



human settlements

MPUMALANGA PROVINCE  
REPUBLIC OF SOUTH AFRICA

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## MEETING TO ENSURE SOUND DELIVERY

Stakeholders within the built value chain have been called to embrace an urgent need to address challenges affecting the delivery of quality houses and related services. Mpumalanga Human Settlements MEC Speed Mashilo made this clarion call during an all-important meeting with contractors held at the City of Mbombela recently to introspect on progress and challenges affecting quality service delivery. He met contractors as central partners in line with Department's broadened mandate to realise integrated sustainable human settlements.

At the height of the gathering was the sharing of ideas and plans on how to improve performance. MEC Mashilo bemoaned shoddy workmanship, delay in completion of houses and payment of contractors, amongst others, as having adverse effect to the Department's budget and detrimental to delivery targets. "As I go around the province meeting people and visiting projects, I came across concerning issues of shoddy work and that must cease as it suggests collision between contractors and inspectors. We will now name and shame the culprits, blacklist or terminate them", he warned.

Mashilo also announced payment reforms to expedite payments for the benefit of the contractors' cash flow. The payment of contractors needs to be timeous and as per work done, thus the thirty days period dictates and compels compliance. "The officials must not be part of delays in payment as many contractors end up exiting business because due to financial problems, government cannot be causative in sky rocketing unemployment", charged MEC. To that end, the department will introduce a double cycle payment in a month as opposed to current single payment.

Some of the issues coming from the contractors related to the quantum of government subsidised houses that has been battered by inflation and general costs of building materials. The Department was urged to review the subsidy quantum allocated per unit and taking into account increasing operational cost, thus upsetting profit margins for those doing business with government. Further, the Covid-19 pandemic was also not spared, as it is believed to have had crippling effects on emerging contractors with high prices in materials, directly linked to delay in completion of houses.

Having appreciated the issues, MEC Mashilo undertook to work around the clock to address them. The quantum is scheduled to be revised in the next financial year as it falls within the ambit of the National Department of Human Settlements. Mashilo intends to bring suppliers as critical players in the human settlements value-chain on board to work out material prices for projects. Whilst scattered project allocations will be addressed at award or allocation level, the contractors - in the interim - are urged to take advantage of scarcity allowance.

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