

KwaDukuza will not return housing money

Municipality plans to use funds for development

Of more than R148 million that had been sitting in KwaZulu-Natal municipal housing accounts only R793 000 was returned to the provincial department.

This is according to a report tabled at a meeting of the KwaZulu-Natal human settlement portfolio committee recently.

According to the report, the Abaqulusi Municipality was the only one out of the 61 including the KwaDukuza Municipality, across the province that heeded MEC Ravi Pillay's directive to return the money.

This includes interest that was sitting in the Municipal Housing Operating Accounts – some for up to eight years.

While some municipalities did not respond to the department at all, others claim to not have "physical cash" to reimburse the money and some say they have committed the funds to projects.

According to sources the KwaDukuza Municipality has refused to hand over the money claiming that the circular sent out requesting the funds was "irregular" under certain sections of the Housing Act because it had not been authorised by the MEC.

In February, Pillay sent a circular to all municipalities asking them to account for the money given to them to build houses for the poor in their areas after the auditor-general

flagged the issue of unused funds in his report last year.

Pillay said he was, for the most part, satisfied with the response provided by the municipalities but planned to take a tough stance against the two municipalities that had not responded to his circular.

He said that the municipalities that had provided reasons for not returning the money would be able to retain it.

Pillay said that officials in his department did not agree with the reasons given by the KwaDukuza Municipality, but the reply was a technicality that "could be easily rectified".

Responding to questions regarding the stance of the KwaDukuza Municipality, director of corporate communications, Sifiso Zulu denied the claims made by sources and said KwaDukuza is not refusing to return the funds to the department and has requested to use it.

"The municipality will use the funds to pay property valuers who will conduct property valuations of properties for all new projects such as kwaTwele, Sans Souci, Hangoes, Ohlange and others.

"We will also pay the engineers

who will conduct an assessment of all council rental stock and give recommendations on what repairs or renovations are required which include flats in Indian Village, Sunny Park, 382 Flats, Glenhills and Protea Heights and we will also pay for conveyancing where KwaDukuza Municipality is buying land from private owners."

When asked how much the municipality currently has in the account he said KwaDukuza has a total of R8 million which "we have requested not to return based on the above mentioned reasons".

"KwaDukuza Municipality will always seek the MEC's approval before using funds from the Municipal Operating Account and these funds will be used to do Housing Projects only.

"There are planned meetings pursuant to our application to the department. These issues will be dealt with at that meeting. Co-operation is always encouraged between spheres of government and all parties will approach the issue in that spirit. It is unfortunate that some reports have misrepresented the municipality."

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KDM, DIRECTOR OF CORPORATE COMMUNICATIONS SIFISO ZULU