborated on the increased growth of informal settlements in certain areas.

4.5 Oudtshoorn Municipality

4.5.1 Demand Database

Ms. Sylvia Tyatya briefed the Committee on the Municipality's Housing Demand Database. She indicated that Pre 2016, Oudtshoorn Municipality delivered 150 houses per year. Prior to having the Beneficiary Database cleaned up, the number of applicants on the waiting list were recorded to be 18 000, however once the data on the waiting list was rectified the number of qualifying applicants have decline to 10 812.

4.5.2 Council approved projects

All new structures were approved by Council. The Integrated Development Plan (IDP) informed the Department's Strategic Plan on the typologies required for the various housing projects. The Municipality delivered 150 houses in Dysselsdorp as part of its phase 1 of the Breaking New Ground (BNG) and Upgrading of Informal Settlements Programme (UISP) typologies. Approximately 1 312 houses were developed for the past 10 years by the Municipality.

The Municipality's Business Plan provides a consolidation 24 of houses in Bongolethu that will be constructed to replace old mud houses that are beyond repair. Repair work would be conducted on old subsidy houses in Bongolethu, Power Houses and Smartie Town as soon as approval was provided by the Department of Human Settlements. Military veterans would be accommodated in Oudtshoorn West with the construction of the 350 houses in Morêster and Bridgton. The Bongolethu/Bridgton Infill has 32 houses that must still be completed out of a total of 146 houses. The Spieskamp houses will be built with alternative (green) building technology. A total of 21 BNG houses were constructed and replaces the 27 existing houses constructed under the old BNG programme.

The following houses were in the planning/development phases:

- Bongolethu mud houses;

- Oudtshoorn Central GG Kamp/Kanaal and Black Joint Tavern which will provide 600 units;
- Rosevalley Phase 4 will provide 128 service site;
- Spekkop IRDP is still within the Planning Phase; and
- Morêster Social Housing will provide 250 units.

4.5.3 Densification

To address the issue pertaining to densification, the Outshoorn Municipality considered the construction of mixed housing typologies in Rosevalley. Phase 2 of the Rosevalley housing projects would consist of single standing houses, duplex units and semi-detached units.

4.5.4 Key challenges

The Municipality informed the Committee of the following challenges:

- 4.5.4.1 The reprioritization of the Human Settlements Development Grant due to limited funding;
- 4.5.4.2 The lack of bulk infrastructure capacity for new and upcoming projects;
- 4.5.4.3 Exclusion on the reparation projects due to lack of funding;
- 4.5.4.4 Military veterans' grievance regarding the Military Veteran Housing Demand Database not being updated. They have also requested that they be provided with free standing houses and that they were not in agreement with the subsidy quantum provided;
- 4.5.4.5 Funding challenges have been reported for detached toilets and the upgrading of bulk services in De Rust. The Municipality indicated that there were 200 houses in De Rust that required funding approval for the service of toilets at the cost of R500 a month;
- 4.5.4.6 Lack of Human Resource/capacity due to funding. Posts were not being filled due to a lack of structure and funding; and
- 4.5.4.7 Mud houses in Bongoletu were dilapidated since the 80's and funding was required to conduct rehabilitation. Discussions were held in May 2022 regarding the demand for repair work on municipal infrastructure.

4.5.5 Strategies implemented

The Municipality indicated that the following strategies will be implemented:

- 4.5.5.1 Council owned erven not required for municipal purposes would be utilised for the provisioning of serviced sites. The aim of this project was to reduce land invasion by providing serviced sites;
- 4.5.5.2 The formalisation of current informal settlements and the provision of basic services; and
- 4.5.5.3 Funding would be sourced to fill key positions in the Municipality.

4.5.6 Recommendations

The Committee RESOLVED to conduct an oversight visit to the Mud houses in Bongoletu to observe the status of the houses.

4.6 Knysna Municipality

4.6.1 Demand Database

Ms. Portia Lindi briefed the Committee on the Municipality's Housing Demand Database. She indicated that there were 18 657 people on the waiting list for the George District, 1 423 for Uniondale and Haarlem and 17 234 for George and surrounding areas. The Municipality has been implementing the Vision 2002, which focused on the upgrading of informal settlements and Enhanced Peoples Housing Program since 2002.

4.6.2 The Vision 2002

The Vision 2002 project is in its final stages of completion with 11 units constructed in Oupad, 75 units constructed in Dam se Bos and 25 units constructed in Concordia. The

Municipality reported that the units were at various phases of completion. The new projects were geared to accommodate increased densification as opposed to the traditional 40m² typologies. Approximately 60% of the units have been handed over to beneficiaries and the remaining units will be completed before end of the financial year. The Municipality indicated that due to land shortages some of the approved beneficiaries could not be accommodated in the project. This occurrence resulted in conflict between the Municipality and the community.

4.6.3 Hlalaie, Ethembeni and Happy Valley

Hlalaie, Ethembeni and Happy Valley were the three areas where the densification principle was being implemented. The Municipality reported that most of the available land parcels were being utilised. Beneficiaries under the age of 30 were not accommodated in Top Structures. Community meetings were held weekly to address policy matters, and matters which may result in conflict between the Municipality and the community. Due to the weekly feedback meetings there has been fewer N2 closures in the area close to Hlalani.

4.6.4 Karatara

The erven sizes in Karatara was bigger than the prescribed 40m². An application for funding was rejected due to the size of the erven. A service provider was appointed to subdivide the plots according to specification. Challenges pertaining to the provisioning of bulk services for new projects have been reported.

