HOUSING AND HOSTELS - GAUTENG

1997

JAN. - JULY
Task team in new bid to break boycott

Jacob Dlamini

THE task team set up to resolve the Sandton rates boycott is to meet on Thursday in yet another attempt to resolve the dispute that has raged since July when residents stopped payments in protest against increases of up to 300%.

The meeting, to be held at the eastern metropolitan substructure's offices in Sandton, will be attended by representatives from provincial and local authorities, ratepayers' associations and business.

The task team's last meeting in December ended inconclusively as the warring parties failed to come up with solutions to the boycott, which has seen payments dropping from 98% in June to 64% in September.

The team was set up by Gauteng local government MEC Sicelo Shiceka in October with a 10-day mandate to find ways of ending the boycott. The deadline was extended when it became clear the parties involved were nowhere near a solution.

A Sandton Federation of Ratepayers (Safed) spokesman blamed substructure representatives for failing to come up with suggestions on how to end the dispute. "We have asked them for a proposal ... and we are waiting with bated breath for that as the boycott is intensifying and their cash flow is coming under severe pressure," Brian Stolzenberg said.

Safed's proposal was that increases be set at a maximum of 20% and that property evaluations be re-examined. "We are not sure what the basis of the evaluations was and yet we are paying the deficit of other substructures — and we believe that is not fair," he said.

But substructure spokesman Keith Peacock said he was confident that a solution to the dispute could be found. "The focus of discussions has been around hardship cases and we are confident that where genuine cases of hardship exist, mechanisms will be found to alleviate them."

However, he said the application filed by a group of Sandton commercial property owners in December in a bid to have the budgets of the greater Johannesburg transitional metropolitan council set aside by the Rand Supreme Court was inhibiting discussions. The council has until January 23 to respond to the application, but Gauteng local government spokesman Stanley Maseena said the council would oppose it.
Residents of Bluegum View extension 1, Duduza, Nigei, sit outside one of their one and half roomed houses provided by the South African Housing Trust. The area is said to be rooted with corrupt officials who are not allocating houses according to plan. Some of these houses do not even have water supplies.

Allocation mix-up in Duduza

By Steven Moti

RESIDENTS of Duduza on the East Rand are up in arms over alleged corruption in the allocation of houses.

One of the complainants, Ms Rose Mkhondwane, said at the weekend that she had applied for a site in either Duduza Extension 3 or Duduza's Bluegum View Extension 1.

Her subsidy application for a site at Bluegum View was approved first.

But when Mkhondwane went to occupy the house, she discovered that other people were already living there.

As an alternative, Mkhondwane went to the local town council and paid for the other house which she had applied for in Extension 3.

But, because the subsidy had been approved for the site and house at Bluegum View, Mkhondwane could not get another subsidy.

Both sites are under the jurisdiction of the Greater Nigel Transitional Local Council.

Community coordinator Mr Vusi Mashabane refuted the residents' allegations of corruption.

"Everything is running smoothly in the allocation of our R15 000 houses," said Mashabane.

The houses comprise a room and a toilet, with a water tap outside. A fee of R80 is required to connect occupants to the water supply and sewerage system before they can occupy the houses.

Another coordinator responsible for Duduza Extension 3, Mr Sipho Sibanyoni, said, "The problem comes when two people apply for a subsidy for the same site."

Mashabane said people paid for houses they did not legally occupy.

"Out of 274 applicants, 98 housing subsidies have been approved. People also move from Bluegum View Extension 1 to Duduza Extension 3," said Mashabane.
Residents ‘blasted’ for non-payment

Council has spent millions on various projects since 1995

By Dan Fuphe

GREATERT Benoni executive committee chairman Mr Nawaid Hassan at the weekend accused residents of East Rand townships of not paying for services and perpetuating the culture of non-payment in the area.

Hassan said that residents had not stuck to their side of the deal despite a commitment by council to spend millions of rands to improve local infrastructure.

He said since 1995 the city engineer’s department had spent R4,65 million on various projects in Etwarwa.

A councillor who spoke to Sowetan on condition of anonymity said that the payment for services in Daveyton was discouraging.

Projects started by the council included the replacement of gravel roads, concrete and earth works, the upgrading of secondary roads, building taxi rank and the upgrading of water reticulation and toilets.

Council’s expenditure on projects in other areas was as follows: Daveyton - R27,88 million; Waterville - R20,963 and Benoni and Actonville - R22,42 million.

Greater Benoni councillors have paid tribute to Daveyton pensioners and the aged for being among the few (less than 20 percent) who pay for services.

Good example

Addressing a well-attended Masakhane campaign rally at Sunnaha Stadium, ward two councillor Solly Klaas urged residents who did not pay to emulate the “good example” set by pensioners.

Klaas and others said that there was a noticeable reluctance to pay for services by the greater majority of local residents, particularly those from the affluentparts of Daveyton, such as Extensions One and Three.

“As councillors we urge all residents to ‘better or even surpass the example set by our parents’.”
By occupied houses in Eldorado Park. The occupants claimed they were the house's stock money and hormones. They said money in repayments before moving in.

Police used a pickup truck equipped with a trailer to tow the house, which was occupied by several people. They claimed they had been living there for years and were forced to leave when they were evicted.

The house, which had been used as a residence, was located in a residential area. The occupants said they had been living there for over a year and had received no notice of eviction.

Eldorado Park is known for its high crime rate and problems with overcrowding. The house was located in a well-known crime-ridden area, and the occupants said they had been threatened by local gang members.

Gary Beurlaub
Hotel housing for the workers.
Randburg rates boycott is easing

BY ANNA COX
Sandton Bureau

The Northern Metro Council has had “fruitful discussions” with boycotting residents opposed to rates increases of up to 25% in Randburg and other areas under its control.

An increase in the rebates for retirement villages has been agreed on and a reduction for pensioners not living in retirement homes is being investigated.

A budget review is currently under way by the council in an attempt to find savings.

Pressure from residents has elicited a promise from the council to reassess other prickly budgetary issues. These include negotiating for financial support from the provincial or national government for the development of townships, which had become a concern after the local government elections in 1995.

The council has also undertaken to negotiate with the provincial government to reintroduce cancelled intergovernmental grants.

A meeting will be set up for residents to meet members of the new valuation board, which will be sitting shortly to consider objections to the valuation roll.

Finance strategic executive Mogodisi Mokoena said “Although we have had fruitful discussions, we negotiated many of the concessions directly with the people concerned.”

“The boycotters constitute only a small number of Randburg residents. The budget review is being done in terms of legislation,” Pippa Wepenaar of the Northern Rates Lobby, the association organising the boycott, said. “None of our proposals have been rejected and we have reason to believe that favourable decisions will be given.”

Considering that the NRL has been established for only about three months, we have made considerable headway and achieved some amazing results. “The council, in most cases, has been very co-operative and we are confident that by the middle of April we will have the answers we have been looking for.”

"27/11/97"
Tens of millions of rands are owed in rates and some authorities can’t pay salaries or creditors: service cuts likely

BY RODNEY VICTOR, CECILIA RUSSELL AND FIKILE-MXISWELE MOYA

Cash-strapped councils throughout Gauteng face a crunch week as they struggle their books to pay creditors breathing down their necks while at the same time cracking down on residents who owe millions in outstanding rates.

As the arrears continue to add up, councils throughout the province have threatened strong action against defaulters, including the cutting of services to communities in which residents have not paid.

This could set the scene for ugly confrontation between councils and communities around Gauteng, particularly if electricity and water services are cut and if councils stop collecting refuse.

The hardline stance against ratepayers comes in the wake of a growing burden of debt as a result of non-payment throughout various parts of Gauteng.

The Springs Town Council currently operates on a deficit of R5-million a month, which it sends out and is investigating the possibility of borrowing R20-million from a bank to save itself from bankruptcy.

Boksburg town treasurer Henk Kruitboog said every town council in Gauteng was facing a major cash-flow problem. In the Boksburg township of Vosloorus, payment levels only were at 21%. They should be at least 80%.

“If we don’t have the money to pay our creditors, we will have to approach the Gauteng provincial authorities for help,” Kruitboog added.

Brakpan Town Council, which is owed R60-million in outstanding rates, reportedly needs to find R10-million urgently just to pay salaries and urgent creditors by the end of the week.

Town treasurer Lucas Pretorius said certain projects, funded by the Eastern Gauteng Services Council, would be suspended and the money used to pay salaries and creditors.

If the council fails to implement this proposal, it would seek a R10-million overdraft facility, he said.

Benoni town clerk Hennek Botha said there had been an upward trend in payments, but these were not yet at an acceptable level.

“All the local authorities are very much in the same boat. We are dealing with the matter, but we will not be able to do so for much longer,” Botha said.

“Councils have been patient up to a point, but they are starting to take drastic steps now. At the same time, we’ve been working hard to upgrade services so that the people can see they’re getting something for their money,” Botha said.

The Southern Metro Council also warned residents that the culture of non-payment should stop.

“The council is Johannesburg’s largest and poorest, covering Soweto, Lenasia, Eldorado Park and the southern suburbs and the squatter communities of the south,” Botha said.

The Southern Metro has launched a campaign to get defaulters to pay, offering them two years to settle their arrears.

Prena Nadoo, chairman of the council’s executive committee, said non-payment of rates was a major problem.

“People have been served with notices of demand, and within the next few weeks, defaulters will be given a final warning. Following this, action will be taken,” he said.

Politicians in Gauteng have supported the tough stand by some local councils against residents failing to pay rates, but warned against punishing the “really poor” who are unable to pay.

Ian Davidson, a Democratic Party member of the Gauteng legislature, said the action was overdue. However, he said the culture of non-payment had caused a backlash from residents who had always paid but now believed that they too could escape making payments, as ratepayers are doing.

SANDTON

Johan Kuhn, National Party spokesman on local government in Gauteng, said: “The ANC must get a system of identifying the really poor so that those who can afford to pay do not hide behind the poor.”

The IFP’s Gerda Bekker said: “The IFP supports the action if it has been communicated properly with the affected residents and if those who really cannot afford to pay are spared.”
Sandton residents bid to step up rates boycott

Deborah Fine

SANDTON residents are calling for a militant intensification of their rates boycott after the failure of negotiations to end the seven-month-old rates dispute between residents and the Eastern Metropolitan Substructure.

Residents opted to withhold rates payments in July last year as protest against a decision by the substructure and the Greater Johannesburg Transitional Metropolitan Council to increase rates in the area by up to 28%.

The Sandton Federation of Ratepayers (Sanfed), an umbrella body representing various Sandton ratepayers associations, has claimed that between 60% to 90% of Sandton residents and a number of businesses, were withholding payments which was costing local government more than R10m a month.

The Residential Sectional Title Owners’ Association, which represents sectional title properties in Sandton, estimated that between 300 and 500 properties were withholding payments at a cost to the substructure and the council of R6m.

Individual residential properties were estimated to have withheld rates of between R1 500 and R15 000 each, while some sectional title properties had withheld funds totalling R60 000.

The substructure has disputed these figures, claiming to have received 50% of its expected income. A spokesman said residents were ending their boycott and rates payments were increasing to normal levels.

But Sanfed spokesman Brian Stolzenburg said on Friday that residents had indicated that they were prepared to intensify the boycott. This indication came after a task team appointed by the Gauteng government four months ago had failed to resolve the issue through meetings with ratepayer representatives, the last of which was on Thursday night.

Some residents had indicated that they were considering also withholding service payments, while residents who had been paying the equivalent of the old rates plus 20% had threatened to completely cut off rates payments.

They were also examining suing substructure councillors in their individual capacities for approving what residents allege to have been an unlawful budget for this year and the next.

Sanfed has accused the task team of not committing itself to resolving the issue in the hope that the boycott would “simply blow over in time”.

Substructure communications officer Keith Peacock said on Friday that he was “very surprised” at Sanfed’s accusations as the task team believed progress had been made. The substructure was committed to a solution and it was up to the ratepayers’ representatives to present realistic proposals.

The substructure was also expected to file answering papers in the Rand Supreme Court this week in response to legal action lodged last year by a group of Sandton businesses asking the court to declare the substructure’s budget ultra vires.
Sandton residents bid to step up rates boycott

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SANDBRAN residents are calling for a "mututate intensification of their rates boycott" after the failure of negotiations to end the seven-month-old rates dispute between residents and the Eastern Metropolitan Substructure.

Residents opted to withhold rates payments in July last year in protest against a decision by the substructure and the Greater Johannesburg Transitional Metropolitan Council to increase rates in the area by up to 35%.

The Sandton Federation of Ratepayers (Sanfed), an umbrella body representing various Sandton ratepayers associations, has claimed that between 60% to 90% of Sandton residents and a number of businesses were withholding payments which was costing local government more than R10m a month.

The Residential Sectional Title Owners' Association, which represents sectional title properties in Sandton, estimated that between 300 and 350 properties were withholding payments at a cost to the substructure and the council of R5m.

Individual residential properties were estimated to have withheld rates of between R1 500 and R15 000 each, while some sectional title properties had withheld funds totaling R60 000.

The substructure has disputed these figures, claiming to have received 85% of its expected income. A spokesman said residents were ending their boycott and rates payments were increasing to normal levels.

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Sandton rates talks hit brick wall yet again

Government team says it can’t talk with boycotts and legal threats over its head

BY AMINA COX
Sandton Bureau

Negotiations over the Sandton rates boycott are in deadlock.

At a meeting to find solutions last week, the government delegation threatened to withdraw from talks until all ratepayer groups suspended the rates boycott, withdrew legal action and withheld media statements.

A group of Sandton commercial property owners, including Liberty Life, Sanlam and Commercial Union, have taken legal action to overturn the budgets of the Eastern and Greater Johannesburg metro councils on the grounds that the budgetary process was defective.

If their court action succeeds, the budgets of all five councils in Johannesburg will be overturned as they are all interlinked.

Sandton Federation of Ratepayers (Sanfed) spokesman Brian Stolzenberg said residents would not be bullied. “If we stop the boycott and withdraw legal action, we’ll have no negotiating power. This is an attempt to steamroll the issues in their favour — a deliberate attempt to sabotage the discussion.”

In light of the failure of the task team to make meaningful progress on any major issue over the past four months, Sanfed had proposed an independent chairman acceptable to all delegates be appointed to lead discussion.

Eastern Metro Council deputy chairman Sol Cowan claims, however, the government delegation could not continue talks while Sanfed was propagating a rates boycott, running to the media with “distorted” press statements and while legal action was under way.

“Why can we negotiate in seriousness and in a congenial way while we have these threats hanging over our heads? We still believe Sanfed is pursuing its own narrow political agenda.

“We are, however, still committed to resolving the crisis through negotiations,” he said.
Banks unlikely to help cash-strapped councils

Not yet time to hit the panic buttons as lawyers move in to solve the crisis over unpaid rates

(127) GTP 28/11/97

BY FIKILE-MTSHELELO MOVA
AND KARIN SCHMIDT

Local banks are unlikely to lend money to Gauteng's cash-strapped councils, which may have to find international finance to see them through a crisis while people are not paying for their rates and services.

The Brakpan Town Council urgently needs R10-million and the Springs Town Council is investigating the possibility of borrowing R20-million to save itself from bankruptcy.

Gauteng Association of Chambers of Commerce and Industry chairman Frank Caultwell said banks approached by organisations with no security and no collateral were unlikely to grant such large loans.

"But they may see their way clear to act as intermediaries to seek international finance," he said.

The kind of people who would provide such finance would be development agencies, institutions which wanted to invest in South Africa, or people who were friends of the Government and were interested in transformation. He mentioned as an example the R40-million loan that a major SA bank secured for the Johannesburg Metro Council from a Japanese bank last year.

However, Ian Gilbert, senior general manager at a top bank, said it was unlikely that international banks would grant short-term lines of credit to councils unless a local bank was prepared to guarantee the loans.

The Brakpan Town Council is optimistic that it will be granted a R10-million bank overdraft.

"We are expecting about R60-million from our attorneys, whom we have approached for the normal default procedures," town treasurer Lucas Pretorius said. He said money had started trickling in since the lawyers became involved.

"We have taken stringent financial controls and will be cutting expenditure."

Spending cuts would not affect service provision, but may delay capital projects such as the building of roads for a month or two, Pretorius said.

Gilbert did not share the council's optimism.

"An overdraft is a bridging facility, and the bank would have to be satisfied that the client would get enough cash flow within a reasonable period to enable them to pay off the overdraft," he said.

Meanwhile, the Greater Johannesburg Metro Council has strongly denied inferences that it may also be in financial difficulty. Responding to a report showing that the council did not have enough cash reserves to meet payments for bulk electricity and manpower for one month, the chairman of the council's budget and finance committee, Eugene Robson, said people in Johannesburg had no reason to be alarmed.

"We have a challenging situation, but it is well managed and we have never been in a position where we can't pay our people. We are not at risk not to meet our obligations."

"Our own investigations show that most councils work on a pay-as-you-go basis. If properly managed, we can survive by relying on month-to-month inflow."

In line with a request by the central Department of Finance, the Johannesburg council will, however, be cutting back on proposed capital projects by 8% instead of the metro council and its four substructures spending R1.6-billion on maintaining, upgrading or extending infrastructure in the coming year, it will spend only R1.4-billion.
More houses promised for Gauteng poor

MEC says his department hopes to build 123 000 units by 1999

BY Anso Thom
Political Reporter

More than 123 000 houses need to be built in Gauteng in the next two years if the backlog of at least 600 000 units is to be addressed.

Housing and Land Affairs MEC Dan Motokeng said yesterday the housing department was also planning to build 21 000 “top structures” for people living in shacks on serviced sites, transfer 215 000 properties to their occupants, subsidise the upgrading and conversion of 4 800 inner-city units, upgrade hostels accommodating 23 300 beds, and provide services to about 81 000 sites.

Specific challenges identified by Motokeng included:

- Gauteng was geographically the smallest province in the country and it had nearly a third of the national housing backlog.
- The department had to take account of new family formations as well as the influx of at least 20 000 people every month from other provinces as well as the rest of Africa and the world.
- The capacity of the building and construction industry had to be increased. For example, the approximately 18 000 serviced sites in the province would require building materials costing about R900 million.

"The Gauteng housing and land affairs department views 1997 as the year in which we seek to escalate housing delivery for the homeless and release land for the landless," Motokeng said.

He hastened to point out that housing delivery should not be judged on the basis of the number of formal houses in the province, but, on the numerous programmes of the department.

Programmes undertaken included the release of land to ease the shortage and to provide secure tenure, upgrading of informal settlements, upgrading of hostels, upgrading of the inner city, provision of water and sanitation, provision of tenure to more than 215 000 tenants through the transfer of houses, granting subsidies to low-income groups, and the renovation of houses damaged during the political violence of the early 1990s, in the Katlehong-Tokozanivaloors area.

The department has also set a March deadline to establish the Gauteng housing development fund, which aims to provide provincial and private sector finance to local authorities for their housing projects.
Rates defaulters face power cuts

Almost 370,000 households living in the Southern Metro Council area who are in arrears on their rates could face a legal battle to hold on to their properties.

The council is planning to institute court action against residents who have not paid their rates, according to Brian Bolton, chairman of the council’s budget and finance committee.

In addition, certain services, including electricity and refuse collection, would be stopped unless the residents started making payments.

"The council would decide tomorrow on stringent credit-control measures," he said.

These included the issuing of summonses to defaulters, and cutting off electricity to residents not owning the property they live in.

The council would also deduct service charges from the salaries of council employees who were in arrears with payments, and would refuse "to do business with any individual or company that is not paid up," he said.

"The reason for this dramatic crackdown is the poor payment level by all Southern Metro Council communities. Although we do now boast low payment, as opposed to non-payment, the council’s arrears amount to about R623-million.

"Nearly 370,000 residents owe the council money for rates and services," he said. - City Desk.

Businesses owe R100-mi...
Rand Water Board gets tough on service defaults

Joop Dlamini
Sandton rates boycott takes new turn

BY ANNA COX
Sandton Bureau

The Sandton rates boycott took a new turn on Tuesday when a row erupted over the appointment by the Eastern Metro Council of valuation board members who will consider ratepayers' objections that led to the boycott.

The Democratic Party claims the ANC has politicised the board by appointing Clive Gilbert, a former ANC councillor who became a failed ANC candidate for Orange Grove, as chairman of the board; as well as Koos Roets, a former National Party councillor, and Bernard Lapidus, who is opposed to boycotts.

DP leader Claire Quail said the ANC had also appointed two valuation boards, instead of one, without the prior permission of the premier.

The Eastern Council has received 10,000 objections to the valuations, most of which come from Sandton. The process of reviewing valuations could take more than a year.

Quail said: “These political appointments will instil a lack of confidence among residents who will believe the members are acting on the instruction of the ANC. Most of the members appointed do not qualify in terms of the act.”

“It is vital that nothing should get in the way of the valuation process. There must be no question about the judgment and impartiality of its members. It is unfortunate the ANC chose members with political backgrounds.”

Quail said that if residents were unhappy with the way objections were dealt with, they could take the matter on appeal, and this could delay the process for months, if not years.

Eastern council deputy chairman Sol Cowan said the posts had been advertised and the appointments had been recommended by officials, not politicians.

On Tuesday the ANC in the Eastern Council refused to disclose information regarding its defence in the court case brought against it by Sandton commercial property owners. They have applied to the Supreme Court to set the budgets of the Greater Johannesburg and Eastern metro councils aside on the grounds that they are illegal and ultra vires.

► No faith in negotiations
When families find their home sweet home after battling to oust squatters

If only now, however, after years faced with sprawl, they can find peace. They need a place to call home. A place to raise their children. A place to call their own. The squatters' parties are over. The eviction notices have been served. The locks have been changed. The power has been restored. The home is theirs. The community is theirs. The neighborhood is theirs. The house is theirs. The life is theirs. The future is theirs. The hope is theirs. The dreams are theirs. The memories are theirs. The love is theirs. The joy is theirs. The peace is theirs.
Sanfed ‘no faith in negotiations’

BY KARIN SCHMURK
AND ANNA COX

Sandton rates boycotters affiliated to the Sandton Federation of Ratepayers are being given the cold shoulder by the provincial government because of what the province calls Sanfed’s lack of faith in the negotiation process.

“Sanfed continues to be irresponsible about the negotiation process (between itself and the government) by showing it has no confidence in talks,” said local government and development planning MEC Sicelo Shiceka yesterday.

Sanfed last year embarked on a rates protest when it appeared that the equalisation of the rates in the rand across Johannesburg had resulted in some municipal account increases of up to 300%.

Sanfed has in the past complained about the workings of the task team set up by Shiceka to break the boycott.

The organisation has complained about the provincial government and the Eastern Metro Council’s tardiness and unwillingness to listen to residents’ grievances. The government part-
ners have also been accused of not turning up for task team meetings.

Shiceka, however, said these “continuous” complaints showed a lack of confidence in the process.

“You cannot have your cake and eat it. If you have no confidence in the negotiations, don’t negotiate. If you have confidence, stop boycotting,” he said.

Shiceka said he had called for all Sandton residents to come forward with proposals about how the rates deadlock could be solved. The only groups that had not done thus were Sanfed and business.

“I have decided to conduct bilateral talks with those people interested in resolving the matter. The bilateral talks will continue until Sanfed comes with a sincere proposal responding to the fears of government that it cannot expand services in the area without rates payments.”

He said the boycott appeared to be dwindling and that only between 10% and 15% of Sandton residents were still taking part. He said he thought this was probably because Sanfed could not sustain the boycott because of responsible citizens in the area.

Sanfed has denied that it has failed to give the task group its proposals. Spokesman Brian Stolzenberg said his organisation was the first to submit proposals for a solution to the crisis and that the task group chairman, at last Thursday’s meeting, admitted that he had received its proposals.

Sanfed had two basic proposals which had been suggested from the start: an increase in the rebate and a decrease in the valuation of properties. There were legal mechanisms to put both in place, said Stolzenberg.

“I believe the MEC is being fed misinformation about the task group meetings. He should have attended personally to get the true message. We will not stop the boycott and we will not stop legal action.”

Sanfed claims that between 60% and 90% of Sandton residents, sectional title owners and businesses were withholding rates payments costing the council more than R10-million a month. “We have asked for figures but they are not being given to us — what is the council hiding?” said Stolzenberg.
Landmark judgment on rates discrimination

PRETORIA: The Supreme Court here ruled yesterday that the city council could not expect the court to assist it in continuing a process of "unconstitutional" discrimination.

A full bench of the Pretoria Supreme Court found yesterday that the Pretoria City Council had unfairly discriminated against white ratepayers by charging black residents a flat rate that amounted to cross-subsidisation.

Mr Johan Walker, was ordered by a magistrate last year to pay more than R4 700 in outstanding rates after dismissing his defence that the city council was unfairly discriminating against him and that he was entitled to pay a flat rate similar to those paid by residents of Mamelodi and Atteridgeville.

Walker successfully appealed against the ruling before a full bench of the Supreme Court, consisting of Mr Justice K van Dijkhorst, Mr Justice D J H le Roux and Mr Justice I W B de Villiers.

The court found the council had contravened sections 8 (2) and 178 (2) of the Constitution by charging a flat rate that amounted to cross-subsidisation, by selectively summoning residents on the basis of racial areas, and by charging residents different tariffs for residents in different areas, all of whom had meters.

The mere charging of a flat rate for all services, against metered tariffs, was in itself not unfair. However, where the flat rate, as in this case, did not reflect the fair value of the services but was substantially lower, the differentiation was unfair.

The judges said good government included the application of the equality principal laid down in section 8 of the Constitution.

In this case, only electricity and water rates were at stake. The services rendered were the same. Not only were the rates different where there were no meters, but the rates also differed where there were meters.

"Also, summonses were issued in the old Pretoria in an attempt to recover service debts. The black areas obtained an unofficial moratorium from officials. The residents of black areas who had paid a metered tariff received their money back."

"This is prima facie clearly a case of unfair discrimination which falls under the total ban of section 8 (2). Red tape had led to an unreasonable delay in the installation of meters, and the council could not hide behind its own incompetence to justify its failure to carry out the stipulations of the Constitution."

The council could not satisfactorily explain the cross-subsidisation or the return of rates already paid. Indications were the moratorium was instituted under pressure and for political reasons.

The judges stressed that the court did not have the power to write off the amount owed.

"Against this, the city council expects the court to assist it in the continuation of a process of unfair discrimination."

"It is the task of the court to enforce the provisions of the Constitution. It can therefore not be expected ... to be part of, or to place a stamp of approval on an unfair practice."

"The debt created by the use of services under a legally promulgated tariff that was accepted by Mr Walker cannot be undone or written off by the court. But we can refuse to become part of an unfair collection process."

"This means that as long as the City Council persists with its unfair discrimination, it cannot enforce its legitimate claim through a court of law," the judge said. — Sapa
White ratepayers win test case

A full bench of the Pretoria Supreme Court found yesterday that the Pretoria City Council had unfairly discriminated against white ratepayers by charging a flat rate to black residents.

A member of the Concerned Ratepayers Group, Johan Walker, was last year ordered by a magistrate to pay more than R4 700 in outstanding rates after dismissing his defence that the council was unfairly discriminating against him and that he was entitled to pay a flat rate similar to those paid by residents of Mamelodi and Atteridgeville.

He appealed against the ruling before a full bench of the Supreme Court, consisting of Mr Justice K. van Dijkhorst, Mr Justice D le Roux and Mr Justice I W B de Villiers.

The court found that the council had acted in contravention of sections 8(2) and 128(2) of the constitution by charging a flat rate which amounted to cross-subsidisation, by selectively summoning residents on the basis of racial areas, and by charging different tariffs for residents in different areas, all of whom had meters.

The judges said, where the flat rate, as in this case, did not reflect the fair value of the services but was substantially lower, the differentiation was unfair.  

(Spanish)

Bank steps in to rescue troubled council

BY RODNEY VICTOR

The Brakpan council, facing a major cash crunch and unable to pay its creditors or its monthly salary bill to employees, has been saved by a temporary overdraft facility of R10-million from its bankers, Volkskas Bank.

The overdraft has to be repaid by March 7. Interest is pegged at 18% and interest repayments will amount to R150 000 a month.

At its monthly meeting last week, council adopted a series of crisis measures to save money and to increase the council’s income. Capital projects are to be postponed and an “aggressive” Masakhane campaign is to be instituted to increase payment levels on municipal accounts. Labuschagne described Brakpan as a “critically-ill patient”. If it did not get the right medicine, the patient would die, he said.

He proposed that council act against defaulters in Tsakane township, just as it was acting against defaulters in Brakpan proper and in the predominately coloured area of Gelksdal. To fail to do so would be discriminatory, he said.

The council had been “soft-footing” around the issue for two years now, Labuschagne said, and could no longer afford to ignore the problem.

Freedom Front councillor Stefan Kruger also urged action against defaulters in Tsakane. The “masses” had brought the old NP regime to its knees, he said, and now they had the ANC regime on its knees as well.

Executive committee chairman Paul Nikuna said it would not be helpful to adopt a confrontational approach to the problems in Tsakane. People should pay their current accounts, he said, and those in arrears should be encouraged to come forward and make arrangements to rectify the matter.

The council instructed the town treasurer to investigate problems they have experienced in acting against defaulters in Tsakane, and to report back to the council at its next meeting at the end of February.
Flat-rate dispute leaves East Rand residents confused about payments

BY HOPEWELL RADERE
City Desk

Residents in Brakpan’s Tsakane township intend to continue paying a four-year-old flat rate of R30 for municipal services until local government and development planning MEC Sicelo Shiceka advices them otherwise.

Tsakane resident Seth Letsholo said political bickering between local civic organisations, ratepayers’ associations and Brakpan councillors had created confusion over how much residents should pay for rates and services. At a rally last year, Shiceka said residents should pay a R30 flat rate until the matter had been resolved, at which time he would inform residents how much they should be paying.

Residents complained to Shiceka at his December rally held at the local stadium that they were being accused of not paying for services, while local politicians and civic leaders were calling on them to pay different amounts.

Authorities were not speaking with one voice, said Letsholo.

He said Shiceka had allowed them to continue paying the flat rate while “he investigated the truth behind the confusion” and the correct amount the residents should be paying.

Brakpan chief executive officer Thys Human said it would be unfortunate if the MEC had granted the residents “permission” to pay the flat rate while the local council had long done away with it.

Human said it was also disappointing to councillors who were trying their best to improve services standards and who were encouraging residents to pay according to what they use.

Stanley Khanyile, appointed by Shiceka as the man to head the task team investigating the dispute over the rates issue, said Shiceka had agreed to residents continuing to pay the flat rate of R30 on condition that it would be temporary while the team sought a solution. The task team is made up of civic and ratepayers’ associations like Samuriye and local council and provincial government representatives.

Shiceka established the team to quickly negotiate and identify items which could qualify to be charged equally and items that would be charged for according to consumption.

Khanyile said Shiceka had clearly warned residents that there was no way the local and provincial government would allow them to pay a flat rate because consumption and operational costs far exceeded their payment collectively.

The task team is to reach an agreement this week and recommendations are to be forwarded to Shiceka for evaluation. He would then call another general public rally to address residents on the final decision, Khanyile said.

There was no objection from anyone on the team to the concept of individuals paying service accounts according to their monthly consumption. Standard service items, like refuse removal, would be a standard monthly payment across the board.
Squatters learn to pay up and play the game

BY RODNEY VICTOR

A few months ago, only about 3% of residents in the informal settlement of Ivory Park in Midrand were paying their municipal accounts — but today that same squatter community is the highest paying black area in Gauteng, with a return of 41% in December.

The achievement is unparalleled, says Alan Dawson, chairman of the Midrand council's executive committee. "It's all the more remarkable, he says, because the council has been delivering very little to the community for the money paid."

"It's difficult to break a culture of non-payment when, at the same time, there's a culture of non-delivery of services. The one is there because of the other," Dawson said.

The council realised that substantial services could not be installed overnight, so it encouraged people to pay on a "stokvel" basis. Paying would be an investment in the future of the community, rather than for services already provided.

In July last year, the council organised a roadshow to sell the idea to the community. A truck was fitted with a public address system for music, and councillors and officials travelled through the settlement to the soccer field.

There, some "industrial theatre" was provided, with displays by those services available to the community: firefighting, ambulance and traffic services, and the council's helicopter.

A shack specially built on the field was set alight, and members of the community trained in firefighting moved in to douse the flames.

Someone then lay down, pretending to be injured, and community first-aiders arrived to "stabilise" the injured person.

From 3% to 41% in a few months

The council realised it had to reach every resident with the message that paying was for the good of the community. Dawson said it divided the settlement into 12 zones and called on the local political leadership to act as "messengers", delivering accounts and reinforcing the message about paying.

The messengers were paid on a sliding scale — 35c for each account delivered if the return in their area was below 15%, increasing to R1 per account if the return was 100%.

The messengers delivered their first accounts in August. The return was 17.5% — substantially higher than before.

The council also held mass meetings every quarter to salute "Heroes of Masakhane". The total money collected in each zone was announced, and the community decided how to spend it, or whether to bank it towards future projects. Requests so far have included street lighting, a park, and skills training for unemployed people.

Councillors and officials went on regular walkabouts with the local leadership, going from one end of a zone to the other to examine all the problems.

People saw their concerns being taken seriously. Only 30% of losses in the settlement were valid, Dawson said. Council wanted to validate the others because people who were legally registered would be more likely to pay than those who were not.

Dawson confessed that he was as surprised as anyone at the success of the campaign. "Where everyone else had failed, we assumed that we too could fail, but by using basic principles of handling people, we reaped success."

January's payments would be higher than those of December, he said. Projections indicated payments would reach 90% by March and 75% by July.

In the past, boycotters had been regarded as heroes, he said. Now they were being seen as people who were retarding the development of the community.

The problem with other Masakhane campaigns was they had been "overnight wonders", he said, producing a surge in payments which soon dropped back to their usual levels. Midrand's campaign had been sustained for more than six months, and it would go on as long as was necessary to achieve the breakthrough the council sought.
Reiger Park residents stay put as sheriff tries to give them the boot

BY Cecilia Russell
and Beatrice Motsesi

Angry residents of Popcorn Valley in Reiger Park, Boksburg, yesterday barricaded the streets to their suburb to prevent the Sheriff of the Court from carrying out eviction orders.

The evictions were to be part of the tough stance the Greater Boksburg Council has adopted against rental and service payment defaulters.

On January 23 an attempt to evict people from 18 houses in Popcorn Valley was called off after about 300 residents resisted.

Yesterday residents, who had received an early morning trucific about the evictions, were standing in small groups near their barricades.

Residents said they believed the evictions were unconstitutional and that the coloured community was being unfairly victimised.

Popcorn Valley and Reiger Park residents allege their arrears were not written off "like those in the black townships" in 1994.

They said the houses for which they were expected to pay rents in Popcorn Valley were of substandard quality.

Residents' spokesman Diana Barnard said the council disregarded the high rate of unemployment in the area and the number of pensioners living there.

She said the council had ignored proposals for having pre-paid electrical meters installed.

Vusi Sikhakhane, Boksburg council's executive committee chairman, said "The evictions are lawful. We have followed all the rules and the people were handed over to the sheriff. They were duly notified and we have given them more than adequate time to respond. This saga has been going on since 1995."

He said the council would proceed with the evictions.

Dismissing claims by residents that they were victimised, Sikhakhane said arrears for rates and taxes were written off across the board in all areas, however rentals were not. "In some cases they have not paid rent for five years," he said.
New Investigation into Delhi Housing Allocations

HENRY LIRIGE

R13-m for low-cost housing

By Joshua Raboreko

FOREIGN aid is beginning to pour into South Africa with the Swedish International Development Agency (Sida) donating about R13 million aimed at speeding up the delivery of low-cost housing to poor communities.

An agreement was signed in Johannesburg yesterday by Sida and the Urban Sector Network (USN) to start a housing loan fund aimed at building 10 000 low-cost houses a year. USN executive Mr Brian McKay said the project was initiated by nine major service organisations spearheading community driven urban development in South Africa.

The first 1 000 homes will be delivered in April in Durban and Cape Town, and later in Johannesburg, Port Elizabeth and East London. The main aim of the USN is to create sustainable financial mechanisms to unblock housing delivery to low-income earners.

It aims to provide an alternative financing framework that encourages small scale contractors, self-builders and other community contracts.

It provides affordable microloans that can be used in conjunction with the National Urban Reconstruction and Housing Agency, offering appropriate loan guarantees as a means of securing affordable bank finance.
NP council’s ‘apartheid-style’ housing scheme

Centurion’s NP council believes it is creating affordable housing, but the ANC says it is separate development, writes Stuart Hess

The council of Centurion, the development they are planning on 30 hectares of vacant land outside city limits is a gesture to the new South Africa, but the increasing numbers of squatters moving into the area.

But to members of the Pretoria branch of the African National Congress, the Centurion council, which is controlled by the National Party, is creating what amounts to an “apartheid-style township”, a separate development for its newest black residents.

The development in dispute is 10km from Centurion, formerly known as Verwoerdburg. Its opponents insist that there is suitable land much closer to the city.

The planned development came to the ANC’s attention when Centurion’s executive committee. He said the area proposed for development was isolated and locked away, that it was too far from schools and shops.

Baliina Sibisi, ANC secretary for the Pretoria metropolitan branch, accused the council of engaging in the squatters by providing them housing that would be completed in 1997, just in time for local government elections.

Sibisi also accused the NP of actually recruiting squatters from Alexandra township to increase their support for the proposed development. “They promised those people houses and by doing so they were guaranteed more votes,” he said.

Residents of the Olievenhoutbosch squatter camp were divided about their situation. Many refused to be named because they feared reprisals from fellow residents.

One resident, who had moved to the squatter camp from Alexandra, supported the council’s decision to build a transit camp. “The council is trying to give us better facilities while they build our houses,” said the resident who said he had lived in the camp for nearly two months. He said it felt safer near Centurion than he had in Alexandra and that he was grateful for the security the council provided.

But a single mother, tending a small vegetable patch outside her front door, said she was impatient for a solution to the housing problem. “I have stayed here for four years and worked hard to look after my three children when my boyfriend disappeared,” she said. “I want my house now and not in two years.”

The woman said she was a member of the Thatchako Community Trust, which represents long-time residents of the squatter settlement. The trust is seeking tenure rights to ensure that long-term residents have a place in any future development, and to ensure that residents have some say in the development.

The trust has asked for help from the Legal Resources Centre (LRC) because they are unhappy that the council failed to consult them before building the transit camp.

A representative for the LRC, Durge Gillilan, said the council wanted to control all aspects of the development in Olievenhoutbosch. “They do not want to build these houses near Centurion because they want to maintain their lily-white image,” she said. “There should be a more concerted effort to push for integrated development.”

Asmita Thakor, ANC councillor for Olievenhoutbosch, agreed, saying there is vacant land ready for development near the city. “Centurion already has infrastructure, such as water pipes and electricity pylons, in place,” she said. “It would be far more convenient to build houses nearer the town.”
Cut costs in bulk to buy materials. Company will save on transport costs for each delivery, for example, by using a specialized company that provides bulk delivery services. This approach can help to reduce the overall cost of the project by minimizing transportation expenses. Additionally, bulk purchases often result in lower prices due to bulk discounts. The company now needs to identify potential suppliers, negotiate contracts, and ensure that all quality standards are met.
Heavy police presence in nine townships is burning tyres and barricades go up. Vehicles are stranded and those work-bound are forced from taxis.

New - faces protests in core areas.

(2) 9/6/94
Services protest turns 'very tense'

(Johannesburg — Police said today the situation in Eldorado Park was "very tense" with barricades blocking roads to the area.

Residents are protesting against a cut-off in electricity and evictions due to non-payment of service fees and rent.

Earlier today, police were attacked by a crowd in Eldorado Park, south west of Johannesburg, who threw stones and bricks.

Teargas was used to disperse the crowd.

Three people were arrested when residents threw stones at police trying to remove barricades in parts of the Golden Highway, radio news said.

The area was inaccessible to traffic by mid-morning.

According to radio news reports, police were negotiating with local leaders in Eldorado Park to try to prevent any further violence and damage to property.

Protest action was also reported to be taking place at Agra Park near Nigel on the Gauteng East Rand.

More than 300 residents gathered at the entrance to the area to protest against evictions and against water and electricity cuts in the area.

Residents' spokesman Golden Miles Bhudu said that residents were awaiting permission from the magistrate for a march to the local government offices. — Sapa
NP gave us homes for votes, say squatters
Evidence to bribery probe
Evicted Debit families give
Cut-offs unleash violent clashes

Stuart Hess

HOW am I supposed to feed my children if the taps don’t work?” asked a young mother of two in Eldorado Park. “If there’s no water, how do I wash myself?” inquired a boy, adding that he had not bathed for two days.

These were reactions by residents of Westbury, Riverlea and Eldorado Park this week after councils cut off electricity and water for non-payment. The townships were turned into virtual war zones as angry residents set up burning barricades blocking off parts of suburban streets.

The South Western Joint Cities Association (Soweto) called a stay-away on Thursday as part of their protest. “The present situation has to change because residents cannot afford to pay for their services,” said Basil Douglas, an association representative. He warned pensioners not to try and collect their pensions because of the volatile situation in the suburbs.

Residents expressed anger at their mistreatment by the apartheid government but said that “nothing had changed under the ANC”.

“We had nothing under apartheid when they only looked after the whites. But now the blacks only look after themselves. What must we do?” said one woman at a barricade blocking the main road in Eldorado Park.

Police spokesperson Superintendent Govindsamy Mariemuthoo said protestors set a school on fire and several policemen were injured. Cynthia Nduli, a social worker from Eldorado Park, called for calm as tensions mounted in the suburb late this week.

