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FACSIMILE

TO: Parliament of the Republic of South Africa.		ATTENTION: Ms.Koliswa Pasiya	
		DATE: Wednesday ,April 17, 2013	
NO. OF PAGES			
<input checked="" type="checkbox"/>		<input type="checkbox"/>	
URGENT		ROUTINE	
MESSAGE			
Please find the attached copy of the report you requested from Moqhaka Local Municipality-Portfolio Committee on Human Settlements.			
Thank you in advance			
FROM: Billy Kokami		CONTACT NO: 073 412 0962/056 216 9107	



"People's Power In Action"

MOQHAKA MUNICIPALITY

**REPORT ON CONSTRUCTION OF TOILET
TOP STRUCTURES**

April 2013

Purpose

This report serves to provide background and report on progress regarding the construction of toilet top structures in areas of Rammulotsi and Marabastad, .Moqhaka.

Background

The relevant areas were fitted with bulk sewer line during the bucket eradication process. During the installation of the bulk sewer system meetings were held with the community where it was agreed that they would be provided with the basic structure of a toilet, being a floor slab and the relevant toilet furniture. The community member would then have transferred their existing structures from the redundant bucket toilets to the slab provided. This was done because the funds allocated were not enough to provide complete toilets including top structures.

The Municipality's competency is to provide the bulk infrastructure up to the boundary from where it becomes the responsibility of the resident to provide his own facilities. The public's inherent dignity and the right to have their dignity respected and protected are maintained by the provision of the necessary bulk service to accommodate the collection and disposal of sewage emanating from households.

The Water Services Act, Act 108 of 1997, defines the responsibility of a Municipality (Water Service Authority) in regard to basic sanitation provision as follows:

"the prescribed minimum standard of services necessary for a safe, hygienic and adequate collection, removal, disposal or purification of human excreta, domestic waste water and sewage from households, including informal households."

In the light of the above the enclosure of the open toilet top structures identified within the Municipality in the areas of Rammulotsi and Marabastad were not actually within the core competency of the municipality to enclose but due to political issues and pressure the municipality was forced to implement the project.

As the basic structure of a toilet was already provided the municipality acted in good faith towards the community due to the pressure referred to above to assist in the enclosure of these structures.

To determine the nature and extend of the problem an audit was undertaken by the Municipality, where ward councilors as well as officials were involved, whereby the

following was found: houses build without internal toilet facilities, no top structure and no plumbing equipments, low cost houses with two toilet facilities inside and outside, formal households with bucket system due to the dismantling of the toilet that was provided inside the RDP houses and VIP toilets.

Most of the outside toilet coverage (top structures) were of sub standard material and or covered with cloth. However some toilets were open with a pan and cistern not covered. This equipment has been subject to severe weather conditions whereby most were damaged as a result thereof.

The following numbers were established in different towns:

- Rammulotsi - 1831
- Marabastad - 390 (As initially identified, this figure however increased to 520 as old structures were demolished by inhabitants to be rebuild by the municipality)

The main challenge was the demolishing of existing structures by residents when they heard that the municipality was building top structures and that all those that are zinc covered will be considered as open structures.

Sequential Progress Report

A newspaper article titled "ANC's OPEN TOILET SHAME" was publicized on the City Press edition dated 11 July 2010 with pictures of Rammulotsi toilets with no covers. Rammulotsi settlement is an area which was previously not supplied with an intermediate level of sewerage service (house connection) but had the bucket system. Since 2001 programmes were initiated to eradicate the bucket system by introducing the sewer borne facilities. Due to high cost involved the project was to be done in phases in the medium term with certain works not included. This resulted that the networks were installed and as such only a slab with the toilet furniture was erected on the relevant stands that were connected to the network.

The other phase of this was conducted by means of MIG funding and the Service Provider was appointed on 11 June 2007 at a tender sum of R1,005,435.88.

Consequently an audit was conducted to determine nature and extend of sanitation facilities within the Rammulotsi/Viljoenskroon area to address the matter on open toilets.

In addressing the open toilets in Rammulotsi and as a first phase a saving of R1.2m from a similar project was used with the Department's approval. Consequently 173 toilet top structures were constructed by Lohan Civils who was already appointed for similar works in Rammulotsi.