4.6.5 Key challenges

- 4.6.5.1 The Knysna Municipality reported a housing backlog of 9 185, which increased annually by 3%.
- 4.6.5.2 The MIG funding was not enough to finalise projects as the quantum has not been increased. Funding was required from the Provincial Department of Human Settlements to finalise the Heidevallei Housing Project in the pipeline. Material prices have escalated resulting in various applications for additional funding.
- 4.6.5.3 The Municipality indicated that there has been limited focus on Backyard dwellers in the area with the exception of Hornlee where 155 houses have been completed in 2020/21 Financial year.
- 4.6.5.4 Availability of Land for development remained one of the major challenges for the Municipality. Due to the sloping terrain most projects were subjected to a geotechnical variance. Additional land was required outside the area.
- 4.6.5.5 Informal settlements keep growing and new ones have developed over the years due to massive in-migration. This has placed a major strain on bulk services. The current bulk service capacity could not accommodate new projects unless it was upgraded to accommodate the additional capacity.
- 4.6.5.6 The Age Policy of Western Cape Provincial Government remained a challenge as the Communities where development was taking place were displaced and their details were not updated on the system.
- 4.6.5.7 Provision of amenities in Hlalaie, Ethembeni and Happy Valley remained a challenge as the need for a housing opportunity outweighed the need for amenities.
- 4.6.5.8 The housing backlog in Sedgfield was estimated to be above 1000 households. This was attributed to lack of available land for human settlement.

4.6.6 Recommendations

The Committee RESOLVED to conduct an oversight visit to Knysna to receive a briefing on the Municipality's Business Plan.

4.7 Kannaland Municipality

4.7.1 Demand Database

The Kannaland Municipality advised that its Housing Demand Database aligned with the Provincial Housing Demand Database. The total beneficiaries recorded on the Housing Demand Database per town amounted to 3 293. Zoar recorded 697, Van Wyksdorp 181, Calitzdorp 1 082 and Ladismith 1 327. Regarding the unclean data for January 2022, the Municipality reported that one application did not have a registration date and that 690 applications did not have residential addresses. In terms of the Municipality's age breakdown category a total of 407 applicants were aged 60 years and above and 2 876 applicants were aged below 60 years. The income breakdown on the database listed 712 applicants who earned a salary below R3 500, 4 beneficiaries who earned a salary between R22 001 and above.

The housing typologies in Kannaland were being integrated and implemented in terms of the area's needs. Zoar Protea Park Infill will receive funding for 100 units, Ladismith Parmalat will receive funding for 280 units and the Zoar UISP project will receive funding for 65 units.

4.7.2 Key challenges

- 4.7.2.1 The Municipality's Spatial Development Framework should be updated to enable the Municipality to apply for a housing project in Van Wyksdorp.
- 4.7.2.2 Applicants who qualify for a FLISP opportunity are reluctant to approach financial institutions to apply for a bond.
- 4.7.2.3 The Municipality indicated that it was unable to provide basic services to informal settlements as there were no sufficient funding available to deliver on those services.
- 4.7.2.4 Phase 2 of the Calitzdorp project with 179 opportunities was stopped by the Provincial Minister for Human Settlements due to irregularities with regards to beneficiary administration which was reported to his office. Phase 1 was completed in 2015/2016

4.8 George Municipality

4.8.1 Demand Database

The George Municipality recorded 18 657 people on the waiting list for the George District. A total of 1 423 people were recorded for Uniondale and Haarlem and 17 234 for George and surrounds. The average age breakdown per district records 17 073 persons aged below 60 years and 1 584 persons aged 60 and above. The database indicated that the majority of the beneficiaries residing in the George District earned a salary of R3 500. The record reflected a total of 3 032 beneficiaries who fell within this salary bracket. The highest salary bracket recorded on the database reflected six beneficiaries who earned a salary of R22 001 and above.

The Municipality's Business Plan made provision for various housing typologies as required for each area. A total of 698 Mixed-use BNG units were completed in Syferfontein and only 952 units were still outstanding. Blanco Golden Valley and Metro Ground have BNG projects and Thembaletu have UISP projects which were ongoing and projects which have been finalised

4.8.2 Key challenges

- 4.8.2.1 An increase in informal settlements and land invasions was reported by the Municipality. This placed additional strain on bulk infrastructure and other services e.g. clinics and schools.

- 4.8.2.2 Persons residing in historic informal settlements who have not been registered for longer than three years on the waiting list were demanding a housing opportunity.
- 4.8.2.3 Beneficiaries who qualified for a housing opportunity did not update their details with the Municipality on a regular basis and could therefore not be located when an opportunity arose.
- 4.8.2.4 The majority of the applicants earned a salary below R50 000 per annum. This was attributed to the unemployment rate which was calculated at 14.2% in 2002.
- 4.8.2.5 The Municipality reported a lack of Human Resource capacity.

6. Resolutions

6.1 The Committee RECOMMENDED that the Bitou Municipality:

- 6.1.1 Provides the Kanshoek Temporary Relocation Area (TRA) occupants with the appropriate ablution facilities that meets the Western Cape standards; and
- 6.1.2 Conducts an assessment of all TRA's under this project to ascertain whether the water and ablution facilities were appropriate and to submit a report to the Committee in this regard.

6.2 The Committee REQUESTED that the Bitou Municipality:

- 6.2.1 Communicate with the Municipal Manger to furnish the Committee with a report regarding the investigation into the TRA project;
- 6.2.2 Provides the Committee with the case numbers for the criminal cases with regards to the TRA projects; and
- 6.2.3 Provides the Committee with the case number of the case lodged by the Councillor.

7. Acknowledgements

The Chairperson expressed her appreciation to the members, the Department of Human Settlements, the officials of the municipalities as well as the Western Cape Provincial Parliament officials for their contributions to the success of the meeting.


MS LM MASEKO (MPP)

CHAIRPERSON: STANDING COMMITTEE ON HUMAN SETTLEMENTS

DATE:

06/10/2022