In the western Johannesburg suburb of Westbury residents burned barricades and provoked police and intimidated other residents. “Why must we pay the full rate when the blacks only pay a flat rate for their services?” said a resident, Ronald Jacobs. He added that blacks in Soweto and surrounding townships only paid a flat rate of R35 per month for water and electricity while residents of Westbury had to pay according to how much they used.

“They (the government) think we coloureds benefitted from apartheid but we suffered the same oppression as blacks,” said Jacobs.

Jacobs added that he respected the police but the current protests did not involve them. If they wanted “to maintain stability”, he said, “the police should rather leave.”
Four die as police, residents clash over rates and service charges
How peaceful demo turned into violent confrontation

By Derek Rooney

How a peaceful demonstration turned into a violent confrontation.

The situation began with a peaceful gathering, but tensions escalated quickly. The crowd became restless, and a small group began to incite violence. Police tried to maintain order, but the situation quickly spiraled out of control.

Witnesses described a chaotic scene, with people running and shouting. Police tried to intervene, but the situation grew more intense. A few protesters began throwing rocks and other objects, and police responded with tear gas and pepper spray.

Some protesters tried to escape, but others remained, pushing against police lines and chanting slogans. The situation grew more volatile, with reports of injuries and arrests.

The event was a stark reminder of the challenges faced by law enforcement in managing protests and preventing violence. It highlighted the need for clear communication and effective de-escalation strategies.

source: Detroit Free Press

(Photos by James J. Cridler)
Coloureds have been targeted, says Douglas

BY ECOLLA ROSELLA

Many consider the tall and imposing founder and leader of the South Western Joint Civic Association (Sowejoca) to be a dedicated campaigner for the poor coloured community. Others consider him a political opportunist who has taken advantage of the efforts of Gauteng councils to collect service and rental arrears to gather support for his organisation.

Basil Douglas draws his support from the poor in all communities - although he is considered a coloured leader, he has a small white and black following.

His white supporters are drawn from the council-flat dwellers of the southern and western suburbs and his black supporters from squatter camps bordering Eldorado Park.

Douglas believes coloureds are being targeted by councils. Arrears for the coloured community were not scrapped like those in the black area. Blacks also benefited from "flat rate" service payments, a privilege not accorded to the coloured community, he said.

Yesterday, as the acrid smell of teargas and burning tyres hung over Gauteng's predominantly coloured townships, Douglas could not be contacted. As police and rioters were involved in running battles, his supporters told The Star "You won't find him here, he is where it is safe."

Douglas later told a media conference he was in Eldorado Park trying to calm the situation.

Douglas is the only Sowejoca representative on the Southern Metro Council. As a result of an election collaboration between Sowejoca and the IFP, he was able to gain a proportional representation seat in the council.

Although he has always spoken for imposition of a flat rate, last year he voted with the council for imposition of credit control measures. He denies this, saying "I went to the meeting late and did not participate in the debate."
'No plan to evict whites from flats'

**BY RODNEY VICTOR**

There is no truth in rumours circulating Johannesburg that the council plans to evict poor white and coloured families from council-owned flats and replace them with black people, according to Prerna Naidoo, chairman of the executive committee of Johannesburg's Southern local authority.

The waiting list for flats was previously available only to white and coloured families, he said. However, it was now open to all races.

He confirmed that the council intended acting against payment defaulters of all races.

The campaign for a flat rate for services appears to have wide support from residents "If other people can pay a flat rate, so can we," said a coloured woman, who did not wish to give her name.

Naidoo denied that flat rates were in force anywhere in the city, even though certain organisations were calling for them.

The situation was complicated, he said, because some properties in Soweto did not yet have water meters. In those areas, people were required to pay a standard rate for their water consumption.

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'You're my broer... what are you doing?'

**BY SASHA JENSEN**

Drunken protesters shouted at police to stop shooting at rioting residents and a mob outside Eldorado Park police station screamed for "justice" and called for "police brutality to stop." Chanting echoed all around the predominantly coloured township south of Soweto.

Tension erupted as black policemen fired at black residents, who in turn shouted "You're my broer (brother). What are you doing?"

Residents, holding bottles of beer and spirits, swarmed on to the streets. There was little talk of the issues which were said to have caused yesterday's protests.

Men, women and children wandered aimlessly through the streets yelling of nothing but the police's behaviour and "unjusticity."

At the same time, looters positioned themselves on street corners waiting to attack empty petrol stations which were later burnt down.

Elsewhere in the suburb, soldiers clashed with rioting residents who had been hurling bottles, bricks and stones at police throughout the day, inciting more violence and rioting.

Then, later during another outburst of violence, an unmarked police car sped into the crowds to try to stop renewed rioting. Three policemen jumped out, firing three rounds from an R-4 automatic rifle.

They had to rescue a colleague who was overpowered by the rioters. A chase ensued, two suspects were arrested and many rioters were injured.

As the sun set, parts of Eldorado Park were covered in smoke, people were still fleeing from police, and the officers were still trying to gain ground and restore a semblance of order.
Sandton rates boycotters get 'final warnings' from council

BY ANNA COX
Sandton Bureau

Hundreds of Sandton residents have received final notices from the Eastern Metro Council to pay their rates — with a threat of legal action for failing to do so.

Many Sandton ratepayers have been boycotting payments since September last year in protest at the Eastern Metro Council’s decision to increase their rates by almost 300%.

Sandton Federation of Ratepayers' help office chief executive officer John Lambson said the office had been inundated by concerned ratepayers who had received final notices.

“Why are the idiots in the eastern council spending ratepayers' money sending out ludicrous final notices for rates imposed by what could be an illegal budget when the supreme court (now high court) is already considering an application by Sandton businesses questioning the legality of the budget and the way it was introduced,” he said.

Eastern council deputy chairman Sol Cowan said normal credit control measures were being implemented throughout the structure and this was not just aimed at Sandton residents.
Four die, 400 hurt as Reef clashes erupt

Johannesburg - Peace returned to the Reef's coloured townships today after yesterday's bloody confrontations between South Western Joint Civic Association (Soweto) supporters and police in which four people were killed and about 400 injured.

Assault and incitement charges have been laid against Basil Douglas, a Southern Metro councillor who has been blamed for the clashes in Westbury and Eldorado Park.

At the same time, the council's executive committee chairman, Prema Naidoo, said Mr Douglas's behaviour and recent speeches would be investigated to establish whether he had transgressed any council code of conduct.

Police in the eastern, western and southern suburbs said the strong force sent to control the situation was scaled down today as conditions returned to normal and people returned to work.

Several petrol stations were looted and burnt yesterday, a schoolroom was razed and a council bus and vehicles were stoned.

Police came under automatic rifle fire from protesters looting a petrol station in Eldorado Park. Using armoured cars, tear gas and buckshot, security forces took action shortly after crowds had stormed the suburb's police station.

The debris of the day's violent confrontation littered the streets as police tried to beat back looters and arsonsists in running battles. Bleeding and limping protesters ran in all directions as police and army vehicles entered the streets.

Agreement between Soweto and local government and Gauteng provincial authorities in the Southern Metropolitan Substructure was reached when a task team was set up to look at the grievances which had been simmering in the community, Soweto's secretary-general, Amy Williams, said. The first report was due on February 17, she said.

Anger has been aroused by the differences in service rates charged in black and coloured areas. In Soweto, residents are charged a flat rate of R45 for rent and electricity while in Eldorado Park electricity is metered.

Ms Williams said the task team would have to consider calls for "affordable" rates. Soweto also wants rent arrears dating back to before 1994 to be scrapped.

Under fire: Eldorado Park residents carry an injured protester to safety.

Innocent victim: an injured child is carried to safety after being shot in crossfire.

Barrier of fire: a protester at one of the burning barricades in Eldorado Park.
Thugs threaten women in cars

JOHANNESBURG: Women motorists on their way to work from the West Rand yesterday morning were subjected to obscene threats by thugs in Main Road, Newlands, about three kilometres from the city centre.

Motorist Mr Riaan Scheepers said thugs singled out women drivers for obscene abuse while looking and bashing their cars.

"We were stuck in three-lane traffic and I saw a middle-aged lady in front of me being terrorised by about 40 of these guys. She just pulled her hands over her head," Scheepers said.

"There was nothing we could do," he added. - Sapa

Douglas a campaigner for the poor or political opportunist?

OWN CORRESPONDENT

JOHANNESBURG: Many consider the tall and imposing founder and leader of the South Western Joint Civic Association (Soweto) to be a dedicated campaigner for the poor coloured community.

Others consider him a political opportunist who has taken advantage of the efforts of Gauteng councils to collect service and rental arrears to gather support for his organisation.

Mr Basil Douglas draws his support from the poor in all communities — although he is considered a "coloured leader", he has a small white and black membership.

His white supporters are drawn from the council flat dwellers of the southern and western suburbs of Johannesburg and his black supporters from squatter camps bordering Eldorado Park.

People who are disgruntled with the authorities, who believe the old and new regimes have ignored their needs, who believe they are as powerless in this regime as in the previous, as well as the poor are attracted to Douglas' organisation. For these people "Die Struie Gaan Aan" (The story continues) — a phrase they coined during protests in the same area about two years ago.

Douglas believes the coloured community is being targeted by councils.

This began years ago, he alleges, when the arrears for the coloured community were not scrapped like those in the black areas. The black communities also benefited from "flat rate" service payments a privilege not accorded to the coloured community, he said.

Yesterday, as the acrid smell of teargas and burning tyres hung over Gauteng's formally coloured townships, Douglas could not be contacted as police and noters were involved in running battles. His supporters said:

"You won't find him here, he is where it is safe."

Douglas later told a media conference he was in Eldorado Park trying to calm the situation down.

Douglas is the only Soweto representative on the Southern Metro Council. As a result of an election collaboration between Soweto and the IFP, he was able to gain a proportional representation seat in the council.

Although he has always spoken for the imposition of a flat rate, last year he voted with the council for the imposition of credit control measures in the area.

This he has denied, saying he had gone to the meeting late and did not participate in the debate.

But even if his support is small, it is dedicated Douglas is seen by one of his organisers, Mr Johann Penton, as the man who managed to unite old enemies through Douglas' efforts, Penton maintains.

The former, two disparate communities — the poor white community of the council flats in Bellavista and South Hills and the newly settled coloured community — have been united.
Boy, 7, killed in Gauteng rates riots

OWN CORRESPONDENT (127)

JOHANNESBURG: Police and soldiers were reerating the streets of Eldorado Park last night, dispersing riotous crowds down side streets and across fields, with teargas.

Their actions followed a day of violent clashes with residents from coloured communities in south and west of Johannesburg. Scores of people have been injured—including policemen—and an unconfirmed number of people have been killed. Some reports indicate that more than seven people were killed, but only one death had been confirmed by late last night. A seven-year-old boy was reported to be have been shot dead.

In addition, a number of petrol stations were looted and burnt, a schoolroom razed, a council bus and several vehicles stoned. A council office was also stoned.

In one incident at 7pm yesterday, men in uniform using armoured cars, teargas and buckshot took action after crowds stormed the suburb's police station.

Although live ammunition was being fired, it appeared to be coming from protesters. Police said they used buckshot throughout the day, but civil defence units said they treated between 175 and 200 civilians last night, of which 75 were said to have been shot by other ammunition.

Earlier in the day, South Western Joint Civics' Association (Sowejaca) leader Mr Basil Douglas agreed with Gauteng government and Southern Metro Council officials to set up a task team to look into the organisation's demands, and agreed, also, to call off the stayaway.

However, news of the agreement did not filter down to protesters.

Among the injured was The Star photographer Thys Dullaart, who was hit by birdshot.

Assault and incitement charges have been laid against Douglas, a Southern Metro councillor who has been blamed for yesterday's violent clashes in Westbury and Eldorado Park. Southern Metro Council spokesperson Ms Muff Anderson confirmed last night that charges had been laid against Douglas. The council's executive committee chairman, Mr Prema Naidoo, said Douglas' behaviour and recent speeches would be investigated to establish whether he had transgressed any council code of conduct.

Development, Planning and Local Government MEC Mr Sicelo Shiceka's task team has been given until February 17 to report back to him on the situation regarding rate payment arrears in the coloured townships before 1994, rates arrears after 1994 and payment options and alleged corruption among council officials.

See Page 2
Couch up, or get out, says council.

Clearing looms as boxing gets ready to overt non-paying townships residents and attach movable property.

Threats hang on council.

Government warning.

The government has warned that if non-paying residents do not clear their properties, the council will take action and attach movable property. The warning follows on from last week's meeting, where councilors debated the issue.

"We are not able to continue subsidizing these non-paying residents," said Councillor Smith. "The council has already spent a significant amount of money on these properties, and it is time for these residents to start paying their fair share."
UNEASY CALM AFTER FATAL LOOTING RiOTS

Despite the calm on an uneasy calm to

property and household items were a

the area's calls for rioters to disarm on


below should be

a police officer of the more violent

by yesterday morning the area still

them a deal out of it. He became known

(124)

AUSTRALIA

UNEASY CALM AFTER FATAL LOOTING RiOTS
Independent probe of violent protests welcomed
Commission of inquiry will investigate mayhem
in coloured areas, Tokyo Sexwale announces

BY CECILIA RUSSELL

South Western Joint Civic Association leader Basil Douglas, whose organisation called for last week’s violence-plagued protest in the coloured townships, said yesterday he would welcome an independent investigation into the violence.

Gauteng Premier Tokyo Sexwale announced at the weekend that a commission of inquiry would investigate the violent protest action which caused several deaths when police and protesters clashed.

The stayaway was called by Soweto in protest at charges levied for household services in Eldorado Park, Westbury, Noordgesig and other areas previously demarcated as coloured townships.

The commission, headed by a High Court judge, will probe the events which led to the protest action as well as the conduct of the protesters and police during the demonstrations, Sexwale said.

Douglas, who has been criticised for his role in the protests, condemned police action, especially the use of live ammunition.

"Police have the means and the manpower to quell a riot. Why didn’t they use them?"

He said police had fired at him and his supporters while he was trying to maintain calm. He said he was forced to leave the scene to attend an urgent meeting.

Sexwale said the commission would specifically look at the resources deployed by police and “the circumstances in which live ammunition was used”.

The commission is expected to report back within two weeks.

Sexwale said Thursday’s violence coincided with the opening of Parliament in Cape Town and had been televised worldwide.

“This has given a very inaccurate picture of South Africa – an image of people who cannot manage their own affairs; people who are given rights by their constitution but cannot utilise these rights,” he said.

“It is highly objectionable and unacceptable that certain leaders who organised this violent protest misled ordinary people into believing that their electricity and water was to be cut off immediately,” Sexwale added.

While some Soweto leaders were reported to have played a constructive role when they saw their actions degenerate into uncontrollable violence, others continued to instigate violent action, he said.

“These (leaders) stand condemned in the harshest possible terms for their irresponsible behaviour.”

At the media conference, police said some of their colleagues, in fear of their lives, may have fired live ammunition during the riots.

They also said shots were fired at police and that the crowd’s aggression had been fuelled by alcohol.

In the report, police said Douglas had told police members at the scene he would calm down the protesters and asked the police to withdraw. As police retreated they were attacked with stones, petrol bombs and gunfire.

According to Senior Superintendent John Paxton, commander of the Soweto public order police, Douglas left the scene and made no attempt to calm or control his followers.”

Damage to private property in Eldorado Park alone was later estimated at R3-million while R25 000 damage was caused to SAPS vehicles.

Police are still not able to confirm the number of people killed in the protests, but four people are believed to have been killed in Eldorado Park.
Commission to Probe Violent Rates Protests

December 12, 1987

The commission will hold its first public hearing on December 12, 1987, at 10:00 a.m. in the main courtroom of the federal courthouse in Washington, D.C. The hearing will be open to the public and will be conducted in accordance with the rules of evidence and procedure of the United States Court of Appeals for the District of Columbia Circuit.

The commission has requested that all parties to the hearing submit written statements and evidence in support of their claims. The commission will also hear oral arguments from the parties and the public.

The commission is investigating the causes and effects of violent incidents that occurred during the recent protests. The commission's goal is to determine the root causes of the violence and to recommend measures to prevent similar incidents in the future.

The commission is composed of five members appointed by the President, with the advice and consent of the Senate. The members include representatives from law enforcement, community groups, and the legal community.

The commission's findings and recommendations will be published in a report to be released at a later date.

Jacob Fleming
Sexwale promises probe into Gauteng rates riots

ARGUS CORRESPONDENT

Johannesburg – The violent protest action which caused several deaths as police and protesters clashed in coloured townships here last week will be investigated by a commission of inquiry, Gauteng Premier Tokyo Sexwale has said.

The stayaway was called by the South Western Joint Civic Association (Soweto-ca) in protest at charges levied for household services in Eldorado Park, Westbury, Noordgesig and other so-called coloured suburbs and led to riots in these areas on Thursday.

The commission, headed by a High Court judge, will probe the events which led to the protest action as well as the conduct of the protesters and police during the demonstrations, Mr Sexwale said, adding that it would look specifically at the resources deployed by police and “the circumstances in which live ammunition was used” The commission is expected to report back within two weeks.

Mr Sexwale said that Thursday’s violence had coincided with the opening of Parliament in Cape Town and had been televised worldwide.

“This has given a very inaccurate picture of South Africa – an image of people who cannot manage their own affairs, people who are given rights by their constitution but cannot utilise these rights,” he said.

Police said damage to police vehicles during the riots was about R250 000 and damage to private property was estimated at R3 million.
Judge to probe violent protests

OWN CORRESPONDENT

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At the media conference police admitted that some of their colleagues, for fear of their lives, might have fired sharp ammunition during the riots.

They also said shots were fired at police and the aggression of the crowd was fuelled by alcohol.
Sandton local govt may face ‘collapse’

Deborah Fine

A group of Sandton businesses succeeded in immediately overturning substantial increases in their municipal rates, there would be "major disruption" to services in Johannesburg, the city's metropolitan council warned in court papers yesterday.

In papers before the Johannesburg High Court, the council submitted that immediate enforcement of the action, if successful, would also result in the collapse of local government in eastern Johannesburg, of which Sandton is part. It would also "seriously impair" the delivery of services in southern and western Johannesburg — which include Soweto — at "a very critical phase of local government in the history of SA".

Should the court find in the businesses' favour, however, the council said it would be in the "interests of good government" to allow it time to correct the defects rather than overturn the resolutions with immediate effect, given the "detrimental" effects this would have on local government. It would be at the court's discretion to set the time period.

The businesses lodged their application last year on the basis that the resolutions whereby the council and its eastern substructure increased their assessment rates by up to 385% were not drawn up in accordance with the Local Government Transition Act and were thus ultra vires and invalid. They submitted that the R444,2m levy imposed on the eastern and northern substructures to make up for deficits in the council and the southern and western structures was unconstitutional, inequitable and invalid.

The businesses represent some of SA's largest property owners with an aggregate property investment of R4.2bn, and include Fedlife, Tiber Bonvec, Stanprop, Liberty Life, Momentum Life, Investec, Kirchmann-Hurry Properties, Sanlam, Commercial Union and the JCI and Amplitas Pension Funds. They have asked the court to set aside with immediate effect portions of the eastern substructure's 1996/97 budget which increased assessment rates, as well as the council's resolutions to impose the levy and subsidise the southern and western substructures.

The council warned in answering affidavits, however, that the immediate invalidation of its resolutions would deprive it of revenue of R162m, which it would not be able to recover from national or provincial government.

The council would be forced to drastically reduce its expenditure, which would result in "major cutbacks" in municipal services in Johannesburg.

The eastern substructure would immediately be deprived of assessment rates revenue of about R55m a month, and would also be obliged to refund assessment rates already paid in the 1996/97 tax year.

It was doubtful whether the structure would be able to raise sufficient funds through bridging finance or other means to recover the losses, and would thus be unable to prevent itself from collapsing.

The council has asked the court to disallow the action on the basis that the resolutions and increases are completely lawful, equitable and in accordance with statutory stipulations.

The businesses have 10 court days to reply to the council's answering affidavits, after which the matter is expected to be set down on the High Court's motion roll for argument.

Sandton

Continued from Page 1

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Occupations can scupper

Natsi says that illegal occupations of sites only delays the entire housing process and ultimately disadvantage those living in more or less adequately squard conditions for whom the sites have already been earmarked.

Nate is the Phillips RDP Forum party to initial discussions and agreements on these issues, but was the dissenting voice during those talks.

"There were 11 RDP forums present when the allocation of plots was discussed and agreed on, but if 10 RDP forums agree and only

"The decision of the majority is the decision that has to govern at the end of the day."

"The Phillips RDP Forum and the area's local councillors are due to meet to discuss the issue and present their response to housing authorities soon."

"They are obstructing housing developments for people who need accommodation desperately."

"We are forcing the wardwolves to provide the funds for the delivery of housing and upgrading of existing areas."

"The Phillips RDP Forum and the area's local councillors are due to present their response to housing authorities soon."

"That is why we said even to the courts of the Western Cape, we are not going to be drawn into the covey on the ground — because the coveys are the watchdogs of the government."

"As long as people who are poor and have no houses do not have jobs, there will be no kids, and no development."

"We have appealed to the national government to consider the situation they are in and to provide for them, as they are the ones who are suffering."

"We are not focusing on the fact that these people have been chasing us around all these years — so that is what I am getting at by the fact that they are the ones who so must understand that they have to take action, that is the way in the proper manner."
Upper squatter housing

New Ventors

Conservative members in Crossroads protest against the occupation of the shacks. In fighting yesterday which left more than 200 shacks burnt.

Flashback: Much of Crossroads squatter camp was destroyed in May 1988, when fighting broke out between rival factions.

But the forum was still in huddle discussions with the ISL, councillors and other players in the wrangle and these factors had nothing to do with the invasion of sites.

"If we are called to a meeting to discuss this matter, we will go."

"We were told to go back to the (ISL) forum and come up with a position that is agreed upon by all the interested parties.

"We still have to sit down with the ISL and push the ISL P to also start working on levelling the ground of the Brown's Farm and Phillipi areas because I have become impatient."

"We have to be ready to act, and when they come with their media, we will be ready."
Claims that rates row is Mandela's revenge.
Sowejoca, IFP combine voices.

BY MORGAN NAIDU

One week after deadly riots erupted in the streets of Eldorado Park, residents of the township south of Johannesburg gathered to mourn their dead and to seek comfort in the welcoming arms of Inkatha leaders Themba Khoza and Humphrey Ndlouvu.

More than 2,000 residents, including many who were injured in last week's riots over rates arrears, packed a local community hall last night to join leaders of Sowejoca (South Western Joint Civic Association) in singing and chanting, “Die stone gaan aan (the story is continuing).”

With the two Inkatha leaders sharing the podium, Sowejoca slammed the Government, pledging allegiance to its “brothers in the struggle” — the IFP.

“I want to make it clear,” said Khoza, “that as long as the Government doesn’t deliver (services) people are not going to pay.”

He accused the Government and police of “using coloureds as human targets” in the riots.

Victims paraded their wounds on stage, some of them describing how they were shot and injured.

Sowejoca leader and Southern Metro councillor Basil Douglas said he had received letters of support from the Democratic Party and Mangosuthu Buthelezi.

The IFP had also helped cover some of the legal costs after Sowejoca members were arrested.

Douglas said the victims who had died in the rioting had paid the ultimate price and that their “murders exposed this fraud called a new South Africa.”

Sowejoca leaders are to present a report on their version of what occurred in the rioting to Gauteng MEC for safety and security Jesse Duarte on Monday.
Proper houses to replace shacks for thousands after Midrand firefighters make peace with council
AVOIDING APOCALYPSE

Provincial & Constitutional Affairs Minister Mohammed Valli Moosa mutes no words on the importance of local government success or failure there will determine whether SA can be governed effectively or whether it will become ungovernable.

If Moosa is right — and there are cogent reasons to believe that he is — local governance in Gauteng provides a gloomy glimpse of the future.

Sandton’s rates boycott is into its sixth month and no compromise is in sight, coloured townships around Johannesburg are still simmering after an attempt to persuade residents to pay their accumulated municipal debts ended in bloodshed, neighbouring black townships are still characterised by abysmally low levels of payment.

The Sandton rates boycott, triggered by a rates increase of up to 300% and by sharp rises in property valuation after ANC local election victories throughout the Johannesburg metropolis, is approaching a critical point.

Final notices of demand for arrears are being sent to boycotting residents by the ANC-controlled Eastern Metropolitan Substructure. Several Sandton-based firms, including Liberty Life and Sanlam, are challenging the legality of the substructure’s budget and rates increase in court.

A task team, mandated by the Gauteng provincial government to help resolve the dispute, has failed to negotiate a compromise. It may even have presided over a hardening of attitudes.

Brian Stolzenberg, spokesman for the Sandton Ratepayers’ Federation (Sanfed), which is spearheading the rates boycott, says bluntly “The authorities have no intention of negotiating.”

He believes they are interested only in devising stratagems to disarm the boycotters and impose the new tariffs. He sees the failure to appoint an independent chairman — the chairman, Stanley Khanyeke, is a legal adviser to the provincial government — as proof of that.

Sol Cowen, an ANC member of the eastern substructure, responds by accusing Sanfed of constantly “moving the goal posts” and reneging on agreements.

The task team’s apparent inability to end the Sandton boycott does not augur well for a negotiated end to the dispute which resulted in last week’s protest action in the coloured townships. A second task team has been established by Gauteng MEC for Local Government Sicelo Shiceka. It will be chaired by Khanyeke, who has thus far failed to resolve the Sandton dispute.

The situation in coloured townships around Johannesburg, including Westbury and Eldorado, is complicated by a racial factor. Coloured residents there believe they are being unfairly targeted in a bid by the Southern Metropolitan Substructure to collect arrears in service charges. They note that arrears have either been scraped or ignored in black townships.

Basil Douglas, leader of the largely coloured South Western Joint Civics Association (Sowejca) which called for last week’s stayaway, says “Our own brothers and sisters are kicking us in the teeth.” There is no doubt he is referring to the ANC-controlled local authority.

Douglas, a former teacher who was brought up in Noordgesig, a coloured township on the edge of Soweto, encapsulates his feelings in the slogan “Under the whites we weren’t white enough. Under the blacks we aren’t black enough.”

The same attitude is reflected in the pithy description of post-apartheid SA by a coloured woman at the height of last week’s turmoil: “The blacks are the whites and the whites are the blacks. But the coloureds are still the coloureds.”

These views have been criticised by Gauteng premier Tokyo Sexwane. He has accused those propagating them of attempting to “instigate racial conflict” and of indulging in “completely immoral” politicking.

Sexwane, who castigates the protest leaders for trying to impose the stayaway by erecting roadblocks, closing off pension paypoints, disrupting schooling and impeding commercial activity, offers an assurance: “All our people are equal citizens in one country.”

Douglas, speaking after Sexwane’s admonitions, ripostes: “They suffer from amnesia. They have forgotten what happened. They started the culture of nonpayment. They made the country ungovernable.” I am not going to apologise.”

The realpolitik of the broader situation on the rates issue is that there is — for historical reasons — a racial dimension.

Payment in traditionally white suburbs around Johannesburg is high, even in Sandton (where some residents are paying the old rate or the old rate plus 20%), payment in surrounding black townships is low even as the third anniversary of the ANC’s 1994 election victory approaches.

Payment levels in Johannesburg and Sandton are 87% and 85% respectively (though many, perhaps most, Sandton residents are not paying the new rate). In
Soweto payment varies from 20% to 24%, in Alexandra it is below 10%.

Many residents in the historically white suburbs resent the higher tariffs for two reasons: there is no improvement in services they receive and there appears to be little or no effort by township people to meet their obligations. Many white residents feel they are being made to bear “the white man’s burden” in post-liberation SA.

The culture of nonpayment persists in many townships in Gauteng, despite the ANC’s Masakhane campaign. Vast and growing sums of money are owed to the local authorities. Outstanding service payments for the four substructures of the Greater Johannesburg Transitional Metropolitan Council total R1,48bn. The equivalent figure for Gauteng is R3,16bn.

Chrispain Olver, a senior official in the Department of Provincial & Constitu-
tional Affairs, has a less gloomy interpretation. A portion of the debt is short-term. The moment services are used a debt is registered against the user. Payment comes later. Thus the actual long-term debt is, he reckons, smaller than the astronomical figures spewed out by computers.

Olver puts the “aggregate figure” for the long-term debt owed to local authorities nationwide at “between R2,5bn and R3,5bn.”

He divides the more than 800 local authorities across SA into three categories which account for roughly a third each. The top third are perfectly sound administratively and financially. The bottom third are “basket cases” without tax bases and without long-term financial viability. Radical intervention is needed to save them.

Plans are afoot to do just that. The middle third, though hampered by the culture of nonpayment, “can be made viable.” Olver says there are a number of small towns in the middle category which are on the way to “full repayment.” Their success results from several factors, including politicians who have resisted the temptation to climb aboard the “populist bandwagon,” individual metering of households, improved services to residents, “hard credit control” and compassionate consideration for genuinely indigent families.

The success of these small towns, which range from New Doringstad in North-West Province to Oudtshoorn in the Western Cape, offers hope that SA can avoid the apocalypse of ungovernability.

Patrick Laurence
Sowejoca's Basil Douglas is back in the

Johannesburg southern substructure councillor Basil Douglas’s political models are Gandhi, Malcolm X and Sobukwe, writes Jacob Dlamini

THERE are two sides to every story, says Johannesburg southern substructure councillor Basil Douglas, echoing the refrain he uses each time queries of his chequered political past are raised. This week he was offering his side of events surrounding the deaths of four people last Thursday during clashes between police and residents protesting against rates and services bills in Johannesburg’s coloured townships. Police said they fired in self-defence after coming under attack while trying to remove barricades set up by protesters enforcing the stayaway called by Douglas’ South Western Joint Civic Association (Sowejoca). But Douglas blames the police for the shooting, saying “None of the people killed had guns in their hands.” A commission of inquiry has been set up by Gauteng premier Tokyo Sexwane to establish which side of this story is true.

While Douglas’s championing of service charge protests may have endeared him to many in the impoverished suburbs of southwestern Johannesburg, it has also brought upon him the wrath of the southern substructure which is investigating whether he violated the council’s code of conduct by calling on residents to pay a flat rate. If found guilty, he could face expulsion, something the African National Congress (ANC) has suggested.

Freedom Party ticket and Sowejoca operates out of the party’s Johannesburg offices.

But Douglas is quick to say that no alliance exists and that it is just a friendship. He describes himself as “the last honest politician. There are so few of us around they should put us in a museum.”

Douglas says that he is not sure whether his wife, who works in a bank, headed his stayaway call last week. And opponents say he omitted to tell residents that his own arrears of about R9 000, incurred before February 1994, have been written off. At the same time, he is claiming that the council has retracted the decision to demolish houses in the coloured areas.

Douglas’s political models are Gandhi, Malcolm X and PAC founder Robert Sobukwe, and he claims to have read all three volumes of Karl Marx’s Das Kapital. He quotes Voltaire as readily as he quotes from Isaiah 21 and Job 23 — his favourite passages in the Bible: “I read those passages to be strong, patient and resilient.”

be antiblack because if that happens it will be anti-granny, anti-auntsies and I do not want that. I have relatives in Soweto.”

He says: “Coloured people feel they have been left out and they experience this when they look for employment. In the past we were seen as not being black enough on the one hand and not being white enough on the other. Now it seems that we were not disadvantaged enough and therefore do not qualify for affirmative action.”

He points out that Sowejoca’s struggles are not about race: “Coloured people are not a race, we are an ethnic group and we do not define our struggle in race terms because the minute you do that it becomes Hellenic and racist. We just want the restoration of our dignity, our land and our culture.”

A good start would be to move the Tvl Monument from Paarl to Sea Point because that is where Afrikaans was born, he says. “We also want to be more visible on television. We are tired of being shown as criminals, alcohol abusers and knife-wielding thugs.”

He was elected to be a councillor on an Inkatha
Inner-city clash looms as tenants face the boot

BY SHIRLEY WONTOCH

A showdown is looming between the managing agents of two large inner-city apartment blocks and tenants who are due to be served with eviction orders for non-payment of rents today.

Squaring up to each other are lawyers Mervyn J Smith and tenants of Queensbury Court and Hoffman New Yorker, who are backed by the SA National Civic Organisation (Sanco).

Rental arrears at the two blocks totalled almost R400 000, and a High Court application has been launched to evict 37 Queensbury Court tenants, Smith said.

Problems surfaced when tenants unilaterally decided to reduce rentals which would be paid into a Sanco trust account and not to the owners, said attorney Deborah Mann.

She claimed tenants who continued paying rent were intimidated by Sanco, and messengers of the court feared for their lives when serving orders on rent dodgers.

Sanco had in the past thumbed its nose at the law and promptly placed evicted tenants back into their vacated flats.

The owners, who continued to foot the rates and maintenance bills, could face having proceedings instituted against them by the Southern Metro Council, a desperate situation they share with many other landlords.

Smith said the anarchy which existed in certain "no-go" blocks of flats in Yeoville, Berea, Hillbrow and Joubert Park threatened the entire inner-city rehabilitation project, as frustrated landlords battled against a succession of tenant protest associations and boycotts.
R40-m for serviced land and housing

By Joshua Raboroko

GREATER Johannesburg metropolitan substructures are to spend more than R40-million to buy land and to improve infrastructure aimed to provide housing, transport, public safety and emergency services in their areas.

But, the facilities to be kick-started on short- and long-terms, possibly in March, will not be introduced unless the residents resume payment of rates and services, a press conference was told yesterday.

Executives of Greater Johannesburg council Mr Collins Matjila, southern metropolitan executive Mr Parks Tau, western metropolitan chairman Mr Strike Ralegoma, and northern metropolitan Mr Pulzethahezi promised to deliver land developments promised residents before the 1995 elections.

Matjila said the councils’ land development objectives included building houses, creating jobs and economic development.

The SMSS and WMSS will spend R40-million to purchase and negotiate land deals for developments.

However, he added that there was opposition from some residents that informal settlements near their homes would devalue the prices of their properties.

The councils would negotiate deals with the owners.

They (councils) will also provide sports, recreation, open spaces, cultural facilities, social and community developments.

Adequate transport and public safety will have to be provided to ensure that people travelled easily and safely to and from work.

Taxi problems will also have to be addressed.

Matjila said all these facilities would not get off the ground if the people did not pay their rates and services.
Council to take drastic action

THE Johannesburg southern metropolitan substructure last night announced drastic measures to recover R650m it was owed by defaulting ratepayers by February.

At a budget discussion meeting with about 50 businessmen, councillor Shan Balton said credit control measures, which would see all defaulters being taken to court for outstanding rates and taxes, and measures to cut the electricity and water supplies of defaulters would be implemented on March 1.

The measures did not only apply to residents, but also to councillors who could face losing their jobs if their accounts were not brought up to date.

The substructure was negotiating with employee organisations on the matter.

Other drastic measures to be implemented included that: no contracts would be entered into with businesses (on tenders) which owed the council money, the property of defaulters would be attached to recover outstanding debts, and people wanting to hire sports or other council facilities would first have to prove that their accounts had been paid.

Several defaulters had been issued with their 14-day warnings, while the remainder would be sent out within weeks. Those not settling their outstanding debt as of January 1 1994 would have to make arrangements to pay in instalments.

Balton said the substructure had been under pressure from certain groups and communities to write off the outstanding debts, but he said it did not have the legal competency to write off arrears. "We have undertaken to collect that R650 million," he said.

Substructure financial head Bethwell Jwili said "On March 3 the cut-off of services is to be intensified throughout the southern substructure. There will be no discrimination."

The businessmen were told that on the budgeted income of R544 148m for the 1996/97 financial year ending June, the expected shortfall would be R193 656m. — Sapa.
Rates rebels back down on flat-rate demand

By Cecilia Russell

The South Western Joint Civic Association has backed down on demands for a flat rate for services and the scrapping of all arrears.

Soweto's leader Basil Douglas instead committed the organisation to leading marches for payment of rates and services once the mechanisms agreed to by a task team, set up to look into the causes of the riots two weeks ago, were in place.

The task team, comprising members of the Gauteng government, the Johannesburg Metro Council and Soweto, was hastily set up to look into the grievances of Soweto supporters when the February 6 stayaway called by the organisation erupted into violence. Four people died.

The protesters were demanding a flat rate for services in mainly coloured areas and the scrapping of all arrears. The organisation's leadership called for the stayaway after accusing local government of not consulting them over the suspension of services.

At the time, Douglas accused the council of discrimination by allowing flat rates in black areas but not in coloured areas.

If Douglas does not pay his rates arrears within 30 days, his seat on the Southern Metro Local Council will become vacant.

He said yesterday the onus would be on the council to enforce the Local Government Elections Ordinance of 1970.

Douglas warned: "I would be very worried if I were them. Who would then be here negotiating and helping to keep the peace?"
Council gets tough on Tembisa defaulters

More than 14 000 Tembisa households have had their electricity cut as the Kempton Park/Tembisa Metro Local Council spares no one in its campaign to end the culture of non-payment.

Council spokesman Henrette Weeseman said about 5 000 more households which had still not paid for services would be cut off by next week.

Some had dishonoured their contract agreements with the council and others were simply not paying.

The council's firm actions against creditors is slowly eroding the resistance to payment in the township, according to Weeseman, because an average of R2.35-million had been collected in the township since November.

This is a significant improvement compared to the less than R600 000 collected during the same period last year.

Council officials have been engaged in the process of inspecting households' electricity connections. Those found to be illegally connected were either disconnected or arrangements made for illegal connections and registration.

Weeseman said although the process had not yet been completed, it had helped the council to have about R200 000 on the area's electricity bill for December.

On the other hand, while workers were installing and inspecting water meters, many leakages had been identified and repaired.

This had also contributed to reducing the water bill by about R700 000 a month. This amount was being lost from water leaking from old pipes which were often not reported.
Final notices sent out for rates non-payment

 Authorities attempt to exclude Sanfed from talks and hold bilateral meetings with independent bodies

BY AMMA COX

A total of 8,200 final notices for non-payment of rates and services have been sent out to residents of the Eastern Metro Local Council. Residents claim, however, that the council is refusing to give them a breakdown of amounts they owe.

The final notices contain a single figure and residents have been told verbally by officials that this figure was reached by adding outstanding September, October and November amounts with service payments deducted.

John Lambson, the chief executive officer of the Sandton Federation of Ratepayers' Help Office, said if this was the case, the notices were probably illegal as amounts paid for services should not be deducted from the rates' bill. Most boycotting residents had stipulated in writing that they were continuing to pay for services.

"The amounts of the final notices should be much more. We have sent letters to the chief executive officer requesting breakdowns but have not received replies. Residents have the right to know these figures," he said.

Council communications officer Keith Peacock said the notices were sent out as normal credit control measures, but in the case of genuine financial hardship a mutually acceptable agreement on arrears could be made.

He said ratepayers received detailed monthly statements of their charges and any amounts that were outstanding from previous months would be clearly shown.

Sandton residents have been boycotting rates in protest of increases of up to 300%.

Meanwhile, talks between the Gauteng Provincial Government and the Sandton Federation of Ratepayers (Sanfed) to resolve the rates' boycott remain in stalemate. Provincial authorities are now excluding Sanfed from talks and are holding bilateral talks with individuals or independent ratepayer bodies not affiliated to Sanfed.

Stanley Khanyile, the leader of a task team convened by the Gauteng province to end the boycott, said the team had temporarily ceased its work and would only continue once Sanfed came back with a sincere and positive attitude and a genuine desire to resolve the matter.

Sanfed spokesman Brun Stolzenberg said talks with individual organisations not affiliated to Sanfed would lead nowhere.

His organisation represented 24 ratepayer bodies - by far the vast majority - and without its cooperation no progress would be made, he said.

There were only two organisations independent of Sanfed - the Residential Sectional Title Owners' Association (Restoa) and the Triangle Community which only represented Kelvyn and Buccleuch residents.

"We believe province is now trying the divide-and-rule trick, but without us there will be no solution. We believe that in the interests of making real progress, an independent chairperson should be appointed," he said.

Restoa said it had held a successful meeting with MEC for local government Steclo Shweta regarding the rates' boycott.

Chairman Reg Cartwright said his organisation's proposals had been well-received and a technical committee had been set up by the minister to investigate them.

Restoa is calling for equal rates for sectional title owners and rebates for pensioners in sectional title units. At present sectional title owners receive only a 35% rebate while other residential owners receive a 55% rebate, a difference which was unfair, said Cartwright.
'90% of residents support the Sandton rates boycott'

Mar 25 12 1997

BY ANNA COX
Sandton Bureau

The Sandton rates boycott is in full swing with between 80% and 90% of residents supporting the call not to pay rates.

Sandton Federation of Ratepayers' spokesman Brian Stolzenberg said the support was borne out by the fact that the Eastern Metro Local Council had refused to give residents a breakdown of numbers of final notices sent out to Sandton, Alexandra and Johannesburg.

Local politicians were afraid that the figures would reveal that only Sandton residents boycotting rates payments in protest of hikes of up to 300% were being targeted with the notices, he said.

It would also prove that the rates boycott, which municipal officials have been claiming has failed, was in fact in full swing and is becoming more widespread. "We have feedback that thousands of people are not paying," said Stolzenberg.

There were only about 56,000 account holders in Sandton including businesses, which constituted a large proportion, he said. If those were deducted, it would mean that the boycott by Sandton residents had reached between 80% and 90%, said Stolzenberg.

He said a massive poster campaign would soon be launched by Sanford to encourage residents to continue with the boycott.

"It is vital, to keep pressure on officials, to keep up with the boycott," he said.

