



PROVINCE OF THE EASTERN CAPE

DEPARTMENT OF HOUSING

**REPORT ON THE STATUS OF HOUSING
PROJECTS UNDER ALFRED NZO REGION**

BACKGROUND INFORMATION

STATUS REPORT O ALFRED NZO DISTRICT MUNICIPALITY HOUSING

RUNNING PROJECTS

The Alfred Nzo Region has currently Three (3) running projects, one of these projects is in Matatiele and one is an Emergency Relief project scattered around the rural areas of Matatiele, Maluti, Mount Frere and Mount Ayliff. The projects are identified as follows;

Project Name	Area / Town	No of Units	Beneficiary Approvals	Progress to date
Matatiele Harry Gwala	Matatiele	500	500	Services almost complete
Emergency Housing Temporal structures	Maluti, Matatiele, Mount Frere & Mount Ayliff	93	93	Contractor appointed
Alfred Nzo Rural Housing	Maluti, Matatiele, Mount Frere & Mount Ayliff	536	192	2 show houses and the DM is busy ordering materials
Total		1129	785	

ALFRED NZO HOUSING BACKLOG

The overall housing backlog in Alfred Nzo District Municipality is **51 425** (Fifty One Thousand Four Hundred and Twenty Five) which is made up of **49 475** (Forty Nine Thousand Four Hundred Seventy Five) in Umzimvubu Local Municipality and **1 950** (One Thousand Nine Hundred and Fifty) in Matatiele Local Municipality.

The immediate projects or projects that have already been identified is tabled below;

Project Name	Area	Type of Project	No of Units
Santombe	Mount Ayliff	Peri-Urban	500
Mtemba	Mount Ayliff	Rural	1000
Rode	Mount Ayliff	Rural	1500
Mount Frere Ext 5	Mount Frere	Urban	500
Mbodleni	Mount Frere	Rural	1000
Elubhacweni	Mount Frere	Peri-Urban	500
Matatiele Ext	Matatiele	Urban	750
Total			5750

A total of **5 750** (Five Thousand Seven Hundred and Fifty) houses have been identified as the Alfred Nzo Housing backlog.

ALFRED NZO DISASTER HOUSING BACKLOG

The Alfred Nzo disaster housing is tabled below;

Year	No of Houses Affected		
	Maluti/Matatiele	Umzimvubu	Total
1999	0	60	60
2000	1613	761	2374
2001	76	0	76
2002	295	44	339
2003	0	877	877

2004	236	0	236
2005	0	357	357
2006	0	655	655
Total	2220	2754	4974

A total of **4 974** (Four Thousand Nine Hundred and Seventy Four) houses have been identified as the Alfred Nzo Disaster Housing backlog between the years 1999 to 2006. The approved housing project of 536 units is also included in the 4974 backlog, this then reduces the disaster housing backlog to **4 438** (Four Thousand Four Hundred and Thirty Eight) houses.

Projects under the Alfred Nzo Region

1. Mount Frere 341 units

Background:

This project was approved on the 18th of July 2000. The project became blocked due to insufficient funds as a result of inflation as well as poor workmanship on site. Thubelisha was roped in to resuscitate the project. NHBRC was appointed to conduct an audit on the 211 built houses so as to rectify them through the rectification programme.

Current status:

The project is currently blocked with some completed houses and some at various stages of construction. The Project Management Team (PMT) is currently engaging Thubelisha so as to come up with best possible solutions to challenges identified. This resulted on the proposal to start work on new sites which were not affected by the construction this was rejected by DEAT. As a result Thubelisha has been instructed to request quotations from service providers so as to establish the cost of conducting an EMP and a Geotech survey.

<i>Houses completed</i>	180
<i>Houses outstanding</i>	161
<i>Transfers paid</i>	0
<i>Services installed</i>	0% complete.
<i>Budget Spent</i>	4,708,900.00
<i>Budget available</i>	2,527,120.00

Challenges:

- Poor construction methods.
- Insufficient funding due to price escalations i.e. inflation etc.
- EMP approval as well as its funding
- Incorrect positioning of the houses i.e. houses built on more than one site
- Capacity of the installed services.
- Relocation of beneficiaries
- Provision of Bulk Infrastructure

Recommendations:

- Enough funds be made available so as to attract competitive builders/contractors who practice good construction methods e.g. NHBRC regulations, National Building Regulations etc.
- Funds are made available for the commissioning of an EIA report and its approval thereof. – a TET meeting which sat late last year approve the funding for and EIA and the appointment of an environmental specialist
- A service provider be appointed to do the transfers.
- Services for Land Surveyor be extended as this project need re-pegging- The department has appointed a surveyor to do the pegging which has been completed, it has resulted that the pegging will not solve the problem and now a land surveyor is expected to start in January with a Tacky Survey. The required tachy survey is required to show details of building positions, building types as well as edges of all built internal roads.

2. Mount Ayliff 700 units

Background:

This project was approved on the 12th of November 1999. The project became blocked due to insufficient funds as a result of inflation as well poor workmanship on site. Thubelisha was roped in to resuscitate the project. Blocked funding for the completion of 139 houses was approved on the 27th of June 2006 so as to unblock the project. NHBRC was appointed to conduct an audit on the 561 built houses so as to rectify them through the rectification programme.

