

Vulindlelaville

The housing project is fraught with problems, and the 'amakhosi' could be left holding the can

Witness 30/8/12

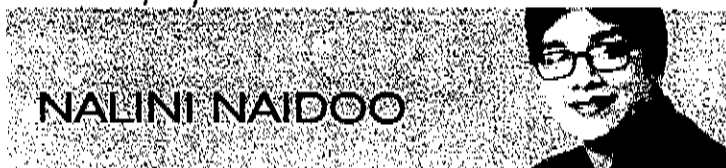
IT'S a bit like our own "Zumaville". More scattered, it's developing in Vulindlela on the outskirts of Pietermaritzburg — only it's not a town as such, but 25 000 RDP houses with supporting infrastructure.

Scattered over nine wards in the area to the west and north of Edendale, the housing project is being developed at a cost of R2 billion. The project has been described as one of the biggest rural housing schemes in South Africa, and is due to be completed in four years.

Like the planned R2 billion new town due to be built near President Jacob Zuma's homestead, dubbed "Zumaville" by the media, the Vulindlela project has been mired in controversy from the outset. It is currently the subject of probes by both the Special Investigations Unit (SIU) and Public Protector Thuli Madonsela.

The Vulindlela housing project came back on the radar screen this week because of a protest by disgruntled workers over pay and because they were allegedly not registered with the Department of Labour. The initial response of those managing the project was to pass blame on to the subcontractors. This raised a crucial concern. Who can be called to account when things go wrong on a project?

The Vulindlela housing story is quite extraordinary. It is an act of extreme faith where the responsibility of managing R2 billion of public funds has been entrusted to the care of five *amakhosi*. Whether it will turn out to be the great reconciliation story of Pietermaritzburg or a tale of extreme folly



NALINI NAIDOO

"R2 BILLION OF PUBLIC FUNDS HAS BEEN ENTRUSTED TO THE CARE OF FIVE AMAKHOSI."

is yet to be seen.

The upper reaches of Vulindlela were strongholds of the IFP, and the war in Pietermaritzburg in the eighties and early nineties was between ANC strongholds in the Edendale Valley and the IFP supporters from Vulindlela. Animosity ran deep and post-1994 all five wards in upper Vulindlela went to the IFP, until the fourth local government election in May 2011, when they were won by the ANC.

Shortly after the elections, news of the Vulindlela Housing project emerged. The chiefs in the area, including Inkosi Nsikayezwi Zondi, a firm defender of the IFP during the height of the violence, had formed the Vulindlela Development Association (VDA). The KZN Department of Human Settlements then entered into an agreement with the VDA and committed over R2 billion in state funds for the organisation to manage projects to provide housing in the area. The VDA went on to turn

over the management of the entire project to a single private developer, Dezzo (Pty) Ltd, which has been described as the implementing agent on the project. In turn, Dezzo has worker co-operatives and sub-contractors doing the work.

Critics have remarked that it is unprecedented that such a massive amount of state funds was entrusted to a private company and all of this was done without going to tender. Yes, the department does play an oversight role and the money has not been released in one go, but in tranches through a finance company. However, questions can be raised about the extent of this oversight, given the rumblings on the ground.

The Human Settlements Department has also admitted that the project is behind schedule. However, looking at the set-up, it seems that the ultimate responsibility for things going wrong could sadly rest with the lowest rung in the hierarchy — the co-ops and subcontractors working on the project. They employ workers, so they have to take responsibility for them. They are the builders, so they have to take responsibility for shoddy workmanship, and as the VDA signed the agreement with the department, the buck stops with them. It seems a pretty neat

arrangement for Dezzo, which can walk away without bearing any responsibility if things go wrong.

So, if the project works it could be a happy story of reconciliation, but if the SIU probe reveals wrongdoing, the *amakhosi* of the VDA could be left holding the can.