Considering the unavailability of grant funding and the outstanding 1658 structures to be constructed, the Municipality through Section 29 of the MFMA, allocated an amount of R4.2m for Phase 2 of the project. It was anticipated that the 2nd phase would be done by means of masification whereby skills would be identified in the respective wards through ward committees. A project of this magnitude required the services of a project manager to oversee the entire process and ensure quality standards are adhered to. Due to the various challenges and implications of implementing, managing and executing such works this did not realize.

In addition to the situation in Rammulotsi an initial audit in Marabstad indicated 62 top structures that required being closed however another audit revealed that there were 390 structures to be done which ultimately increased to 520, due to the reasons stated previously, or structures in a very poor condition.

Considering the urgency of the situation and the limited time frame and also bearing in mind that service providers were on site from similar project in Rammulotsi and Marabstad it would be both time and cost efficient to extend the appointment of these contractors for the completion of the final phases. In accordance with Section 35 of Municipal Supply Chain Policy the following appointment of service providers were made for the construction of toilet top structures in Marabstad and Rammulotsi respectively:

- (a) *that it be approved that **Dilemopumo Construction** be appointed to construct **1258 toilet top structures** in Rammulotsi as per above scope for an amount of **R8,192,000.00** all inclusive.*
- (b) *that it be approved that **Lohan Civils/Ivoyo** be appointed to construct **400 toilet top structures** in Rammulotsi as per above scope and quotation submitted for an amount of **R2,605,000.00** all inclusive*
- (c) *that it be approved that **Jore Construction** be appointed to construct **520 toilet top structures** in Rammulotsi as per above scope and quotation submitted for an amount of **R3,380,000.00***

The construction progress and payments made regarding the above were as follows:

DILLEMOPUMO (RAMMULOTSI)

Structures	Invoice Date	Amount Claimed	Amount Paid	Outstanding
200	28-04-2011	R 1 302 397.51	R 1 302 397.51	0.00
400	29-04-2011	R 2 559 195.03	R 2 559 195.03	0.00
400	31-05-2011	R 2 559 195.03	R 2 559 195.03	0.00
200	16-09-2011	R 1 302 397.51	R 1 302 397.51	0.00
58	16-09-2011	R 280 203.33	R 0.00	280 203.33
1258		R 8 003 388.41	R 7 723 185.08	280 203.33

LOHAN / IVOYO (RAMMULOTSI)

Structures	Invoice Date	Amount Claimed	Amount Paid	Outstanding
200	17-06-2011	R 1 263 985.94	R 1 263 985.94	0.00
	15-06-2011	R 197 602.48	R 197 602.48	0.00
200	10-10-2011	R 1 034 192.19	R 1 034 192.19	0.00
	03-11-2011	R 54 925.42	R 54 925.42	0.00
400		R 2 550 706.03	R 2 550 706.03	0.00

JORE CONSTRUCTION (MARABASTAD)

No Toilets	Invoice Date	Amount Claimed	Amount Paid	Outstanding
70	20-05-2011	R 454 999.65	R 454 999.65	0.00
116	06-06-2011	R 753 999.42	R 753 999.42	0.00
104	23-06-2011	R 675 999.48	R 675 999.48	0.00
30	14-07-2011	R 194 999.85	R 194 999.85	0.00
104	14-07-2011	R 675 999.48	R 675 000.00	0.00
18	06-01-2012	R 116 999.91	R 116 999.91	0.00
65	06-02-2012	R 422 499.68	R 422 499.68	0.00
4	23.03.12	R 25 999.96	R 25 999.96	0.00
9		R 85 508.35	R 58 508.35	0.00
520		R 3 380 005.80	R 3 380 005.80	0.00

Financial Implications : In total payments to the amount of R13,653,896.91 has been made from municipal revenues by the Municipality in respect of work above as no grants were obtained from any Sector Departments. It should however be noted that the Department Human Settlement has pledged a grant total of R2.5m and the DBSA R7.5m for which an MOU has been entered into. It must be noted that this expenditure affected other municipal services.

Challenges: The municipality experienced the following challenges :

- funding
- communities demolishing existing structures
- non payment of service providers resulting in workers and suppliers not being paid and consequently jobs standing.
- The National strike in the engineering sector industry.

As this project does not form part of the IDP, nor was it part of our IDP, there are still open toilets in Koe Koe village in the Kroonstad area but it should be noted that these will not be enclosed by the municipality as it falls outside the core competency of the municipality (Water Services Authority) as they have complied with the minimum sanitation standards in regard to basic sanitation as per the Water Services Act. Such structures are deemed to be part of Human Settlements competency and should be treated as such.