Council communications officer Keith Peacock said the Eastern council did not differentiate between different areas.

"We wish to place on record that we object to the continued separation of our local council into its old apartheid component parts. The notices were sent out as normal credit control measures."

"In the case of genuine financial hardship, a mutually acceptable agreement on arrears could be made," he said.

He said ratepayers received detailed monthly statements of their charges and any amounts that were outstanding from previous months would be clearly shown.
Bid to penalise Sandton businesses

BY ANDREW COX

26/1/97

The ANC attempted to push a motion through the Eastern Metro Council last night to penalise Sandton businesses that are boycotting rates payments in protest against increases of up to 38%.

The motion called for the council not to do business with any company, or its subsidiaries or individuals, that owed the council money for rates and/or services.

The motion was, however, not allowed by the mayor, Justice Ngudi, who ruled it sub judice.

The deputy chairman of the executive committee, Sol-Cowan, however, has lodged an objection against the ruling by the mayor and said he would be obtaining legal advice on it.

"The mayor was advised by an official who does not have legal knowledge. The motion was simply aimed at good financial management in the future. It does not make sense for us to do business with people who owe us money," he said.

Opposing political parties said last night the motion could have had far-reaching effects and they feared the ANC would try to bring it up again at the next council meeting.
Integrated and win

Northern suburbs residents fight for new kind of park

The park...
Flat-dwellers evicted after nothing up R170 000 in rent arrears
Inquiry into violent rates and taxes protests gets under way

BY JAMES CHAIR

The Froneman commission of inquiry into the violence which left three people dead during rate and services protests in Eldorado Park, Westbury, Noordgesag and Reiger Park on February 6 held its first sitting at the Gauteng Provincial Legislature yesterday afternoon.

Mr Justice Johan Froneman, who was appointed by Gauteng premier Tokyo Sexwale to head the inquiry, told members of the communities that the commission would report on the cause of the violence and make specific recommendations as to what steps were needed to avoid the outbreak of violence in the future.

Judge Froneman said the commission was unable to focus in detail on individual cases of death or injury but would concentrate on the broader issues relating to the underlying causes of the violence.

He said the commission would concentrate its investigations on the conduct of the police, the organisers of the stayaways, the local authority and members of the public.

“It will also attempt to establish the identity of persons whose conduct amounted to criminal offences and whether or not the local authority and the organisers had taken sufficient precautions in advance to avoid the possible outbreak of violence,” he said.

Judge Froneman has requested all interested parties to prepare a written statement to be handed to the commission by Wednesday March 5, when it will sit again.

“Each party's written statement should contain a statement of facts, the party's theory as to causes of the violence, steps taken so far to reduce or avoid violence in the immediate future and proposals to avoid future violence,” he said.

Commission member Advocate Janet Neethling said the findings of the commission would be presented to Sexwale by March 28.

Eldorado Park Concerned Residents Association chairman Ayob Mungalee said his organisation welcomed the inquiry but stressed that the commission must have the power to prosecute individuals and organisations found responsible for the violence.

Mungalee said he was concerned about statements made by South Western Joint Civics Association chairman Basil Douglas in the Rapport newspaper last week, in which he was reported to have said that there would be more violence if he was arrested.
Jo'burg's population to double in 20 years

Higher density in residential areas is one way of providing affordable housing, says council's town-planning chief

BY ANNA COX

The face of the leafy Greater Johannesburg suburbs is set to change as the Gauteng population increases by at least 500,000 people during the next five years, said Ivor Isaacs, the chairman of the Eastern Metro Council townplanning tribunal.

An additional 178,000 housing units would have to be found by then and one of the ways of meeting that need would be to increase densities, Isaacs said.

Speaking at a Lower Houghton Residents' Association meeting last week to discuss higher densities in the area, Isaacs said the population of Johannesburg would double within the next 20 years.

He said the northern section of Johannesburg in general and the Eastern Metro Local Council area in particular were characterised by a sustained growth in employment opportunities which, in turn, created a demand for residential development.

Isaacs said the utilisation of existing residential areas by subdividing existing sites and building second dwellings, in addition to other forms of higher density development, were necessary.

He said urban sprawl had resulted in hundreds, if not thousands of kilometres of roads, water and sanitation networks that were built at incredible costs.

"Today the cost of maintaining and upgrading the network is enormous and this is without considering the national prerogative to extend these networks to our formerly neglected and deprived areas.

"There is therefore no resource available to further extend infrastructure spending merely to allow people to live further away from the city and its infra-

A number of positive spinoffs will result from smaller erven.

structure network," he said.

During 1995 the Greater Johannesburg Transitional Metro Council adopted an overall densification strategy based on the fact that the functioning of the metropolitan area was uneconomical.

"An oversupply of bulk infrastructure is prevalent throughout Johannesburg North, Sandton, Randburg and Roodepoort.

"The result is that the provision of services in the metro area is largely subsidised and the recent hikes in municipal taxation and municipal services were a direct result thereof," he said.

By allowing the densification of the Johannesburg northern and southern suburbs, a number of positive spinoffs could be generated, said Isaacs.

Those were the improved utilisation of bulk infrastructure, roads and public transportation, the optimisation of municipal and other services such as waste collection and postal services, the establishment of greater residential choice within the urban area, the discouragement of urban sprawl, and the correction of historically distorted spatial patterns of settlement.

With increasing employment opportunities in the northern and eastern suburbs, there was a growing demand for residential development, he said.

"Ervens in traditionally low-density areas are being marketed at prices well beyond the financial means of a large number of people employed in the growing areas of employment.

"To reduce the need to travel and concomitant expense, it is necessary to provide housing for these people and the only way to achieve this is to reduce the amount of land per residential unit to make it more affordable," he said."
Sandton feels the pinch as rates revolt begins to bite

BY RODNEY VICTOR
AND ANNA COX

Sandton's rates payments plunged in December when residents and businesses were billed R511-million but paid only R274-million, according to figures released by the Gauteng provincial government this week.

In years gone by, Sandton's payment levels hovered around the 100% mark, but they took a sharp dip in July last year, to 60.2%, and in December, to 54.6%, when residents decided to boycott payments in protest against increases of up to 300% in rates and services.

The Eastern Metro Local Council claimed earlier this week that payment levels for the area had reached 94%. Sandton communications officer Keith Peacock said payment of accounts had hit 110%. He said a total of R55-million was received by the council for the R50-million invoiced.

The discrepancy between Peacock's figures and those of the Gauteng authority is explained by the fact that most Sandtonians did not pay in December because they were on holiday. But last month they paid extra, bringing the average payment from July to January this year to 78.6%.

Sandton's new payment rate, as revealed by the province, is now well below that of the traditionally white areas of Johannesburg (including the CBD), where residents and businesses were billed R2342.3-million in December and paid R211.6-million, or 87.4%.

There were minor improvements in some parts of Soweto, but the overall situation in Greater Soweto was a decrease in payment to 27.6% for December.

In Alexandra, the December payments were 13.9%, up from November's 9.4%.

In Tembisa, Kempton Park, payments jumped from 28.6% in November to 38% in December after the local authority announced a get-tough policy on boycotters.

In bankrupt Brakpan, residents of the township of Tshakane paid a mere 7.1% of the total amount billed for December.

The Midrand squatter camp of Ivory Park remained a payment success story, with residents setting a new record for the area by paying 38.8%, but at the Orange Farm informal settlement, south of Johannesburg, which has a similar socio-economic profile, residents paid only 4.5% of the total amount billed.

Lenasia took a surprising dip to 53.3%, down from 84.5% in October and 67.5% in November.

The December figures are the latest available from the province, which usually publishes them about two months late.
Southern council to stop services to rates defaulters

More than R650-million is owed by various residents

BY JAMEEL CHAND

Rates and service defaulters in the Southern Metropolitan Substructure (SMSS) have until tomorrow to settle arrears or make provision with local authorities to do so, said Nisan Bolton, the head of finance and budget at the substructure.

Failure to meet those conditions would result in termination of services, he said.

"The council has no alternative but to adopt a firmer approach to the issue of service and rate payment evasion. To date, more than R650-million is owed to the council by residents and property owners in the substructure for services rendered," Bolton said.

"The South could break away from its reputation as the poorest and least developed of the four substructures in the Greater Johannesburg area was to pay services and rates,

"The council has plans to upgrade and introduce a whole range of facilities in the South but we cannot do this if the culture of non-payment is not broken."

Bolton said the SMSS had plans to sell a number of business properties. "In these cases, the council will sell properties owing more than R500,000 in arrears."

Residential properties where substantial arrears were due would also be a priority.

He said the council had devised a scheme to assist residents at the bottom end of the earning spectrum.

"The SMSS acknowledges that some of the poorest people in the country live within its metropolitan boundaries and we need to ensure that basic amenities are afforded to them," said Bolton.

He said he expected at least 30,000 residents to apply for assistance under the scheme.

As from March 15, residents needing council assistance can fill in registration forms available at all community halls and council paypoints.

"A screening process will follow and each applicant will be investigated with the help of local ward councillors and community-based organisations."

"The SMSS will then approve applications which it feels have met all the criteria set out by the council."

Bolton said two forms of assistance had been mooted, where unemployment was the cause of non-payment the applicant could do voluntary work for the council in lieu of services, or the council could provide the applicant with a limited supply of services.
Council warns of new cuts to riot suburbs

The crackdown on rate defaulters which triggered riots earlier this month in Johannesburg’s coloured suburbs is to restart next week.

The decision – announced by the Southern Metropolitan Substructure (SMSS) – coincided with the launch of a commission of inquiry into the riots in Eldorado Park, Westbury and Reiger Park, which left four dead.

The council, whose vast area of responsibility includes Soweto and part of Johannesburg’s central business district, is owed R345-million by residents and R305-million by businesses.

SMSS chairman Prema Naidoo says services will be cut from March 1, following the council’s failure to persuade non-payers to pay up.

“There is a feeling that if you’re not paying why should I pay?” Naidoo adds.

More than 370,000 residents are in arrears, he says. In Soweto, for example, just 18% of residents are paying their rates.

Among the options the council is considering is reducing water flow to non-payers – Naidoo says it is unconstitutional to totally cut off water supplies. Soweto residents pay their electricity bills directly to Eskom: A representative from Eskom says payment levels range from 65% to 80%, depending on the area – a vast improvement on levels just three years ago.

The council’s renewed tough stance comes in the same week Gauteng Premier Tokyo Sexwale opened a commission of inquiry into the riots. The troubles were partly, sparked by coloured residents’ refusal to pay, higher levels of rates than residents in Soweto.

The South West Joint Civics Association, which spearheaded residents’ opposition, refused to comment on the council’s cut-off warning.

Naidoo says the council is likely to try to assist pensioners and unemployed people who were unable to pay.

The council is also expected to focus much of its attention on business non-payers, given the reception expected from Soweto residents to mass cut-offs. The council has already issued 2,677 summonses to businesses which are in arrears, and nearly a hundred properties in the CBD have been attached.

Earlier this month the SMSS cut off electricity to the offices of the Gauteng’s local government department. The R600,000 it owed was paid the following day.
Council uses the ‘big stick’ against business defaulters

BY CECILIA RUSSELL,
RODNEY VICTOR
AND JAMEEL CHAUD

Threats of tough action by the Southern Metropolitan Substructure against rent and service-payment defaulters prompted a scramble at paypoints over the weekend ahead of electricity and water cut-offs due to start today.

Nathan Balton, head of the council’s finance committee, said paypoints were extremely busy at the weekend as consumers made arrangements for the repayment of arrears.

“Although the council was targeting, in the first month, those property owners and businesses which owe the council the largest amounts of money, the threat of tough action seemed to have filtered down to the smaller consumer, too,” said Balton.

He said the cut-offs of electricity and water to service defaulters would proceed as planned today.

But some property owners in the CBD, threatened with cut-offs, dispute the council’s actions.

“The council can expect a big backlash from the business community on their unilateral cutting off of services,” said Ian Levitt, a lawyer acting for eight property owners and tenants threatened with cut-offs.

On Friday the High Court issued an urgent interdict on the council preventing the immediate cut-off of electricity to Levitt’s clients.

“As my clients’ arrears had accumulated prior to 1994, these should have been scrapped,” said Levitt. “We also believe the council has acted unconstitutionally as it was proceeding without giving a fair hearing to the tenants.”

Between Monday and Thursday last week, it had already cut off electricity to 22 businesses.

Eighteen of those have since been reinstated following payments to the council by the account holders.

More than 2,200 businesses and residents in the southern metropolitan area have signed special credit agreements to pay more than R5.8-million in 60 months. Almost R650-million worth of rates and service arrears is owed to the substructure.

Initially, the council will be targeting businesses which owe it R500,000 or more in unpaid rates and service charges, said Balton.

There were more than 300 businesses which owed R500,000 or more, he said. Most were in the CBD.

The council intended targeting those which owed the largest sums first and would then work down to businesses and individuals owing smaller sums.

Balton said the stick-wielding approach adopted by the council has begun to show signs of success...
20 000 homeless wait for the promised land

Families languish in limbo, between officialdom’s rapid development plan and a series of court cases and objections

By Anna Cox and Cecilia Russell

The 20 000 destitute people in Greater Johannesburg who were to have received land from local councils to build houses last year are in for a long wait.

The families were expecting to start building homes with the Provincial Housing Board subsidies of R15 000 each.

But the Rapid Land Development Programme, designed by the Greater Johannesburg Metropolitan Council, appears to be having difficulty getting off the ground.

Some 5 000 families were to have been moved on to five sites (Lombardy East in the east, Liefde-en-Vrede and Mngeni North in the south and Bloubosrand and Marcellaflad in the north) early last year but a series of court cases and objections by residents have delayed the process.

There have been 20 000 objections, including from black communities, who claim property values will drop if they have shack dwellers nearby.

The application to rezone two sites that would have accommodated 970 families in Marcellaflad and 1 130 in Bloubosrand was withdrawn last year because of defective applications by the Northern council. They have not yet been resubmitted. Those two sites were allocated to squatters on privately owned land in Zevenfontein.

Almost 10 000 objections were received from residents of Bloubosrand, Craigavon, Fourways, Chartwell, Kya Sands, Broadacres and River Bend. Besides a drop in property values, residents fear water and air pollution from fires and are concerned about traffic volumes, especially from taxis.

The Northcape Local Council said consultations had started afresh by re-looking at new housing schemes acceptable to residents. A spokesman said once the consultants had completed their work residents would be invited to public meetings. If the plans were accepted the relocation would go ahead.

If not, the entire plan would go back to the drawing board or other sites would be considered.

The Lombardy East site appears to be the only one where some progress is being made. Initially, residents threatened to institute an interdict against the Eastern Metropolitan Substructure but successful negotiations have been held with residents, the displaced and the council. Workshops are under way, but the scheme is at least 18 months behind schedule.

The beneficiaries of the 770 stands in Lombardy East are former residents of Alexandra who lost homes to political violence in 1992 and who have been living in church halls and municipal buildings since.

Chaiman of the Lombardy East Residents’ Association, Jules Sher, said Lombardy would become a model for the rest of Johannesburg.

In the Southern Metro Council, the claiton of the Thembi/Ithube and Dhlamini communities has been tempered by the long wait.

Last year the council approved the townships’ applications for Mungeni North and Liefde-en-Vrede Ext 2, provided a steering committee be formed.

About 800 families living on land in Thembi/Ithube squatter camp in Lenasia and 1 200 living on a refuse dump site at Dhlamini, Soweto, are the beneficiaries.

The Thembi/Ithube community formed a trust fund to help them finance houses for the community. They approached agencies overseas for aid, but six months later the council is no closer to developing the area.

Three objections, the Natureza Task Team, the New South Community Forum and Albertton’s United Ratepayers Action Group, declared a dispute and have lodged a High Court appeal. Although the steering committee has been disbanded, an interim task team has been set up by the council to negotiate with the objections.

Chairman of the Southern council town planning tribunal, Norman Price, is hopeful the matter will be resolved without going to court.

However, attorney acting for the ratepayers, Hugo Venet, said the settlement still regarded the proposal as unacceptable.

Top-up loans for better structures should pacify neighbours

By Anna Cox

The Greater Johannesburg Metro Council has agreed to assist beneficiaries of the Rapid Land Release Programme with top-up loans of R1 250 per site, over and above the Provincial Housing Board subsidy of R15 000 to ensure the structures are acceptable to the housing residential areas.

It has made available R65 million in a housing fund for the project because of 20 000 objections from residents claiming their property values would drop.

The Greater Johannesburg Council has now agreed to set up the R65-million fund to help beneficiaries build better structures.

It will also stipulate the maximum number of houses and the maximum levels of finance, so that neighbouring property values will not deteriorate.

The council will also investigate how to use the fund to secure credit and bond financing, and if it can repeat the subsidy every year over a five-year period.
Malawi and SA sign pact on transport

Nomawo Mthathane
604/3/97

ALTHOUGH the road transport industry in Malawi was composed mainly of small operators, it was very important to the survival of the nation, Malawi Transport Minister Harry Ian Thompson said in Cape Town today.

At the signing of a road transport agreement between Malawi and SA, Thompson said Malawi was a landlocked country which relied on its neighbours for access to overseas markets.

He said that Malawi currently used the ports of Durban and Beira for its export and import trade, and a road link to the port of Durban would allow the country to diversify its access routes.

The agreement provided for the linking of the Malawi road network with the Transnet network and would increase the capacity and speed of goods movement between the two countries.

The agreement was expected to benefit the two countries through improved transport services and the creation of new jobs.

Students to march in spite of aid promises

Pearl Sobolele
604/3/97

TERTIARY students plan to go ahead with their mass action campaign despite Education Minister Shukura Bengu's announcement at the weekend that planned subsidy cuts would not be as severe as expected and that R300m would be made available for students this year.

SA Students' Congress national president Limpopo Diko said the protests were to continue until students were satisfied with the budget and that students would not be satisfied until the entire amount of R800m had been made available.

In KwaZulu-Natal the spotlight would fall on the University of Natal where the university management had made it clear it was not prepared to negotiate any further with students, Diko said.

Diko said the government was paying an announcement with a pinch of salt because subsidy cuts were the finance ministry's domain and not his and therefore his comments could not be official. "We are still waiting for a formal response from the finance ministry," he said.

The announcement was a political stunt to confuse congress members and students from planned mass action on March 18, he said.

Funds allocated for financial aid were the same as last year and did not meet students' needs, Diko said.

The allocation did not take into account increased inflation, increased student fees and the increasing student population.

University of Natal student council president Sam Thobakgala said the financial aid crisis would be partially resolved but there would still be a shortfall. Students' institutions are responsible for ensuring that returning students got funding.

The council was proposing that tertiary institutions used money from its reserves and borrowed from private financial institutions if necessary to create financial assistance.

Council to screen rates defaulters

Jacob Dlamini
604/3/97

JOHANNESBURG's southern metropolitan council announced yesterday that it would begin screening unemployed and pensioners to keep them from the crackdown targeting service and rates defaulters.

The council said it would begin by registering all those who claimed to be unemployed. They would be screened by a committee made up of a ward councillor, a social worker and community representatives.

Budget and finance committee chairman Shaun Balton said the committee would then recommend to the council what action to take. Balton said the council would investigate options such as the selling of coupons, establishment of a contingency fund, the provision of contract council employment and possible training for job creation projects.

The council began a massive crackdown yesterday aimed at recovering more than R63m owed to it by residents and businesses in the areas of Soweto and Johannesburg's central business district.

Balton said residents who were in arrears and had not paid their rates would face a deadline to clear their debts, or their properties would be evicted from their properties.

Balton said a number of businesses in the CBD owning more than R500 000 had already had their services cut off. He said the council was planning to screen 1 000 businesses a day.

Balton said service levels in the central business area had dropped drastically since the announcement of the crackdown last month. Many had entered special arrangements with the council to pay their arrears off over a 60-month period. These arrangements accounted for an estimated R6.8m.

"We expect more than 50 000 people to come through the screening process and if we catch any of the applicants lying we will immediately institute strict credit control measures without the option of 60 months to pay," Balton said.

Balton also announced that eight CBD property owners had brought an interdict against the council challenging its right to cut off services to property owners.

"We have not yet had a court order," Balton said.

According to Balton, the council had entered into a temporary agreement with the eight not to cut off their services for the time being while both parties sought legal clarification on the matter. Balton said the property owners would continue to pay the council for current consumption.

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("Megacor")

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(Prepared in terms of the Listings Requirements of the Johannesburg Stock Exchange ("the JSE")

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Pretoria denied leave to appeal
(127) C74/3/97.

PRETORIA: An application for leave to appeal to the Constitutional Court against a High Court ruling that the city council unfairly discriminated against white ratepayers by charging a flat rate to black residents, was dismissed with costs yesterday.

Mr Justice D J H le Roux, Mr Justice I W B de Villiers and Mr Justice K van Dijkhoest said there was no reasonable prospect that the Constitutional Court would set aside or alter the High Court's ruling.

The High Court found, earlier, that the city council had acted in contravention of Sections 8(2) and 17B(2) of the Constitution by charging a flat rate that amounted to cross subsidisation, selectively summoning residents on the basis of racial areas and charging different tariffs to residents in different areas who all had meters — Sepa.
Ruling adds to growing calls for that rates cuts to be scrapped.

It's only a temporary step, says local government.

By Jacqui Reeves.
CBD businesses and council face standoff

By JACQUI REEVES

A showdown is looming between the Southern Metropolitan Sub-structure (SMSS) and inner city businesses over pre-1994 election outstanding arrears.

The city property owners believe they are not accountable for arrears incurred before 1994.

Last week, the Johannesburg High Court refused a group of eight businesses an interdict to restrain the council from cutting services without a court order.

Although the SMSS is legally bound to dismiss pre-1994 residential arrears, it cannot do the same for commercial owners, says Shan Balton, chairman of the budget and finance committee of the SMSS.

The eight businesses at the centre of the wrangle are aligned to the Johannesburg Property Owners’ Association.

Within that group are landlords who own blocks of residential flats in the city’s central business district.

Balton says residential block owners claim they were unable to collect rent during the general rates boycott of the early 1990s and were therefore unable to pay their council debts.

The council says agreements are drawn up with landlords, not tenants.

Some CBD property owners claim they will not pay their rates and taxes while crime levels remain high.

Not so, says Balton. "Although those property owners have valid concerns on the levels of crime in the area, it is not a justification in terms of withholding payment."

The writing-off of debts in the old Johannesburg area, which included Lenasia, Ennerdale, the south-western areas and Soweto, cost the council over R400-million. Arrears owed to the SMSS stand at R650-million.

The council will not cut services to businesses, provided they undertake to pay current accounts until March 25, when the court decides if the SMSS has the right to cut services.
ANC summaries consist of key findings from the ANC meetings. It is important to ensure that the summaries are accurate and comprehensive, capturing the essence of the discussion. Any inaccuracies can lead to misunderstandings and issues.

The ANC meetings are held at the end of the month and are broadcasted on a closed circuit television (CCTV) system. The minutes are then reviewed and approved by the ANC members. If any changes are needed, the summaries are updated accordingly. It is crucial to ensure that the summaries are clear and concise, providing a good overview of the discussions.

The ANC executive committee is responsible for reviewing the summaries and making any necessary changes. Any issues or concerns raised during the meetings are addressed in the summaries. The summaries are then distributed to all ANC members for their review.

The ANC meetings are an important opportunity for discussing and making decisions on various issues. It is important to ensure that the summaries accurately reflect the discussions and decisions made during the meetings. Any inaccuracies can lead to misunderstandings and issues.

By Anna Cox

ANC summary, 2013
Sectional title owners up in arms over 'unfair' rating system

Outraged owners' association members approach the Public Protector to investigate council's actions under the provisions of the new constitution

There is growing anger among sectional title owners in both the Northern and Eastern Metro council areas about the "unfair" rating system among property owners and this has resulted in 97% of sectional title owners in these two areas boycotting rates payments.

Chairman of the Residential Sectional Title Owners' Association (Resto), Reg Cartwright, said owners had approached the Public Protector to investigate the legality of councils' actions under the new constitution.

Sectional title owners receive only a 36% rebate while residential owners receive a 60% rebate. This is the lowest rebate second only to government and post offices properties which receive a 20% rebate. Owners claim they pay more in rates than residential properties because of their higher land valuations.

Land value per square metre in Sandton is R81.35 for residential properties and R122.78 for sectional title with sectional title paying a premium of 51% in Randburg it is R56.46 for residential properties and R100.17 for sectional title – a premium of 77%.

Sectional title property owners who are pensioners do not receive an additional 40% rebate as do residential property owners.

Cartwright said his organisation had actively contested the unfair and discriminatory rating policy to resolve the inequities imposed on sectional title owners.

"The council's ability to amend their policies is indicative of their intention to impose a political will on a section of the community above their desires and interests of those people," he said.

He said he was amazed at the rate at which sectional title complexes were joining Resto, particularly in the northern council area where valuation increases were being contested. The exponential growth in membership had placed Resto in a strong position to challenge the pensioner remission and rebate inequities, he said.

Resto had recently conducted a survey among 10% of owners and found that 52% of owners had chosen to limit their payments to old rates plus 20%, 25% were paying no rates at all, 20% were paying old rates and services only.

All returns had been kept on file as evidence should the council wish to dispute the intensity of the boycott and continue to assert its "pathetically inaccurate view that the boycott had collapsed", said Cartwright.

"The fact that only two complexes are paying the full amount levied by the council is indicative of the anger and resentment of the community towards the council's new rating policies," he said.

Resto had submitted proposals to the Sandton task team convened by MEC for Local Government Sicelo Shiceke on how to end the rates' boycott.

Cartwright said the proposals had been very well accepted, and the task team had agreed to consider them.

Repeated attempts to contact council officials proved unsuccessful.
Showdown looms over power cuts

By Joshua Raboroko

A MAJOR showdown is looming between black business and four Greater Johannesburg metropolitan local councils after the decision to cut off electricity supply and services to hundreds of enterprises, particularly black residential areas.

The decision was taken by the Greater Johannesburg Metropolitan Council, which is owed more than R1.4 billion for rates and services.

The cut-off, which has already started in some parts of the Johannesburg central business district, will continue unless consumers, and businesses pay their arrears.

GIMC says legal action is also being taken against business owners.

Several businesses have found themselves without electricity, while others are fighting legal battles to protect their properties.

Soweto businessman Thabang Makheha says they are negotiating with the council to include businesses in the 1994 agreement to scrap arrears in the townships.

“According to the agreement reached between President Nelson Mandela and former president FW de Klerk, all arrears were scrapped.

But the agreement, says Southern Metropolitan Local Council’s (SMLC) budget and finance committee chairman Shan Balton, did not include arrears affecting the businesses in these areas.

“We will fight for our rights until a compromise is reached. We are part of the community in Soweto and should not be discriminated against,” argues Makheha.

Court order

Balton has warned “debtors who cannot pay off arrears immediately to make arrangements to pay or face prosecution.”

Meanwhile, nine property owners who had electricity at their premises cut off were given temporary reprieve after obtaining a court order restraining the SMLC from discontinuing services in Johannesburg.

The property owners claim the council did not inform them in good time.

A Johannesburg High Court judgment on the issue is expected on March 25.
Southern council offers rates amnesty to destitute

Municipality decides to get tough with the 'haves' and show leniency to the 'have-nots'

BY FIKILE-NITESHELELO
MOYA
City Desk

The Southern Council has announced venues where desperately poor people who cannot afford to pay their rates and services can register for a rates amnesty.

The announcement comes after the council decided to get tough against people who could afford to pay for services rendered by the council, but did not.

Last month, it adopted a resolution to deal with people who were genuinely destitute and could not afford to pay their rates.

Several businesses in the Johannesburg inner city area have already had their electricity cut off and property attached for failing to pay for municipal services.

Households owing council monies were expected to be treated in the same way after the council had put measures in place to identify those who could not afford to pay.

Head of finances at the council, Shan Balcon, said people who lived solely on government grants, pensioners who lived alone and "those who lived through their own ingenuity" would be screened.

Balcon said it was difficult to put a monetary figure on what the council termed "really needy" because financial obligations of people differed despite having similar incomes.

"Although the council has not yet decided how it will help the really poor, it would consider asking those who are healthy and able-bodied to volunteer to perform community services like sweeping streets," said Balcon.

The "really poor" would have to bring along their unemployment insurance cards or a medical certificate or a letter from a church or welfare organisation testifying to their plight.

Balcon said the council would penalise people who pretended they were destitute by withdrawing the option to pay their arrears over 60 months and having their services suspended immediately.

People who need to register for the amnesty can call at the nearest council office.

Registration begins on Saturday and will go on for another two Saturdays until March 29.
Lies, poor policing blamed for Eldorado chaos

BY CECILIA RUSSELL

The South Western Joint Civic Association's manipulation of misinformation in communities and an ill-prepared and trigger-happy police force were the major contributors to the Eldorado Park conflict on February 6, said submissions this week to the Froneman Commission of Inquiry into last month's violence in Johannesburg's predominantly coloured areas. The clashes, which left three people dead and scores injured, occurred during a stayaway organised by Soweto.

Theo Burgers, on behalf of the Gauteng Secretariat for Safety and Security, said police preparation and their reaction on the day had been inadequate. Although they had been warned at least a week before of the possibility of violence, they were under-equipped and lacked the manpower to deal with the situation, he said.

The problem was exacerbated by hostility and the lack of communication between Eldorado Park police and the Soweto Public Order Policing Unit.

There had been a public confrontation between two officers when the Soweto police responded to stone-throwing with teargas and rubber bullets.

Mogammad Fish, for the Eldorado Park Muslim Council, said the police had acted provocatively towards the crowds and discharged teargas and birdshot at will.

At the Green Mosque in Eldorado Park's Extension 2, police had discharged teargas canisters into the building while the congregation was at prayer at 8pm. They had then fired on the congregation, killing Faad Nicholson.

"The mosque is situated in a quiet street where no occurrences of violence or rioting took place," Fish said.

Lack of leadership from Soweto had also contributed to the violence, and hardly any marchers were on hand.

The organisers of the protest action displayed a shocking lack of will in controlling the violence of the crowds," he said. Alcohol and hooliganism had fuelled an already volatile situation, he added.
123,000 houses 'are in production'

Lukanyo Mnyanda

THE housing ministry should have issued about 500,000 low-cost housing subsidies this year when delivery should have accelerated enough to push the number to 200,000, according to the BMI Building Research Unit.

The unit's quarterly review of the housing sector notes that 123,000 houses in production were being handed over at a faster pace and that 74 houses were being completed in the first quarter of this year, with other houses under construction.

In the fourth quarter, 40% of respondents expected improved conditions over the next six months.

Contribution

Lewa said the survey of the emerging sector showed housing costs ranging between R25,000 and R50,000 as an important source of growth this year, although this view was more prevalent among emerging contractors.

According to the emerging sector, the established sector expected that houses in the R65,000 to R150,000 bracket would be their main source of growth, while townhouses and cluster homes were also set to make a healthy contribution.

Lewa said both the established and emerging sectors generally expected conditions to improve by up to 5% this year, with the emerging sector slightly more confident.

Building costs, which were seen to be very high, were still a source of concern for both sectors of the market and most respondents believed that building materials price increases had exceeded the inflation rate.

Confidence was also suffering from perceptions that corruption, an ineffective public service, and government were still the norm.

Continuing perceptions that SA was still a divided country added to the respondents' negative views and they did not contribute to the nurturing of a positive self-image and an investor environment.

Jospe Ballenger

MIDRAND had achieved one of the best records in SA during the 12-month-old Masakhane campaign, having stepped up its collection of service payments from 3% at the campaign's launch to 30% in the December-to-February quarter, officials said at the weekend.

In the greater Midrand area, Masakhane — a national campaign to implement services in disadvantaged areas, and combat rates boycotts — was applied to Ivory Park township, which has a population of 30,000.

December was the highest-yielding month, as 41% of Ivory Park's 15,000 formal rates paid for their services. The residents were charged R31 a month.

To date the Midrand local council had collected about R382,000, and council executive committee chairman Alan Dawson said that the council would be allowed to install street lights, parks and undertake job skills training.

However, at an awards ceremony in Ivory Park on Saturday, Dawson said 60% or R2,5m still needed to be collected to realise the council's goals.

"We have collected nearly R1m, but R2,5m is not with us," he said, noting that an additional R5m would be needed to complete serious work.

Ivory Park leads the way in Masakhane campaign

Ivory Park has very little by way of infrastructure, Dawson said. Only 20% of residents had flush toilets and individual water points, while 60% used a septage tank system, which was expensive and inconvenient.

Dawson described the situation in Ivory Park as "totally unacceptable", given the geographical strata of Ivory Park, and shared water taps, emergency and waste removal services were not available throughout the area.

Dawson credited the improvement in payments to council interaction with the community. "Because of the lack of services, we have turned payment for services into developmental rounds, which allows the community to reinvest its money directly into the community.

SA cities to vie for investment

Nicola Jervey

MARTIZBURG — The constitution, which transfers the responsibility of regional development to local government, has forced cities to look at their competitive advantages when competing for fixed direct foreign investment, said KwaZulu-Natal Finance and Investment Corporation's executive economist Dana Moore.

Addressing the annual KwaZulu-Natal marketing initiative, Moore said there was a concentration of fixed direct investment in the trading blocks of Europe, southeast Asia and the US.

In 1994, Japan, the US and western Europe attracted 86% of the world's fixed direct investment, followed by developing countries (37%) and eastern Europe (3%) in Sub-Saharan Africa and New Zealand each attracted $1.5bn, translating into 1.7% of the investment pie.

Moore said one advantage of encouraging local governments to assess their competitive advantages was that the affected communities would become more familiar with their own environments.

Investment SA CEO Rafiq Bugus said SA did not have the time or manpower to use "the shotgun approach" to attract investment, and that it would be more effective to focus on Malaysia and Scotland annually spent more than $500 each on attracting investment, but SA constraints forced a more targeted approach.

Reviewing the KwaZulu-Natal initiative's targets for the year, initiative chairman Piet Marais said there would be more emphasis on increasing investment in the food and beverage sector.

During 1995/96, the initiative attracted 35 new projects worth R176m to the province and 15 projects valued at R147m last year.
Incentives for rates and services payments

By Bongive Mlangeri

In an effort to encourage East Rand township residents to pay for council services, prizes worth more than R100 000 have been made available for the best paying households.

The introduction of incentives for services payments was part of a new Masakhane programme launched in Katlehong, Tokoza and Vosloorus (Katorus) at the weekend.

Alberton mayor Nomusa Maseko said the aim was to increase levels of payment to more than 90% by December.

Service payments are currently below 25%. The area is run by three councils.

She said the innovative Masakhane programme would complement the Katorus special presidential project, responsible for upgrading the area's infrastructure and housing.

'Special project manager Thembisile Maluleke said residents' levels of payment would be evaluated every month and the five best-paying residents would each win a cash prize of R10 000 when the competition ends in three months.

'Every month, residents also stand to win small prizes for paying their current bills.'

In addition, 20 Katorus schools will compete in a debate on how local government should function.

'The best school will win R10 000 and all entrants will be awarded two trees. The incentive competition is sponsored by Absa Bank.'
GJMC gets tough on defaulters

By Joshua Raboroko

The Greater Johannesburg Metropolitan Council is to take drastic action, including dismissing some councillors who do not pay their rates and services, a council briefing was told yesterday.

The council will announce the names and the action to be taken against defaulting councillors during its monthly meeting next week.

Chairman of Johannesburg Southern Metropolitan Local Council’s (SMLC) finance committee Mr Shaun Balton said there were councillors who did not pay their tariffs. Most have paid but some have not, despite warnings.

Defaulting councillors have been summoned to appear before the council executive to make payment arrangements or face drastic action, including being sacked from their positions.

Masakhane campaign

Balton said it was not proper for councillors to join the hundreds of residents who were still not paying for services. Their actions were not in line with the spirit of the Masakhane campaign. Sources have disclosed that the GJMC was about R1.5 billion in arrears and was losing approximately R50 million a month as a result of non-payment of services over the past months.

GJMC’s finance executive Mr Eugene Robson said the arrears were huge but the council was doing all it could, including introducing stringent credit controls such as cutting off services, to save the situation.

Balton said the council would take various measures, including sending summonses and warnings to consumers, before cutting off services or attaching defaulters’ properties.
Police did not act like cowboys during rates riots, inquiry told

By Cecilia Russell

Aggressive crowds fuelled by alcohol influenced police reaction during the rates riot in Eldorado Park last month, according to evidence presented to the Froneman Commission of Inquiry.

Soweto public order unit chief, Superintendent John Facer, said information based on intelligence received before the stayaway, previous experience police had in dealing with crowd control in Eldorado Park, and talks with the local police station's staff had led them to prepare for the possibility of violence and intimidation during the stayaway.

Contrary to testimony given earlier by the South Western Joint Civic Association (Soweto), intelligence reports received by the unit had indicated a well-formulated strategy by the civics to set up barricades in the area because they wanted to prevent residents from going to work, Facer said.

Attempts by police to remove the barricades had led to violent behaviour and stone-throwing, which the unit had quelled with the use of teargas and rubber bullets.

At 7.30am, police could already smell alcohol on the breath of many of the participants, he said.

Far from using cowboy tactics, inciting violence and shooting unnecessarily at innocent supporters, as was earlier alleged by Soweto leader Basil Douglas, the police operation had been a finely tuned and well-planned exercise that had adapted its methods as the initially peaceful crowd turned into an aggressive, violent crowd without any clear leadership, said Facer.

This had led the police unit to change tactics and call for backup from other units.

At mid-morning as the crowd moved towards the Caltex service station in Eldorado Park – scene of the worst conflict between police and Soweto supporters – incidents of looting, stone-throwing and shooting were reported. Police retaliated by firing teargas, birdshot and rubber bullets.

Later, when police were shot at by unknown gunmen with an AK-47, fire was returned at the perpetrators, said Facer.

The inquest continues today.
### SA's homeless design low-cost houses

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<th>PLASTER (internal)</th>
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**DOORS AND WINDOW FRAMES** (doors and glazing not included)
- Doors: R700.00
- Glazing: R250.00
- Ceiling: R324.65
- Electrical: R200.00
- Plumbing and Fittings: R950.00
- Painting: R250.00
- Miscellaneous: R125.45

**PROJECTED TOTAL:** R9 847.68

- This price does not include labour costs or any possible future discounts.
- The cost is cut by using second hand material, eg door frames etc.
- Average size of house: 62sq m.
- Labour comes from the community.

### Building bigger for less without the government subsidy

**By Mongezi Mlangeni**

A group of East Rand residents is building comfortable homes without using the government housing subsidy, and proving that more can be achieved with less than R15 000.

The residents of Vosloorus Extension 20 are replacing their corrugated-iron shack with brick and mortar houses costing not more than R10 500.

The houses vary from two-roomed to four-roomed structures and are far bigger than the “one-room and a toilet” plan built with the R15 000 government housing subsidy.

Calling themselves Luthando Housing Saving Scheme, the community has completed 36 houses, and 25 more are under construction.

“The solution is to let the community build the houses themselves, the way they want,” said residents’ spokesman Makgotla Mokoena, who helped to start the Luthando scheme.

“The idea is that people should save every day. Then my neighbours help me lay bricks for my house and, when it is complete, I help them build theirs.”

The Vosloorus group is one of several communities countrywide which has joined the Homeless People’s Federation and has opened a joint savings scheme.

The federation was initiated by People’s Dialogue, a non-governmental organisation which promotes self-reliance in poor communities and helps people build houses using their own money and labour.

The organisation also has a loan fund called Ulitham, meaning grass, to make it easier for the poor to access extra finance.

Over 600 savings schemes are held and managed by communities, which have built about 900 houses over the past two years in seven provinces.

People’s Dialogue administration director Lunakatsi Namo said the ability to save money and share existing skills in the community had brought a sense of pride to many poor people.

Only members who prove to be thrifty are recommended for small loans with a maximum interest of 2% Namo said.

“We are having difficulty accessing the (government) subsidy scheme because it favours private builders (rather) than people who are building for themselves,” Various Mbathana, a grandmother of two, remembers when she had only 20c to save.

“It grew to R1 until I had R250 with the savings scheme,” Mbathana said.

Today Mbathana owns a four-roomed house on 72sq m, with a kitchen, two bedrooms, a lounge and a bathroom.
"Act flouted during violent stayaway"

By Cecilia Russell

The South Western Joint Civic Association (Soweto) admitted on the final day of hearings of the Froneman Commission of Inquiry yesterday that it failed to comply with the Regulations of Gatherings Act (127).

The act lays down certain minimum requirements for the organisers of a large gathering or march. Soweto lawyer Magesh Moodiyar said he was not sure if the act applied to a stayaway, but if it did then "appropriate steps should be taken" against Soweto leader Basil Douglas and his organisation. He said the act had not been followed because Douglas was not aware of its contents.

Moodiyar was presenting the final arguments of Soweto at the commission into the causes of violence in Eldorado Park, Reiger Park, Noordgesig and Westbury during a stayaway on February 6.

Douglas had tried to avert the stayaway. Because no witness had testified otherwise, the commission had not heard any hard evidence to prove he had misled the community, Moodiyar said.

Mr Justice Johan Froneman will make his final report to Gauteng Premier Tokyo Sexwale on April 8.
Council's authority questioned in court

BY CECILIA RUSSELL

Johannesburg businessmen have told the Johannesburg High Court that the Eastern Metropolitan Substructure had no legal right to force its ratepayers to pay the same rates as the three other councils in the Greater Johannesburg area.

