

PROVISION of low-cost housing is under threat in eThekweni with the municipality and the KwaZulu-Natal Human Settlements Department locked in an effective "cold war" over money allocation.

This much was clear yesterday during eThekweni's executive committee meeting when councillors lashed out at the department, accusing it of withholding money for contractors refurbishing council houses.

The city is forced to pay the contractors before waiting to collect the funds from the department.

In a report tabled before exco yesterday, the city's housing unit asked that the municipality "bridge-finance the unavoidable expenditure" of R25 million owed to various contractors "until monies are paid" by the department.

Last year, the department approved the refurbishment of about 40 400 houses in the municipality. The project is set to cost R3.7 billion, staggered over eight years.

The human settlements and infrastructure committee chairman, Nigel Gumede, appeared on the brink of tears as he related how he was at the mercy of frustrated contractors.

Deputy mayor Nomvuzo Shabalala initially asked that the item be deferred, but an agitated Gumede protested, demanding that it be discussed as he was "tired of contractors demanding their money".

"I'm really suffering ... contractors want their money. Contractors have not paid their workers - there is a protest by workers in Umlazi as it is," he said.

"They are contracted with the city; they are not contracted with the department. Now if some of us (politicians and officials) are failing to do their work, let us not punish contractors. They can't keep coming to me as if I'm not doing my business."

Responding to a comment by DA caucus leader Zwakele

Mncwango that the city would "collapse", Gumede said: "This city won't go down because it hasn't paid contractors ... R70m, for this city, is nothing."

Shabalala said the city needed to make Human Settlements MEC Ravi Pillay "understand our challenges".

City manager S'bu Sithole said the non-payment of the contractors was due to "a shortfall from the department".

He said: "It looks like we are making more progress than the (Human Settlements) department is able to pay us (for)."

He said the contractors had done their job and the city was obliged to pay them.

Mayor James Nxumalo said he would meet Pillay tomorrow to discuss the matter.

City treasurer Krish Kumar said the department had not honoured an agreement between the two sectors of government.

Urgency

"We are finding ourselves wanting in terms of cash flow as well as the budget. It's a matter of urgency that we actually deal with this issue. What's worrying me is that you've got expectations on the ground, you've appointed contractors," he said.

A budget of R70m has been provided by the province to eThekweni for the programme for the 2015/16 financial year, but the city is requesting further funding to cover the costs incurred.

Mncwango said tomorrow's meeting would not guarantee payment as "these negotiations are not bearing any fruit".

IFP councillor Mdu Nkosi said: "We are between a rock and a hard place here - we can't afford to say we won't pay the contractors. They (contractors) are going to take the municipality to court; we will suffer again."

Provincial Human Settlements spokesman Mbulelo Baloyi said the MEC would prefer to issue any statement after the meeting.

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THE MERCURY

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