In Summary:

- Open toilets identified in Mophaka were 1831 in Rammulotsi and 520 in Marabastad.
- 173 Top structures were constructed in Rammulotsi by means of a saving on a similar project.
- Three service providers were appointed to construct the remaining 1658 structures in Rammulotsi and 520 structures in Marabastad respectively.
- All of above structures as appointed for has been constructed and an amount of R13,653,896.91 has been paid from Municipal own revenue.
- Department Human Settlement has provided at total grant of R2.5m and the DBSA pledged R7.5m of which only R2.7m was received.
- Drawings for the enclosure of the structures were provided by a consultant and approved by both DBSA and human Settlements and these were used for quality control purposes.
- Quality compliance concerns were picked up during inspections and contractors notified accordingly to rectify defects and ensure compliance to specifications.
- Defects were addressed by the contractors where after the DBSA agreed to make payment for 600 structures.

- Notwithstanding the above an approximate remaining 176 open toilets in the Rammulotsi area is currently being converted by Cmax Construction from funding allocated by Provincial Government with no involvement from the municipality apart from building supervision.
- An inspection was recently conducted on these structures by the Municipal Building Inspectorate. The inspections were done to verify that the enclosed toilets were built according to minimum building standards and to verify that the toilets that were previously open have been enclosed with brickwork structures.
- The current progress on the 176 structures is as per inspection report attached.

*** Attached as annexures please find a copy of the approved building plan for the toilet structures as well as an inspection report indicating the progress on the 176 structures.

Copies of all correspondence on this matter to Sector Departments etc. are available should it be required.

An onsite inspection was done by the Human Rights Commission, Department of Human Settlements, Moqhaka Local Municipality as well as the media.

Overall all parties were satisfied with the site inspection and only two toilets were identified that must be closed as soon as possible. These toilets had structures but were demolished by the owners as a contractor indicated that they will receive new structures from the Municipality.

It was decided that if these two toilets are closed the chapter of open toilets in Rammulotsi will be closed.

GRANT EXPENDITURE - 2010/2011 - 2012/2013

FUNDER	ALLOCATION 2010/2011	EXPENDITURE 2010/2011	ALLOCATION 2011/2012	EXPENDITURE 2011/2012	ALLOCATION 2012/2013	EXPENDITURE 2012/2013
MIG	R 32 144 000.00	R 32 144 000.00	R 38 661 000.00	R 38 661 000.00	R 46 897 000.00	R 33 610 928.29
DWA	R 2 405 064.00	R 2 405 064.00	R 3 300 000.00	R 3 300 000.00	R 8 000 000.00	R 8 000 000.00

HS ALLOCATION R 7 400 000.00 FOR 2011/2013 FINANCIAL YEAR

FUNDER	ALLOCATION 2010/2011	EXPENDITURE 2010/2011	ALLOCATION 2011/2012	EXPENDITURE 2011/2012	ALLOCATION 2012/2013	EXPENDITURE 2012/2013
DOE	R 4 000 000.00	R 4 000 000.00		Roll over	R 7 400 000.00	R 6 717 466.64

HS ALLOCATION R 64 269 800.00 FOR 2011/2013 FINANCIAL YEAR

FUNDER	ALLOCATION 2010/2011	EXPENDITURE 2010/2011	ALLOCATION 2011/2012	EXPENDITURE 2011/2012	ALLOCATION 2012/2013	EXPENDITURE 2012/2013
HS				Roll over	R 64 269 800.00	R 52 846 423.07

CERTIFICATE OF EXPENDITURE AND REVENUE 2010/2011

PROVINCE Free State Province
MUNICIPALITY Mophaka Local Municipality
MIS NO FS201
10/11 R 32 144 000
BANK ACCOUNT NO 4053274876
BANK NAME ABSA

Month:

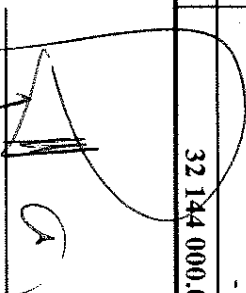
Jun-11

Date	Budget Estimate	Advances requested	Amount Received	Actual Expenditure	Balance
Apr-10	-	-	-	-	-
May-10	11 456 257.88	11 456 257.88	12 704 000.00	11 456 257.88	1 247 742.12
Jun-10	4 328 991.18	4 328 991.18	-	4 373 266.62	-4 373 266.62
Jul-10	-	-	11 834 000.00	6 634 246.15	5 199 753.85
Aug-10	8 831 547.19	8 831 547.19	-	2 531 603.02	-2 531 603.02
Sep-10	3 655 357.80	3 655 357.80	-	1 566 523.48	-1 566 523.48
Oct-10	1 498 719.48	1 498 719.48	6 722 000.00	4 772 238.74	1 949 761.26
Nov-10	1 173 255.88	1 173 255.88	-	361 382.63	-361 382.63
Dec-10	508 381.95	508 381.95	-	-	-
Jan-11	531 488.64	531 488.64	-	448 481.48	-448 481.48
Feb-10	31 000.00	31 000.00	884 000.00	-	884 000.00
Mar-11	34 000.00	34 000.00	-	-	-
Apr-11	31 000.00	31 000.00	-	-	-
May-11	33 000.00	33 000.00	-	-	-
Jun-11	31 000.00	31 000.00	-	-	-
TOTAL	32 144 000.00	32 144 000.00	32 144 000.00	32 144 000.00	-0.00

Request for July 2011

30 322 177.14

I hereby certify that the provisions / specifications of the financial administration of the Municipal Infrastructure Grant Programme have been complied with


 Municipal Manager / Chief Financial Officer

**Municipal Infrastructure Grant (M.I.G)
CERTIFICATE OF EXPENDITURE AND REVENUE 2011/2012**

PROVINCE Free State Province
MUNICIPALITY Moghaka Local Municipality
MIS NO FS201
I/12 ALLOCATION R 38 661 000.00
BANK ACCOUNT NO
BANK NAME

Month:

Jun-12

Date	Budget Estimate	Amount Received	Actual Expenditure	Balance
Jul-11	32 445 000.00	32 445 000.00	14 651 813.12	17 793 186.88
Aug-11	-	-	2 049 793.56	-2 049 793.56
Sep-11	-	-	117 696.56	-117 696.56
Oct-11	-	-	1 898 650.70	-1 898 650.70
Nov-11	2 890 000.00	-	2 575 370.31	-2 575 370.31
Dec-11	-	2 890 000.00	992 107.95	1 897 892.05
Jan-12	-	-	809 664.02	-809 664.02
Feb-12	-	-	1 849 313.39	-1 849 313.39
Mar-12	3 326 000.00	3 326 000.00	3 335 520.62	-9 520.62
Apr-12	-	-	1 102 756.21	-1 102 756.21
May-12	-	-	2 444 564.83	-2 444 564.83
Jun-12	-	-	6 833 748.73	-6 833 748.73
Total	38 661 000.00	38 661 000.00	38 661 000.00	-

I hereby certify that the provisions / specifications of the financial administration of the Municipal Infrastructure Grant Programme have been complied with

Municipal Manager / Chief Financial Officer


Moghaka 2012

Municipal Infrastructure Grant (MIG)
CERTIFICATE OF EXPENDITURE AND REVENUE 2012/2013


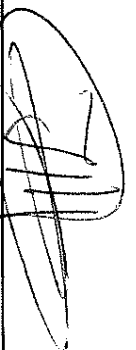
PROVINCE Free State Province
 MUNICIPALITY Moghaka Local Municipality
 MIS NO FS201
 12/13 ALLOCATION R 46 897 000.00
 BANK ACCOUNT NO
 BANK NAME

Month:

Mar-13

Date	Budget Estimate	Amount Received	Actual Expenditure	Balance
Jul-12	15 984 000.00	15 984 000.00	1 653 194.04	14 330 805.96
Aug-12	-	-	3 961 579.56	-3 961 579.56
Sep-12	-	-	2 736 449.64	-2 736 449.64
Oct-12	-	-	6 126 899.59	-6 126 899.59
Nov-12	17 450 000.00	17 450 000.00	1 220 655.01	16 229 344.99
Dec-12	-	-	1 246 454.05	-1 246 454.05
Jan-13	-	-	7 051 502.00	-7 051 502.00
Feb-13	-	-	4 343 267.19	-4 343 267.19
Mar-13	13 463 000.00	13 463 000.00	5 270 927.21	8 192 072.79
Apr-13	-	-	-	-
May-13	-	-	-	-
Jun-13	-	-	-	-
Total	46 897 000.00	46 897 000.00	33 610 928.29	13 286 071.71

I hereby certify that the provisions / specifications of the financial administration of the Municipal Infrastructure Grant Programme have been complied with



 Municipal Manager / Chief Financial Officer