On the first day of the hearings into the Sandton rates dispute, DJF Osborn, acting on behalf of Fidelity Life Assurance, Liberty Life Association, Momentum Property Investments and others, said the constitution made provision for uniform rates to be levied only within a local authority or substructure, and each metropolitan substructure "was empowered to define its own rates."

"This is not the same as saying the same rate in the rand should be imposed by all substructures," said Osborn.

The Greater Johannesburg Transitional Metropolitan Council (GJTMC) had acted outside its authority when it imposed a levy on the Eastern Metropolitan Council of R438-million to help fund the Southern and the Western substructures, which were in deficit. The R438-million levy amounted to about a quarter of the Eastern substructure's income of R1,16-billion.

The Local Government Transition Act had allocated new and wider-ranging functions to the substructures while limiting the functions of the GJTMC. In terms of this legislation, which came into effect after the local election in November 1995, the TMC had the legal right to impose a levy on substructures only to exercise its powers and its functions. It did not have the power to subsidise other metropolitan substructures, or to make grants to other substructures, Osborn told Mr Justice E Goldstien.

The act further states that all contributions to the TMC should be equitable, each substructure providing the same percentage of its income to the TMC, to be levied on the basis of a formula.

"The GJTMC was not created to fund other local authorities. If there are poor local authorities, these may have to look at other sources of income," said Osborn.

The case continues today.
Three Gauteng local councils now bankrupt

Government has to rescue many others broke because of billions in unpaid rates

By Joshua Raboroko

Three out of the 51 Gauteng local authorities which are owed R3.6 billion in unpaid rates and services have collapsed, provincial MEC for development planning and local government Mr Siselo Shicela said yesterday.

He declined to disclose the names of the three local councils for fear that they might not get loans from banks to pay their debts. They are believed to owe millions of rands.

Shicela said 51 local councils were owed R3.6 billion by communities in Gauteng by September last year, but the debt was reduced to R3.3 billion by March this year as a result of improved payment in various areas.

The provincial government supported credit control measures that have been undertaken by a number of local authorities. It also applauded residents who have come forward to pay their services and called upon all communities to do the same.

Some of the hard-hit areas, including Soweto, Sebokeng, Tembisa, Tshwane, Vosloorus, KwaThema, Katlehong, Kagiso and Khutsong, showed a marked improvement in their payment levels.

Shicela said the government would support local authorities that cut off essential services to defaulters, adding that properties would be attached and sold on auction if residents did not pay from a date still to be decided, possibly before June.

He would introduce legislation making it compulsory for defaulters to pay for services, saying “we are in business and cannot afford to lose money because people do not want to pay.”

The authorities are to assist Government to identify those who cannot afford to pay and help collapsing and destitute local authorities to survive through an intergovernmental grant of R295 million.

Discussions were underway for this process to be introduced nationally by April 22.

The Department of Constitutional Development and Provincial Affairs in conjunction with provinces has embarked on “project liquidity” to investigate the financial and administrative viability of local governments.

Civil servants and politicians, including Deputy President Thabo Mbeki, have signed a Masaikane pledge to pay for services.
'Robin Hood' policy slammed by advocate

By Michael Sparks

South Africa did not have a "Robin Hood constitution" that allowed the robbing of the rich to pay the poor, Peter van Blerk SC told the Johannesburg High Court yesterday.

Van Blerk was arguing that the Greater Johannesburg council had overstepped its mark by increasing rates in the Eastern Metro Council to subsidize other areas.

He was arguing for the group of 10 Sandton commercial property owners who are seeking to over turn the budget of the Eastern and Greater Johannesburg councils, which increased the rates of many Sandton businesses by nearly 400%.

While conceding that one of the ideals of the country's new constitution was to redress past wrongs implemented during the apartheid years, Van Blerk maintained that it was not the function of the Greater Johannesburg Transitional Metropolitan Council to dictate to the municipalities what rates they should be charging residents.

By increasing the rates, the Johannesburg council was trying to raise a levy of R438-million from the Eastern council to help subsidize the Western and Southern councils.

Van Blerk also called on Mr Justice E Goldstein to consider not just the implications and possible problems overturning the budget would have for the council, but also the implications of not overturning the budget for pensioners and those who were only just making ends meet.

He said that in an affidavit, DP councillor Mike Morarity had indicated that no money had been paid by the Eastern council to the Johannesburg council.

But recent information indicated that although no formal levy payments had been made, money had been transferred. Van Blerk told the courts.

"Surplus funds" from the Eastern council had been used by Johannesburg because there had been an "integration" of funds from the two councils, although it was unclear why or how much money was involved, he said.

The case continues.
Gauteng to get tough on defaulters

BY TROYE LUNDA

Extreme measures to make Gauteng ratepayers fork out the R3.3-billion outstanding on services, as well as steps to turn local authorities into more cost-effective bodies, were announced yesterday.

The province’s 51 local authorities are also being audited to establish their financial viability and how wisely they are spending money.

Where and how society can be trained to partner councillors in management and development, instead of using expensive consultants, is another key element of the 1997 Masakhane strategy announced yesterday by Sceko Shocsea, MEC for Development Planning and Local Government.

While Gauteng has undertaken to subsidise those who genuinely can’t pay, harsh credit control measures will mean ratepayers who can afford to do so will risk losing jobs, property and even homes for not paying.

These steps come amid reports that payments, although up in some areas, are still too low.

Soweto has improved from a 14% rate of payment last September to 25% in February this year.

Payments in Kagiso, Krugersdorp, improved over the same period from 7.4% to 25% and in Vosloorus, Boksburg, from 22.4% to 31.6%.

By enforcing credit control measures and “convincing” business, trade unions, non-governmental organisations and parastats to sign legally binding pledges, Shocsea hopes payment across the province will rise by 10% every month from May.

Non-payment will result in services being cut, Shocsea said.

Local authorities have started attaching belongings and confiscating property to recover money from those who have refused to start paying or complying with a five or 10-year plan to pay arrears.

Besides having their names published in a monthly report, defaulters may find their employers agreeing to dismiss them after a certain amount of time.

“We are not playing dice. We are going to do it. We must recover costs,” Shocsea said after launching the campaign and plans to boost financial and administrative capacities of local authorities.
Rates rejig 'theft by consent'

BY MICHAEL SPARKES

The redistribution of rates from wealthy to poor municipalities was not stealing, but "theft by consent," the Johannesburg High Court heard on Friday.

Clive Cohen SC, appearing for the four Johannesburg metropolitan substructures, told Mr Justice E. Goldstein that the decision to move money from the wealthy councils to subsidise the poorer ones had been taken "transparently" and through a number of committees.

In taking the decision, the Johannesburg Metropolitan Council had not itself decided to impose the levy to subsidise the poorer southern and western substructures with money from the richer northern and eastern substructures. The decision had been taken jointly, with the agreement of all the substructures, Cohen said.

The legality of the council's decision to impose a R438 million levy on its eastern metropolitan substructure is being challenged by a group of Sandton commercial property owners who object to paying towards the levy.

Cohen argued that the areas within Greater Johannesburg were economically interdependent and that an aim of the proposal was to provide money to allow the areas to become more equal than they had been in the past, as demanded by the constitution.

It was not important for the final result to be equal, but for the structure and foundation of the system to be equal. Drawing an analogy with the tax system, Cohen said the structure and foundation of the tax structure was the same, even though wealthy people paid more taxes than poorer people.

Cohen said that should the 10 Sandton businesses succeed in their application to have the metropolitan budget overturned, it would have "devastating consequences" for all four substructures and for the metropolitan authority.

Consequences could include the possible closure of certain facilities as well as a massive increase in rates levied by the southern and western councils, possibly as much as double.

The case continues today.
Inner-city boycotts not
the norm, survey finds

BY NADINE SCHOEMIE
City Editor

Contrary to an image of wholesale problems between landlords and tenants in Johannesburg’s CBD, only 800 of the estimated 112,000 people living in the city are involved in rent boycotts, a new study has found.

According to a survey by the Inner City Housing Trust, a company which provides bridging finance for housing projects in the inner city, the reality of a city in turmoil does not square neatly with the popular perception.

“There is this popular perception that tenants and landlords in the inner city are always at each other’s throats and that tenants are highly politicised and involved in boycotting rental and service charge payments. The reality is quite different,” said Michael Oelofse, a housing expert who wrote a report on the study.

The survey was conducted to gauge the extent of city housing problems. It showed that most city centre tenants are not members of a tenants’ organisation, such as Actstop, the Johannesburg Tenants’ Association or the SA National Civic Organisation.

Oelofse said “These results are of extreme importance in countering the view that inner-city residents do not pay their rent.”

In spite of the small number of boycotts, inner-city residents, there were some conflicts, he added. These needed to be resolved, especially because they fed misperceptions.

Brian Levenson, managing trustee of the National Housing Forum, said “Some landlords and tenants don’t accept their obligations and you often hear them baying for each others’ blood. Where this happens, some kind of intervention is needed.”

This intervention materialised towards the end of last month when the Gauteng legislature passed the Residential and Landlord Bill. It provides for the establishment of a dispute resolution board which will have the power to investigate complaints, subpoena landlords and tenants, and solve disputes through mediation or arbitration.

The board will also be able to impose penalties on landlords or tenants who are deemed to have behaved unfairly.
Rates hike in accord with constitution, council says

By TARVIN LAMBERT
May 8 1997

Massive rates increases imposed by the Greater Johannesburg council on Sandton residents and businesses were in accordance with the country's new constitution, the Johannesburg High Court heard yesterday.

A rates increase of up to 385% imposed by the council in June last year is being contested in court by 10 large Sandton property owners.

They say the council adopted a "Robin Hood" approach when it increased the rates in the "richer" Eastern and Northern councils to subsidise development in the "poorer" Western and Southern areas.

Bob Wise SC, representing the four councils, told Mr Justice E Goldstein yesterday that the council could not provide all the services laid out in the constitution if it did not have the autonomy to establish its own priorities and allocate the necessary resources to them.

"By agreement there was to be a common tax base, and the revenue would be divided and deployed to meet the needs of the metro as a whole," Wise told the court.

Clive Cohen, SC, also appearing for Greater Johannesburg's councils, earlier argued that Judge Goldstein should interpret the legislation governing the running of the metropolitan chambers in conjunction with the new constitution, which emphasises the need for equality and the need to redistribute wealth from richer to poorer areas.

Cohen said the first right in the Bill of Rights dealt with equality, and that it was also the focus of the constitution's preamble and afterward.

The 10 firms want the budget to be set aside and the new rates charges to be overturned.
Jo’burg councils to conduct audits on lost water

Wastage has been reduced significantly since municipalities had to pay higher tariffs

By Bunty West

Johannesburg’s councils will soon conduct comprehensive annual water audits to establish where "unaccounted for" water is being lost.

Officials are reluctant to commit themselves to exact figures, but confirmed that 3,900 pools could be filled, or more than 22 million toilets flushed, with the amount of water that is "unaccounted for" in Johannesburg every day.

The Department of Water Affairs and Forestry announced drastic measures to tighten up controls of water consumption last week.

Local authorities will be required to undertake comprehensive annual water audits and some have already started in the Johannesburg metro area.

National water regulations are also currently being drafted to provide a common approach to water conservation throughout the country.

Final figures for water lost in Johannesburg would be released when the audits had been completed, spokesmen for the councils said.

The lost water has huge financial and economic implications, George Constantinides, head of water demand management at Rand Water, said.

"If local authorities cannot account for the water they bought, they have to retrieve the money in some way and may increase the tariffs residents pay. The issue is transparency. We have to know that councils are doing enough to combat unaccounted for water;" he said.

Water that is lost is not necessarily the same as wasted water. Water cannot be accounted for when meters are inaccurate, when people illegally tap into reticulation mains or use fire hydrants for personal use, when local authorities use water for watering parks, or test fire hydrants without keeping tabs on their consumption.

Enough for 22-m flushes daily goes missing

Outdated plumbing, faulty valves and hydrants, and leaking reservoirs also result in unaccounted for water.

Rand Water chief executive Vincent Bath said: "This time last year, Gauteng’s unaccounted for water figure was estimated at 50% in some areas, but this has been reduced since we imposed higher tariffs on municipalities which could not account for their water losses."

Part of the reason for the reduced water wastage is that the R20-million levy collected from municipalities by Rand Water has been ploughed into poor communities to update old meters and pipes, and to train plumbers to look for leaks.

Nearly 30%, or 30 million litres a day, of all water supplied to the Western council by Rand Water was unaccounted for, and the situation of the other councils is not much better.

In the Northern council, the older areas of Randburg and the north-west have very little unaccounted for water. Kurt Rohner, in charge of water at the Northern council, said between 6 and 9% was lost — a figure similar to that of London. But in the Diepkloof area of Soweto, losses were estimated to be as high as 30%.

"We have embarked on an expensive campaign to install and replace meters as many homes are charged a flat rate for services," Rohner said.

Eastern council spokesman Keith Peacock said all the water in his area was accounted for: "We know what we buy and we know what we charge to consumers. There are losses, but the council has embarked on a major capital programme to ensure that water losses are minimised."

Southern council water spokesman Connie Ras said: "On average about 14% of our water is unaccounted for. We are busy upgrading and renewing water mains at an annual cost of R10 million and this will take at least six years."

By Bunty West

Johannesburg’s councils will soon conduct comprehensive annual water audits to establish where "unaccounted for" water is being lost.

Officials are reluctant to commit themselves to exact figures, but confirmed that 3,900 pools could be filled, or more than 22 million toilets flushed, with the amount of water that is "unaccounted for" in Johannesburg every day.

The Department of Water Affairs and Forestry announced drastic measures to tighten up controls of water consumption last week.

Local authorities will be required to undertake comprehensive annual water audits and some have already started in the Johannesburg metro area.

National water regulations are also currently being drafted to provide a common approach to water conservation throughout the country.

Final figures for water lost in Johannesburg would be released when the audits had been completed, spokesmen for the councils said.

The lost water has huge financial and economic implications, George Constantinides, head of water demand management at Rand Water, said.

"If local authorities cannot account for the water they bought, they have to retrieve the money in some way and may increase the tariffs residents pay. The issue is transparency. We have to know that councils are doing enough to combat unaccounted for water;" he said.

Water that is lost is not necessarily the same as wasted water. Water cannot be accounted for when meters are inaccurate, when people illegally tap into reticulation mains or use fire hydrants for personal use, when local authorities use water for watering parks, or test fire hydrants without keeping tabs on their consumption.

Outdated plumbing, faulty valves and hydrants, and leaking reservoirs also result in unaccounted for water.

Rand Water chief executive Vincent Bath said: "This time last year, Gauteng’s unaccounted for water figure was estimated at 50% in some areas, but this has been reduced since we imposed higher tariffs on municipalities which could not account for their water losses."

Part of the reason for the reduced water wastage is that the R20-million levy collected from municipalities by Rand Water has been ploughed into poor communities to update old meters and pipes, and to train plumbers to look for leaks.

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Southern council water spokesman Connie Ras said: "On average about 14% of our water is unaccounted for. We are busy upgrading and renewing water mains at an annual cost of R10 million and this will take at least six years."
Council’s tariffs ‘constitutional’

THE tariff structure used by the greater Johannesburg metropolitan council to decide rates and taxes was in line with the constitutional principle of equality, senior counsel Chye Cohen told the High Court yesterday.

Cohen, who is representing the council in its court battle against a group of Sandton commercial property owners seeking to have its budget set aside, said the new tariff treated individuals the same way.

Cohen said while the new scheme did not treat the four substructures making up the Johannesburg metro identically, it did treat them equally in that all were required to pay a rate of 6.45 cents in the rand.

The property owners are challenging the R438m levy imposed on the eastern metropolitan substructure (which includes Sandton) and an increase of up to 38.5% in area assessment rates.

The levy is used to subsidise the southern and the western metropolitan councils, both of which include sections of Soweto.

Cohen said the property owners’ application would place the revenue base of local councils in jeopardy.
'Crisis for local govt if court rules for Sandton businesses'

STAFF REPORTER

Greater Johannesburg local government would face a financial crisis if the High Court found in favour of 10 Sandton businesses seeking to set aside the recent rates hike, the High Court heard yesterday.

Legal counsel for the Greater Johannesburg Metro council told Mr Justice E Goldstein that, if the rates levy was set aside, the Eastern Metropolitan Council would be deprived of all assessment rate income pending the approval of a revised rate. It would also be required to refund the rates already paid.

"Neither national nor provincial government is likely to tide the EMSS over its budgetary crisis," said senior counsel Clive Cohen.

Failing such intervention, it was unlikely that the EMSS would be able to raise sufficient funds to compensate for lost rates revenue and so prevent local government collapse.

Earlier, the court heard that the call for "one city, one tax base" did not apply to Greater Johannesburg as a whole, but to the four councils within it.

The legal team representing 10 major Sandton property owners who have taken the councils to court over rates increases told the judge yesterday that the area, including Alexandra and Sandton, should be seen as "one city and the individual cities which make up the Johannesburg metropolitan area should each have its own "tax base".

The team was arguing for the rates increase of up to 35% to be set aside because the council had adopted a "Robin Hood" approach, taking funds from the wealthier councils to help the poorer councils.

Peter van Blerk SC, acting for the Sandton ratepayers, was reacting to an argument put by Rob Wise SC, for the city council, who said the original structuring of local government was based on the premise of "one city, one tax base" implying that money would be taken from the wealthier areas to subsidise poorer ones.

The 10 Sandton companies are also seeking to have a R438-million levy imposed by Greater Johannesburg on the Eastern Council set aside. The levy was the Eastern Council's budget surplus.

The case enters its seventh day today.

Man injured by explosion on farm loses arm

BY JAMEEL CHAUD

The Zimbabwean farm labourer who triggered an explosive device with his pick on Monday while working at the Waterplas farm near Messina in Northern Province has lost an arm.

Petersburg Hospital said last night that Baghriyat Cham had lost his right arm. He also suffered head and chest injuries.

Cham and six other Zimbabweans were clearing bushes when the explosion took place. His colleagues sustained only slight wounds.

Police could not yet confirm whether the device was a landmine.
‘Comic budget’
goesto court

The Sandton ratepayers' revolt is gaining momentum as 10 businesses take the local council to court, reports Ferial Haffajee

The country's most costly rates revolt in one of its richest municipalities — the Johannesburg suburb of Sandton — is now in its ninth month.

And the protest has found a new battleground in the past two weeks as captains of Sandton industry hauled the area's local council, responsible for Sandton and surrounding suburbs, into Johannesburg's High Court, charging that it illegally levied millions of rands in rate hikes to finance the area's prosperous affluent lifestyle.

Sandton is responsible for half the rates raised in Greater Johannesburg.

The protesters' planning station is a small but well-equipped office in one of Sandton's many shopping centres. The tools of struggle copied from the boycotters of old are everywhere — the hard-hitting posters hunging the walls, the constantly ringing phones, the well-used copying machine to keep up the media propaganda war, and the stalwart who keeps it all together.

John Lambson has been involved in municipal affairs for longer than he can remember. Like others, he got a shock last year when the rates bill for the townhouse he lives in increased from R137 to R331 a month.

Negotiations with the hapless new councillors came to naught in a suburb where residents are accustomed to being listened to by the old council.

John Lambson: 'There was little or no consultation. Instead all we got was this comic budgeting.'

'Region A' council source.

The protest is a powerful reminder that Sandton's ratepayers are not alone in their battle against municipal rate hikes.

In August last year, 10 leading Sandton companies, including Liberty Life and Foschini, stopped paying the increase and decided to take the council to court.

Now they've asked the court to throw out the local council's budget. Critics say that business stands to save millions from the protest. They point out that Sandton's lower rates were a factor in attracting the many businesses away from Johannesburg's central business district.

The case also mirrors the urgent need for new ways of funding local government.

Lawyers for the 10 businesses argue that their rates increases were not based on factual information and that the council did not have the power to levy a new rate on resident and business owners.

‘Sandton enjoyed an indirect subsidy to the rich. We're not even talking about a progressive tax here’

A council source.

The rate hikes in the region are a reflection of the government's policy to raise revenue at the expense of the poor.

Sandton residents are not alone in their battle against municipal rate hikes. In August last year, 10 leading Sandton companies, including Liberty Life and Foschini, stopped paying the increase and decided to take the council to court.

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Sowejoca found most to blame for violence

BY CECILIA RUSSELL, MIEKE MASIPA AND SAPA

The South Western Joint Civic Association (Sowejoca) is considering legal action against the Froneman Commission, which yesterday found the organisation primarily to blame for the violence which racked Johannesburg's formerly coloured areas earlier this year.

Sowejoca leader Bence Douglas labelled the findings "biased" and an "insult" as it effectively exonerated the police.

"This report smacks of Sowejoca bashing. The wrong actions of the police, who were the main culprits, are nowhere to be seen. They shot our people to pieces," he said.

The Froneman Commission, charged with determining the causes of the violence in which three people were killed and more than 65 injured on February 6, found that although a combination of factors had resulted in the violence, the association had to take most responsibility.

Mr Justice Johan Froneman said in his report that a combination of perceptions about rates and services, and Sowejoca's lack of leadership, had led to the violence. He also said a lack of preparation by the police had contributed to violence escalating out of control.

After hearing testimony from several witnesses, Froneman said he had come to the conclusion that while the police had been shot at in Eldorado Park, he could not say if they had been fired at by Sowejoca supporters, or a criminal element who had taken advantage of the volatile situation.

Reacting to the findings, Gauteng Premier Tokyo Sexwale said yesterday the report had demonstrated that "where perceptions of discrimination exist, these are more dangerous than the facts."

Even though Douglas knew there were no discriminatory practices against the coloured community, he had "failed to inform or convince his followers that the reasons for the stayaway were not based on fact", Froneman said.

He found that Sowejoca's preparations for the stayaway were "woefully inadequate."

The police, however, should urgently address the management of situations like that which occurred in Eldorado Park, where there was a complete degeneration into lawlessness, he said.

The IIP, which is closely allied to Sowejoca, condemned the findings of the commission and said it "shied away from the real cause of the problem."

"I don't believe Sowejoca were to blame for the violence," said IPP Gauteng deputy chairman Thembu Khoza.

In its reaction, the ANC endorsed the report and called on the Attorney-General's office to take action against Douglas.

"Sowejoca, and in particular Douglas as leader, should be held accountable for the unnecessary loss of life, injury to innocent people and senseless damage to property," said the ANC statement.
Discrimination not sport policy, says report.
Low-cost housing development
a shot in the arm for inner city

BY JACQUI REEVES

Johannesburg's much beleaguered inner city is to receive a major boost with a housing development in and around Albert Street.

The Albert Street site will offer low-cost housing to people earning less than R3 500 a month, with units costing an estimated R65 000.

The flats will be for rental only and will be administered by a trust.

The site, which previously housed the West Rand administration board, is being donated by the council.

Taffy Adler, chief executive of the Johannesburg Housing Company (JHC), a social housing organisation, said the Albert Street project would get off the ground as soon as the council formally approved the use of the land.

"As soon as we have the ratification from the council we can start the development, and about 18 months after that we expect to be housing our first tenants," he said.

Preliminary planning indicates that the site can hold between 150 and 170 two-bedroom flats.

The complex will be a four-storey walk-up structure, with the flats averaging 50sq m.

Adler said a saving scheme, rather than a waiting list, would be used to select tenants.

"We will have to look at a variety of factors such as the person's ability to afford the rent, family circumstances and current accommodation. Rather than use a waiting list, we will be encouraging people to invest in a saving scheme for their housing deposit which, over a time, will help them to secure their flat," Adler said.

The South East Sector project, which covers the area between Commissioner Street, the M2 highway, Smal Street and Harrow Road, was proposed by a private group representing Ampros, Abesa, Investec, Kagiso Trust and Liberty Life.

The Johannesburg Inner City Development Forum then set up the South East Sector Working Group to develop the proposals.

The JHC, which is also responsible for the Jeppe Oval development, will act as the developer and will take on the development risks.

Catalytic project

In a draft report on the project, Graeme Reid, the JHC's executive officer for implementation and facilitation services, said there was a clear need for the provision of affordable housing in the inner city and that the use of the council land held a number of benefits for the community.

"The development, which is close to the new Abesa development, while being a function in its own will also have an important effect in stimulating other developments and is seen to be an important catalytic project," he said.

Adler said the JHC would be converting other buildings to provide more low-cost housing in the inner city.

Some of the project's finance will be gained through the Inner City Housing Upgrading Trust, but the major portion of the capital will be raised by the JHC.

The project will also seek subsidies from the provincial housing board and the Gauteng government, which has committed R50-million for the subsidisation of inner-city housing.
Rates row threatens Thokoza

By ANDILE NOGANTA

A FRESH row is looming in Thokoza as families displaced by the violence that swept the East Rand township in the early 1990s face service charges accumulated years after they fled their homes.

According to the council, hundreds of families are estimated to have been billed for more than R5 000.

It is believed that the families may not know that court judgements were obtained against them after the council issued summonses against them for service arrears.

It has also emerged that the names of defaulters have since been listed in the credit bureau.

The Council last year issued about 1 500 summonses on Thokoza residents who had defaulted on their rate payments.

However, when the papers were served the legal owners of the houses had not occupied their homes for more than over three years.

The summonses were served on IFP families who had illegally occupied houses in the hotly disputed Phenduka section of Thokoza since 1993.

Early this year the IFP resisted a court order to evict their members from the houses.

The action by the Alberton City Council is likely to stir controversy over the houses as affected residents battle to clear their names from the credit bureau list.

The council has indicated that affected residents would have to make their own applications for a decision to reverse the judgement.

A source in the council said "the matter is out of our hands now".

Monica Nhlapo, who owns a house in the same area, was angry that she was billed and her name listed in the credit bureau more than three years after her family was forced out of their home.

"Most of the affected area was mostly occupied by elderly people. Now they have been blacklisted for expenses they did not incur. These are old people. They can never afford to pay to get their names written off the credit bureau," said Nhlapo.

She said she only realised that she had been blacklisted when her bond application on a new house in Spruitview was turned down early this year.

In a statement the council said it had no way of knowing that the houses were illegally occupied when it issued the summonses.

"It is practically impossible for council to investigate each individual case prior to issuing of a summons to determine the reasons for default. Should there be circumstances as there allegedly are, in the present instance the onus rests upon the owner or legal occupant of the house to bring it to the council's attention timeously or take such action which is available in terms of legislation to protect his or her interest."
Southern ratepayers ready to defy council

But taking irresponsible advice from new residents’ body to pay a flat rate could backfire, council officials warn

BY KARIN SCHMIDK
City Editor

A ratepayers’ group representing fairly affluent “white suburbs” in the south of Johannesburg is encouraging its members to pay a flat rate for municipal services, claiming township residents do not pay according to their consumption.

A letter circulated to members of the New South Community Forum (NSCF), which represents suburbs like Glenvista, Munburton and Glenanda, states that at a meeting held last month “it was unanimously decided that the community would embark on a flat rate scheme.”

“This was in response to the Pretoria High Court’s decision that to enforce payment on consumption was unfair discrimination at this time,” the letter stated.

The Pretoria High Court ruled early last month that the city council had acted unconstitutionally by charging black residents a flat rate for municipal services while not according white Pretorians the same option.

The Star reported that Johannesburg residents would not be able to fight the same battle because rates in the Rand had been equalised all over Johannesburg.

Hugo Venster, the NSCF’s lawyer, said yesterday “The council discriminates against people in traditionally white suburbs – so we want residents to pay what people in townships pay.”

Members are advised to pay 

‘We want to pay what township residents pay...’

for their refuse, sewerage and water, plus VAT, according to the size of their stands. For stands less than 300sq m they would pay R77.52, for stands between 300 and 1000sq m, R112.86, for stands between 1000 and 2000sq m, R145.92, and for stands larger than 2000sq m a total of R189.24.

Water is charged at a flat rate of R35. According to the letter, electricity should be paid to Eskom, but property assessment rates are included in the NSCF’s payment formula. This, said Venster, was because “people in Soweto pay no assessment rates.”

Councillors and council officials are adamant this is not the case and have provided documentation as support.

Accounts obtained from Mofofo in Soweto and the suburb of Glenvista indicate that the only difference in charges is water.

In Soweto, residents pay for an “assumed average consumption” because meters are still being installed to measure individual household consumption.

Shan Balton, head of finance in the Southern Council, said: “It is very irresponsible to piggy-back on the Pretoria court ruling when the issues are very different.”

Johannesburg property owners had now had their properties evaluated and paid 6.45c in the Rand for their rates. Balton was concerned about the wrong information being passed on to ratepayers.

“If consumers follow the advice of irresponsible leaders and then land in trouble,” he said, “they should hold those leaders responsible.”
Illegal occupants given ultimatum

By Mokgadi Pula

THE Gauteng department of land and housing has issued a week’s ultimatum to illegal occupants of houses in Thokoza.

The move follows incessant pressure from the Thokoza Phenuka Displaces Committee (TPDC) and the local branch of the South African National Civics Organisation.

Spokesman for the department Mr Jabu Matlou said yesterday that if the ultimatum was not honoured “we will use force to remove the illegals”.

He confirmed that the department would hold a meeting with the Alberton sheriff to issue eviction orders against those not complying with the directive.

If the move goes ahead, it will bring to an end the plight of more than 600 families who were evicted from their homes seven years ago at the height of the warfare between hostel inmates and residents.

The department’s ultimatum coincides with the apparent willingness of the Thokoza branch of the IFP to speed up the process.

Speaking to Sowetan at the weekend, branch secretary Mr Petrus Sithole said the IFP wanted a list of those whose houses had been illegally occupied “so that we can assist in returning them to their homes.”

The law

Coordinator of the TPDC Mr John Khumalo has reacted favourably to the department’s ultimatum, adding “It’s time the law protected those whose rights have been violated We will watch with keen interest to see if the department acts on its threat.”

Leaders of the TPDC have in the past called on the Gauteng department of safety and security to provide the necessary protection to “those who have moved into their houses so that we do not experience acts of intimidation from faceless people” Matlou said security was being considered to prevent acts of vandalism and intimidation.
Sandton residents lose fight

By Joshua Raboroko

The rates battle between Sandton's affluent residents and the Greater Johannesburg Metropolitan Council came to a halt yesterday when a Johannesburg High Court judge ruled against the residents.

For nine months Sandton residents have refused to pay rates.

Their right to do so was rejected by Judge EL Goldstein in a 24-page judgment.

Goldstein found no irregularities in the manner in which the metropolitan council and four of its local councils drew up their budgets.

Sandton ratepayers had argued that the council and its four local councils acted illegally and unconstitutionally in drawing up their budgets which meant they (Sandton residents) paid more rates.

Their arguments were that the council took money from "the rich to enrich the poor" in its substructures in Alexandra Township other and poor areas. They contended that the action was unconstitutional.

About 15 percent of Sandton residents and business decided not to pay rates last July.

Cost council R60 million

The protest action cost the council an estimated R60 million.

However, metropolitan representatives said that they introduced the same rates in the local councils, thereby imposing equitable contributions on substructures. Sandton fell under the Eastern Council.

At a press briefing in Johannesburg yesterday, provincial and local government executives, including Gauteng MEC for development planning and local government Mr Sêlêo Shokeka, hailed the judgment as "a major victory for local government in South Africa."

Shokeka said the council would introduce various credit-control measures, including attaching property and cutting services such as water and electricity, to recover the arrears. GJMC chairman of the executive committee Mr Colin Mantle said the case highlighted the
Peace offering made to Sanction Ratepayers
403-m litres down the drain daily in Gauteng

Trickles and dribbles are costing the equivalent of four dams

**By Binty West**

Wasted water pours down Gauteng’s drains at a rate of 403 million litres a day, according to Rand Water figures.

Innocent national water-supply legislation means Gauteng’s local authorities, which have been slow to stem the tide of unaccounted-for water because of the costs involved, will now have to get their act together.

Rand Water estimates that R390-million is wasted each year just in unaccounted-for water throughout Gauteng.

Spokesman George Constantines explained “If the present trend continues, four new dams and their infrastructure will be needed over the next 20 years to service Gauteng. If we can delay building these dams by just one year, we can save R800-million annually. By reducing wastage and the growth in demand for water, the price of water to the consumer will not rise at such a high rate.”

After the recent announcement by the Department of Water Affairs and Forestry of tighter controls on water consumption, municipalities will be expected to complete an annual audit on unaccounted-for water.

The audit will make it harder for municipalities to pass on debts for wastage to the consumer.

According to Basil Bold, a member of the South African Bureau of Standards-appointed technical committee that drew up the new audit regulations, “Gauteng’s massive unaccounted-for water bill, which is especially acute in black townships, bears strikingly close parallels with the problems faced in East Berlin after reunification.

“The similarity between the affluent West and impoverished East Berlin and Gauteng’s white and black suburbs is uncanny.

“In some East Berlin districts it was found that more than 50% of water supplied was unaccounted for. Practically no maintenance work had been done to the city’s water system since World War II.

“Meters were not working, if they existed at all, and pipes were badly corroded and leaking. No one seemed to care. After all, water was free, so what did it matter if it went to waste?” Bold said.

Berlin solved its problems by first installing accurate meters, especially the main bulk supply meters, at the critical points where water entered districts within the municipal network. The engineers believed that unless metering was correct to start with, there was no way to identify areas of greatest wastage.
Sandton rates war not over

JOHANNESBURG: Sandton rates defaulters have been threatened with service cuts and other legal measures, including attachment of their houses and properties, as part of the Greater Johannesburg Metropolitan Council’s “get tough” action to enforce the payment of rates.

This follows the Johannesburg High Court’s dismissal yesterday of a challenge brought by 10 Sandton businesses against a R38 million levy imposed by the council on its Eastern substructure.

While ANC-led local authorities welcomed yesterday’s landmark court ruling against the Sandton rates boycott, ratepayers’ groups and the opposition Democratic Party warned that the battle was not over.

The Greater Johannesburg region of the ANC said the ruling was consistent with the Constitution and Gauteng Premier Mr Tokyo Sexwane said it was in support of the policy of “one city, one tax base.”

However, Mr Brian Stolzenberg, a spokesman for the Sandton Federation of Ratepayers (Sanfed), said the rates boycott would continue and that other issues like the “unfair valuation of property” remained unresolved.

The 10 Sandton businesses would meet today to chart a way forward.

The metropolitan council’s executive committee chairperson Mr Collin Manjila told a media briefing the court’s ruling had vindicated the council’s policy of redistribution to redress the imbalances of the past. “In a sense the court case was between the old and the new.”

Spokesman for Sandton commercial property owners including Fedsure, Liberty Life and Momentum, Dr Chris Westinghouse, said no decision had been taken on what to do about the court ruling.

Their counsel, Mr Clive Osborn, SC, said his instructing attorneys would read the written judgment before deciding whether or not to appeal.

Gauteng local government MEC Mr Dicelo Shiceka said the credit control measures being considered for Sandton had been used elsewhere in the city and province to end the culture of non-payment.

He described the redistribution policy as a “no principle” and said “Sandton ratepayers must abide by law and pay what’s due.”

The court decision was welcomed by the ANC, which also said it was a vindication of the party’s policy of “redressing unevenness of wealth distribution.”

The DP’s Ms Claire Quall called the court decision a “dangerous precedent” which raised serious concerns about administrative justice being ignored. — Sapa
Rates boycotters vow to fight on after landmark court ruling

ARGUS CORRESPONDENT

Johannesburg – As Johannesburg’s African National Congress-dominated local authorities welcome a court ruling against the Sandton rates boycott, ratepayers’ groups and the Democratic Party are warning that the battle is not over yet.

The Greater Johannesburg region of the ANC said the ruling was consistent with the constitution, and Gauteng Premier Tokyo Sexwale said it was in support of the policy of “one city, one tax base”.

It has consequences for local government across the country.

But Brian Stoizemberg, a spokesman for the Sandton Federation of Ratepayers (Sanfed), said the boycott would continue.

The 10 Sandton businesses affected would meet today to chart a way forward.

In his judgment in the Johannesburg High Court, Mr Justice Ezra Goldstein rejected the attempt by the 10 businesses to have set aside a R536-million levy imposed by theumbrella Greater Johannesburg Council on Sandton’s eastern council.

He ruled that not only was the levy not unlawful, its redistribution to poorer municipal substructures fulfilled the constitution’s bias in favour of redistribution from richer to poorer areas.
Sandton property owners lose rates case

Bonile Ngqiyaza

IT WAS equitable for the greater Johannesburg metropolitan council's substructures which had surpluses to meet deficits in other substructures, a High Court judge said yesterday.

Judge Ezra Goldstein dismissed an application by 10 Sandton commercial property owners with costs.

The legal challenge by the Sandton property owners was to overturn the budgets of the council and its eastern substructure, and opposed a R438m rates levy imposed by the council on the eastern substructure. The application was brought by 10 Sandton firms, including Fedsure, Metropolitan and Liberty Life, against greater Johannesburg and all four substructures.

Last night Sandton Federation of Ratepayers' Associations' (Sanfisa) chairman Brian Steinenberg said the association was disappointed by the judgment, but emphasised it was "only a stumbling block." The meantime, he said, the council will continue until every avenue has been exhausted and an acceptable increase put in place.

Eastern substructure CEO Canz Lusa said the council had an obligation to implement vigorously the credit control measures it already had in place, which included issuing a warning to residents who had not paid their rates and tariffs after 60 days.

Goldstein said court costs, estimated at R750 000, included the employment of two counsel by the eastern and southern metropolitan local councils.

He said the Premier's Proclamation 35 of 1995, which detailed powers, gave it "the power to levy and claim an equitable contribution from any substructure, based on the gross or rates income of such substructure."

He said the R438m levy fell within that definition. It was equitable, he said, because ratepayers in all four substructures were levied the same rate, 6.46 cents in the rand based on a fair valuation of their properties.

Addressing the power of the council to pay the money, once levied, to the other substructures, the judge said it was a grant to the council, and Proclamation 35 gave the council the power to receive, allocate and distribute intergovernmental grants.

The judge said he was prepared to accept the ratepayers' argument that the council and eastern substructure's finance committees did not "apply their minds" to the detail of their budgets, nor did they draft and present them as required by section 58 of the Local Government Ordinance. However, the applicants did not contest the respondents' reply that the committees could cause officials to do this for them.

The southern substructure said it was delighted by the court finding. The African National Congress (ANC) greater Johannesburg region said the judgment reinforced the correctness of the ANC's stated policy of a "one city, one tax base." The Democratic Party expressed disappointment with the verdict and said it believed there were real grounds for appeal. By making the eastern substructure commercially unattractive, investment would flee from the council and possibly out of the province and the country, it said.

The council, he said, was willing to phase in payments of individuals who could not pay for various reasons or provide the council with the substructure's finance department first.

Sapa reports that the ratepayers' counsel Clive Osborne SC, said a decision to appeal would be made after the written judgment had been read.
Pretoria residents rush to pay electricity bills

Stephane Bothma

PRETORIA — Pretoria residents are rushing to the city council in their thousands to make payment arrangements to avoid having their electricity supply cut.

Within seven workdays the council had received about R500,000 in cash, and arrangements to pay R2m had been concluded with the council treasurer Mare-Lise Faurie said yesterday.

The council's plan of action — which began in February and involved appointing outside contractors to assist it with disconnecting the electricity supply to defaulters who owed a total of more than R300m — was disrupted by a fire last month which destroyed an entire section of Pretoria's municipal headquarters.

However, the action had resumed at full speed on April 3, and was progressing well, Faurie said.

She said 298 accounts had been investigated since April 3, resulting in

Continued on Page 2

Pretoria (27)

Continued from Page 1

the termination of electricity supply to 251 clients. In addition to the R600,000 cash payments received in the first week of resuming the action, clients indicated that another R500,000 would be paid this week.

The council said that in the week preceding the fire, about 3,000 clients approached it to settle their arrears or to make special arrangements. However, the amounts involved in that period were not available.

"We want to recover all our debt and therefore flexible arrangements, suited to the financial position of clients, are being made," Faurie said.

The council said in February that arrears in the substructure had reached R28m, of which about 70% was outstanding from defaulters in the traditionally white areas.

About R600m will be paid to the city by insurance companies to cover the losses sustained in the blaze, which was started by a faulty light fitting.
Sandton businesses still to decide on whether to appeal

BY ANNA COX
Sandton Bureau

The Sandton Federation of Ratepayers (Sanfed) will continue its rates boycott until residents decide otherwise because Monday's Johannesburg High Court judgment addressed only one aspect of the dispute when it dismissed the case of 10 businesses against much higher local taxes.

The chairman, Peter Harmsen, says it was agreed last night at an executive committee meeting that the court decision did not address the community's objections to the non-uniform basis on which valuations are done, nor the unfairly discriminatory differences in charges being levied by the local authorities for water and electricity services.

Sanfed represents 24 associations and started the boycott in protest at increases of about 300% imposed by the Eastern council in June last year and a hike in commercial rates by up to 385%.

Harmsen said the meeting recommended that representatives "confirm with their associations that the rates boycott would continue until a settlement was reached or until the outstanding issues as listed above are satisfactorily settled, which discussion Sanfed will endeavour to mitigate".

Sandton businesses say they have not reached a decision on whether to appeal against the high court judgment earlier this week which dismissed their application to have the budgets of the Ghandi, Johannesburg and Eastern councils overturned.

Business spokesman Chris Westnghouse said the group of commercial property owners, which includes Liberty Life, Commercial Union and Sanlam, met yesterday, but would only reach a decision early next week.

He said the commercial property owners were not associated in any way with Sanfed.

The Greater Johannesburg council yesterday made a peace offering to Sandton rates boycotters and offered to find ways to help those who could not afford to pay rates arising from the boycott or new rates.

Sanfed Federation of Ratepayers spokesman Brian Stolzenberg said that this was all Sandton residents ever wanted.