Current status:

The project is currently blocked with some completed houses and some at various stages of construction. The Project Management Team (PMT) is currently engaging Thubelisha so as to come up with best possible solutions to challenges identified. This resulted on the proposal to start work on new sites which were not affected by the construction this was rejected by DEAT. As a result Thubelisha has been instructed to request quotations from service providers so as to establish the cost of conducting an EMP and a Geotech survey. A report back meeting is scheduled for first week of January 2008.

<i>Houses completed</i>	561
<i>Houses outstanding</i>	139
<i>Transfers paid</i>	0
<i>Services installed</i>	0% complete.
<i>Budget Spent</i>	15,158,996.03
<i>Budget available</i>	4,838,468.97

Challenges:

- Poor construction methods.
- Insufficient funding due to price escalations i.e. inflation etc.
- EMP approval as well as its funding
- Incorrect positioning of the houses i.e. houses built on more than one site
- Capacity of the installed services.

- Thubelisha's capacity
- Relocation of beneficiaries

Recommendations:

- Enough funds be made available so as to attract competitive builders/contractors who practice good construction methods e.g. NHBRC regulations, National Building Regulations etc.
- Funds are made available for the commissioning of an EIA report and its approval thereof. – a TET meeting which sat late last year approve the funding for and EIA and the appointment of an environmental specialist
- A service provider be appointed to do the transfers.
- Services for Land Surveyor be extended as this project need re-pegging- The department has appointed a surveyor to do the pegging which has been completed, it has resulted that the pegging will not solve the problem and now a land surveyor is expected to start in January with a Tacky Survey. The required tachy survey is required to show details of building positions, building types as well as edges of all built internal roads.

3. Matatiele 500 units

Background:

This project was transferred by the KZN to Eastern Cape this year construction of services is about 90 percent complete and the top structure will start as soon as the services are complete.

Current status:

<i>Houses completed</i>	Still completing services
<i>Transfers paid</i>	8
<i>Services installed</i>	90% complete.
<i>Budget Spent</i>	0.00
<i>Budget available</i>	0.00

Challenges:

- Construction of services is being delayed due to delays in processing of payments by the Matatiele Municipality.
- An outstanding 700m sewer pipe.

Recommendations:

- The Matatiele Municipality needs to be engaged urgently with regard to processing of payment certificates.
 - A submission for the top structure is to be submitted by the Matatiele Municipality as they are not interested for the Implementing Agent to do top structure.
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- The outstanding 700m sewer pipe (bulk service) was funded by Alfred Nzo District Municipality as they promise to place the tender advert on January 2008.

4. Matatiele 306 units

Background:

This project was transferred by the KZN Province to Eastern Cape this year and it was approved on the 19th of August 1999 and the Matatiele Municipality is the developer and a new agreement with a new subsidy was signed on the 8th of June 2005. Construction of both houses and services is 100 percent complete.

Current status:

<i>Houses completed</i>	306
<i>Transfers paid</i>	0
<i>Services installed</i>	100% complete.
<i>Budget Spent</i>	0.00
<i>Budget available</i>	0.00

Challenges:

- Storm water drainage
- Blocked side drains.

Recommendations:

- The contractor needs to finalise the recommendations with regard to above problem.
- On receiving of above recommendation, the Quality Coordinator needs to finalise the evaluation report in consultation with the Matatiele Municipality and forward to Province.

5. Emergency Houses/Rural Project 500 units

Background:

This project was approved on the 31st of December 2006 and the Umzimvubu Local Municipality is the developer and a new agreement with a new subsidy was signed on the 8th of June 2005. Construction of the first fifty (50) houses is being finalised. The meeting was held with the Municipality on the 18 December 2007 and they promised to advertise during December before closing date and appoint more contractors on the 17th January 2008.

Current status:

<i>Houses completed</i>	34
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<i>Transfers paid</i>	N/A
<i>Services installed</i>	N/A.
<i>Budget Spent</i>	3,360,900.00
<i>Budget available</i>	14,889,364.00

Challenges:

- Houses being constructed are scattered around making it a challenge.
- Only one contractor that was appointed by the municipality to complete the first fifty units.

Recommendations:

- More Contractors will be appointed by the Municipality on 17 January 2008.

6. Alfred Nzo Emergency Housing- Temporal Housing

Background:

This project was initiated to cater for disaster victims living in tents, 93 families were identified by the municipality and a contractor has been appointed by the department to erect 93 Temporal structure in the Alfred Nzo region.

Current status:

The contractor was appointed in November 2007 and a preliminary site hand over meeting was held on the 26th of November 2007 where the contractor was introduced to the Municipality and the project team. From this date it was planned that the municipalities and the Departmental project managers will take the contractor to do actual site visits to the respective site where temporal structures will be erected, this exercise was planned to take 2 week from the date of the meeting. Currently the contractor has not been introduced to the site, the project manager and the contractor are waiting for the Municipality to give actual locations of the identified sites. The project duration for this project is six weeks once the contractor has been to site.

Current status:

<i>Houses completed</i>	Nil
<i>Transfers paid</i>	N/A
<i>Services installed</i>	N/A.
<i>Budget Spent</i>	0
<i>Budget available</i>	R3 177 410.40

Challenges:

- Houses being constructed are scattered around making it a challenge.
- Delays in the start of construction resulting from delays in the site visits

Recommendations:

- The Municipality to move fast to fast track the introduction of the contractor to the relevant sites. This project will be on the agenda during the engagements on the 11th of January 2008.
- Once the contractor is taken to all the sites it is recommended that the contractor starts to do work on multiple sites as sites are far apart and wide apart, this will help to fast track the project.