And there is cause for concern. Madonsela, in her initial probe, said the allegations that concerned her were:

- The Human Settlements Department unlawfully and deliberately disrupted the Msunduzi Municipality IDP programme in order to award the tender to the Vulindlela Housing Association and in turn to Dezzo Holdings.
- The people who will benefit from the project when it is fully implemented will not receive title deeds of the houses they own — even though their state housing subsidies would have been used.
- The five *amakhosi*, as leaders of the project, should, in terms of the Rural Housing Policy, drive it, but are not part of its running and management, having handed over this entire responsibility to Dezzo.
- The housing needs of the Vulindlela community were unreasonably inflated.
- Although Human Settlements claims the project is part of the government's policy of the "Enhance People Housing Process", evidence exists of non-compliance with policy.
- Human Settlements has failed to show that adequate measures are in place to prevent and eliminate abuses.

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P FOR A WORTHY CAUSE



PHOTO: NASH NARRANDES

... Kamren Beharie, Nericksha Beharie and Ashika on Sunday, September 9. R2 from every entry will be for disorders. Early bird registration closes at midnight.

used on wrong info'



PHOTO: JAMBONEWS

... have not found any, but the national TAC is pressing them to say they had observed mistakes."

He declined to comment on allegations of corruption in the procurement process, saying that the public protector would investigate.

He said he found it frustrating that the TAC only offered criticism and had never praised the department, despite the strides it had made in the fight against HIV and Aids.

TAC provincial chairperson Patrick Mdlletshe said there were no internal ructions in the TAC and it was against the TK because it was a dangerous device.

"It has specifically not been approved by the World Health Organisation because it failed in the only clinical trial conducted to test its safety," Mdlletshe said.

"Even in Malaysia where this device is from, it is used to circumcise only boys who have not reached puberty."

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Vulindlela workers strike

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HOUSING PROJECT: Backlog growing, says community

THAMSANQA MAGUBANE and NALINI NAIDOO

THE controversial R2 billion Vulindlela housing development project, which is under investigation by the Special Investigation Unit (SIU), hit another snag this week when the workforce downed tools over poor pay and working conditions.

But this is the least of its problems. Community members alleged the project — aiming to build 25 000 RDP houses in the next four years — is heading for trouble. They cite a building backlog and corruption.

On Monday the workers at its main offices in Gezubuso, in Vulindlela, downed tools, claiming that they were earning half of what they had been promised.

They discovered recently that many of them were not registered with the Labour Department.

One of the employees, who declined to give his name for fear of losing his job, told *The Witness*: "One of our colleagues went to the Labour Department for work-related information only to learn that he was not registered with the department.

Said another: "I also went to check. I found that my current employment does not appear, only my previous job appears and UIF money is being deducted from us, so we want to know where is this money going.

Building project director Hloni Zondi said the workers were registered and money deducted for UIF

was sent to the Labour Department.

Labour spokesperson Jay Anand said he could not comment on the allegations of registration and the UIF until an investigation was conducted.

"If the workers feel aggrieved about a labour-related matter, they should lodge a complaint with the department and our inspectors will investigate the matter," he said.

A source said the project was nowhere near its target to build 300 houses per month in the nine wards, a total of 2 700 houses per month.

"The beneficiaries are also at risk of not getting their houses because some of the houses are being built for non-beneficiaries; those who are supposed to benefit are being forced to wait indefinitely."

Zondi disputed this, insisting that the houses were being built for the beneficiaries.

Mbulelo Baloyi, of the Department of Human Settlements, said the project was behind schedule, but a recovery plan had been put in place. He said the SIU had requested documents relating to the project for its investigation and those had been forwarded.

When asked about accountability for the workers, he said the employees were the responsibility of the co-operatives. "Co-operatives appoint staff and pay them according to the milestone achieved."

The SIU and Public Protector Thuli Madonsela confirmed they were investigating the project.

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MUNICIPALITY
NOTICE

'SOCIAL ILLS': ANC MOBILISES FOR DURBAN MARCH