The DP has lashed out at ANC councillors for holding a party earlier this week to celebrate the court victory.

DP leader Claire Qussi said: "This is appallingly arrogant. How insensitive to spend ratepayers' money on celebrating their defeat."

Eastern council communications officer Keith Peacock confirmed that the party had been held.
Replacement for 'go to Lucifer' councillor to be named next week

BY FKIZILE-MTSIKELELO MOYA
City Desk

The IFP and the South Western Joint Civic Association (Sowetoja) will decide next week who will replace Basil Douglas as a councillor in the Southern council, according to IFP leader Themba Khoza.

Douglas, who is an IFP councillor and Sowetoja leader, lost his seat in the council after he refused to pay the R1 900 debt he owes the council. Instead, he told the council to "go to Lucifer" and that he was not going to go "down on my knees" and ask for an extension to pay off the account.

He is the first councillor in the Southern council to lose his seat since the council decided on tough action against rate defaulters.

Southern council executive committee chairman Prema Naidoo said that legally councillors who were more than 90 days in arrears automatically disqualified themselves as councillors.

Douglas accused the council of "selective morality" by naming him and not divulging the names of four other councillors in arrears.

"We support the stance taken by Douglas and believe he is being singled out because he is from Sowetoja and IFP," said Khoza.

Naidoo said Douglas was not at the council meeting where the council made public the names of councillors in arrears.

The council's head of finances, Shan Balton, said the four had made arrangements to pay their debts.

Douglas said the council was using "divide and rule" tactics by making him pay for his services while he encouraged Sowetoja members in mainly coloured areas not to pay until the council had scrapped rate arrears accrued before the 1994 general elections.
The park that ignited Eldorado Park

Sawtooth's government and police provided the components of the fees, and this was fulfilled by a misconnection of the poor section of the community.
Weiler’s Farm to get R10-m

By Joshua Raboroko

WEILER'S Farm, an informal settlement situated about 45 kilometres south of Johannesburg, is to be turned into a “modern township” with basic services and communal amenities.

Gauteng housing and land affairs department has allocated R10 million to upgrade various projects, including land acquisition, community participation, pre-planning investigation and establishment of 4 800 residential sites.

Presenting his budget in the legislature this week, Gauteng MEC for housing and land affairs Mr Dan Mofokeng said the upgrading would be introduced by the government together, with the Weiler’s Farm Thuthuka Foundation and the Greater Johannesburg Southern Metropolitan Local Council.

The project would be started this year and completed in 1999, Mofokeng said, adding that similar projects would be undertaken in other informal settlements.

The more than 2 500 families of Weiler's Farm have been without basic amenities since the settlement was established in 1986 when the community was permitted to settle there.
Soshanguve residents end five-year bond boycott

PRETORIA — A five-year bond boycott by Soshanguve residents near Pretoria was resolved yesterday with the signing of an agreement between the residents and Khayalethu Home Loans (KHL).

Mediated by the Mortgage Indemnity Fund, the accord provides for an assessment of the bondholders' houses to identify building errors. Owners will be able to have such defects rectified and their loans adjusted. They can also opt to have their bonds credited with the amount such repairs will cost.

"All loans will be renegotiated on an individual basis, taking into account the financial circumstances of each household and a new house price will be determined," MIF managing director Nkululeko said at the signing ceremony, which was held in Soshanguve.

The Soshanguve residents' boycott was started in 1992 because residents had complaints about the workmanship of the houses they had bought. They contended that the houses were not worth their purchase prices.

KHL managing director Siza Khampepe said his organisation had provided bond finance totalling R6m to 141 clients in the area. Between 60% and 80% of them had been withholding their bond repayments over the past five years.

"KHL did not build these houses, but inherited the problems created by the developers," Khampepe said.

Soshanguve mayor Oliver Lukhelele expressed confidence that the agreement would restore a culture of payment in the area.

"This settlement will do much to increase investor confidence, and thereby facilitate new development in our township," he said.

Khampepe said that KHL had financed bonds totalling an amount of R1.5bn for about 30,000 houses throughout the country since 1988.

"We have lost between R290m and R300m through bond boycotts over the past five years," he said. — Sapa
KILLING THE GOLDEN GOOSE

Business could start fleeing Sandton
That's the warning from National Business Initiative director André Fourie, following this week's judgment by the Johannesburg High Court in the Sandton rates case and a threat from Gauteng's MEC for local government, Sicelo Shiceka, to "get tough" on Sandton's rates payers who don't promptly cough up the arrears they owe the Johannesburg metropolitan council.

"Most of the businesses which challenged the budget were previously in the Johannesburg central business district. If they now feel isolated, there is nothing to stop them from moving north," says Sandton general manager Colin Hunter.

It is therefore imperative, he believes, that both the council and business realise they have the same vision for the city and that talks can produce an amicable solution.

An institute for Democracy in SA (Idasa) spokesman confirms the legality of Shiceka's threat — that if the property owners' appeal is not successful, the metro can expropriate property recommended that rates payers offer a "sort of phased-in programme of rate hikes.

Shiceka dismisses suggestions of a business flight from Sandton "There has been no rate increase in Sandton for the past six years," he says. "All we are doing is levelling the playing field. What is happening in Johannesburg will happen in Midrand and any other area.

Sandton Federation of Ratepayers' Associations (Sanfed) treasurer Brian Stolzenberg points out, though, that the attachment of houses can occur only through a protracted legal process for which, he believes, the council is not prepared. Sanfed has vowed to continue not paying the full rates amount. The judgment, Stolzenberg says, is a mere setback.

The Democratic Party's Claire Quail and KwaZulu-Natal local government MEC Peter Miller say the court's decision sets "a potentially dangerous precedent" and raises serious concerns about administrative justice being ignored. "It needs to be tested against the administrative justice clause in the Constitution," Quail believes.

According to Professor Shadrack Gutto of the University of the Witwatersrand Centre for Applied Legal Studies, the judgment affects several areas of constitutionality.

The first is that Judge Goldstein clarified that any form of measure taken to rectify historical imbalances is not necessarily unfair. Gutto says the correctness of Monday's judgment was boosted by the fact that two similar cases of differential rates, in Krugersdorp and Port Elizabeth, produced similar judgments.

He says the property owners' court challenge had been important in that it shows officials cannot take decisions without thorough consultation and neither can they ride roughshod over ratepayers.

Still, the judgment means businesses and individual ratepayers will have to pay the increased rates. "If they don't, there are measures which can be taken against them. The big corporations will pay and the individuals will have to follow," Gutto says.

Idasa's spokesman says there's no dichotomy in the fact that areas like Soweto have payment levels of about 25%, while Sandton, where payments are reported to be near 90%, would be particularly targeted to pay.

"One has to look at the capacity to pay. In black areas, payment levels are increasing, and should rise still further under the encouragement of the Masakhane campaign," Justice Malala, says.

POLICY DIRECTION

DIVERGING LINES

There's no power struggle between himself and Public Enterprises Minister Stella Sigcau for control over Transnet, insists Transport Minister Mac Maharaj.

"Any differences which may have arisen at different times at the most reflect on what happens in any debate," he says.

Public Enterprises spokesman Wandile Zole finds it inconceivable that Maharaj could wage a power struggle as he is part of the Cabinet which adopted the restructuring process. "If there were tensions or any misunderstanding, the inter-ministerial Cabinet committee on restructuring is the platform where they would be ironed out so that the public hears one voice," he says.

Maharaj says the two ministers have recently reached common ground on restructuring the relations between the SA Rail Commuter Corporation (SARCC), of which he is the shareholding Minister, and Metrorail, which falls under Sigcau. Metrorail has been moved out of Spoornet and is being established as a separate business unit within Transnet.

But co-operation is not always evident, say the National Party and Freedom Front. Both have long argued that for the sake of planning and efficiency and to remove the unnecessary duplication of skills, all modes of transport should fall under the Transport Minister.

An example of the poor planning that results because they don't is that SA's R7bn road maintenance backlog is compounded by considerable traffic in heavy freight, while railway lines are closing because of the lack of freight.
limit is exceeded we are also precluded from designing multistorey buildings, and from tendering for State work from the Public Works Department.

A practising architect, Igor Kabalin, thinks technologists are whingeing unnecessarily. Most of the work available nowadays falls below the 500 m² category, he says. "Moreover, government is changing densification policy. The 500 m² cut-off point should not be regarded as a major obstacle."

Greater sympathy comes from Herbert Prins, a member of Saca and past president of Saat. He agrees with Scott-Hayward that there is a need for change.

"Technikon courses were intended to train technicians, not architects. But over the years the tech courses have become more comprehensive and Saca recognises this. Saca needs to inspect the content of the technikon courses and, if it is found to be of acceptable standard, to accredit technikons." He suggests Saca should allow formal and informal methods of entry, through universities, technikons and private colleges.

"What is important in the public interest is competence and mobility. Various levels of competence should be defined and opportunities created for individuals to acquire enhanced skills and move from the lowest levels of professional recognition to the highest."

Saca has formed a subcommittee of the built environment council, with Saat on it, to consider the registration of technikons.

"There is no time frame on it," says Scott-Hayward, "because we will do what it takes to ensure the changes are fair and comprehensive."

Currently, to be registered as architects with Saca, members must be university graduates. That entails six years of full-time study and an additional two years of practical training in an architect's office.

Technikon graduates study for a four-year Bachelor's degree in technology. However, technikons will soon introduce a six-year M.Tech degree. Margol Cohen

INNER CITY HOUSING

CHEAP AT THE PRICE?

The main target market for new inner city housing development is lower-middle and middle income singles and couples wanting to rent small units. This is the finding of preliminary research by the Johannesburg Inner City Housing Up-

grade Trust, funded by local government and Anglo American Property Services.

But the research has discovered that occupants of such units (two bedrooms and less) are paying lower rentals than conventional calculations suggest they can afford. Is it because they refuse to pay more in a deteriorating physical environment? Or could it be because of other pressing spending needs? Operations manager Mike Oelofse says further research will depend on the provision of more funding.

The study has established, from a sample of 1 250 households in an area stretching from Fordsburg in the west to Jeppes town in the east and taking in Hillbrow and Joubert Park, that the average inner city household income is R2 851.

"Current rentals average R691/month for a one-bedroom unit," says Oelofse. "This excludes rates and water charges. But based on an average household income of R2 685 in one-bedroom units, and based on the World Bank's 30% affordability rule of thumb on housing, these occupants could afford R800/month for such a unit, plus R200/month for electricity and other services."

About 82% of the 111 000 people living in the inner city are renting. Vacated flats are quickly filled by new tenants.

Amid the debate about how best to tackle urban renewal, the trust is seeking to find out whether newly built rental accommodation would be economically viable. At less than R700/month for a one-bedroom flat, it would not be.

The trust believes, however, that other factors are distorting the market. More attractive surroundings to blocks of flats, for example, might boost rents.

And the survey shows crime, squatters and taxi violence are more often cited as threats to property values, and the desirability of living in the inner city, than landlord-tenant relations or problems pertaining to flats or flat buildings themselves.

Half the households surveyed complained rentals are too high. Oelofse suspects "the reason for this perception of high rentals is that the vast majority of the respondents are former (black) township residents who are comparing city rentals with the substantially lower, heavily subsidised rentals on houses they were used to in the townships. Markets, however, have changed."

Contrary to perceptions of overcrowded flats, Oelofse says about 70% of flats surveyed are occupied by three to fewer people, 31% of the total by two or fewer. Only 11% of all units are shared by more than one household, and only 8% of the sectional units surveyed are sublet.

Oelofse admits, however, that overcrowding is difficult to measure.

"If two adults occupy a single room, that is considered overcrowding. But not if they are married. What the research did establish is a correlation between the occupation by four adults of one bedroom and shoddy conditions in the building. But this occurred in only 7% of households."

He says the value of the research is that it challenges the view that the inner city is the place to accommodate the very poor. By contrast, it is the lower-middle and middle income markets that need to be catered for.

"We have also established," he adds, "that poor jobseekers, often from the rural areas, do not want to live in the inner city. They prefer to live outside the city where they can have their families with them and can own a piece of land on which to build their own houses at a pace dictated by their budgets."

Alison Goldberg
Living in hope: Banginkomo Nene hopes that the R10-million to develop Weilers Farm will improve his life. The Gauteng government has provided the money to build basic infrastructure in the area.

Happiness as R10-million turns settlement into proper home

BY FRIOLE-NTSIKELELO MOYA
City Desk

For Banginkomo Nene (78), this week's allocation of R10-million by the Gauteng Housing and Land Department to turn Weilers Farm – an informal settlement south of Johannesburg – into a township has been worth the wait.

He cannot remember the year he arrived, only that it was during the days of a white man called “Mapazana”.

The fact that a new clinic will be opened in the area tomorrow has given locals hope that their stay here will be permanent.

The clinic will complement a mobile clinic that makes rounds twice a week and will render services free of charge.

The R10-million will help about 2,500 families acquire the land they have been living on. Some have been there for up to 17 years without owning the land.

Mapazana was the late owner of a farm named “Weilers” that has been expropriated by the Gauteng government.

The provincial government and the Southern council have joined hands to upgrade the area, with the Gauteng government providing the land, and the council providing services.

Southern council town planning head Norman Pruce emphasised that the money was not meant to build a new township, but to upgrade existing facilities.

He said the council would be employing consultants to see whether it was feasible to have a township in the area.

Housing and land affairs spokesman Jube Matlou said the money would be used to provide sewerage, stormwater drainage facilities and running water to the 4,800 sites in the area.

He said the number of sites to be serviced was deliberately more than the number of existing sites so that families using Weilers Farm as a temporary site would also have services.

Residents will be happy to know that the plan will result in much-needed jobs. This means Nene may not have to eke out a living by selling traditional beer.

Local people will, through the community-based Thuthukani Foundation, be involved in planning how the money will be used.
Homeless immigrants say Sanco is exploiting them

Tenants in abandoned factories object to being charged up to R200 a month for accommodation with no toilet facilities

BY ANNA COX
Sandton Bureau

A row has erupted between people living in unoccupied factories in Marlboro and the Alexandra branch of the South African National Civic Organisation (Sanco).

The tenants, mainly immigrants, claim that Sanco is exploiting them by charging them up to R200 a month for small, partitioned sections of the factories. Sanco in turn claims that it is protecting the tenants against unscrupulous people who collect money for landlords.

Twenty one factory owners in Marlboro are renting their premises out to homeless people. There are hundreds of vacant factories. Owners abandoned them because of the high crime rate in the area.

Most of the factories being let out have no water or electricity, and few have toilet and bathroom facilities.

Tenants would not talk to The Star yesterday because they are mostly immigrants and fear reprimands. They claim they are threatened if they are late with their rents.

Sanco, however, says it stepped in because factory owners had appointed people to collect money and these people were exploiting tenants by charging up to R400 a month.

Said Alex Sanco secretary Philemon Machutela: "We stepped in because we got complaints about the high rentals. There was no relationship between tenants and owners.

"We managed to get nine lease agreements signed. Each of those buildings now has a management committee which decides on rentals, water and electricity payments. No one pays more than a maximum of R120," he said.

Sanco had also recently formed a housing association and was looking at converting some empty factories into proper flats, said Machutela.

He said four factory owners had indicated they were willing to sell. Sanco was negotiating with local and provincial authorities to get money to buy the buildings, but if this fell through, they would apply to banks to finance the purchase, he added.

"We have proved that people are willing to pay if they get better accommodation and services they will pay. We don't want to see the industrial face of Marlboro destroyed. We want to see it as a mixed use area. If there is a residential component, crime will drop. We want to encourage investment in the area so we can provide jobs for the people of Alexandra," he said.
Invasion threat spurs action

Funds of R1.2-billion are available from an integrated serviced land project planned to meet the needs of 40,000 households. But only R209-million has been spent in the last two years, it was revealed this week.

The 106,000 families living in squatter settlements, backyard shacks, and overcrowded conditions, according to James Slabbert, director, project execution, in the Western Cape Department of Housing.

The Cape Metropolitan Planning Committee this week discussed the shortage of housing land and a government request to help find land that could be acquired.

Slabbert said about 15,000 housing sites would be provided this financial year from total spending of R330-million from RDP funds.

There was a dire need for industrial land with nearby housing for Marcom Beam-style projects, said Slabbert.

Committee member Daphne King warned that squatters could move into Bishopscourt and Rondebosch Common unless the provision of housing land was speeded up.
Hates battle won, the war is far from over

Commentary

Local government should be getting in touch with the needs of taxpayers rather than

delivering bulk services and infrastructure, writes Steven Friedman

Excerpt from a business newspaper article, May 1997.
Plight of 600 to end with a homecoming

By Mokgadi Pela

THE planned eviction of illegal occupants of houses in Thokoza this week will bring to an end what has been a bitter but worthwhile cause for over 600 families in the East Rand township.

The decision to evict the illegal occupants is the direct result of persistent pressure by the Thokoza-Phenduka Displaceses Committee (TPDC) and the South African National Civics Organisation (Sanco).

The plight of the displaced people started seven years ago when over 600 families fled their homes at the height of intercnece warfare between hostel inmates and residents.

The displaced people said the Alberton Magistrate's Court decision to evict illegal occupants from their homes was "God's will and a clear indication that He has heard our prayers."

They said they wanted to return to their homes to reconnect with their ancestors. "We want to go back to our homes so that we can have inner peace," said an outspoken Paulina Zwane (67).

Flashback ... Members of the Thokoza-Phenduza Displaceses Committee at a meeting in Thokoza earlier this year to discuss their plight.

They waged a long struggle to return to their homes and even petitioned President Nelson Mandela in an attempt to highlight their plight. They did not stop at that - they also stopped all development in Thokoza.

In addition, they recently disrupted an African National Congress branch annual general meeting due to have been addressed by Gauteng MEC for land and housing Dan Mokoheng.

Mass action

They sought - and received - the support of Sanco. The civic organisation threatened "mass action until the displaced are returned to their homes", including consumer boycotts and stayaways.

Since they fled from their homes, many displaced people have been staying with relatives and friends, or in church yards, halls and even illegally in the veld.

Members of the TPDC, led by Sam Theron and John Khumalo, have paid tribute to these peoples for persevering with their efforts to convince the authorities to evict illegal occupants.

"All credit should go to the tireless spirit you showed over the years, hence the Government realises it has no option but to deliver on its election promises," Khumalo told them.

"We have always known that good will finally triumph over evil."

People spoken to in the area on Sunday said: "We had lost all hope of returning to our homes. But now we see that there's movement. The illegals have realised that they can't stop the tide of justice." Their comments followed a recent flurry of meetings between members of the TPDC and representatives of the illegal occupants.

"We are committed to speeding up this process for the sake of peace and stability in Thokoza," said their representative, Sipho Mthethwa, at a meeting of the two parties at PR Maphanzela Higher Primary School on Sunday.

"We thank the community for providing security. If no security is provided for people returning to their homes, they said, "Thokoza could go back to square one where criminals call the shots and intimidate law-abiding citizens."

However, the displaced people - through the TPDC - insist that the forces of law and order "are a necessary component for restoring stability in Thokoza."

They also called on police and the security forces to act harshly against anyone who frustrated the return of people to their homes. They urged the Gauteng Ministry of Safety and Security to provide security.
Wrangle over rates increases jeopardises Greater Jo’burg’s finances

BY ANNA COX
Sandton Bureau

Greater Johannesburg’s public finances are on the brink of collapse after the decision by the National Party and the Democratic Party yesterday to withdraw their support from the ruling ANC which needs their votes to pass the 1997-98 budget in June.

Their decision follows last week’s ruling against Sandton businesses in which the High Court dismissed an application to overturn the budgets of the Greater Johannesburg and Eastern councils because of business rate increases of up to 385%.

NP and DP withdraw support

NP regional chairman Darryl Swanepoel said the party had decided it would not approve the 1997-98 budget unless its conditions were met.

He said the NP was calling for social upliftment, especially in the Alexandra area, and was insisting on the redistribution of the levies, to be done proportionately between all the councils.

The NP is also calling for funds to be allocated for the provision of infrastructure that will promote public safety and security, such as by-law enforcement, street lighting, traffic-calming measures, security speed-checks, secured parks, extended traffic policing and community-based security measures.

DP budget spokesman Mike Morarity said: “We will oppose any budget which has not been drawn up by its own council and where rates have not been set by the councils themselves.”
Zimbabweans must still carry IDs

Harare – The police could still demand identity cards from Zimbabweans, despite a recent landmark Supreme Court ruling declaring it unconstitutional, police commissioner Augustine Chihuri said in Harare yesterday.

Ziana news agency quoted Chihuri telling diplomats in Harare that police could still use a section of the National Registration Act, which he cited, to demand identity cards.

He said it was still illegal not to carry an identity card.

The Supreme Court ruled recently that a different section of the act was unconstitutional.

Chihuri said he appreciated the reasoning behind the Supreme Court judgment and would ensure that the existing and remaining laws in respect of identity cards would not be implemented arbitrarily but “judicially and reasonably.” – Sapa.

Ratepayers want R25-m back

Housing-land deal that won’t work is costing R375 000 a month in interest

BY ANNIE COX
Sandton Bureau

Kelvin and Buccleuch residents north of Johannesburg want the Office for Serious Economic Offences to investigate the Eastern and Greater Johannesburg councils’ payment of R25-million to Wits University for a property called Frankenwald, next to Alexandra.

In March last year, the auditor-general found that the sale of the land was invalid because the Department of Finance had not granted the then regional services council permission for its purchase. There was also uncertainty over a clause in the Alfred Beit Trust, which originally owned the land, which stated that the property had been donated to Wits University for educational purposes.

The councils tried to take transfer of the property last year despite the auditor-general’s findings, but Kelvin and Buccleuch residents applied for an interdict to the then Rand Supreme Court to stop the transfer. Just before the court hearing, the council gave residents an undertaking that the transfer would not proceed.

Resident Jim Powell from the Triangle Communities Association (Kelvin/Buccleuch) said that if the money had already been paid, the council should have demanded the money back from Wits right after the auditor-general made his findings known. Powell claims the council is losing R375 000 a month in interest on the money.

“We believe the handing over of the money is illegal and contrary to the undertaking given at the Supreme Court by local government,” he said.

The land is destined for low-cost housing and commercial development. But although the money has already been paid, the council does not yet own the property and cannot begin development.

Kelvin and Buccleuch residents claim the purchase will result in the Greater Johannesburg council paying seven times more for Frankenwald than for other land for low-cost housing. These services will cost about R100-million and the maximum subsidy for 4 000 people will be R60-million.

“Depending on densities, this will deny about 24 000 families land to build homes on because the money will have been wasted on Frankenwald,” said Powell.

Residents also claim the proposed low-cost housing will de-value properties in neighbouring areas by about R300-million.

They want a science technopark to be built to provide employment, and education and training facilities for Alexander’s underprivileged.

Eastern council executive committee deputy chairman Sol Cowan said the money had been paid to Wits University early last year in terms of the agreement to purchase before the interdict application.

He said he could not comment on why the money was not returned to the councils attempts by The Star to get comments from the Greater Johannesburg council failed.
New contractors to complete Dobsonville road

BY FIKILE-NKHOLELO MOTA
City Desk

Johannesburg’s Western council has appointed new contractors to complete the reconstruction of a busy Dobsonville, Soweto, road which was supposed to have been completed in November.

Council deputy chairman Siphiwe Ntuli said the previous contractor had bid to build a new stormwater drainage system along Main Road produced work of a low standard, prompting the council to cancel the contract.

Ntuli, who is also a local ward councillor, and council technical staff had warned that the concrete used could collapse under heavy traffic.

Construction work started in May and was initially supposed to be completed in six months.

In October, the owner of the construction company responsible for the incorrectly fitted pipes admitted they were behind schedule and blamed a sub-contractor.

Dirty games... Dobsonville children play in a stormwater drain dug last year to build a road, but construction has just resumed, five months after the road was supposed to have been completed.

It would not happen if this was a white suburb

In spite of this, the council paid the previous contractor R2.3-million for the delivery of pipes and for laying the foundation for the pipes.

The completion of the road will cost the council R5.8-million, including the money already spent.

The area now resembles a war zone with about a kilometre-long trench turned rubbish dump running in front of houses.

Pipes are lying about carelessly and dangerously along the pavement, preventing easy access for cars and pedestrians.

Since the Mam Road was a busy taxi route, taxis have had to resort to using a bumpy road behind the chaotic street.

Rusty road tarings are falling apart and some are used as bridges to walk across the trench.

The latest construction is expected to be completed by September.

Residents living along the street complained about injuries to their children who have turned the trenches into playing fields.

They are also upset at the inconvenience the delayed construction work had caused.

"People have opted to throw their litter into the trenches because refuse trucks don’t come here anymore," said Robert Bokobudzhe.

"These people had pipes right in front of my gate which we had to walk over to get into the yard," he said, adding that this would not happen "if this was a white suburb."
Sandtonians angry over 'discrimination'

JOHANNESBURG Sandton residents are furious at what they claim are discriminatory credit control measures being pursued by the Eastern Council.

The council has sent out 8,269 final notices to boycotting Sandton residents, but only 199 to Johannesburg residents and not one to defaulting Alexandra residents.

Although Sandton only owed 18.3% of the total debt of R278.5 million, 97.6% of final notices were sent to its residents. Johannesburg residents, who owe 75% of the council's debt, received only 2.3% of the final notices and Alex residents who owe 5.5% of the debt, got no notices.

While it was common knowledge that residents of Alex were the longest outstanding debtors and Johannesburg had the largest amount of outstanding debt, the administration had attacked Sandton residents to make the point that those who opposed the ANC would be crushed. Democratic Party Eastern councillor Mr Frans Bicker-Caarten charged the council with misusing its powers.ऋ

But Eastern Council communications officer, Mr Keith Peacock, said it was never the council's intention to use discriminatory measures.

Sandton Federation of Ratepayers' spokesman, Mr Brian Stolzenberg, said: "These figures show that the boycott was in full swing and we are still encouraging people not to pay their rates until a settlement had been reached with the authorities." — Own Correspondent
Thousands to get homes in handover scheme

By Josias Charle

ATTERIDGEVILLE and Mamelodi residents who qualify for ownership of their rented houses, have been urged to register and complete the necessary forms for full ownership.

This follows a cooperative undertaking between the City Council of Pretoria and the Gauteng provincial government to facilitate the transfer of rented council houses to tenants.

In Atteridgeville there are 2 700 and in Mamelodi 3 800 such houses.

Residents have been urged to lodge their claims as soon as possible because the closing date has been set at August 31 this year.

Rightful owners will qualify for a “discount benefit” of up to R7 500 a property, which the state has made available as part of its policy to pursue home ownership for all.

This discount will in most cases cover the price completely, so that there will be no need to pay anything more, according to council spokesman Mr Tommy Thompson.

Existing purchase

“The discount is also available to settle a balance owing to the council on an existing purchase,” Thompson said.

Residents who have already paid off their houses are not affected.

The Pretoria Housing Transfer Bureau opened its doors this week in two townships where tenants and purchasers of state-funded houses may complete the claim forms.

Tenants of rented houses may buy the house with the land on which it stands at a price based on the historic cost.

“A detailed procedure has been negotiated to handle all claims in a fair, transparent and efficient manner in cases where records may be inaccurate, out of date, suspect or in the event of tenants having died, leaving a widow or other heirs,” Thompson said.

In cases where there is a dispute, the matter will be settled via legal adjudication.

Residents in the Witwatersrand and Vaal areas have already benefitted from the handover scheme.
spreading through Berea flatland

By JACQUI REEVES (187)

Standing in Rodger Chadwick's garden in Berea, Johannesmburg, takes a fair amount of courage and a strong stomach.

A quick look through the garden reveals empty bottles, scraps of paper, shards of broken glass and the odd used condom littering the area.

Chadwick has also, in the past, come across used hypodermic needles which have been thrown on to his roof and lawn.

The 16-storey building that looms over Chadwick's home appears to be the main source of the mess.

"People just throw their rubbish over the balconies and into my garden. They also seem to enjoy ripping tins from the floor and 'dropping' them on to my roof," he says.

The struggle to keep his home tidy has finally become too much for Chadwick and he's moving to Orange Grove at the end of this month.

Chadwick says his experience in Berea has been the slow decline and degradation of the area, but he refuses to blame just sloppy tenants and unscrupulous landlords.

"The problem goes further than just the landlord and tenant. The problem is getting the constituents to meet and get to know their ward councillors, who can then take on issues and take them to the politicians, and then secure some action," he says.

Chadwick has on numerous occasions approached ward councillor Norman Reed about the decline of the once sought-after stretch of upmarket apartments with sweeping vistas of the city. But little has been done.

"I am leaving Berea, not because I want to, but because I am not seeing any improvement in the area. I have tried the route of the ward councillor and have written to higher authorities, but nothing seems to change," he says.

After repeated attempts by the Saturday Star to contact Reed, the councillor finally agreed to meet on Wednesday. He didn't keep the appointment.

Chadwick's attempts to set up projects to improve Berea have been spearheaded by one philosophy - he believes that the way to improve inner-city suburbs is to encourage ownership rather than a culture of leasing.

"Ownership is a way to improve the responsibility each individual feels for his or her home and is also an easy way to improve security and health conditions in the area," he says.

Until recently, however, buying a home in Berea has proved a difficult task. In the past, the area was unofficially "red-lined" by banks and lending institutions. The area was considered too risky to invest in - the institutions' chances of ever getting their investment back seemed miniscule.

This all changed last week with the extension of the Mortgage Indemnity Fund (MIF) to Berea.

The fund, which was set up in 1995, is a government-owned entity that offers to take the risk if a bank is unable to get adequate returns on its investment.

The fund should, however, not be seen as a saving grace. It can be used only once the banks have exhausted all legal avenues to reclaim the amount owing or the land itself.

MIF managing director Nkululeko Swazi says the fund aims to keep finance flowing. "The fund needs to maximise the flow of finance for housing in previously disadvantaged areas and to help restore normality." Swazi says that the more the fund pays out, the clearer the signs are that the due processes of law are breaking down. He believes projects such as the MIF can restore the banks' faith in Berea and other areas in the grip of urban decay.

Another development introduced by the MIF is that banks can no longer simply refuse a bond without citing adequate reasons.

Commercial risks, such as poor credit ratings of buyers, are still beyond the MIF's control, but banks will no longer be able to hide behind the "bad area" excuse.

In the almost two years since its establishment, the MIF has not had to pay out any claims and has provided cover for R1 000 bonds across the country.
succeeds in inner-city blight

Once sought-after suburb
Hospitals and long-term care homes are in a precarious state, with staffing shortages and high numbers of COVID-19 cases. In recent weeks, several outbreaks have occurred in these facilities, leading to concerns about the safety of patients and staff.

The situation has become particularly dire in long-term care homes, where staff members are often overworked and underpaid. As a result, many workers are considering quitting their jobs, which has further strained an already stretched system.

Despite these challenges, there have been some positive developments. In some areas, the government has announced plans to increase funding for healthcare, and there has been a push for better working conditions and compensation for staff members.

However, the situation remains precarious, and more needs to be done to ensure the safety and well-being of patients and staff in hospitals and long-term care homes. It is important that we continue to support these essential workers and work towards a more equitable and sustainable healthcare system.
Soweto chamber at odds over Eskom

By Shadrack Mashalaba and Isaac Moledi

MEMBERS of the Greater Soweto Chamber of Commerce and Industry launched a scathing attack at their leadership at the weekend for failing to convince Eskom to have the arrears of black businesses written off.

At a report-back meeting called by the chamber in the township it was clear that simmering tensions had been developing as members lashed out at their leadership, accusing it of having sold out to Eskom.

Lopping the agenda of the meeting, attended by more than 50 members at Jabulani, members accused the SCCI of failing to have members' arrears written off by Eskom.

During a heated debate, which resulted in some members leaving the meeting, members became furious when SCCI executive member Lucky Nkos said they had negotiated a compromise scheme with Eskom that would enable members to start paying.

Nkos told the meeting that the agreement reached with Eskom was such that all arrears owed before 1994 would be put on a suspense account and all those that were post-1995 would have to be paid including current accounts.

This arrangement, he said, had to be done over a five-year period.

If a member failed to pay, the debt incurred before 1995 would be written off, but if the member failed to pay, the debt would have to be paid.

The arrangement is understood to be at the core of members' frustrations and anger. They said they felt betrayed because their arrears were supposed to have been wiped off as had happened to residents in Soweto as part of an agreement signed by President Nelson Mandela and PW de Klerk.

Tension is running high as members want electricity arrears written off.

Nkos, who was constantly howled at, cautioned that despite the arrangement with Eskom, "the culture of non-payment still remains.

It is estimated that Soweto businesses owe about R73 million in arrears to Eskom.

From pillar to post

Nkos said attempts by the chamber to elicit help from the Gauteng government proved fruitless as they were taken from "pillar to post" by both the offices of the premier and planning and local government.

The premier's office, members were told, insulated itself from the matter, saying it has to be addressed by the department of planning and local government.

On the other hand, the planning and local government department is understood to have also excused itself, saying it was a matter for the local council to address.

The local council, in turn, refused to be involved saying the matter belonged with the central government.

Also evident at the meeting was tension among SCCI executive members themselves, who are said to be fighting for positions.

The chamber's chief executive Bongani Mphuthu is understood to have been sidelined by other executive members who felt Mphuthu was "getting too much publicity.

This problem is understood to have been the reason why former chief executive Max Legodi resigned from his post.
Jo’burg’s Southern council owed R699-m

Some areas have improved payment levels and the executive is looking at ways of helping people too poor to meet their debts

BY FIKILE-NTSIKELELO MOYA
City Desk

Greater Johannesburg’s Southern council ratepayers owe R699-million, says finances director Shan Balton.

Balton, addressing a media briefing, said some areas in Soweto had seen a major rise in payment levels, an achievement he attributed to the council’s recently announced tough action against rate dodgers.

While most areas in the south had shown improved payment levels, with Morolohlo South in Soweto moving from 34% to 86%, some areas like Ennerdale and Lenasia South saw a 0.5% slide, dropping from 36.8% to 34.91%.

Orange Farm, which has the lowest payment levels in the area, rose from 2% to 18% in the past month, Balton added.

Orange Farm councillor Chris Rabaji said his community would stage a march on Saturday to encourage payments and “to show their appreciation for what the council had done for them.”

Balton said the council executive committee had approved a draft policy based on the University of South Africa’s Bureau of Market Research that would help the council identify and help people who were too poor to pay for their rates and services.

He said the council was looking at subsidising, up to 10 kilolitres of water, refuse removal and 25% of assessment rates per household that qualified for council help.

He warned, however, that the council would, at the end of next month, be obliged to cut off electricity to households still owing it money.

He said the council’s assistance scheme would not include electricity because Eskom supplied power directly to households.
Companies in arrears will not get contracts for boycotting rates hike

By Anna Cox
Sandton Bureau

The Sandton rates dispute took a new turn last night when the ANC-controlled Eastern Council decided, after a heated debate, that it would stop all business with any company or its subsidiaries which, in support of the boycott, fall into arrears with rates and services payments.

Some businesses in Sandton are now deliberately in arrears by refusing to pay the increased taxes and are still paying the lower 1996 rates plus a percentage of the increase. They have lost a legal battle with the council, and intend to appeal against the higher taxes being imposed to subsidise poorer councils.

Last night’s decision was opposed by both the National and Democratic parties. They argued that it could have serious financial implications not only for all Johannesburg councils, as they are all interlinked, but also for emerging small businesses.

A spokesman for the business sector, Dr Chris Westhongest, says they represent an aggregate property investment in Sandton of R4.5 billion. The 10 companies, which brought the court action, include Liberty Life, Sanlam, Commercial Union, Suidergaard, Momentum and JDB Beleggings.

If the decision by the council last night meant that it would not be doing business with anyone who was not 100% up to date on the rates’ payments, it would not be doing a lot of business in the future, said Westhongest.

“The decision is not clear: Businesses are not boycotting rates completely - they are still paying rates. If the council will refuse to do business with anyone in arrears, no matter how little, it will not be doing much business in the future,” he said.

Sandton businesses, which earlier this month lost an application in the Johannesburg High Court to overturn the budgets of the Greater Johannesburg and Eastern councils, announced yesterday that they intend applying for leave to appeal against the judgment, stating it had far-reaching and constitutional consequences which could set precedents that had serious, negative economic effects.

Westhongest said commercial property rates were between two and four times higher in Sandton than in comparable and alternative areas.

“We decided to appeal because we are also highly concerned at the implications for local government, and indeed all government, if politicians are licensed to endorse controversial budgets that are demonstrably unacceptable to a substantial percentage of the contributors to the rates account.

“Commercial property owners contribute over 50% of the total assessment rates in the Eastern council. The sooner the politicians realise that ratepayers are their customers the sooner constructive solutions can be found. We reject willing to negotiate towards finding a truly equitable and workable solution,” he said.

In motivating the decision, ANC councillor Zwelibanzi Ndlovu said the decision was an extension of the Masakhane campaign to promote payment. It was morally unacceptable for the council to deal with businesses which were consciously sabotaging the efforts of the Government to rebuild the country, he said.
Council acts on rates defaulters

THE Eastern Metropolitan Substructure has resolved not to buy services or goods from Sandton businesses, their subsidiaries or individuals who were not 100 percent up to date with their rates arrears.

The council, dominated by the African National Congress, approved the resolution following the announcement on Tuesday by 10 Sandton commercial property owners that they would apply for leave to appeal a judgment against them.

The ratepayers took the Greater Johannesburg Metropolitan Council (GJMC) and its four substructures to court to overturn the council's budget.

They wanted to overturn a levy of R438 million on the EMSS to fund the GJMC and two of its substructures which resulted in rates increases of over 300 percent last year in greater Sandton.

The court ruled in favour of the GJMC and its substructures.

The motion to boycott the Sandton businesses was opposed by the Democratic Party and the National Party.

Dr Chris Westinghouse, spokesman for the businesses which include Liberty Life, Momentum Life and Fedsure, said he was puzzled by the council's resolution.

"If by that they mean businesses that are not entirely 100 percent paid up in their arrears, they are not likely to do a helluva lot of business," he said.

Sandton residential and business ratepayers have been paying for services and rates plus 20 percent after the council increased rates by over 300 percent in July last year.

SAPA
Pretoria north cuts electricity

By McKeed Kotelo

THE Northern Pretoria Metropolitan Substructure, which is owed more than R110 million for municipal services by thousands of Soshanguve residents, has started cutting electricity supplies to defaulters.

The local council could not provide statistics on the total number of defaulters in Soshanguve, but it said in a statement yesterday the majority of property owners were not paying for services.

It was left with no option but to cut power to defaulting households since owners had failed to respond to appeals to pay or make arrangements to pay their arrears.

Power cuts started in sections M and DD at the beginning of last month. Only 165 out of a total 1,349 properties in Section DD had paid for their services on a regular basis.

Until April 15 only 235 Section DD residents had made arrangements to pay for services.

Section M residents owed the council more than R5 million and as a result the power supply was cut to 1,149 houses since then only 267 had had electricity re-connected after either having paid or having made arrangements to pay.

Recently some council workers were held hostage and their lives threatened by criminal elements in Section M. The council decided to withdraw all its workers from Section M "until the situation has returned to normal and the safety of all our workers is guaranteed."

It appealed to defaulters to come and make arrangements for payment of arrears so that power could re-connected.

It would continue with the power cuts until the culture of payment was restored.
Service payments rise in Alex

Levels of payments for services have risen in Alexandra from 13% in January to 25% in March. The reason for the improvement is the Eastern council's commitment to the Masakhane campaign, according to communications officer Keith Peacock. “We have seen positive results in Alex. One of our priorities is to link service delivery with payment levels, and in June we will be running a major Masakhane summit in Alexandra, including all organisations in the area.” “We believe it is the work that councillors and officials have done which has contributed to these encouraging results.” “We have improved our credit control methods, and recognise we still have a long way to go,” he said. — Sandton Bureau
Sandton boycotters summoned

8 260 final notices sent out, but Alexandra does not get a single one

as Eastern council gets tough with those resisting massive increases

BY ANNA COX
Sandton Bureau

Greater Johannesburg’s Eastern council has begun issuing summonses to Sandton residents who are boycotting rates payments in protest against increases of up to 28%.

A Morningpost resident was served with a summons for R5 000 yesterday.
He said he had no intention of paying and would defend the matter in court.

The summonses have raised the ire of the Sandton Federation of Ratepayers and the Democratic Party.

They claim Sandton residents are being discriminated against and that the move will destroy any hope of negotiations.

Sanfed spokesman Brian Stolzenberg said that only last week the task team set up by the local government MEC Sicelo Shiceka to resolve the crisis had met after previously reaching a stalemate, and authorities were committed to finding solutions.

“The summons at this stage shows their bad faith.”

He said affected residents should call the Sanfed help office for legal advice.

Eastern council DP spokesman Judy Stockill said the council was using the summonses as a punitive measure.

“The council has a credit control policy which states that the oldest and largest debts get sorted out first. Johannesburg has the largest debt and Alexandra the oldest,” she said.

The DP also slammed the fact that 8 269 final notices had been sent to Sandton residents in January, only 199 to Johannesburg residents and not one to Alex residents.

Councillor communications officer Keith Peacock said that in March, 13 summonses had been sent to Sandton residents and 42 to Johannesburg residents in terms of normal credit control measures.

There had been 17 disconnections in Sandton and 249 in Johannesburg, as well as eight attachments of property in Johannesburg.

A total of 102 final notices were sent out to Sandton, 362 to Johannesburg and 765 to Alex residents in March.

Peacock denied that Sandton residents were being discriminated against. He said the reason so many final notices were sent to Sandton in January was because there was a backlog from last year.

