


Province of the
EASTERN CAPE
HUMAN SETTLEMENTS



OUTCOMES & OBJECTIVES

- Accelerate delivery of housing opportunities
- More efficient land utilisation
- Improving Property Market
- Access to basic services
- Rural settlements development

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On a mission to eradicate homelessness and informal settl

BACKGROUND

- This project forms part of the National Pilot Project in terms of BNG for the Zanemvula Project.
- The National Department of Housing, the Provincial Department of Housing and the Nelson Mandela Bay Municipality entered into a Co-operative Agreement on 27 February 2006.

Background Cnt.....

- On 16 July 2007 after intensive deliberations between the Minister Housing, the MEC responsible for Housing and the Mayor of the Nelson Mandela Metropolitan Municipality it was resolved that:
 - (a) the Co-operative agreement be amended to include the appointment of **Thubelisha Homes** as the **Project Manager** of the Zanemvula Project to be undertaken in the area of jurisdiction of the Nelson Mandela Bay Metropolitan Municipality subject to certain terms and conditions.

Background Cnt.....

- (b) the Nelson Mandela Bay Municipality as owner of certain Property within its area of jurisdiction, has agreed to designate specified Properties to the Zanemvula Project.
- (c) the Parties agree that the Provincial Department of Housing shall act as Developer and, inter alia, fund the Development of the Properties to be designated by the Nelson Mandela Bay Metropolitan Municipality.

Project Status as at 2007.....

- At this stage the status of the project was as follows:
- . Engineering designs - Completed
- . Townplanning & Survey - Completed
- . Installation of Civil Services - Completed
- . Registration of Property: - No Transfers to date
- . House construction
 - 8 houses have been completed and paid to date
 - 341 houses are in various stages of completion
 - 251 houses must still be built.
 - 600 total

Project Status Cont.....

- Thubelisha Homes immediately endeavoured to enrol the project with the NHBRC but same was reluctant to enrol the 349 houses (Metro Portion) as they were constructed on conventional strip footing foundations in stark contrast to the H3 foundation designs indicated in the Geotechnical Report.
- Home Enrolment was obtained for the remaining 251 houses and Thubelisha Homes commenced with construction and certain remedial work on the 349 housing units.

Project Status Continues...

- At the same time the NHBRC was mandated to commence with a Forensic Engineering Audit on the 349 units to determine the structural defects. The report was completed in January 2008 and also included recommended repairs.

Allocation and construction status

CONTRACTORS NAME	NUMBER OF UNITS	INITIAL UNITS COMPLETED	UNITS RE ALLOCATED	FINAL UNITS COMPLETED	SITES TO BUILT
CACADU DEVELOPMENT TRUST	120	111	(1)	111	8
BUSO NGOBUSO	100	99	5	105	0
IT CLEANING	73	33	40	33	0
NOMBASA	110	108		110	0
BIG EYE	130	128	4	134	0
UPAHLA CONSTRUCTION	67	67	32	99	0
TOTAL	600	546		592	8

Project Closure

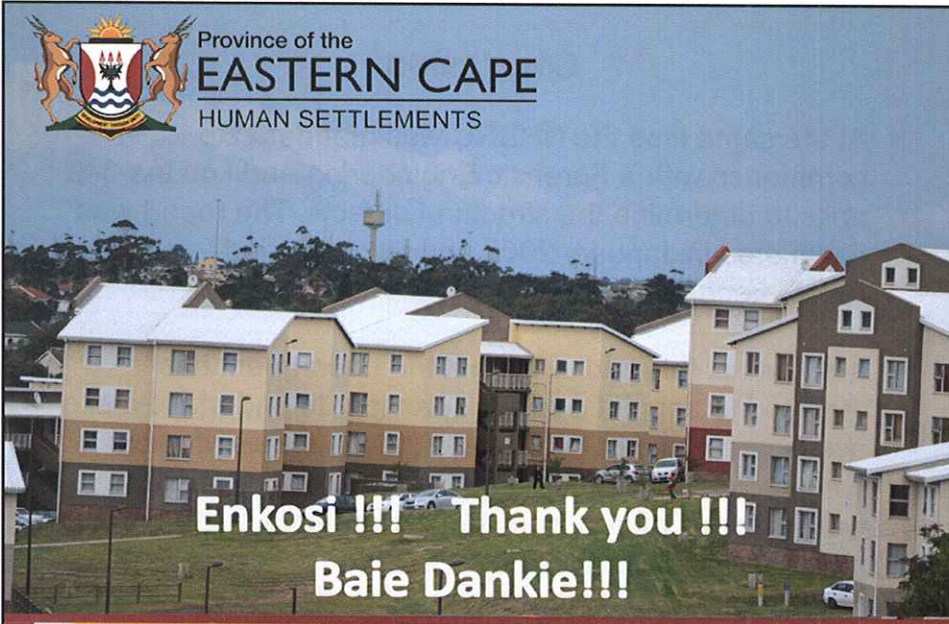
- The last payment to the developer was released in June 2009 and no construction activity has since taken place on the development site and Thubelisha Homes has since been closed down.
- The final project reconciliation was done based on value created, full and final settlements accounts per contractor were concluded and what was due was paid to contractors (Learning Strategies Report).

Conclusion

- At the same time the NHBRC was mandated to commence with a Forensic Engineering Audit on the 349 units to determine the structural defects. The report was completed in January 2008 and also included recommended repairs.
- It is against this backdrop that the department has resolved to appoint a service provider to undertake a site assessment to, not only determine the status of each constructed house, but to also determine the required work in terms of new norms and standards in the total of houses which is 600 units.
- Province intend to conduct forensic investigation to determine possible recourse against the contractors.

Recommendation

- It is recommended that the National Portfolio Committee of Human Settlement to take note of this Report.



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**Enkosi !!! Thank you !!!
Baie Dankie!!!**

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