The DP has slammed the Eastern council’s decision not to do business with anyone who is in arrears with rates and services payments, and says the decision is unenforceable.

The decision binds the council to ensure that any business from which it purchases goods or services is up to date.

The DP said that if the council enforced the decision, it would have to even investigate suppliers of goods such as stationery, banking and telephone services.
Sandton 'turncoat' ponders legal action

JOHANNESBURG East Democratic Party (DP) councillor Mike Moriarty is considering legal action after the Johannesburg council and its eastern substructure adopted motions to investigate his conduct because he provided information to 10 Sandton firms who initiated court action over a rates dispute.

Moriarty said the council and the substructure, which governs Sandton, had accused him of "betrayal" and contravening the councillors' code of conduct set out in the Local Government Transition Act. He had also been accused of perjury for providing firms with "misleading" information.

Conceding that the information had contained "one incoherent "mistake", he said his "first loyalty" had been to ratepayers and that he was confident he would be exonerated of misconduct.

He did, however, view the perjury allegations very seriously and would be taking legal advice.

Meanwhile, both the DP and the National Party have slammed an "ham-handed" and counter-productive" decision by the ANC-dominated substructure not to use the services of companies which have not fully paid for rates and municipal services.

The DP warned that the motion would be impossible to enforce and could incur costly legal complications in terms of existing long-term leases and contracts.

☐ Business Day incorrectly reported on Wednesday that Fed-Sure and Momentum Properties were two of several firms embarking on a partial rates boycott to protest against a 300% assessment rates increase in Sandton.

The information was provided by the firms' media spokesman, but it was later established that both were up to date with their payments.

Business Day apologises for any inconvenience or embarrassment caused by the incorrect report.
Council drive to put roofs over heads

Taking families off the streets and housing them near work is the priority.
Asmal taps into safe water

FRANK NAUMAO

JOHANNESBURG - Asmal applaud the achievements of his people, especially those involved in the water supply scheme.

Asmal, the minister of Water Affairs and Forestry, launched the R15 million water supply scheme to celebrate the fact that this is the millionth person to receive a tap under the RDP programme.

The occasion took place at Mienie, Rietdal, near Pretoria.

Asmal said the achievement was one of his proudest moments as minister.

The Modderpruit scheme would supply 11,000 people with safe water. It was implemented by Rand Water Odi Retail and consisted of an existing pipeline from the nearby Eastern Platinum Mines with a booster station to pump water to a 440-litre elevated tank in Modderpruit, 65 km southwest of Brits.

The tank would feed 46 precast concrete communal stand-pipes, modified to allow for the installation of coupon-operated meters.

Each coupon costs R10 and is the equivalent of 5,000 litres or 25 litres a day a person for 35 days for a household of about six people, according to Janmoo Shuter of Cornubia, the engineering company commissioned by the department to design the system.

Shuter said though there was no evidence of any contamination of water, because of the high density of pit-latrines in the area, the boreholes for drawing underground water would be phased out for safety.
Gauteng health, housing in a sick state – report

The money pours out, but there's no way of checking how it's being spent

BY JANESE SIMON

Management shortcomings in Gauteng's health and housing departments have hobbled service delivery and cost millions in lost revenue, according to an auditor-general's report tabled in the provincial legislature yesterday.

The performance audit, the first of its kind presented to the province's public accounts committee, covered the 1994/5 and 1995/6 financial years and was completed in the last six months of 1996.

Performance audits do not only outline the amount of money used by departments, but provide details on management efficiency and administration of the funds.

The report tabled yesterday identified weak staff management, inadequate information systems and lack of budget controls as some of the deficiencies underlying the poor utilisation of resources.

This saw departments unable to plan, finance, monitor or retain control of key projects.

The report also contained a point-by-point breakdown of corrective steps taken by the relevant heads of department.

Although it highlighted management shortcomings, it "did not mean that poor or no value for money was received throughout the departments", said the auditor-general's corporate executive manager Louise van Rooyen.

According to the report, the department of housing and land affairs paid out 1,283 subsidies to the value of R385,788 under a project-linked housing subsidy scheme in Phola Park, but by October 1995 no houses had been built because the department had no control to ensure a return on its investment once the subsidy had been paid out.

The housing department lost R1,5-million because there was no administration process to recover rent for provincially owned hostel rooms, and R212,593 a month for failing to charge interest on R16,5-million of arrears rental, the report said.

Also, the contract amounts of five provincial hostels overrun by R4,6-million when the recommended completion time stretched to two years because the department failed to keep close contact with role-players.

Another R8,1-million was lost when the contractor due to renovate the Watville hostel cancelled after hostel residents refused to vacate their rooms.

Controls on funds allocated for hostel upgrades were inadequate, with the approved allocation exceeded by almost 50% in one case, the report said.

The department also delayed completion of planned projects by failing to make available R24,5-million of the R70-million RDP funds allocated for the provision of infrastructure during the first three years of the administration; the funds had to be rolled over to the 1996/7 financial year.

There was no means to correctly calculate the cost of free health care because the estimated budget deficit of R383,309,621 for free care for the 1995/96 financial year was based on inaccurate information, the report said.
Council to act over arrears

LEKOA-VAAL residents in arrears for services will be summoned this month after final notices were issued in April, the Vaal Metropolitan Council announced yesterday.

Head of the Vaal Metropolitan Council debt collection task team Mr. Shembiso Radebe says the decision was taken after several meetings in the townships on Masakhane, the campaign to promote payment for services and rates.

Everyone who received final notices should settle their accounts or make arrangements at the nearest paypoint to pay the arrears and current rates.

Radebe urged the unemployed, pensioners and those who cannot afford to pay for services to register at the council within two weeks. They could receive subsidies or be placed on Reconstruction and Development Programme projects where they will receive an income.

Those who fail to pay or register will be issued with summonses, he said.

The cases of residents who make arrangements to pay or are unable to pay will be investigated and legal steps taken if incorrect information are been submitted to the council.

Defaulters will be faced with legal procedures like court action, attachment of properties, disconnection water and electricity and being listed with the Credit Bureau.

Consideration will be given to those who come forward after the summonses are issued. The first summonses will be issued today.

Sapa
Outrage as Alex pays flat water rate

Some residents on metered properties still being charged standard R14,50 month

BY ANNA COX
Sandton Bureau

Sandton residents and the Democratic Party have expressed outrage at the fact that Alexandra residents who have water meters on their properties are still being charged a standard rate of R14,50 a month for water regardless of their consumption.

They claim that this is not only discriminatory, but could lead to the council facing legal action, particularly after the Pretoria High Court recently ruled that it was discriminatory to charge higher consumption-based rates in different areas.

DP councillor Alan Fuchs said residents of East Bank, a new and more upmarket area of Alex, paid a flat rate for water even though their properties were metered. He said this was unfair to other residents in the Eastern council area, who were charged according to their consumption.

But Eastern council communications officer Keith Peacock said there had been no billing system in Alex until recently and this was creating difficulties in sending out accounts. He said some success had been attained and 90% of bills were now being sent out to Alexandra. If there were meters on the East Bank, an attempt would be made to try to identify where they were, to see if they were working and to start metering, he added.

Fuchs said: "As in the Pretoria case, charges of political expediency can be made against the ANC-led Eastern council. Properties on the East Bank have meters. They should be read and the residents charged the same for their water as the rest of the residents in the area."

Last week Fuchs proposed a motion calling for a full report on the legal risks faced by the council in this regard, but it was opposed by the ANC-led council.

"I am confused by the ANC's logic. Punitive measures are being taken against residents of Sandton in the form of summonses for rates arrears, but on the other hand the ANC voted against mymotion to charge East Bank residents for their water at the ruling consumption-based rate for the Eastern council," he said.

Greater Johannesburg head of finance, Lucas Opperman, said no flat rates were payable within the area of Greater Johannesburg.

They were abolished in July 1995, he said. In Greater Soweto and Alex, where water was currently not being measured, the amount payable was levied at an estimated 20kl and 10kl per erf per month respectively at the appropriate uniform tariff.

This amounted to R35 and R14,50 per month which were not subsidised quantities, but in fact, the average consumption for average households in these areas, said Opperman.

"Metering of all consumers is, however, the ultimate objective," he said. "The reason Greater Johannesburg is the only metro council with a uniform rate, and for that matter uniform tariffs, is that this council is ahead with regard to the entire process of restructuring local government in South Africa."
Water cannon fired to force evictions

*State Reporter and Sapa*

Mar 8, 1997

Police fired a water cannon early today to disperse people protesting against the eviction of illegal residents in Tokoza's Phenduka section on the East Rand.

Evictions started at 6:30am, according to Department of Housing and Land Affairs spokesman Hubert Mabula. There was a heavy police and defence force presence in the section by 8am.

About 120 houses were scheduled to be cleared. The evictions were halted last year because illegal tenants claimed they had no alternative accommodation.

The evictions today were being carried out by a sheriff of the court, assisted by a private security company and watched over by police and the army.

Mabula said about 100 eviction orders had been obtained from the Alberton Magistrate's Court. The Alberton Town Council had promised to provide alternative accommodation for the needy.

The houses were illegally occupied by about 600 Inkatha Freedom Party-supporting families after violence in the township caused legal owners to flee.

The Gauteng government said the legal residents had been squatting in the East Rand for the past seven years.
The struggle continues

The struggle over increased rates in Sandton has entered a new phase, with the decision by 10 Sandton-based businesses to appeal against a High Court decision upholding the right of the Johannesburg Metropolitan Council to impose a R438m levy on the Eastern Council.

There have also been charges that the ANC-controlled Eastern Metropolitan Substructure or Council — under whose aegis Sandton falls — has begun a punitive campaign against Sandton residents.

It is accused of issuing a disproportionately high share of summonses against Sandton residents who are in arrears, though their debt is neither as large as Johannesburg’s nor as long-standing as Alexandra’s.

The charges have been denied by council communications officer Keith Peacock, who cites figures to substantiate his reputation. Spokesman for the 10 businesses Chris Westinghouse believes that the issues at stake in the pending appeal are of cardinal importance to local governance.

One is whether politicians should be licensed to endorse controversial budgets that are demonstrably unacceptable to a substantial percentage of the contributors to the rates account. Commercial property owners, he says, contribute more than 50% of the total assessment rates in the Eastern Council.

Rates in Sandton have risen by 300% since the ANC took control of the Johannesburg Metropolitan Council and subsidiary councils in the eastern, western, southern and northern regions of the metropolis.

A specific issue in the pending legal contest is whether the Metropolitan Council is empowered to appropriate the Eastern Council’s entire surplus of more than R438m and use it to fund deficits in the budgets of the less wealthy Southern and Western Councils.

Judge Ezra Goldstein has found that it is — a view shared by Shadrack Gutto, of the Centre for Applied Legal Studies. Gutto argues that the notion of substantive equality — provided for in the interim and newly adopted constitutions — may require differential treatment to “level the ground” among communities.

Westinghouse disputes Gutto’s view. He reckons the notion of substantive equality can neither be stretched to give politicians the power to do “what they like in the name of redistribution” nor be used to sanction selective prosecution of rich defaulters while ignoring the arrears of the poor.

Councillor Alan Fuchs of the Democratic Party, quotes figures given to him by Eastern Council strategic officer Irvine Florence. They show the following outstanding amounts at the end of January: Sandton R52.5m, Johannesburg R210.7m and Alexandra R15.5m.

Sandton has been hardest hit by final notices demanding payment nearly 8270 at end-January against just under 200 for Johannesburg and none for Alexandra.

Peacock cites figures for March which contradict those given to Fuchs. They show that 102 final notices were issued in Sandton against 362 in Johannesburg and 765 in Alexandra. His figures show that fewer disconnections were made and summonses issued in Sandton than Johannesburg.

Fuchs is sceptical about Peacock’s figures, describing him as a failed ANC candidate for a seat on the Eastern Council and a public relations man for the ANC rather than the council. He says of Peacock’s figures “if they are true, it is too little, too late.”

He refers to “another discriminatory practice” sanctioned by the ANC-controlled Eastern Council’s failure to charge a consumption rate for Alexandra residents on the East Bank, even though there are between 700 and 200 water meters there. Instead, he says, the council charges a flat rate while billing Sandton residents on consumption.

Fuchs implicitly accuses ANC councillors of favouring their constituents in Alexandra while penalising Sandton residents.

Noting that the ANC-controlled Eastern Council may be acting illegally — a reference to a recent Pretoria High Court ruling in which the judge found it was discriminatory and unconstitutional to charge a flat rate in one area and a metered rate in another — he says “Charges of expediency can be made against the ANC-led (Eastern) Council.”

Patrick Lawrence
BREAK-IN: People try to force their way into houses in Tokoza yesterday after police and council authorities evicted hundreds of illegal occupants

PHOTOGRAPH T.J. LEMON

Tokoza on a knife-edge as homes reclaimed

Tokoza on the East Rand was on a knife-edge last night as hundreds of people who had abandoned their houses during the height of the bloody political violence in the early 1990s began to reclaim their homes.

However, apart from a few minor incidents, police say the delicate change of ownership is going smoothly and they will retain a strong presence in the area until the situation has stabilised.

Yesterday, police kept a close watch on hundreds of evicted homeowners in Penduka section after more than 100 houses were cleared of illegal occupants on Thursday.

About 500 IPP-supporting families occupied houses along the notorious Khumalo Street and other parts of the township after the owners fled during strife in the area in the early 1990s.

There was a tense standoff as the evicted residents jeered council workers and security officers from an independent security firm.

Police warned the occupants that they would be arrested if they returned to the houses, but it appears that this was not a deterrent.

When the Saturday Star visited the area yesterday, it was evident that some of the evicted residents had returned with a vengeance. Doors had been ripped off their hinges and windows smashed in a last act of defiance.
Sandton rates boycotters reject six-month interest-free offer

By Anna Cox

Sandton rates boycotters appear to have spurned a six-month no-interest offer from Johannesburg's Eastern council to repay arrears accrued during the nine-month-old protest action.

A meeting last night between the Eastern council and the Sandton Federation of Ratepayers (Sanfed) ended inconclusively.

Although neither officials from the Eastern council nor Sanfed were prepared to comment on the meeting, sources revealed that ratepayers were not satisfied with the compromise offered by the council.

The council was offering residents who have been refusing to pay rates increases since August last year six months to pay off their arrears.

No interest would be charged. It is understood that the two parties have agreed to issue a joint statement once the council has put its offer in writing and it has been approved by the Eastern council executive committee.

Only one ratepayers' association - the Triangle Community, representing Kelvin and Buccleuch residents - was prepared to comment.

Spokesman Bruce McGregor said the council's offer was not acceptable.

"It only deals with arrears - it does not deal with the main issue, which is increased rates of almost 300% and we are not prepared to accept this offer," he said.

Sanfed spokesman Bryan Stolzenberg said he was encouraged by progress in talks but that it was premature for him to comment.
cash-rich foreigners buy up flats

Johnannesburg's inner suburbs, no good for locals

The country has become an investment haven for foreigners, who are snapping up properties in the city's exclusive suburbs. The trend is driven by the low interest rates and the high return on investment, making it an attractive option for those seeking alternative assets.
To some, a slum, but to others, a castle

All available space in Bertram's, no matter how cramped and humble, is being snapped up by the homeless and jobless, many of them immigrants.

Once strongly Portuguese white area now Portuguese-speaking black one, with almost all jobless.

By JOHN MAKONI

Eastern Johannesburg has always had a strong Portuguese character.

It is still like that, only the Portuguese you are likely to hear in the suburb of Bertram today is more likely to be that of the new Angolan and Mozambican immigrants who, along with thousands of other "economic refugees", are packed into every nook and cranny of the area that was once prime real estate.

You might still find a large flat with a view for R1 000 or so a month, but for R100 to R300 you can take your pick from a rooftop shack, a section of a subdivided underground garage or a dormitory-style room in one of the older blocks.

Thandi Dube and her husband share a tiny room, which was once part of a larger flat, with a bachelor in Parissa Court on Gordon Avenue. "The people from up the roof come down to share the toilet," said Dube (not her real name).

Her husband, like many other men at Parissa, does not go to work and the couple split the R225 rent with their unmarried roommate.

Downstairs on "G1", in what was once a parking bay, a couple and a single woman share the R200 rent for a cold, concrete space with no natural light.

"Everyone in the block shares the few taps and toilets.

All four of Parissa Court's original four flats have virtually disappeared because they were converted into individual rooms. The block, which might have once held no more than 10 people, is now occupied by close to 60.

Bertram's new residents come from diverse backgrounds but one thing is common to all of them -- unemployment.

Some of the Mozambican immigrants, however, are lucky. They often find jobs with Portuguese businesses in the area, many owned by families who fled Lisbon's former colonies 20 and more years ago.

The office of Gauteng Health MEC Amos Masando told the Sunday Star that the health risks posed by overcrowding in Parissa Court and other buildings would be addressed by the recently adopted Residential Landlords and Tenants Bill.

Small subsidy

Urban overcrowding is, however, usually a local government matter, and metropolitan councils receive a small subsidy from the province to monitor and rectify this problem.

Christine Walters, a councillor for the Eastern council, said the council and the province were working together to alleviate such conditions.

Inspectors from the council's environmental management department were often sent to investigate complaints about poorly maintained buildings, Walters said.

The dormitory-hostel approach, which is becoming prevalent in some areas, is not in the interests of the families who live in these places," she said.

Masando's office said it would issue orders to owners of these buildings to rectify conditions, failing which they would be prosecuted.
Councils get nod to wipe off R574-m deficit

BY ANNA COX

Greater Johannesburg and its four councils have the go-ahead from the auditor-general to write off a R574-million deficit for 1996 even though "the current level of service delivery could be seriously affected."

The councils already have an accumulative income shortfall of R1.6-billion because of the non-payment of rates and services over recent years.

The R574-million will come from capital reserves and represents about one-third of the total capital reserves available. Capital reserves are used to fund projects such as roads, sewage, stormwater, housing projects and street lights.

Local authorities are not permitted by local government legislation to write off deficits against capital reserves but the auditor-general recommended this move so that the debts from the old administrations could be cleared and the councils could start with a clean slate.

Last year, the auditor-general expressed concern that the councils' credit control measures were inadequate and that not enough was being done to address outstanding debts.

The auditor-general also issued a disclaimer saying he was unable to express an opinion on the consolidated financial statement of Greater Johannesburg because of "the deterioration in the rates, services and rental arrears debtors of the council."

He said factors which contributed to the increase in debtors included the ineffectiveness of collection procedures, the uncertainty regarding the write-off of amounts owing in respect of multi-unit dwellings; the culture of non-payment that currently exists among ratepayers and consumers of services, and uncertainty as to the completeness of debtor records.

He also slammed the fact that the councils' assets registers were not satisfactorily maintained.

Although the report was tabled before the Greater Johannesburg Council last week, the ANC decided not to allow it to be debated until the four local councils had discussed it.

The Democratic Party has condemned the council for refusing to face up to its financial crisis and "take the necessary steps to avert disaster."

The metro and local councils also refuse to cut costs by handing service delivery over to the private sector instead they pour money into an increasingly unproductive bureaucracy and raid reserves to stay afloat. Johannesburg is deteriorating before our eyes and all the current signs point to a continued spiral downwards.

Morarty also slammed the council for failing to get a refund of R125-million from national government for boycott arrears up to February 1, 1994, written off by the Government.

DP councillor Frances Kendall said "ANC councillors refuse to crack down on the habitual non-payers in their own constituency because it would make them unpopular. Instead they increase rates and charges so as to penalise higher income residents who are traditionally reliable payers. This is already leading to disinvestment."

"The metro and local councils also refuse to cut costs by handing service delivery over to the private sector instead they pour money into an increasingly unproductive bureaucracy and raid reserves to stay afloat. Johannesburg is deteriorating before our eyes and all the current signs point to a continued spiral downwards."

Morarty also slammed the council for failing to get a refund of R125-million from national government for boycott arrears up to February 1, 1994, written off by the Government.
Gauteng delivers 71 000 houses

Vuyo Mvoko

THE Gauteng legislature yesterday unanimously approved the 1997/98 budget votes of housing and land affairs (R1.6bn), and development planning and local government (R283m).

Housing and land affairs MEC Dan Mofokeng said statistics from the national housing ministry showed Gauteng, at 71 276 units, had the highest number either built or under construction. The Western Cape was second with 25 321.

Mofokeng said Gauteng delivered a third of all SA’s low-cost housing built last year, increasing delivery by 150% over the previous year.

“...The department has taken a firm stance on corruption,” he said, citing two people convicted in Pretoria for allocation malpractices, a department official standing trial for theft, and a developer arrested last week for fraudulently obtaining money from the department.” Names of the offenders would be released once investigations were completed, he said.

Other recent successes included the passing two months ago of the Residential Landlord and Tenant Act. He said other policies that had been implemented, “which do not exist anywhere in the country”, included the provision of “transitional housing” for the homeless, releasing land to emerging farmers, upgrading informal settlements and making available publicly owned service sites.

A key constraint facing the poor was that high interest rates made credit for them unaffordable and inaccessible. The department would soon be putting forward a proposal on how high interest rates for the poor could be eased.

Mofokeng promised that in this financial year the department would deliver 61 824 stands and 84 656 houses.
Legislators urged to pledge to pay municipal accounts

BY FIKILE-NTSIKELISO MOYA
City Desk

Members of the Gauteng legislature have, for the first time, been asked to sign a public pledge to pay their municipal accounts or face possible expulsion.

Delivering his annual budget speech yesterday, Local Government MEC Sicelo Shiceka invited MPLs, officials, businesses and communities to sign a pledge to this effect.

At present, only local councillors have been asked to pledge their commitment to paying for services or risk losing their seats.

“Our vision of financially viable, sustainable and self-sufficient local government does not only depend on fiscal discipline and the delivery of services to our communities, but also on every community playing its role,” Shiceka said.

He also announced that his department was the first in Gauteng to meet its rationalising targets when 62 officials were granted severance packages, saving the department R2.5 million.
Gauteng leads the way in putting roofs over heads

71 000 homes have been built or are under construction in drive to crank up housing provision in the province

**By Hopewell Radube**
Provincial Reporter

Housing MEC Dan Mofokeng told the provincial legislature in Johannesburg yesterday that Gauteng was leading the way in housing with a delivery record of 71 276 units, followed by the Western Cape with 25 321.

According to the National Housing department statistics, Gauteng had spent R567-million in the 1996/97 financial year.

Mofokeng said his department had distributed a total of 65 789 serviced sites between 1994 and 1997. This was done in about 17 land release projects in the province, like the Manyi buye rapid land programme in the Khayelitsha Metror region where a community of about 115 000 people presently living in squatter camps would be settled. On average, Gauteng was distributing about 50 sites per day, he added.

The Katlehong, Tokoza and Vosloorus (Katorus) special presidential project has renovated about 885 damaged houses and the department has also renovated an additional 237 houses in Meadowlands and Dobsonville in Soweto and the Vaal area.

He said Gauteng was successful because it quickly set up institutions like the Provincial Housing Board to oversee the projects and the Mortgage Indemnity Fund to provide insurance to banks investing in high risk areas, established the National Home Builders Registration council in 1995 and because it had set up the Housing and Land Affairs department.

Mofokeng praised hostel residents for doing better than township residents in paying for services, attaining a record level of 78.3%.

Addressing the legislature during his department's budget vote, he thanked IFP MPL Humphrey Ndlovu for the party's role in encouraging hostel dwellers to pay. Payment had risen because of development programmes and improved consultation between local authorities and hostel communities.

Mofokeng assured the legislature that his department was always on alert to identify maladministration and corruption by officials and contractors.

Two officials had been convicted of malpractice in allocating funds and another was standing trial on similar charges. A contractor was arrested last week for allegedly attempting to defraud government funds.
Low-income earners can look forward to new rental flats in Jeppestown.

By Bonnie Mhlungu

A breach of trust at the JHC has resulted in the development of low-income housing, and the city's economic development is in need of a boost. The city's economic development is in need of a boost through new development, which is a 

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The city's economic development is in need of a boost through new development, which is a 

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Sandton ratepayers reject council offer to pay arrears over 6 months

By Zusia Cox
Sandton Bureau

Sandton ratepayers have turned down an offer by the Eastern council to pay off arrears over six months, interest-free.

The task team formed by local government MEC Sicelo Shiceka to resolve the rates' crisis made the offer last week as a step towards resolving the nine-month-old rates' boycott by Sandton residents after some taxes were increased by up to 26%.

Sandton Federation of Ratepayers' (Sanfed) advised the task team meeting last night that the organisation did not have a mandate from all the 24 ratepayers' associations it represented and was therefore unable to accept the offer.

Sanford spokesperson John Lamberger said: "No settlement has been reached on the unreasonably increased rates and services, on equitable services, valuations of properties or flat rates.

"None of these issues has even been discussed in the meantime the boycott continues," he said.

Payment levels in Sandton dropped to 76% in March with R12-million outstanding.

Gauteng local government spokesperson Prince Hamaca said Sanfed should get a mandate from residents. The task team would still negotiate with residents.

Sandton residents have expressed anger at the offer.
Rotting core just a myth, survey finds
Councillors 'owe thousands in arrears'

Report says council members have municipal accounts in family names

BY ROSNEY VICTOR

Councillors from Kempton Park, Mufurand and Edenvale still owe many thousands of rand on unpaid municipal accounts, according to a confidential report drawn up for the Khayelitsha Metropolitan Council.

Some of the councillors have opened municipal accounts in the names of their wives or other family members, the report indicates. This makes it difficult for the council on which they serve to act against them, despite government regulations which say councillors who are more than three months in arrears must be removed from office.

The confidential report was drawn up after councillor Mike Waters (DP) asked further questions in the Khayelitsha Metropolitan Council in February about the number of councillors in arrears.

Waters, who has been campaigning for more than a year for councillors to get up to date with their accounts or to be thrown off the council, asked for a detailed breakdown of the payment levels of all councillors or the households in which they live.

Three months later he has not yet had a reply and the confidential report remains confidential. "A lot of councillors are hiding behind family members to avoid paying their accounts," Waters said last week.

"Others are not even doing that - they are simply not paying their accounts and are getting away with it because the councils are not taking action."

Part of the reason why payment levels in the townships were so low was that the councillors themselves were not paying, he said. Councillors had a moral obligation to pay up before they could go out and ask other people to do so, he added.
Defaulters face water and lights cutoff

Gauteng local authorities are owed about R3-billion, so services will be stopped in August unless residents pay up

By Lee-Ann Alfreds

Gauteng residents who refuse to pay their municipal bills will have their services cut off in August, Local Government MEC Sicelo Shiceka announced yesterday.

Speaking after a meeting with the province's mayors, council chairmen and municipal chief executive officers, Shiceka said the crackdown was aimed at improving the financial viability of Gauteng's 51 local authorities, which are owed about R3-billion in arrears.

He said the drastic action was part of Gauteng's relaunched Masakhane campaign to increase payment for municipal services.

Shiceka said people who could not afford to pay could register with their local authorities from mid-June through July to avoid having their services cut.

All other consumers would have to pay - both their arrears and their current accounts.

"By August, Gauteng goes dark. People won't get electricity, they won't get water if necessary, waste won't be collected. People have got to understand where the buck starts and where the buck stops," Shiceka said.

Residents who failed to pay would have their furniture attached or their houses sold to defray costs. They would also be listed with credit bureaux.

Shiceka said the province hoped to improve the rate of payment by 10% every month, with 60% of residents paying by December.

Intergovernmental grants would be used to assist indigent people, he said. "We'll subsidise what we think are basic necessities," he said.

Criteria for qualifying as indigent were being drawn up.

Shiceka also said flat rates would be levied in informal settlements which did not have meters. Consumption would be divided by the number of residents, each of whom would have to pay a flat rate.

There was mixed reaction to the announcement yesterday.

SA National Civic Organisation spokesman Donovan Williams said it was right to take action against people who refused to pay, while assisting those who could not pay.

DP spokesperson Jack Bloom said he believed Shiceka was losing credibility by continually having to relaunch Masakhane. He said Shiceka should make an example of ANC councillors who owed thousands in unpaid municipal accounts.
Life in limbo .. Christina Erasmus and her foster child Whitney Woest could soon be among 34 Benoni families who may lose their homes after allegedly being misled by a pastor in a scam to be investigated by Gauteng’s housing department.

Dismayed families find homes they’ve been ‘buying’ don’t belong to them

BY BONGIWE MALANGELI

A dream of living in a safe community with amenities nearby has turned into a nightmare for 34 Benoni families who have been paying for homes which they recently discovered they do not own.

According to residents’ spokesman Ella Lombard, they were invited to buy houses in Van Rhyn Deep in Benoni by Pastor Dennis Joubert of the Eclesia Evangelica Network.

The church’s plans to build low-cost houses, a cathedral, 28 mini factories, a university, a clinic, a gym and a school were reported in local newspapers.

But instead of building new houses, the pastor sold the families very old ones at R60 000 each with a 13% fixed interest rate.

The families moved in in 1995 and were paying monthly bonds of about R80, and about R300 for water and electricity.

Lombard said the residents paid bonds and services at the church every month, hoping that all was in order. They were also told their bonds would decrease as soon as the church received a government housing subsidy.

Residents became suspicious when their electricity was cut off last year despite the fact that they had been paying their bills. The Benoni council said the community was in arrears of about R300 000.

Lombard said last month that they were told to move out because the land and the cluster of houses they had “bought” were being auctioned.

“The bank was shocked to find out there were people living on the land. We were not even known as bond holders. If we lose these homes where will we go?” asked Lombard.

The residents have called on the Gauteng government to intervene.

The housing department said it would investigate the matter further and the auction has been put on hold until July.

Pastor Joubert could not be reached for comment this week.
No rates increases this year — ANC

The ANC, the majority party in Greater Johannesburg's metro council and its four substructures, announced yesterday that there would be no rates increases this year.

ANC regional secretary Parks Tau said last night that the local ANC caucus decided not to propose or support any moves to increase rates in the metro area this year. He said the decision would not affect service delivery and the party would issue a detailed report today. The 1997/98 budgets of Greater Johannesburg are due to be announced in the next few days.

Opposition parties refused to comment last night, saying they would wait to see what service increases were imposed. Sandton residents boycotted rates payments in protest against massive increases last year. They are still embroiled in a dispute with the Eastern Council over the increases.

Also, 10 businesses affected by the increases took the council to court this year to have the increases set aside. They lost the case and are appealing against the High Court decision. — Staff Reporter

Councillors have two years
Impasse in Krugersdorp council goes on and on

BY BUNTY WEST

Six ANC councillors at odds with the Krugersdorp council failed to make an appearance at Wednesday night's monthly meeting.

The councillors — Lindwe Ndżono, Serge Mokonyane, Ben Ntšimane, Bafana Mdlatose, Francis Moaloši and Eric Molum — were absent for the second consecutive meeting, but "made apologies" by phone earlier in the day.

The council has been in turmoil since the beginning of the year, when battle lines were drawn over alleged irregularities involving a housing company headed by Ntšimane, a member of the council's executive committee at the time.

Ntšimane, head of the Krugersdorp Development Trust, was charged with applying for an R19 million housing board subsidy for the trust "without first obtaining permission from the council.

He and fellow executive committee members, Ndżono and Mokonyane, were kicked off the committee, but remain councillors.

The head of the council's reconstruction and development programme, Christine Crowley, who worked under Ntšimane, was caught in the crossfire as Ntšimane and Crowley were cleared by external investigators of any wrongdoing, but the trust itself is still under investigation.

Ndżono and Mokonyane supported Ntšimane and were joined by the three other ANC councillors in condemning mayor Stephen Motungoa and executive committee chairman Issy Dunat for their treatment of Ntšimane.

The breakaway councillors, who are backed by the regional office of the ANC, say Motungoa and Dunat have a hidden agenda. The ANC demanded the ousted exco members be reinstated, but the councilors who replaced them, Meshack Pule, Boyce Maneli and Miriam Mahuleke, refused to step down.

"At this week's meeting, we decided to seek legal help to appeal against the disciplinary hearing's not guilty ruling on Crowley," said Motungoa.

Crowley has not been allowed to return.
Legal fight looms over Sandton budget dispute

Deborah Fine

Yet another legal battle may be looming for the greater Johannesburg transtional metropolitan council after the Democratic Party and two independent councillors prevented the Sandton-based Eastern local council from passing its 1997/98 municipal budget on Saturday.

Delays in the adoption of the budget and the implementation of various municipal tariff hikes in the east could have serious implications for service delivery in the whole of the greater Johannesburg region, especially in the south and west where significant budgetary deficits were to have been covered by revenue generated by the eastern local council.

However, the budgets of the metropolitan council's three substructures were approved at special council meetings on Saturday. The northern local council approved a budget of R260m, of which R211m will be spent on capital projects. The southern local council, which governs most of Soweto, passed a R1.2bn operating budget with a capital budget of R217m, while the western local council gave the nod to a capital budget of R268m and an operating budget of R389m.

- The metropolitan council itself passed a total budget of R4.8bn. Of this, R4bn will make up the council's operating budget, while the remaining R800m will be spent on infrastructure projects (R409m), electricity (R185m), economic development, sports, art and culture (R144m), and public safety and emergency services (R45m).

- The budgets will result in increases of 30% for water charges, 25% for sewerage, 15% for refuse and a 20% increase for domestic electricity across greater Johannesburg.

- Businesses face a 10% increase in the regional services council levy on turnover and staff.

- In terms of the metropolitan council's "balanced budget" for 1997/98, the eastern local council was to have paid over a levy of R401m to subsidise deficits of R161m and R105m in the south and west, respectively. The levy would be used also to fund a R121.6m deficit in the metropolitan council's operating budget. The eastern council, though dominated by the African National Congress, could not hammer through its budget because it failed to obtain the two-thirds majority — in this instance 40 votes required by law to pass the budget.

The council consists of 31 ANC councillors, six National Party members, two Inkatha Freedom Party representatives — all of whom were in favour of the budget — and 18 DP members and two independent councillors, Liz Clegg, representing Bryanston, and Bruma ward councillor [Blumenthal]

Together, the ANC, NP and IFP made up 39 votes, one vote short of the crucial two-thirds majority. With the DP and Clegg against the budget, the council had hoped that Blumenthal could be persuaded to give his support to the budget. However, he withheld his vote and the budget was defeated.

The DP voted against the budget on the grounds that the levy was unsustainable, because the eastern council was the only Johannesburg local authority called on to pay such a levy.

After the budget's defeat, the council decided to refer the budget back to the executive committee for further debate.

- DP councillor Mike Moriarty said his party would take legal opinion on the matter because in terms of local government legislation, the council was not authorised to redate the budget.

The council was now legally obliged to refer the budget to Gauteng premier Tokyo Sexwale for consideration, he said.

The DP would take legal advice also on the council's contention that the tariffs contained in the budget were a separate budget item and had required only a simple majority to be approved. On this basis they had been approved and could be implemented as planned on July 1.

Moriarty contended that the tariffs also required a two-thirds majority.

He argued that for this reason they had not been passed in the east.

DP councillor Alan Fuchs said the party might consider bringing an urgent application in the Johannesburg High Court this week to prevent the council from redateing the budget should it not be authorised to do so.
Council gets tough on defaulters

Deborah Fine (27) 6031697

The Johannesburg southern local council no longer had any "qualms" about cutting off the electricity of municipal payment defaulters following the introduction of a register for indigent and destitute people and a generous offer to allow defaulters to pay off their arrears, budget and finance committee chairman Shan Balton said.

Confirming yesterday that the council had cut off the electricity of more than 1700 defaulters since March, he said the cut-offs would continue "at a fairly rapid pace" as part of the council's programme to increase payments from present average levels of 84% to about 95%.

A positive sign in this regard had been what seemed to be "an important change in mind set" whereby defaulters whose electricity had been cut off had either applied to register for a council subsidy or had taken advantage of the council's offer whereby they could pay off their arrears over a period of 60 months, interest free.

This was in stark contrast to previous cut-offs which had provoked sometimes violent protest.

The council, which governs Johannesburg South, most of Soweto, the Johannesburg central business district as well as areas such as Lenasia and Eldorado Park, had cut off the electricity of 220 defaulters in March, 442 in April and 968 last month, he said.

Balton said 10 186 people had already applied to be registered under the council's indigent and destitute scheme. The scheme separated those people who genuinely could not afford to pay for services from those who simply neglected to pay their accounts.

The council had agreed to provide municipal services subsidies of R32,09 a month to such people, of which R54,15 would be in lieu of water, sewage and refuse removal charges, and R7,94 for rates. The subsidy did not include electricity, which the council felt people should pay for themselves.

People would be screened in order to renew subsidies. Subsidies at present would cost the council R19m a year.
Troops to help wage water and lights war

BY RODNEY VICTOR

The army will help Boksburg council officials today when they cut electricity and water supplies to people in the Popcorn Valley area of Reiger Park who have not paid their municipal accounts.

A similar operation in Popcorn Valley last week was unsuccessful. Residents erected barricades and threw bombs at officials, who managed to cut off supplies to only a few homes. Residents later broke into electrical substations to restore the power themselves, but they damaged expensive electrical switchgear in the process, plunging the entire Popcorn Valley area into darkness and knocking out a sewage pump station.

But sewage was running in the streets until the damage was repaired.

By the end of the day, all those who had had their supplies cut off were again enjoying free electricity.

"The residents are organized and they are going flat-out not to pay for the services they are using," said Boksburg's city electrical engineer, Al Fortmann.

"It's an unbelievable battle, but if we can win this one, we can win in the other areas as well," he said.

Members of the defence force would remain in Popcorn Valley for three weeks, Fortmann said.
Massive electricity scam unearthed
BY CECILIA RUSSELL

More than two-thirds of the 6,000 Ennerdale households with pre-paid electricity meters have bypassed the system and are using electricity without paying for it, according to the Southern council.

Shan Balton, head of the council's finance committee, said the scam was uncovered in the course of implementing a harsh cutoff policy for people who refuse to pay their electricity, rates and service accounts.

Balton said many residents in south-western Johannesburg had managed to bypass the meters soon after their installation in the early 1990s and had not been paying for electricity since then.

He said the council was considering legal action against the culprits.
R60m lost in non-payment by residents in Jo'burg south

By LIZANN ALFRED

Johannesburg's Southern council has lost about R60 million over the past two months because residents of Johannesburg's traditionally white southern suburbs have stopped paying for municipal services. And there are fears the culture of non-payment will grow.

Southern councillor Shan Balton told The Star yesterday that payment levels in Johannesburg's southern suburbs had shown a "2 or 3% drop" over the past two months. This amounted to R60 million, he said.

Balton said the council was investigating, but it was uncertain why residents were not paying.

"We haven't received any information of any organised attempt for non-payment," he said. "If our May figures confirm there's a trend, we will be very seriously worried about it," he said.

However, an organisation called the New Southern Community Forum said yesterday there was no doubt it was responsible for the drop in payment levels. The forum is a residents' association operating in the wealthiest suburbs of the southern suburbs, including Bassonia, Mulbarton and Glenvista.

Forum spokesman David Carser said the organisation had embarked on a services boycott last June to protest against the development of Lielte en Vrede - an open piece of land south of Mulbarton - as an informal settlement area.

Carser said residents had not paid at all until February, when they started paying a flat rate. Residents ended the boycott on May 29 after reaching an agreement with the council. He could not say how many residents had heeded the call for the boycott, saying people refused on "individual" basis.

But' Mondeor and Hills Village Community chairman Margo Holt denied there was an organised move to boycott paying for services.

Holt said Mondeor residents were paying for services, but said residents of Turffontein and Rosettenville might not be paying "because they had a stupid rationale that they won't pay for other people".

The Masakhane campaign, aimed at improving the level of payment for municipal services, is to be relaunched in Gauteng today for the fourth time. It was first launched in 1995.

More reports
South's payments boycott denied (127) Apr 5/97

The Rosettenville and Townsville (Roseview) Ratepayers' Association yesterday denied that any of its residents had boycotted paying for municipal services.

The association was reacting to a report in The Star yesterday stating that the Southern council had lost between R60 and R80 million over the past two months because residents of Johannesburg's traditionally white suburbs were not paying for services. It reported Mondeor and Hills Village chairman Margo Holt saying that residents of Turffontain and Rosettenville might not be paying "because they had some stupid rationale that they won't pay for other people."

The association's secretary, Elaine Duncan, said they had been approached in the past by various organisations to support a rates boycott, but had consistently refused to participate. "In every instance our committee has unanimously agreed to refuse to be part of any boycott. It is our firm belief that such boycotts are irresponsible and extremely damaging to the efficient functioning of the metropolitan council," she said.

Duncan said she expected Holt to provide evidence to support her statement. — City Reporter.
Ratepayers foot bill for water worth millions lost yearly in Joburg

BY LEE-ANN ALFREDS
City Desk

Johannesburg's councils lose millions in unaccounted-for water annually – and ratepayers have to pay.

The Southern council said yesterday it lost more than R10-million in unaccounted-for water every year.

An average 14% was lost in the South, with Soweto's leakages as high as 25%, Southern council water spokesman Connie Ras said.

Northern council water spokesman Kurt Rohner said it lost up to R9-million in unaccounted-for water every year.

But he said this was "very good" as it was way below what was considered an ideal amount of water to lose. Any council which lost under 10% to 12% was doing well, Ras said.

Both Ras and Rohner said the cost of the lost water was borne by ratepayers because the amount was incorporated into the tariffs consumers were charged.

Although they could not say exactly how much this was, Rohner said it was a portion of the 30% to 40% levy in the water tariff to finance the municipal infrastructure.

"We need to balance the books. We have to account for the maintenance of the system," Rohner said.

Ras said consumers had always been charged for unaccounted-for water because it was part of the operating costs. Ras and Rohner said that in any extensive reticulation system, water would be lost.

According to Ras, a lot of the South's water is lost through outdated plumbing which would take millions to replace. It would be about seven years before the system was improved.

Both councils said they were installing systems which would make it more efficient to monitor water consumption.

(127) Stan 6/6/97
Gauteng leads country in building of new homes

SAPA AND STAFF REPORTER

Gauteng is delivering one-third of South Africa's low-cost housing, beating all other provinces hands down. Gauteng housing and land affairs MEC Dan Mofokeng reported to Parliament in Cape Town today.

The 71,276 units (completed and under construction) were almost three times higher than the Western Cape's 25,321 units.

The National Department of Housing statistics showed Gauteng's 1996/97 expenditure was R567 million. In November, Gauteng spent R71 million, nearly half of the total of R138 million spent that month.

The upgrading of informal settlements programme, had been approved and 22,115 sites were to be upgraded.

The programme, which had created jobs for 12,900 people, had also repaired 885 damaged houses in Katorus and 237 in Meadowlands, Dobsonville and the Vaal, Mofokeng said.

The province would introduce the Gauteng Housing Bill this year, to deal with the establishment of the Gauteng Housing Fund and the institutional arrangements for the management of housing, including consultative forums and the provincial housing board, Mofokeng said.
Bond boycotters sign landmark deal with loan company

By Cecilia Russell

More than 170 homeowners in the Chiawelo area of Soweto yesterday pledged to pay their bonds after signing an agreement with finance company Khayalethu Home Loans.

This marks the end of a five-year bond boycott in the area.

Residents stopped paying about a year after occupying the properties because of a dispute with Khayalethu over the cost of the houses, said Lesley Bonoko, chairman of the Chiawelo Residents’ Association.

In return for regular repayments, Khayalethu has agreed to scrap the accumulated interest on arrears owed by the homeowners, to fix their bond interest rate at 17% for five years, and to reschedule payments as if they were newly acquired bonds.

The houses originally cost between R25 000 and R30 000.

The structures have been re-evaluated and the new prices are R27 000 for the smaller units and R29 000 for the larger ones. Residents will be able to apply for the R15 000 government subsidy for first-time home buyers.

The newly signed deal will come into effect on July 1.

“Khayalethu has bent over backwards to help us and we must now begin to pay our bonds,” Bonoko said.

Samuel Dikota, a mortgage bond consultant, said this agreement could prompt banks to change their attitudes towards financing Soweto home buyers.

“The banks have red-lined areas in Soweto due to the high number of people in arrears with their bonds,” said Dikota.

He said Khayalethu had lost about R200-million in the past 10 years because of bond boycotts.
R100-m loss for Eskom if it scraps debts

BY FIKILE-MTSHELELO MOYA
City Desk

National electricity supplier Eskom stands to lose almost R100-million if its plan to write off arrears owed by Gauteng residents goes ahead, communications head Peter Kgama said yesterday.

Kgama had distributed pamphlets to Soweto residents, offering to write off all debt accrued between January 1992 and July 1995, if residents settled what they owed Eskom from July 1995 to date.

Kgama said other areas where households bought their electricity directly from Eskom would also have their arrears written off.

The amnesty scheme is already working on the East Rand.

Most former white, Indian and coloured areas were not included because they received electricity from local councils.

Some, like Sandton, which Eskom supplied directly, would not be included because “there had never been a repayment problem” in these areas.

Kgama had decided to offer the amnesty because it realised it would be difficult for people who had not paid for years as part of the rent boycott to find the money to settle these debts.

Boksburg power cut

Boksburg mayor Eric Xaviya has called for all community leaders to help solve problems in Popcorn Valley, Roager Park, following yesterday’s unrest.

The Boksburg Town Council owed R132-million in arrears, cut electricity to the area at dawn. About 100 residents gathered to protest. Only one arrest was made. – Staff Reporter.
Homeowners at mercy of tenants

Squatters threaten to burn houses down when asked to leave, and nothing is done by either council or police to help

BY ANNIE COX
Sandton Bureau

The harassment of Alexandra property owners by tenants living illegally in their homes is increasing daily, according to the Alexandra Land and Property Owners' Association spokesman Keke Koalepe.

The owners are often terrorised by the tenants who don't pay rent and find themselves in a position where not even the law is on their side.

Koalepe himself fell victim to this situation last weekend. He had two people living in his house who had not been paying rent since 1994. He obtained an eviction order and the sheriff evicted the tenants. Koalepe removed the door and roof of the rooms but last Friday - a day later they returned and laid a charge of theft against him.

Koalepe is desperate: "It seems there is no law which protects property owners. This is my property, it is my private place - I paid for it but it is taken over by other people who do what they like and live here for nothing. I want the rooms for my daughter who has finished her matric."

"We are terrorised by these tenants and have no legal protection. We don't know which way to turn," he said.

Koalepe is one of hundreds of Alex property owners who face the same problem. Yet no one appears to be able to help them.

The Human Rights Commission's (HRC) head of the legal department, Mogam Moodliar, said the commission was seeking legal opinion to ascertain whether the owners had rights in terms of the Land Restitution Act.

DP Gauteng MPL Jack Bloom said he was disappointed in the approach of the HRC which had attempted to mediate the issues rather than directly ensure that legal rights were upheld.

Eastern Council communications officer Keith Peacock said a registration process was in progress to find out who the legal owners and tenants were, but until such a register was complete it would be impossible to carry out evictions.

The land dispute started under the Group Areas Act when the Government expropriated properties and then granted owners permission to rent their own properties back from the State. Many repurchased their homes in the 1990s.

Caroline Nkosi is another victim of tenants. She has 10 living on her property. Her children want to move in, but they are unable to do so because the tenants refuse to move.

"People come here and build their shacks on my property wherever they want and I can do nothing. If I dare tell them to leave they threaten to burn the house down. Nobody at all is helping us - the councillors and the police do nothing."
Sandton rates boycott is set to continue

BY ANNA COX
Sandton Business

The boycott of rates by Sandton residents and sectional title owners is set to continue despite the zero increase in rates announced for the 1995/96 financial year.

Sandton ratepayers started boycotting rates in July in protest against increases of up to 300%.

Sectional title owners in Johannesburg's Eastern and Northern councils have decided to continue with their rates boycott in protest against the 40% rebate granted to them in the new budget.

Residential Sectional Title Owners' Association spokesman William Chiles said residential property owners received a 50% rebate while sectional title owners got only a 40% rebate. The rebate was raised from 35% to 40% for the new financial year, but owners are still unhappy.

It was decided this week to recommend to members that 1995/96 rates plus an escalation as decided on by the trustees or bodies corporate of their complexes be paid, said Chiles.

The Sandton Federation of Ratepayers is also still continuing its rates boycott even though the association has recommended to its members they may take the option of accepting the Eastern council's offer of repayment of arrears over six months interest free, it is encouraging members to pay only R13.60 a month for water - the same as people in Alexandra and Soweto are paying.

Said Sanfed chairman Peter Harmsen: "Ratepayers are not capitulating on the rates boycott. In fact, we are widening our focus to include other areas of activity in which the municipality is not providing ratepayers with the services they are paying for.

"The rates issue and the extortionate imposition of rates has not been resolved, nor has the unfair land valuation procedure, nor the discriminatory levying of different charges in different communities for equivalent services.

"He said Sanfed also rejected the Eastern council handing over its R61-million surplus for cross-subsidisation to other councils.

"The principle is still to be tested in the Appeal Court and ratepayers are advised under no circumstances to make payment of any rates without formally protesting that they are doing so because of threats by the authorities and that they reserve their rights to reclaim overpayments when the court decision is handed down. A pro-forma letter to this effect is available from the Sanfed help office (telephone 883-6001)."
Lax controls: The Gauteng Housing Department had more than R8-milion stolen from its low-cost housing kitty

PHOTO: SIDOQUE DAVIES

Gauteng official stole R8m from housing fund

MUNGO SOGGOT

A TOP official in Gauteng's Housing Department has confessed to stealing more than R8-million from the province's low-cost housing kitty.

Senior accountant Louis Botha handled the province's disbursements from the National Housing Fund – the central repository of funds for the government's low-cost housing drive.

But lax controls within the provincial department enabled Botha to siphon cash into front companies for almost four years before he was exposed.

Botha used some of the proceeds to buy properties in Johannesburg's eastern suburbs, where several of his friends are living rent-free.

He was only caught last year when Standard Bank noticed a strikingly large amount of money flowing into his credit-card account. The bank alerted the department, which then contacted the Transval attorney general's office.

The Gauteng province accounted for roughly one-third of the R3-billion national housing fund budget for the 1996/97 financial year, and has been praised by central government for its speedy disbursement of low-cost housing funds.

Provincial housing officials plan to release a formal statement next week. The department has also sought "professional advice" to tighten up its systems.

Botha was convicted on 96 counts of theft in the Johannesburg Magistrate's Court last month, after handing over a full confession.

He told the court he had "taken advantage of all opportunities" to pilfer the fund from November 1992 until the middle of last year, when he was caught.

Botha set up a string of fictitious creditors on the department's computer, forwarded them cheques from the fund and printed fake invoices.

He set up the front companies with the help of some of his friends, who shared the proceeds. The fictitious companies' titles included three variations on the name of top estate agent Lew Geffen (who was not connected to the scam)

In his tell-all confession, apparently made in the hope of securing a lesser sentence, Botha also described how he drew up false invoices in the names of so-called creditors. He either forged the second signature required for the cheques or asked one of his department colleagues to sign — without letting them in on the swindle.

"I admit my behaviour was wrong and forbidden and I could be punished," Botha said in his written confession.

"The concept of intent to steal has been carefully explained to me and I acknowledge that I had intention to deprive the state of its property permanently.

"I took advantage of all opportunities. I particularly acknowledge that I allowed payment to the fictitious creditors at every opportunity. I admit I wrongfully and with deceiving intent stole R8 337 552 and 28 cents, the property of the state.

"It was possible to generate documents which created the false impression that payments by the department were legally owed to the fictitious creditors," he said.

The Transval attorney general's office is investigating Botha's accomplices. Botha is due to be sentenced in August, when the court will hear evidence in mitigation.

He was not available for comment this week.
Major social housing project launched.

Reprinted from 1978 edition of The Times of London

In a major social housing project, the government has launched a series of new housing developments to address the housing crisis. The project, which includes the construction of 1,000 new homes, aims to provide affordable housing for low-income families. The government has invested £50 million in the project, and the homes are expected to be completed by the end of the year.

The project is a significant step towards addressing the housing crisis in the country, which has been exacerbated by the COVID-19 pandemic. The government has recognized the need for affordable housing and has taken measures to increase the supply of social housing.

The new homes will be built in various locations across the country, including urban and rural areas. The government has worked closely with local authorities to ensure that the homes are located in areas where they are needed the most.

The project is expected to create jobs in the construction industry and will help boost the economy. The government has also emphasized the importance of sustainable housing, and the new homes will be built using environmentally friendly materials.

The government has encouraged landlords and private developers to invest in social housing projects, and the project is expected to set a precedent for future developments.

In conclusion, the launch of the social housing project is a significant step towards addressing the housing crisis in the country. The government has shown its commitment to providing affordable housing for low-income families, and the project is expected to have a positive impact on the economy and the well-being of the country's citizens.
Major social housing project launched

Robyn Chalmers

A MAJOR social housing project was launched near Johannesburg's city centre yesterday by the Johannesburg Housing Company as government's social housing policy began to get under way.

Housing Minister Sankie Mthembu-Mahanyele said yesterday the Jeppe Oval project in Jeppe was the first scheme where government's institutional subsidies were used to provide greenfields rental stock.

"This project is adding more than 240 new units to our housing stock, as well as meeting the needs for the provision of affordable, well-located and decent housing."

She said that between December 1995 and last month, the housing department had reserved 2,228 institutional subsidies, which was less than 0.5% of the more than 555,000 subsidies reserved overall.

There was strong interest in institutional subsidies coming from local authorities who were looking to increase the amount of affordable rental stock available from their constituencies.

Gauteng housing and land affairs MEC Dan Mofokeng said that the province was paying close attention to the city centre and was looking particularly at quality and management.

"We are concerned about the standards of products being delivered and are grappling with the management of housing projects. Unless we have proper management, housing stock will deteriorate and payments become a problem," he said.

The standards being prescribed by local authorities for services were eating into the funds available for top structures, and Mofokeng said the housing subsidy, which was introduced in 1994, should be worth at least R19,000 by now as compared against the current R13,000.

Mofokeng said continuing disputes between landlords and tenants in the inner city had to be resolved and the Rental Landlord Tenant Act would be implemented by August 1997.

Gauteng provincial and local authorities had embarked on a number of projects to improve the city centre, including the inner city housing programme, which comprised of 1,400 units at a cost of R20m in subsidies plus 600 transitional units involving R3m in subsidies.

"There are seven institutional housing projects in Johannesburg's inner city, representing 1,061 housing units amounting to R10.6m," he said.

Wyndham Hartley

CAPE TOWN — An investigation by the Office for Serious Economic Offences (OSEO) looms for the KKW co-operative after a meeting of Parliament's agriculture, water affairs and forestry committee yesterday.

A motion from the African National Congress (ANC) before the committee asking for approval for a call to the office for an investigation into the disclosure that sparkling wine was marketed as champagne in the early 90s by the KKW.

The committee decided it would hold back its motion until it had been established whether police had reopened an investigation.

The resolution before the committee said the office should investigate the matter because of the enormous damage the allegations were doing to SA's image abroad and to the tourism industry in the Western Cape.

National Party MP Manie Schoeman said police were investigating the allegations and that the co-operative was co-operating fully with them.

He said the alleged fraud happened more than five years ago when sanctions against SA agricultural products were still in place. He asked whether it was the intention of the committee to investigate all sanctions-busting activities.

Schoeman said sanctions-busting had been necessary at the time and referral of the matter to the OSEO should not be approved because it would pre-empt the police investigation.

Committee chairman Doot Love (ANC) said the seriousness of the allegations against the KKW went to the "heart" of our international standing because it was about fraud and faking French champagne.

She said she could not see how those allegations against the KKW could have helped SA producers sell their products.

ANC MP Jonathan Arendse said it was not the committee's job to sit in judgment which was why there was a recommendation for OSEO to get to the bottom of the matter. He said the committee had to be certain police were investigating.
Tenants accuse Sanco of attempting to evict them
Flat-dweller's door lock broken and furniture smashed

BY FIKILE-NTSIKELELO MOYA
City Desk

Tenants at a Joubert Park, Johannesburg, building have accused the South African National Civic Association (Sanco) of trying to evict them from the building "because they refuse to join the organisation".

Tenants of the Castle Blaney building at the corner of Wanderers and Loyds streets claim they are being removed because they will not contribute to a trust fund set up by the organisation to manage the building, which apparently has no landlord.

They said they were awakened by sudden violent knocks on their flat doors last week by armed members of the organisation, who threatened them.

They have taken the matter to the Small Claims Court to ensure that Sanco members pay for the damage they allegedly caused.

Tenant Moss Skosana said he was not at home at the time, but found the door to the flat as well as furniture and appliances broken.

Several attempts to get Sanco comment earlier this week drew a blank: "You can go on with your article, we will just have to respond to it," said Sanco official Lizzie Mela.

One of the tenants who declined to be named "for fear of reprisals" said about 50 Sanco members, armed with a assortment of weapons, converged on their building after holding a meeting at a local hall.

She said a senior Sanco official told her that she and 10 other tenants would be evicted because they were "stumbling blocks" to Sanco plans.

The tenant said Sanco wanted to set up a trust account into which all tenants would contribute money to help manage and renovate the building.

She said tenants had expelled local councillor and Sanco leader Sandile Mgudlana from a tenants' meeting a week earlier, a move that made her unpopular with "the few" Sanco members in the building.

"We agreed as tenants that no outsider, irrespective of standing in the community, would address our meetings, yet Mgudlana, who does not live here, insisted on chartering it," she said.

Responding to the allega- tion, Mgudlana said: "I don't want to waste my time with this. You can use your newspaper for propaganda if you wish."

Said the tenant: "How do I join an organisation that does not understand that people have a right to freedom of association and of speech?"
Sanction budget still in crisis as MB hires debt collectors

prepare for the TRC's inves...
Big financial incentives for residents to pay their rates

BY FIKILE-HTSIELELO MOYA
City Desk

Greater Johannesburg’s Southern Council is to give one resident, who pays his or her June and July rates bill and who is not in arrears, R10 000 as part of an incentive scheme to boost payment levels.

Two other residents will get R5 000 each.

The measure to entice residents to pay their rates was approved by the executive committee and is expected to be adopted at the council meeting today.

Councillor Shan Balton said it was not a lottery because it did not require ratepayers to buy tickets. All residents needed to do to stand a chance of winning was to pay their rates.

The R20 000 prize money will come from council coffers.

Balton said the council was trying to get business to sponsor the competition, but had decided to go ahead with the competition in July to coincide with the new financial year.

He said although it was the duty of all citizens to pay their services without being rewarded, the culture of non-payment demanded incentives.

“If we lived in different times it would be fair to say that we don’t have to reward people for doing their civic duties, but we are living in abnormal times now. We have to reward those people who have been loyal while trying to get those who have not, to pay,”

Balton said.

The plan was initially proposed in March but had to be shelved while the council investigated its legality.

The scheme will be monitored for six months Balton said “If it improves our cash flow we will definitely go ahead with it.”
Decaying a Kliptown child runs near one of the walls which residents fear could collapse any day unless the Southern council intervenes and fixes them

Historic ‘Freedom Charter’ township crumbling, Kliptown residents warn

City Reporter

Kliptown residents believe their 8,000 Johannesburg township could fade away if the council does not intervene in its continuing decay.

Residents said the few houses originally built in the area were rotting away and soon there would not be a Kliptown to talk about.

A walk on the creaking wooden floors of Christina Williams’ house has become a test of courage.

“We fear that the floor could collapse any day. When the rainy season comes, you can’t walk barefooted because the place becomes full of snails,” said Williams.

Another resident, Cecilia Chaval, complained that her roof had been blown away several times in the past three years, and she had called on the council to fix it. Council chair

man Prema Naidoo said the council was not obliged to help residents because the houses were privately owned.

Residents said the area was of historical importance because the ANC’s Freedom Charter was adopted there on June 26, 1955, but it had been forgotten while the Reconstruction and Development Programme went ahead elsewhere.
People wait for up to 12 months for approval

thousand or disgruntled home seekers in Gauteng are waiting up to 12 months for government subsides to be approved by provincial authorities, lawyers and banks.

A Sowetan investigation has uncovered a string of disgruntled home seekers and contractors who said the delays in approving individual and project-linked subsides was frustrating them.

Applied for subsidy

Mr Bhekki Masendo of Soweto applied for a subsidy to buy a house in Tshawelo, Soweto, last August.

He applied for a bond at Nedbank in Johannesburg. The bank applied for a subsidy — but without success.

Masendo is one of more than 300,000 people who are on the waiting list for homes after registering with the provincial government and not having applied for subsides.

The housing backlog has not only frustrated first-time buyers, but also those developers who claim bureaucratic bungling and insufficient staff are causing delays in the approval of subsides.

Masendo said the bank was prepared to grant him a bond, but he was waiting for the Government to approve the R9,000 subsidy as part payment for a R35,000 house.

Approved

The housing department told him that his application would be approved within six weeks. He was paying occupational rent and feared the house would be sold to him.

A desperate Mr Isaac Vilakazi of Soweto has not been able to pay off the R35,000 to a home-owner.He has been waiting for the subsidy to be approved since October 1995.

Vilakazi said: “I do not know what the problem is, but I believe the Government must do something about this bungling.” Vilakazi said.

South African Developers and Residents Association (Sarda) chairman Mr Hendwick Kekana said getting a Government subsidy was a nightmare, and he alleged out problems and delays with banks and conveyancers.

Sarda has recommended to Government that guarantees should be issued within three weeks of subsides having been approved. These guarantees will enable contractors to speed up the delivery of houses.

The office of Gauteng housing MEC Mr Dan Mofokeng has confirmed that there is a backlog, and that delays were caused by lack of cooperation from some banks and conveyancers.

The department employed more staff in March to resolve those problems and hoped the backlog would be reduced within the next few months.

Liaison officer

Gauteng housing department liaison officer Mr Jabie Matliou said banks often took a long time to pay developers of new housing projects, leading to the department placing a moratorium (which has since been lifted) on them.

The department processes an average of 569 subsidy applications a day.

The Government is also doing its best to ensure that the subsides are approved within two months.

The Ministry of Housing is consulting provincial housing boards to work out strategies to shorten the waiting period.

“We would like to see more people acquiring shelter this year,” a spokesman said. “This is the year of housing delivery.”

Another concern is whether the standard of housing provided through the subsidy will meet beneficiaries.
Councillors told to pay up or be exposed

By Rodney Victor

Councillors from Midrand, Kempton Park and Edenvale who are in arrears with their municipal accounts will soon be exposed.

A long-standing report into councillors in arrears would be available “within the next two weeks,” the Khayelitsha Metropolitan Council in Kempton Park was told last week.

The report was called for in February by DP metro councillor Mike Waters, who believes that councillors on the metro council and its three substructures owe many thousands of rands in unpaid accounts.

“The fact that councillors were not paying—and were getting away with it—was contributing to the culture of non-payment in the townships,” Waters said yesterday. If councillors were forced to pay up or get kicked off the council, it would send a message that the council was serious about payment. Waters criticised the metro council for delaying the report for more than five months.

“Some people don’t want it to be published, so they are dragging their feet,” he said.
Tribunal hears case on low-cost housing
Landmark court battle over valuations

About 18 000 property owners out of 400 000 have objected to their ratings

By Lee-Ann Alfreds
City Desk

A couple yesterday lodged a landmark court application to compel council valuers to justify their valuations, used to set monthly rates bills.

If successful, the application could enmesh Johannesburg's four local councils in an administrative nightmare for months.

The application was brought in the Johannesburg High Court by Elmura and Michael Adams, who are objecting to the valuation of their property on the provisional valuations roll, which will determine what they pay in rates for the next three years.

They are not alone in their objection. About 18 000 of Greater Johannesburg's 400 000 property owners had objected to the valuations of their property. Johannesburg Metropolitan Council spokesman George Nel said, but only 20 to 30% had turned up at the hearings to voice their objections.

If the Adamses succeeded it would be a "tremendous administrative burden" on the council, Nel said.

"The workload will be tremendous and the resultant costs on council. I don't think the case is necessary. Everybody is afforded equal opportunities to object.

He said objections normally had limited success, which meant there would not be little impact on the revenue generated by local authorities.

In their application, the Adamses have asked Mr Justice Basil Wunsh to force the Northern Council's valuations board to provide them with written reasons - at least one day before a hearing on the objections - of how they arrived at the valuation for their property.

The next hearing has been set down for Monday.

The Adamses said they had applied to the court because they had to prove the valuers wrong if their property's value was to be reduced.

Their property has been valued at R523 000 - R149 000 for the land and R374 000 for the house and other "improvements" (such as a pool).

They argue that R340 000 - with the land worth R190 000 and improvements R250 000 - is a truer estimate. If their estimate were accepted, they would save about R100 a month on rates, according to Michael Adams.

Elmura Adams, an advocate, argued that objectors needed information - to which she was entitled in the constitution - to adequately prepare for hearings and protect her interests.

Counsel for the valuation board, S J Grobler, argued that the regulations provided sufficient opportunities to voice objections and that objectors were told at hearings how a valuer had come to his conclusions.

Grobler argued it would be impossible to value a city like Johannesburg with all its substructures if a valuer had to give reason for each and every value that he makes.

He added that the constitution restricted access to information where matters were still being finalised. Judge Wunsh will rule on the application today.
Councillors fight the 'lost water' battle

Deborah Fite

EFFORTS by the greater Johannesburg transitional metropolitan council and its four local councils to account for and solve the problem of "lost water" in the region were being hampered by a lack of bulk and individual water meters, metropolitan water executive officer Dave Fox said yesterday.

Confirming that about 50-million m³ of water were unaccounted for each year, Fox said all the councils had embarked on programmes to reduce the loss by "sweeping" municipal plumbing systems, hydrants and reservoirs for leaks and faulty valves.

Faulty systems in many individual homes had also been repaired.

The lack of bulk water meters in strategic positions and meters on individual stands to indicate how much water was being consumed made the councils' task of isolating areas where water was being lost at an abnormal rate very difficult.

The shortage of meters also made it difficult to determine where people were illegally tapping into mains or using fire hydrants for personal use.

Fox estimated that the greater Johannesburg region would have to install at least 140 000 new meters at a cost of about R75m to begin to address the problem. This was in addition to updating and repairing old meters.

Stressing that the installation of new meters would be a long-term project given limited resources, he said the council was examining the implementation of systems similar to those in the UK. There, consumption estimates based on socioeconomic criteria were used in areas not universally metered.

Fox said, however, that councils were committed to universal metering and would be obliged to install such a system in terms of the Department of water affairs and forestry's new Water Services Act, expected to be in place by September.

Councils could be expected to issue "meaningful" water audits based on actual consumption figures within the next 18 months to two years, he said.

Meanwhile, Rand Water Board operations general manager Attie van Rensburg confirmed yesterday that the board had reduced water pressure in the Leandria municipality, near Bethal, by up to 88% last week after the municipality had failed to pay its water account of R188 000 for three months, the first time the board had taken such action.

He said the board had progressively reduced pressure from June 17 in an attempt to force the municipality to pay the outstanding account. The municipality had finally paid last week.
Payment of services drops sharply

By Barry West

Monthly service payments dropped sharply in the greater Krugersdorp area between March and April, according to a council report.

While the traditional white areas of Krugersdorp showed a drop of 1%, Azaadville payments dropped by 50%, and Kagiso and Munseville by 80%. In April, Krugersdorp's payment level was 84%, Kagiso 18%, Munseville 40%, Azaadville 51%, and Swaneville 0.89%.

The report tabled this month said all of the areas, including the informal settlements, had water meters, but few people paid their accounts.

It said council officials were sometimes prevented from accessing meters and, of a total of 2,158 meters in Kagiso Extension 13, only 174 were read. Accounts were, therefore, sent out with an average charge on them.

- The final figures for service payments in May are not yet available.
Attempt to halt valuation hearings fails

Couple in urgent application to force board to provide written justification

BY LEE-ANN ALFRED
City Desk

Valuation hearings are set to go ahead next week after a High Court judge dismissed a landmark application to force the Northern council’s valuation board to provide written justifications of their valuations before a hearing.

The case was brought by a Greenside, Johannesburg, couple on Wednesday, days before they were to attend a hearing to voice their objections to the valuation of their property on the provisional valuations roll.

Once finalised, the valuations will be used to determine rates for the next three years.

In his ruling, Mr Justice Basil Wunsif said that because the valuation was still provisional, a decision was not being made that would prejudice the Adames. They would receive information as to how and why the valuer had made his valuation at the hearing set down for Monday.

“The decision is not going to be made behind closed doors. All information will be available to them during the hearing.”

The request for further information—other than a list provided to the Adames’ ward councillor of three properties used as a comparison—had also been vague.

Metropolitan valuation services executive officer George Nel was not available for comment, but earlier indicated it would be a huge “administrative burden” if the application were successful.

About 18000 of Greater Johannesburg’s 400 000 residents objected to valuations on the provisional roll.
Valuation hearings long, costly process

BY ABRAH COX
Sandton Bureau

Valuation board hearings in Greater Johannesburg have been slow off the mark. Although expected to start in January, only the Western Council has completed its hearings and has started hearing appeals.

The Eastern and Southern councils are expected to start the hearings in August and the Northern council is currently underway with them.

Almost 29,000 objections to property valuations throughout Greater Johannesburg have been received from residents.

Valuations are done every four years, but for the first time in the city's history, all properties within the Greater Johannesburg area, including former "township" areas, were valued last year.

The majority of objections came from the Sandton area where residents, over and above having to pay increased rates of around 26%, also faced increases on their property values which led to even further rates increases.

A total of 10,077 objections were received from Eastern Council residents, 4,017 from the Northern Council, 2,768 from the Southern Council and 400 from the Western Council.

The hearings, especially those in the East, could take months at an enormous cost to ratepayers. Hearings are expected to start in August.

The three valuation board members receive about R500 a day each. The board consists of a chairman, who is an advocate or attorney or retired magistrate, and two other members who have sufficient knowledge and experience in the valuation of immovable property.

Objectors or their representatives appear before the boards in person to give evidence and cross-examine people, a process which could take days for just one objection.

And if the property owner is still not satisfied, he can appeal to an appeal board.
R600-m grant allows low-cost housing to take off in Dobsonville

Land has been set aside for urban agricultural projects so crops can be raised

BY Bunty West

Housing is taking off in the Roodepoort/Dobsonville area, where about R600-million has been earmarked for low-cost housing with a target delivery of 700 houses a month.

About R300-million has been approved by the Western council for low-cost housing in the short-term, with housing worth another R300-million planned for the future.

The first bricks are due to be laid in Slovoville in September, with a second project starting in Brinkvlakfontein in November.

"The Western council has the majority of housing projects under way in Greater Johannesburg and is possibly the recipient of most subsidies throughout Gauteng," said David van Niekerk, executive officer for urban development.

Despite the eight projects on its books, the Western council housing list shows an immediate need for 33 000 homes, but, in reality, Van Niekerk believes this total could be higher as the housing list doesn't necessarily include domestic workers living in rooms on their employers' premises.

Twelve thousand subsidies have already been received for project sites, all of which lie on mainly mining land to the south.

A conservative estimate has the sites, which include a shelter for the homeless, accommodating up to 68 000 families.

Sites include a shelter for homeless and electricity

The council believes it can deliver 700 houses (of 30sq m each) a month from January 1998, all with mains sewage, electricity and water.

But the council is not just delivering houses. It hopes to build social, community, employment and business opportunities into the projects as well.

At the Brinkvlakfontein project, where 5 000 subsidies have already been approved, a major marketing exercise is under way to bring the formal sector and informal businesses into the area.

Land has been set aside for urban agricultural projects where plots of about 1ha will be given to people to enable them to grow crops and raise cattle.

A community centre with a clinic, recreational facilities, pension and service pay points, a police station, library, fire brigade, taxi rank, administrative offices and informal stalls will also be built.

The centre will be built in stages and the estimated cost is R15-million.

Bulk services are being installed and the housing project will start officially in November.

At Durban Roodepoort Deep, tenders for the building of houses have been received and a short list is awaiting approval. Building will start in early 1998.

Slovoville, where 750 subsidies have been received, will be the first to be built and work starts there in September.

Two hundred homeless people will be accommodated in a new shelter in central Roodepoort.

Council officials have approved the development of the old Sanco building, near the town hall, and negotiations are under way to buy the hall.

If there are no hiccups in the transaction, people could be living there as early as August.

Van Niekerk pointed out that, although housing was a priority, bulk services had to be installed in many of the new areas, and it was this which cost the most.

Funds were available from the province for the provision of bulk services, but the money would be deducted from the subsidies.

"Nevertheless we are going ahead with our projects with the agreement and participation of all roleplayers, including the province, the community and our partners in the building industry," Van Niekerk said.
recent home buyers will find it difficult to raise a few thousand rand extra a month to meet their rate commitments.”

Dykhuis says all ratepayers will be fully involved in establishing final rates. If the outcome were to be a big rates hike, it could be phased in, with help for those worst hit financially.

Almost anything, it seems, would be preferable to a replay of Sandton’s rates boycott and court action – Iain File & Moses Goldberg

**URBAN DEGENERATION**

**Sanco terror for landlords**

Disputes between owners and tenants open way for thugs

Hijacking buildings is the latest crime to hit Johannesburg. Recent incidents in Hillbrow and the inner city implicate the SA National Civics Organisation (Sanco), whose members have been arrested in recent months for trespassing, and breaking and entering several blocks of flats and houses. These actions follow High Court eviction orders.

Though common practice in East Berlin, hijacking buildings has taken on a hybrid form in SA by engaging Sanco and its causes. The body became well known during the apartheid era and thereafter as an organiser of bond and rent boycotts.

Claiming that landlords are charging excessive rentals in run-down buildings in downtown Johannesburg, tenants in at least six buildings have been withholding payments. This year Sanco was reported to be advising them to deposit rentals into trust accounts. But some monies have been deposited in more accessible club accounts.

In the case of the Hoffman New Yorker building in Hillbrow, where a High Court order and police action evicted 200 illegal tenants placed by Sanco, landlord Adele Blacher says that of the R110 000 rent collected since January R60 000 was paid by Sanco to the City Council.

Asked whether the organisation is receiving poor legal advice from its attorney Stefan Kramis and his brother Vest – both have represented tenants of several buildings in opposing High Court eviction orders – city councillor and Sanco housing director Sandi Mgdiana says “it works as with all lawyers and clients. We instruct them.”

Not all tenants are happy to have Sanco as landlords. In industrial buildings in Marlboro on the outskirts of Alexandra, tenants say Sanco is charging them exploitative monthly rentals of R200 for small, partitioned spaces used as living areas.

Sanco reiterates that before it negotiated terms with the factoners’ owners, the latter were charging R400 for the same space. At the same time, Sanco co-founder Moses Mayekiso denies all knowledge of any criminal activity by Sanco.

Tenants of Castle Blaney, a Joubert Park building owned by an absentee landlord, are taking Sanco members to the Small Claims Court for damage to property after Sanco members allegedly broke into their flats, demanding they join the organisation. Tenants say the incident followed their refusal to allow Mgdiana to chair their tenants’ association. They were allegedly accused of blocking Sanco’s plans.

The board of the Seven Buildings Company in Joubert Park, where tenants have now bought their own flats, has obtained a court interdict against Sanco not to interfere with their project, after its alleged attack on the building late last year. Mgdiana, voted out by tenants as leader of the project in 1994, has since sought to undermine it through Sanco despite being the ANC councillor for the area.

Sanco inner city “legalising” officer Enc Mpulwane says tenants in eviction cases have to pay their own legal fees. Those in the Hoffman New Yorker have paid a total of about R30 000 to Krams so far. He says he thinks Sunnybank tenants still owe Krams a similar amount.

Hillbrow landlords have now employed a rival civic organisation, United North East Civic Organisation (Uneco), with its own security firm, to protect their assets. Uneco, which launched itself as a national body last week, draws its members and employees from hostel residents, long the enemy of Sanco on the East Rand and elsewhere.

Landlords say Sanco member Patrick Mdalose and Krams have issued them and their lawyers with death threats. The son of one of them, Dr Iqbal Jassoo, was shot six times last year – not lethally – outside his father’s building. All 21 tenants in landlord Baby Nadoo’s building have refused to pay rents of around R300/month. Taps are left running, she says. Though she is seeking help from the Small Claims Court, the City Council has issued her with a court order for unpaid services.

While the seeds of property-related anarchy are allegedly being watered by Sanco and others, the State is only now starting to prosecute people. In June it fined 21 tenants R500 each with further R2 000 fines suspended for five years. It has a further two tenants in hand who also broke into buildings owned by the same landlord.

Sanco’s Mayekiso no personal knowledge of any illegal activity

**Hillbrow’s Hoffman New Yorker nice pickings for lawyers**

**FINANCIAL MAIL** July 11 1997
Gauteng's drive to enforce payment suffers new setback

Deborah Fine

EFFORTS by Gauteng local authorities to extract market-related payments for electricity appear to be hitting snags as communities continue to resist the installation of prepaid meters and electricity cutoffs in response to nonpayment.

In the latest incident, in Tembisa on the East Rand, the Democratic Party has said residents intimidated and held hostage 15 council technicians sent to install prepaid meters in the area at the weekend.

The DP also said "rampaging residents" trashed many of the meters, demanding reconnections for those whose electricity had been switched off as result of nonpayment.

The incidents take place against the background of increasing attacks on town councillors in recent weeks. The Gauteng government is spearheading a clampdown on municipal rates and services defaulters.

Tembisa residents have previously expressed reservations about the accuracy of the meters and the council's billing systems, and have accused the Kempton Park/Tembisa town council of reneging on an agreement whereby residents could pay a flat rate for electricity of between R3 and R60 a month.

Meanwhile, Sapa reports that Gauteng local government MEC Sceko Suceka has lashed out at residents involved in attacks on councillors, accusing them of being "bent on undermining councillors’ powers”.

Suceka was speaking at Tsakane township, also on the East Rand, where Brakpan mayor Ace Phiri and councillor Tshedisi Ntshoane’s homes were petrol-bombed at the weekend.

Suceka said those attacks, as well as the recent attack on Bronkhorstspruit’s mayor and the murder of Krugersdorp councillor Eric Ndeleni, showed "symptoms of a counter-revolution that is beginning to attack and reverse democracy in this country”.

Suceka said the Tsakane attacks had allegedly been masterminded by ex-askari Nelson Mogudi, and local police had allegedly aided Mogudi with the attacks. Suceka said he had called on East Rand police area commissioner Len van Tonder to conduct an urgent investigation into the allegations.
A full-scale confrontation is looming between residents and local authorities after the government’s latest attempt to extract payment for essential services from black townships.

Sporadic incidents erupted on the East Rand this week where houses belonging to councillors were burnt down. Residents were protesting because local councils cut off water and electricity to force them to settle their arrears.

In Bloemfontein yesterday the mayor had a narrow escape when residents stoned his car. They were venting their frustration about the slow delivery of low-cost housing.

The South African Ciskei Association has asked local government authorities in Gauteng to review their decision to switch off electricity in defaulting areas.

Sanco provincial secretary Mr Ali Titane said: “Such cocky and selfish actions will only serve the purpose of furthering polarisation between authorities and communities.”

If the department is still keen on cooperative governance, peace and prosperity, it must utilise the little time it still has to communicate effectively with Sanco structures to find solutions.

He warned that failure to comply with this “friendly but frank advice may lead to total anarchy which will be difficult to manage”.

East Rand residents were demanding that a R30 flat rate be introduced for electricity instead of the current pay-as-you-consume system.

In Soweto residents — who have been flocking to their local councils and Eskom offices to settle rent arrears and electricity bills before the big switch-off — expressed frustration at the “high” service bills.

They claimed that in the past three months Eskom had charged exorbitant amounts and that it had reneged on its 1995 undertaking to write off arrears accrued over the past two years.

A Dobonville pensioner, Mrs Violet Moabi, claimed that she had been saddled with a R6 000 arrears bill since she started paying a R30 flat rate for electricity.

“I don’t understand how the account went up so high as I have been paying for my electricity every month without fail,” Moabi said.

“Eskom once said they were writing off our debts, so I fail to understand why they now say I owe them R6 000,” Moabi said.

Return to normal

However, Eskom public relations officer Mr Peter Adams told Sowetan yesterday that Eskom had written off R1 billion arrears for consumers in Gauteng so far.

Adams said most households consumed a lot of electricity during the cold winter days, which explained why tariffs were high. It was expected that bills would return to normal soon.

Earlier this month the Greater Johannesburg council, which is owed about R300 million in rates and rental arrears, announced an increase of between 12 and 25 percent on water, refuse removal, sewerage and electricity charges.

Other local authorities in the country have announced similar increases and in the Free State town of Bloemfontein, local residents stoned the car of their mayor, whom they accused of raising rates while ignoring residents’ grievances.
Sickicka bashes his critics, who maintain his previous efforts at negotiations have been "shambles.

Sanction ratepayers barred from task teams
Thousands queue to avoid big switch-off

By Joshua Raboroko

THOUSANDS of households in Gauteng could find themselves in the dark and cold when Eskom switches off its power supply from August 1 to those in arrears with electricity payments – which now amount to more than R1.4 billion.

The situation in black townships could worsen if local authorities carry out their threats to cut off water supplies, stop refuse removal and other essential services on the same day, in a bid to recover R3 billion owed to them by residents.

Warnings have been issued by Eskom spokesman Mr Peter Adams and Gauteng MEC for development planning and local government Mr Scele Shokeka as the deadline draws closer.

The approaching deadline has sparked off panic in the townships. Desperate householders continue to stand in long queues to settle arrears.

Residents have been going to several Eskom offices – especially on the East Rand and in Soweto and the Vaal Triangle – for the past three weeks to benefit from a new scheme to write off part of their electricity arrears.

Fullscale confrontation

Residents are now required to pay the present tariffs plus part of the arrears over five years.

There are fears of a fullscale confrontation between residents and local authorities after warnings by councils that they might recoup their losses through tough measures such as court action and the attachment of residents’ assets. However, Shokeka said yesterday there was no reason to fear further eruptions of violence.

Fear is also looming in the wake of attacks last weekend on the homes of councillors in Secunda and Tsakane on the East Rand.

Shokeka has appealed to residents to use forums in his department that have been created to deal with complaints. He urged defaulters to break the boycott culture.

Adams said Eskom would handle complaints at its depots in the townships or residents could phone the following numbers: Omnipark (011) 404-4320, Doekpoort 938-8292, Dobsonville 988-4104, Klipspruit 933-1181, Mapetla 980-8110, and Zola 932-0436.

Adams warned residents to avoid disappointment by making arrangements to pay immediately and not waiting for the...
Bad old days are back ... councillors still face violence over services costs

By TOMMY MAKO

History is coming full circle in Gauteng's black townships.

In the 1980s, unpopular local councillors elected under the National Party government were targeted by anti-apartheid groups who saw them as puppets of the regime. Their homes were razed and the councillors and their families were driven from the townships.

In 1997, democratically elected local councillors are reeling under a fresh wave of public anger. Their homes are being razed and the councillors and their families are being driven from the townships.

Since May this year, five councillors have been attacked by mobs protesting, ostensibly, against the high cost of rates and services.

Many African National Congress councillors are living in fear of what they perceive to be well-organised violent campaigns against them before the next local elections scheduled for 1999.

The councillors claim that disgruntled individuals who stood in the first democratic elections in 1994 were now plotting revenge.

Assaults

Ironically, some of those failed candidates have banded together with the former apartheid-era township councillors to form new civic organisations.

Most of these civic organisations were formed before and after the 1995 local elections.

This month, in four violent incidents in Tsakane, East Rand, two councillors were assaulted and the homes of two others were burnt down.

In another incident a councillor in a Witbank township was assaulted by a member of the community following an argument.

Chairman of the Gauteng Mayors' Forum, Isaac Mahlanga, said the councillor was assaulted by a member of an unidentified civic organisation during a meeting in a squatter camp.

In Soweto, like other areas in Gauteng, councillors have turned down invitations to attend meetings of the newly formed civic organisations which are demanding their resignations.

"They say they cannot attend our meetings unless we guarantee their safety. We cannot do that," said the council leader.

The attacks in Tsakane, according to the victims, were spearheaded by the newly formed Simunye Civic Organisation whose leader, Nelson Mogudi, failed to win votes after he stood as an independent candidate during the 1995 local elections.

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"They are not prepared to negotiate but want to use force. It is a well-organised conspiracy aimed at removing us," said the councillor.

He said in one ward, 10 members of a council forum had resigned because they feared they could be attacked by members of the newly formed organisations.

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Eruption

The latest violent attacks in Tsakane are another eruption in a fight between councillors and Simunye members that has been going on in the area since the beginning of the month.

Gauteng premier Tokyo Sexwale and the MEC for local government had, before the recent upheaval, tried in vain to put a lid on the explosive situation.

"There are the people who lost the election in the 1995 local elections who are trying to come back at the people in ways that are not right. They are mobilising people not to pay for the services they use," said Phiri, who also lives in another area after his house was gutted and his furniture stolen.

FLASHBACK: Police stand and watch as the Kagiso council office is set ablaze by residents protesting at service charges in 1990.

Thabani Tsione was in the house with her husband and children when a mob marched into their yard looking for her.

"They were all armed with bricks. My husband and I had to protect our children with two garden forks when the group tried to force entry into our shack. My husband stabbed one of them with the fork and the rest started stoning the house. We gave up and ran away with the children. We have nothing left from the clothes we were wearing after our property and furniture were burnt and some of it looted by members of Simunye Civic Organisation," said Tsione.

She said she was now living in a flat after the decor was forced. There have been more attacks on her family. The pregnant wife of the mayor of Brakpan, Ace Phiri, also had to run for her life after members of the Simunye Civic Organisation looted her house before burning it.

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Civic leaders vow to pay rates

RAY HARTLEY: Political Correspondent

LED by Deputy President Thabo Mbeki, Gauteng politicians and officials have pledged to pay their rates and services fees in a drive to help recover an estimated R3-billion in debt.

Those who signed the pledge yesterday will have their names published in a monthly list of defaulters and disciplinary action will be taken against them if they do not pay.

Mbeki, Gauteng Premier Tokyo Sexwale, Gauteng finance MEC Jabu Moleketi and Johannesburg Mayor Isaac Mogase were among those who signed the pledge.

Mbeki said he believed Gauteng residents were committed to uplifting their communities.

"The responsibility to lead, educate and inspire this trend lies in the hands of politicians."

Earlier, Sexwale had said that uniting black and white sports audiences was also "a Masakhane (the name of government's campaign to get residents to pay their municipal accounts) challenge."

Referring to yesterday's rugby international against New Zealand at Ellis Park and the soccer cup contest at FNB Stadium, Sexwale said:

"Somewhere, rugby will be played and the spectators will be all white. At FNB Stadium, most of us will be black. Therein lies the challenge of Masakhane."

BY ANNA COX
Sandton Bureau

The continued negative focus on Sandton had started to have an impact on house prices and business investment in the area, which was not in the interest of ratepayers, said Johannesburg's Eastern council deputy executive chairman Sol Cowan.

Reacting to the news that ratepayers, opposition political parties, independent councillors and Sandton businesses in the Eastern council area, who claim they are "gravely concerned" about the future of local government in Johannesburg, had formed a new alliance called the United Front, Cowan said the international media had consistently contrasted Sandton with Alexandra.

"While this has not been the intention of Sandton Federation of Ratepayers, it has clearly had a negative effect on our ability to develop our tax base because business, and in particular, international business, does not wish to be associated with areas which are perceived to be a legacy of the past," said Cowan.

"What may appear to be reasonable and rational to Sanfed, is unfortunately having a negative impact on house prices and investment in the area and on the very ratepayers they believe they are helping."

Although the rate in the rand paid in Sandton was the same as all other parts of Greater Johannesburg, the continued negative criticism by Sanfed had led to a perception that rates were higher, which in turn had led to home seekers looking elsewhere, although their rates bill, in the price range, would be exactly the same.

"Our residential and business rates are competitive with other South African cities. However, to ensure that the rates bill continues to decline in real terms in future, we must widen our tax base by attracting new economic activity as well as retaining existing businesses.

"With every new campaign, Sanfed is becoming more hysterical and unrepresentative of those they claim to represent," he said.
Politicians publicly pledge to pay for their rates and services

BY FOKILE-NIKSEKELELO MOYA

City Desk 21/7/97

Politicians were leading by example when publicly pledging to pay for their rates and services ahead of the Gauteng local government department taking tough measures against defaulters, local government MEC Stella Shceanska said yesterday.

Shceanska said weekend pledges by politicians and civil servants to pay up or be exposed and possibly be removed from office were a challenge to residents, community organisations, trade unions and businesses to pay up.

High-profile politicians including Deputy President Thabo Mbeki, Gauteng Premier Tokyo Sexwale and other elected politicians signed the pledge at the weekend.

Shceanska said most of the Greater Johannesburg debt was owed by businesses in the city.

Eskom spokesman Peter Adams said Gauteng residents owed the parastatal about R900-million Eskom expected to recoup about R700-million of the debt. The remaining R200-million would be written off, he said. The parastatal is owed about R1,2-billion nationally with Gauteng owing the most.
Politics sign pledge for tough new Mashrique campaign.

Friday, 20/12/19

The government has pledged to press ahead with the formation of a new government following the announcement of the results of the general election.

The prime minister, Mr. Khan, has said that the government will continue to work with the opposition to form a new government.

The opposition has also pledged to work with the government to form a new government.

The results of the election are expected to be announced on Monday.
Councillors to be shielded from angry non-payers

Residents furious they will have to start paying for services they consume

BY ROONEY VICTOR AND CECILIA RUSSELL

The Gauteng provincial government has announced measures to protect local councillors and mayors from angry residents, as the campaign to recover more than R2-billion in unpaid service charges gets under way.

Recent attacks on the homes of Brakpan mayor Ace Phiri and councillor Tahidi Tsone in Brakpan’s Tsakane township have increased fears that councillors will bear the brunt of a wave of public anger at having to pay rates and service charges.

The attacks were condemned yesterday by the Gauteng MEC for development planning and local government, Sicelo Shiceka.

Councillors’ security would be improved by increasing the police presence outside their homes, Shiceka said.

She accused “popcorn organisations” of mobilising on the genuine concerns of people and of trying to undermine democratically elected local governments.

Councillors had to ensure that the supporters of civic organisations such as Simunye on the East Rand, and of the South West Joint Civic Association in Gauteng’s predominantly coloured townships, were given the facts about credit control, he said.

Mabulele Musi, spokesman for Gauteng safety and security MEC Jessie Duarte, said a task team had been created to investigate “with maximum urgency” ways of protecting councillors.

Democratic Party spokesman Shelly Loe yesterday accused the ANC of having brought the crisis on itself.

The ANC had failed to provide proper leadership to its supporters who had grown used to receiving services without paying for them, said Loe.

National Party spokesman Daryl Swanepoel said the ANC was responsible for the culture of ungovernability in the townships, and it should commit its resources to reversing that.

There was no reason why councillors should receive special protection, Swanepoel said.
Door-to-door refuse collection scheme should help create jobs

By Themba Sepotokelo

EnviroServ Holdings and the newly formed Soweto Development Forum (SDF) have announced plans to empower Soweto entrepreneurs to operate door-to-door refuse collection services in the township. EnviroServ Holdings chairman Rufus Maruma announced this week.

Maruma told the launch of the SDF that the programme would help alleviate the unemployment problem and nurture new business initiatives in Soweto as a requirement by the Reconstruction and Development Programme to create jobs.

He said a similar project was running in the East Rand where Wade Refuse, a subsidiary of EnviroServ Holdings, has a contract with the Tembisa and Daveyton local authorities to develop local entrepreneurs to handled door-to-door waste collection service.

"This is an important programme to ensure that communities take ownership of the management of all the waste it generates."

"Our plan involves dividing Soweto into several sections, perhaps on similar lines with the existing Community Development Forum (CDFs)."

"We will then facilitate through the CDFs to enable communication and thus identify entrepreneurs for training," Maruma.

He said Wade Refuse will facilitate further entrepreneurial development by setting up recycling co-operatives for aluminium cans, paper and plastic.

"From the transfer station, Wade Refuse's larger long overhaul trucks will be managed through highest professional standards taking into cognisance requirements of waste management by the Department of Water Affairs and Forestry," added Maruma.

EnviroServ handed a cheque of R 5 000 towards the launch of the SDF.

The SDF — officially launched by Deputy President Thabo Mbeki — aims to improve and uplift the quality of life for people in Soweto.
Tension as big switch-off continues

Local authorities are to continue with switching off electricity to residents who refuse to pay for services as part of its credit control measures, despite growing tension and opposition to the measures on the East Rand at the weekend.

In Tembisa, where 13 residents were arrested on Saturday after a protest over electricity cutoffs, residents reported several clashes with law enforcement yesterday.

St sco sa said The Star this morning the switch-off campaign would reach a climax on August 1. "This is not harassment, there is no justification for continuing to provide services without people paying for them," St sco said.

He said generally there had been a positive response to the credit control measures with "people queuing for hours to pay".

St sco sa said the local authorities could not be "held at gunpoint" and all the security agencies, including the police and army would be used to protect councillors, law abiding citizens and property.

burnt by angry residents.

After the commotion yesterday St sco sa and SCA members were responsible for burning councillors' houses.

He regarded the organisation's leader, Nick Mogudi, as "dangerous and known to be plotting the death of councillors in the area".

St sco sa said he would ask the Justice Department to revoke Mogudi's bail after his arrest for an alleged plot to attack councillors' homes.

Mogudi's followers said anarchy would prevail if their leaders were arrested or killed.

Brakpan's CEO Thys Human said today the council had applied to Gauteng Premier Tokyo Sexwale for permission to provide security to councillors who were vulnerable, but were "relying on traffic officers and police in the interim".

East Rand police spokesman Captain Kala Shivanand said police were maintaining a strong presence in Tembisa after defaulters vandalised street power boxes in a bid to reconnect their electricity.

Thabiso Mokose, a resident of Hospital View, on the outskirts of Tembisa where some electricity supplies were cut off on Friday, claimed that since the installation of new metering systems, people were being charged between R80 and R1 000 for electricity consumption every month.
Residents enraged by service charges

By Mckeed Kotlolo

HUNDREDS of Mamelodi and Atteridgeville householders in Pretoria are complaining about the "exorbitant" rent and service charges accounts they receive every month.

The amounts reflected in the June 1997 accounts received by township residents ranged between R700 and R2 500 a household.

Disgruntled residents said they approached the Pretoria City Council offices in Schoeman Street hoping to get the amounts reduced but were told that the amounts were correct.

Residents also claimed that meter readings had not been taking place even before the blaze that partly destroyed the Munitoria building, the operational headquarters of the Pretoria City Council.

"One wonders where they get their readings from," said Ms Sophie Manganye of Atteridgeville.

Complaining

Spokesman for the Pretoria City Council Mr Harry Matolong confirmed the problem, saying that even those people staying in the city were complaining about their accounts.

He said trouble started with the gutting of Munitoria early this year. Some of the council offices and equipment were destroyed.

Matolong said some meter reading equipment was also destroyed in the fire and as a result some meters, with the exception of big business, had not been read.

He said that the current accounts were properly read and reflected the correct readings and amounts.

He added that those householders who were still not happy with the explanations given by council officials, should apply for their meters to be tested.

The testing costs R90 per household.
Owners told to stop renting empty factories to homeless

BY ANNA COX
Sandton Bureau

Johannesburg's Eastern council has issued orders to 21 property owners in Marlboro, Sandton, who are renting their factories to the homeless, to stop doing so.

There are many empty and abandoned factories in Marlboro because of the high crime rate in the area and the council issued the orders to prevent the further invasion of factories, communications officer Keith Peacock said.

Business owners, unable to trade from their premises or let the buildings, are renting them to the homeless.

The owners believe the area could be put to better use for the provision of jobs for the thousands of unemployed, claiming that Marlboro could provide 8 000 jobs if it was running at full potential, which would be a lifeline for about 40 000 dependents.

Marlboro Business Forum spokesman Shocket Khan said a town planner had been employed to re-plan the area.

Although the business forum had prepared its own papers to evict tenants from empty factories, they were prepared to negotiate with the council, which had shown good faith in making Marlboro a secure, industrial business park.

"We will be giving the council a time limit in which to act against the owners who are renting their properties out, failing which we will proceed with legal action," he said.

Peacock said the council was committed to the revitalisation of Marlboro.

"We are developing proposals for the area to be tabled at council. At present there is deterioration, but services are being reinstated to the area. It is critical that the area be stabilised and no further invasion can be tolerated," he said.

This involves the conversion of empty factory buildings in Marlboro into transit shelters for homeless people of Alexandra.

Coupled with the accommodation would be rehabilitation and development programmes including skills and training programmes.

Democratic Party councillor for the area Alan Fuchs said a mixed-use of residential and industry was a recipe for disaster.

He said the council had to decide if the jobs provided by industry were important before deciding to turn the area into a semi-residential one.
Families living with hazards will have to wait

BY ANNA COX

The 5,000 Greater Johannesburg families identified as living in hazardous conditions, who were granted preference for urgent housing, are still living under the same conditions because of administrative delays and numerous objections from neighbouring residents.

The families were to have been moved on to five sites identified around Greater Johannesburg by August 1996. There were 90,000 objections from neighbouring residents of all racial groups throughout the area.

The main concerns were property devaluations because of the erection of shacks. Residents voiced fears that with only a R15,000 subsidy, part of which would be used to pay for infrastructure, people qualifying for the 200sq m sites would only be able to afford to build shacks and not be able to upgrade or integrate with host communities.

The five sites falling under the Rapid Land Development Programme include Lombardy East, near Sandton, Bloubosrand and Witkoppen, near Randburg, Liefde-en-Vrede, near Alberton, and Mqanduli North, near Naturena.

The beneficiaries of the Lombardy East site, where there are 770 stands, are the Alexandra displaced who lost their homes in political violence in 1992.

Beneficiaries of the 130 Bloubosrand and 970 Witkoppen sites are squatters living on privately owned land in the area, such as Zevenfontein. Recipients of the two Southern Council sites – 800 in Mqanduli North and 1,500 in Liefde-en-Vrede – are residents of Dlamini in Soweto, where people are living below the 50-year floodline, and Themba Hill squatters near Lenasia, who have erected shacks on dolomite ground that is unstable.

Lombardy East is the only one which is moving ahead, although not as fast as the recipients would like.

The Eastern Council had R12,5-million available for housing last year but, because it failed to spend the money it was absorbed back into this year’s budget.

This year only R5-million is available and only 150 homes will be built.

Officials have promised that construction will start next month and homes will be ready by December.

The two applications in the Northern Council area were withdrawn because they were defective.

They have been resubmitted and the town planning tribunal hearings are likely to be held within the next two months.

Construction of homes is likely to begin only next year.
Housing & Hostels - Gauteng

1997

Aug. __ Dec.
Power cut set to jolt Gauteng payment defaulters

BY LE-EANN ALFRED
City Desk

Thousands of families will be left without electricity in Gauteng on Tuesday when the provincial government sends a tough message to defaulters who don’t pay for municipal services.

Tuesday’s clampdown is an attempt by the authorities to accelerate payments for services which have started to trickle in over the past year, making uproads into the R3-billion in arrears owed to Gauteng’s 62 local councils.

Local Government MEC Siselo Sisulu said the decision to switch off electricity from August 5 was a move to intensify the Masakhane campaign and recover the billions in arrears owed to local authorities.

“We have to take the pain for now for a better Gauteng,” Sisulu said.

Security arrangements are being discussed with the police and the army to prevent violence, which has broken out in the past when electricity has been switched off.

Local government department director-general Silas Mbeki said payment levels in Gauteng had been rising steadily, with about 45% of households and businesses in the province, who had been billed, paying for services. This had increased from about 23% in June last year.

He said R300-million in arrears had been recovered and the department was optimistic that a further R600-million to R700-million would be recovered by December.

“By the end of the year we hope the outstanding debt will be about R2.2-billion in 16 months we should have reduced the deficit to an acceptable level.”

Statistics released by Shwela show payments in Dobsonville, Soweto, have risen from 19 to 30% and in Diepsloot/Meadowlands from 15 to 20.1%.

Payments in Sandton have risen from 76 to 86.1%, in Johannesburg from 87 to 88.6%, Lenasia from 53.5 to 59.1% and Enderdale from 31.4 to 44%.

Mbeki said the payment level in Orange Farm, one of the fastest-growing settlements, was only about 3.5% and in Tsakane, where councillors’ houses had recently been burnt, it was 8%.

He would not comment on exactly how many households would have their electricity cut, saying figures were still being collated. But the cutoffs were expected to affect thousands of people.
Net to close on rates dodgers

By JACQUI REEVES

Councillors who thought they had beaten the system are about to be caught in the same "debtor-catching net" that will sweep across Gauteng's suburbs and townships next week.

The across-the-board community action will expose councillors who have been avoiding detection on their rates and services arrears by registering their properties in the names of family members.

Taking the Masakhane campaign to a new level, the National Intelligence Agency (NIA) has been called in to assist Gauteng MEC for Development Planning and Local Government Selo Shiceka in his battle against non-payment for rates and services.

The joint venture between the NIA, the defence force, police and local authorities is being treated with the secrecy of a military manoeuvre, aimed at targeting those in arrears

Speaking to the Saturday Star, Shiceka said he did not wish to disclose the number of soldiers who would be called in to patrol "problem areas", fearing the information might endanger the mission.

The vigorous implementation of the credit-control measures, planned to begin on Tuesday, may be the deciding factor in catching out all residents owing money to their councils - as well as the councillors themselves.

Mike Waters (DP), a councillor with the Khayelitsha Metropolitan Council, said he believed some councillors were still getting away with not paying their rates and services accounts.

"Although all the councillors who have properties registered in their names are fully paid up, this is not an accurate reflection of the real amount, as some still have their properties registered in the names of family members," he said.

Areas such as Katechong and Phomolong, where resistance to the credit-control mechanisms is anticipated, can expect to see armed police and soldiers protecting workers as they disconnect electricity and water supply lines.

Sheriffs of the court, who may have to issue summonses to residents in arrears, will also be accompanied by security personnel.

The decision to call in the NIA is, according to Shiceka, a sensitive matter that he would make public within the coming week.

He would only be drawn on the fact that ongoing NIA investigations had revealed "organised forces" operating within certain areas that were actively seeking to undermine the authorities.

"We want to know what is being planned so that we can stop their activities," he said.

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Star 21897
2,000 defaulters facing power cuts

City Reporters

At least 2,000 defaulters faced having their electricity cut off from today as Greater Johannesburg’s four councils stepped up their campaign to recover millions in unpaid arrears.

The campaign is part of a provincial operation to speed up the recovery of about R2.7-billion owed to Gauteng’s 52 local authorities in unpaid arrears since 1994. Greater Johannesburg’s councils aim to recover about R500-million this month, a source said.

First to be targeted for electricity switch-off will be those who owe in excess of R5,000 and who have made no attempt to make arrangements to pay off their debts. A metro council spokesman, Keith Peacock, indicated that about 2,000 defaulters would have their electricity cut every day.

Ahead of the cut-offs, hundreds of people came forward yesterday to pay outstanding accounts in the Western council. Western council spokesman Sabantu Ndlangaluvu said about 1,500 people came to pay or make arrangements to pay off debts at the council’s paypoints yesterday. This did not include people who had paid their accounts at Pick ‘n Pay stores or at Post Offices.

Council officials expected the pressure on paypoints to continue today, and the council has made arrangements for paypoints to stay open until at least 10pm to accommodate people wanting to pay.

Peacock said cut-offs would not discriminate in favour of or against any geographical region but for logistical reasons, including the safety of the officials involved, he would not give the areas where cut-offs are expected today.

Once electricity was cut, security measures would be taken to ensure it was not reconnected illegally. Peacock warned that it would take about three days to reconnect electricity to households and businesses.

 Tighter security...
Council proposal on electricity rise rejected

Deborah Fine

The National Electricity Regulator has rejected the Greater Johannesburg Metropolitan Council's proposals to increase the nondomestic electricity tariff for large power users by 7%, and has instead recommended a 3% increase.

The proposed increase was adopted by the council during its 1996/97 municipal budget debate in June, but was subject to approval by the regulator. The council also proposed a 12% domestic tariff increase.

The 7% increase in large power nondomestic tariffs would have resulted in additional income of R74.4m for the council. Thus, combined with the domestic tariff increase as well as other adjustments in small power tariffs, would have yielded a total additional income of R149.6m.

The 4% decrease, which has been accepted by the council, has meant a reduction of R38.6m in the council's original estimated additional income from electricity.

National Electricity Regulator spokesman Johan du Plessis said yesterday that the regulator had rejected the council's original proposal because the current large power-user tariffs in Johannesburg were still regarded as "very high compared to the tariffs paid by large power users in some other metropolitan areas".

While the regulator would have preferred a zero tariff increase for large power users, it was decided to allow the council a 3% increase given the council's financial considerations, and the fact that there had been no tariff increase in the 1996/97 financial year.

The regulator had, however, approved the 12% residential tariff increase and had recommended a further increase to bring residential tariffs in line with distributors in other areas.

Council strategic development support executive officer Alain Lock said yesterday that the council's electricity department would now be looking to other revenue sources to offset the income loss.

The council would also be holding meetings with Eskom with a view to reducing purchase costs an electricity unit to compensate for the loss.
Moosa backs power cuts but will probe plight of those who cannot pay

Powerless ... shops and businesses closed and residents left high and dry.

By Thomas Harte

(24) June 8/14

Our national priorities are clear...
Boksburg takes up housing challenge

BY PATRICK PHOSA AND BONGIWE MHLANGENI

The Greater Boksburg Council has set a trend in the delivery of low-cost housing to fill the gap left by private developers who snub the subsidy housing market, mayor Eric Xayiya said yesterday.

Speaking at the Afribuild Exhibition '97 at Gallagher Estate in Midrand, Xayiya said the challenge of low-cost housing delivery had undergone significant changes recently with local authorities assuming a major role in the process.

Xayiya said Boksburg had come to grips with the challenge of delivering houses through the Khulisa Project in Vosloorus. The council had donated R500,000 and two commercial delivery vehicles to the project, which had built about 1,000 homes for those at the bottom of the income scale.

He said private developers, no matter how willing, could not provide community housing within the R15,000 subsidy.

A project to repair houses damaged in violence in 1994 in Kyalie, Thokoza, Vosloorus and informal settlements on the periphery is a typical example of concerted efforts by the Government, political parties, civic structures, trade unions, the private sector and the army.

About 1,500 houses have been evaluated and the cost of repair estimated at R48.5 million. Repairs to about 1,360 houses have been completed.

Housing Minister Sankie Mhemb-Mahanyakole said the draft housing bill to be tabled in Parliament soon would hold local councils responsible for ensuring that their communities had enough access to housing.
Gauteng services clampdown begins

Deborah Fine

GAUTENG local authorities began their programme of action against non-payment yesterday with electricity cut-offs to municipal payments defaulters in several municipalities.

Municipalities have threatened to intensify credit control procedures in order to recover the R3bn in outstanding debts owed to the province's 52 local councils since 1994.

Sapa reports that Provincial Affairs and Constitutional Development Minister Valli Moosa said talks would be resumed in a bid to prevent innocent and poverty-stricken residents from falling victim to the cut-offs.

Speaking after meeting the SA National Civic Organisation (Sanco) in Pretoria, Moosa said discussions would explore ways to accommodate legitimate concerns about blanket cut-offs.

Eastern council spokesman Keith Peacock, speaking on behalf of Johannesburg's five local metropolitan councils, said Johannesburg residents could expect at least 2,000 cut-offs a day throughout the city from early next week. This included the switching off of electricity and the reduction of water supplies to a trickle.

People who were 60 days or more in arrears would be targeted first.

Councils have been quick to stress that there will be no bulk cut-offs to whole areas, and that it only the services of individual defaulters would be disconnected. But they have appealed to defaulters either to pay their accounts, make arrangements to pay their arrears or register as being genuinely unable to pay for services before the crackdown begins in earnest within the next few days.

Gauteng local government MEC Scelo Shela said the cutting off of services should be viewed as a signal to non-payers that local authorities were "extremely serious" about collecting outstanding payments to enhance their service delivery, and should not be considered a punishment.

The Springs town council began cutting electricity supplies to more than 1,200 homes in KwaThema township yesterday, with council task teams guarded by heavily armed traffic police — digging up and cutting cables to prevent illegal reconnections.

East Rand police spokesman Supt Wicus Weber said one man had been arrested for pointing a firearm at a municipal worker.

North Rand police spokesman Supt Eugene Opperman said that petrol bombs had been thrown at police and municipal workers in Actonville, near Benoni, on the East Rand.
Youths on rampage over electricity cuts

JOHANNESBURG: Angry youths went on the rampage in KwaThema at Springs on the East Rand yesterday stoning cars and torching a Telkom van to vent their frustration with electricity cuts.

Police said a man was arrested for pointing a firearm at council officials cutting electricity supplies.

City electrical engineer Mr Christo Nortje said the council had ripped out about 185 cables and aimed at cutting power to 300 to 400 houses a day because of arrears.

The trouble started when traffic officers and council workers left Tornado Section after uprooting cables. Youths stoned a car of the Springs traffic department.

Later, the youths started stoning cars at the entrance to the township while others set the Telkom van alight.

Local Sanco chairman Mr Isaac Makgabutlane said the council had reneged on its July 29 resolution not to begin cutting power until negotiating with community organisations. He said discussions with the council over the cuts were to have begun on August 14. — Own Correspondent
Crunch day for Johannesburg defaulter

BY CECILIA RUSSELL

Greater Johannesburg residents and businesses, who owe more than half of Gauteng's R1.7-billion in service arrears, have been given until tonight to pay up or face having their electricity cut off.

Metro spokesmanKeith Peacock said today is crunch day for consumers. "If they have not made arrangements by tonight, they could face cutoffs this weekend."

Consumers in the metro owe R1.7-billion, more than half of Gauteng's total debt. "We have some debtors who owe the council nearly R500,000 each," Peacock said.

The intensified cut-off campaign would begin at the weekend and was expected to be stepped up during the week. "By Wednesday the council will be switching off up to 2,000 defaulterseach day," Peacock warned.

While it is hoped that consumers, residents and businesses who are in arrears will come forward to settle their debts, the response has been disappointing, and about 20,000 people face having services cut off during this period.

Although, initially, electricity payment defaulter will be targeted, the council is also considering reducing water pressure to the households in arrears.

Peacock said the council would target defaulter who were more than 60 days in arrears and had not made arrangements to settle these accounts. The metro would not discriminate in terms of area or size of the debt.

Peacock warned that consumers who attempted to reconnect their electricity were risking their lives because the council would switch off power at high-voltage boards and not at meter boards.

"The council would not hesitate to prosecute anybody whose electricity was 'miraculously' resumed," he added.

Meanwhile, Sandton Federation of Ratepayers treasurer Brian Stolzenberg said he was horrified that local government had resorted to "underhand, intimidatory tactics" in its decision to cut power at the weekend when it was always difficult to get hold of a magistrate.

"The council must look into their legal rights—there's not a law unto themselves. We'll fight them to the bitter end."

"We'll get a judge, get an urgent interdict and force them to switch electricity back on."

Consumers who need information can phone a 24-hour hotline on 6800-11-22-585.
Pay up or face cut-off, consumers told

JOHANNESBURG: Greater Johannesburg residents and businesses — who owe more than half of Gauteng’s R3-billion unpaid arrears — have been given until tonight to pay up on their service arrears or face having their electricity cut.

Metro spokesperson Mr Keith Peacock said yesterday that today is crunch day for consumers who refuse to pay their accounts, if they have not made arrangements by tonight they could face cut-offs this weekend.

Consumers in the metro owe R1.7 billion, which is more than half of Gauteng’s total debt of R3 billion.

“We have some debtors who owe the council nearly R500 000 each,” Peacock said.

The intensified cut-off campaign would begin over the weekend and is expected to be stepped up during the week.

“By Wednesday, the council will be switching-off up to 2 000 defaulters each day,” he said.

While it is hoped that consumers — residents and businesses — who are in arrears will settle their debts, the response has been disappointing and about 30 000 people face having services cut-off during this period, Peacock said.

They would target defaulters who were more than 60 days in arrears — Own Correspondent.
Payment defaulters face reconnection, penalty fees

Deborah Fine

MUNICIPAL payments defaulters whose services have been cut will have to pay a reconnection fee to have their services restored and could be forced to pay a penalty fee if they damaged council property by attempting to reconnect the services illegally.

This was confirmed yesterday by Zakes Ximba, assistant Masakhane coordinator at the Gauteng local government, planning and development department, in the wake of a crackdown on non-payment by local authorities.

He said reconnection fees would be charged in line with normal, statutory municipal procedures, but that the amounts would differ from council to council. This could range from the R110 fee charged in the greater Johannesburg area to the R550 reconnection charges imposed by the Springs local council, on the East Rand.

Ximba stressed that reconnection fees would be open to negotiation in cases where people were genuinely unable to pay the full charges, but urgently needed services restored. A greater Johannesburg council spokesman said yesterday, however, reconnections in the city area would have to be paid upfront before services were reconnected.

He said services to an estimated 30,000 homes and businesses would be cut if people did not come forward to pay their accounts in full or make arrangements to pay off their arrears.

The city would begin cut-offs in earnest at the weekend, building up to 2,000 cut-offs a day from Monday.

The head of the task-team coordinating cut-offs in the greater Johannesburg area, Western local council CEO Geoff O'Connell, said yesterday that people or businesses with significant arrears or those who were capable of paying but had defaulted would be targeted. He confirmed that this would include Sandton residents who had embarked on a property assessment rates boycott last year to protest against rates increases of up to 80%.

Meanwhile, Gauteng local government chief director Samba Ndawande said yesterday that the provincial government would use "all the measures within its authority" to counter "pockets of resistance to the restoration of law and sustainability at local level."

"We think we are doing what is right for the nation. If local authorities are allowed to collapse, the whole of SA is doomed. Municipal services are the yardstick by which standards in a society are judged," he said.
Don't be fazed over power cuts. Sandtonians told.

It would be illegal to cut services to residents who fell under the former Sandton council who paid for services but withheld rates payments, it was claimed yesterday.

The Sandton Federation of Ratepayers and Residents Associations said threats to cut services were an indication that the authorities intended to take illegal action.

It warned residents not to fall for the intimidatory tactics that “were calculated to frighten law-abiding citizens into abandoning their protest.”

East Rand police yesterday reported 12 cases of public violence in KwaThema, Springs, relating to the electricity switch-off that began there on Thursday. Sapa
Cutoffs spark payment rush

Defaulter flock to settle arrears as council cuts power

hospitals (one owes R500 000) reprieved until Wednesday

By Cecilia Russell

Defaulters have been rushing to pay their arrears as the municipal electricity cutoff campaign moves into Greater Johannesburg this week following last week's East Rand blitz.

At the weekend more than 500 Greater Johannesburg consumers had their electricity cut - but the threat of action resulted in a 25% increase in payment levels by Friday.

The campaign will intensify during this week until about 2 000 households and businesses who are in arrears are cut off each day.

Among the biggest debts paid by defaulters fearing cutoff was the R266 000 paid by a Johannesburg CBD business.

"There was an overwhelming response to the call to pay up," metro spokesman Keith Peacock said.

Greater Johannesburg consumers owe about R1.7-billion - more than half of Gauteng's R3-billion service arrears.

During the campaign to recover the money big business and household consumers are being targeted unless they make and honour agreements with their councils.

Peacock said council staff would be among the first to be hit by the cutoffs because they ought to be role models.

Hospitals had been granted a reprieve until Wednesday.

"Admission to private hospitals is notoriously strict. For those not in possession of a medical aid, money upfront is the selection criteria," Peacock said.

"In much the same way hospitals expect their patients to pay for services provided, so too must they pay for services provided to them," said Peacock.

Councils criticised, threatened over policy

Peacock adding that one hospital owed nearly R500 000.

He also urged banks to apply their strict loan policies to payments for their own rates and services accounts. "It is clear that many businesses use the council for short-term credit."

Peacock said councils would treat with sympathy all consumers who approached them to make arrangements.

Newlands, Claremont and Montclair concerned residents committee chairman Claudius Strydom said households with incomes of less than R1 650 in Johannesburg's Northern, Eastern and Western local councils had not been given the opportunity to register for subsidised rates and service charges - as residents from the Southern council had been allowed to do.

He called for a moratorium on disconnections until they could be conducted in a fair and equitable manner.

Opposition parties and other residents' associations have also criticised the manner in which the Gauteng government has, through local councils, implemented the cutoff.

DP chief whip Claire Quai said ongoing credit control rather than a "big bang" intensified cutoff campaign should be implemented.

Sandon Federation of Ratepayers and Residents Associations chairman Peter Harmens said it would be illegal to cut services to residents under the former Sandton council who had paid for services but withheld rates payments.

He said legal action would be taken against the council if consumers who did not pay their rates bills had their electricity disconnected.
Cuts spark arrear payments

JOHANNESBURG. There has been a 25% increase in payments in response to the threat to cut electricity to Greater Johannesburg areas.

A business in the city centre paid its outstanding debt of R266,000 on Friday afternoon.

"There was an overwhelming response," said Metro spokesman Mr Keith Peacock.

Greater Johannesburg consumers owe about R1.7 billion — more than half Gauteng's R3bn in service areas.

The campaign to recover the money targets big business and householders who have not contacted their local councils to arrange to pay off their arrears.

Peacock said yesterday council staff would be among the first to be affected.

"They should be role models and ought not to have outstanding accounts," he said.

Hospitals have been granted a temporary reprieve until Wednesday.

The SA National Civic Organisation chairperson, Mr Isaac Makgabudlane, said they would seek a court interdict unless authorities agreed to an immediate moratorium on electricity cut-offs — Own Correspondent.
Residents are warned over electricity bills

Bonile Ngqiyaza

The Johannesburg council last night warned Gauteng residents in arrears to contact their local credit offices to arrange for payments, saying it expected its clampdown campaign on municipal account defaulters to build up to 2,000 people a day this week.

Council spokesman Keith Peacock said it was expected that the numbers of debtors who had their electricity disconnected would increase.

"We regret that this has to reach such a stage, but debtors also have to realise that it is time they paid what is due to the council." He said there had been a good response to the accelerated credit control campaign of the greater Johannesburg council. Receipts, it said, had gone up 25% in the past few days.

A large number of disconnections had already taken place with accounts of more than R2m targeted. The council did not specify which businesses had had services disconnected.

Peacock also warned that once services had been disconnected, it might take a few days before they were restored.

The council's records had reportedly been found to be in chaos at a time when the council was gearing up to implement its clampdown.

The reports said the council's records seemed to be inaccurate and incomplete because of outdated computer systems, new boundaries and different methods of billing.

The council planned to disconnect power to 2,000 debtors a day this week in an attempt to collect about R1.5bn owed to it by 30,000 defaulters - a collection rate which would enable it to head off a crisis.
Govt forks out R4.8-m arrears owed to Jo’burg

Transport network, education department, and Bara hospital settle huge bills in face of electricity cutoff campaign

By Cecilia Russell

Government departments in Greater Johannesburg coughed up R4.8 million yesterday ahead of threatened electricity cutoffs to consumers 60 days or more in arrears.

Sources in the council told The Star that three cheques, one from the Gauteng education department for R2.5 million, one from Interstate, a subsidiary of the parastatal South African Rail Commuter Corporation, for R1.1 million, and one from Chris Hani Baragwanath Hospital for R1.2 million, were paid to Johannesburg’s Southern council yesterday.

The Greater Johannesburg-metro council, in line with Gauteng’s initiative, has improved its credit-control procedures and threatened to cut electricity to consumers more than 60 days behind and where arrangements had not been made to pay off arrears.

The council is owed R1.7 billion. At the weekend, the council cut off about 500 consumers.

Chris Hani Baragwanath Hospital spokesman Ester Hlongwane said the cheque was for the usual monthly payment, but council sources said it also covered arrears.

Gauteng education department spokesman Aubrey Matshiqi said the department was still in the process of verifying the correctness of the accounts. "The department decided to pay despite the fact that there may be discrepancies in the accounts, because it is committed to Masakhane," Matshiqi said.

Interstate’s senior strategic marketing manager Raeloff Cowdner agreed that the payment was more than 60 days overdue but said it had been made within 30 days of receipt of the invoice for May.

Metro spokesman Keith Pesscock said: "It is up to the consumer to ensure their account is paid and up to date, and that the information on the account is correct, etc."

There had been a good response to the threats of service cutoffs, with hundreds of consumers paying their arrears.

The Gauteng Lions Rugby Union settled its arrears of R250 000 yesterday.

In the Eastern areas, the payment level is up about 25%.

Figures for the Northern and the Western councils were unavailable but sources say payments to the Southern council increased from R9-million on August 1 to R12-million on Friday.

The Sandton Ratepayers’ Federation (Sanfed) is investigating a case in which a Sandton resident had his electricity supply cut at the weekend.

"If the resident is up-to-date as he claims with his service bill but is behind, due to the boycott, with his rates account then the action of the council is unlawful and we will take the matter to court," said Sanfed chairman Brian Stolzenberg.

The metro would not be going into top gear with cutoffs today, but intended to give consumers one extra day to sort out arrears.

From tomorrow the council plans to cut up to 2 000 consumers each day.
Gauteng releases 50 housing sites a day

Robyn Chalmers

The Gauteng Provincial government was releasing 50 sites a day for informal settlements to meet the province's huge housing demand, Land Affairs Department Director Carlien Englebrecht said yesterday.

Englebrecht said the provincial government had initiated its Mayhwaye Programme early last year to cope with an expected influx of people to the province.

"It became essential that government agencies responded to the growing need (for housing) by addressing the problem of landlessness. This is being achieved through the release of land for settlement as a complementary strategy to other existing housing programmes," she said.

The programme involved the release of unserviced land for residential settlement with an emphasis on tenure security to establish the basis for future upgrading programmes.

A government document outlining the programme showed it was meant to facilitate the acquisition and release of land. Funding under the programme was restricted to a number of costs which totalled almost R1 200 an average site, excluding land, with all of the costs to fall under the national housing subsidy scheme.

The programme covered the cost of land bought from private landowners — to be recouped under the national housing subsidy scheme — and the cost of preplanning investigations such as environmental impact assessments.

All costs associated with preparation of detailed layout plans, such as engineering design costs and costs linked to surveying and pegging of individual and community sites were covered. Transfer and legal costs, project management costs and the cost of engaging with communities and other beneficiaries would fall under the programme.

"Every effort should be made to reduce land acquisition costs and local authorities will be required to submit valuations for land acquisition prior to purchase," said the document. Participating local authorities would have to conclude a standard funding agreement with the Housing and Land Affairs department.
Big business escapes electricity cut-offs

But residents are hit for being eight days late

BY BUNTY WEST

While Krugersdorp residents' services are being cut without warning just eight days after their accounts' due date, nearly 200 businesses are getting away with service arrears running into millions of rands.

During last month's council meeting councillor Michael Bester said a number of large businesses owed thousands each in service payments and were more than 120 days in arrears. Yet electricity to several Burgershoop residents was cut last week after being only eight days in arrears.

Rate residents attacked municipal officials sent out to do the work.

According to Bester, one company owes a massive R276 000, while the top 20 non-payers on the list have accounts owing of more than R150 000 each.

"Not one of the companies on the list, which range in size from small enterprises to large companies, owes less than R30 000, and they are all at least 120 days in arrears," said Bester.

Council does not send out final notices to residents any longer and the monthly account to ratepayers is the only notice of payment given.

A note at the bottom of the account warns that, if the bill is not settled by the due date (normally around eight days later), officials are likely to cut off electricity.

Irrecoverable debts of under R500, amounting to R18 090 from 90 debtors, were written off by council last month after the process to trace them proved too costly. All debts were more than three years old.
No repairs now, only cut-offs, says council

Some street lights have been out of action for a long time

BY LEE-ANN ALFREDS
City Desk

Routine electrical repairs and maintenance have been severely disrupted by the disconnection of electricity to defaulters and the situation is expected to continue for weeks.

Street lights are not being repaired and there is a delay in restoring the lights in households which have been accidentally disconnected.

The problem came to light after Johannesburg North resident Glen Grant-Graham told The Star that street lights in his area had been out for more than two weeks.

He said he had been informed by an electricity spokesman that there was no money to repair the lights.

"They said that for the next six weeks they are only going to do cut-offs. I'm a paying customer, but there's nothing I can do," he said.

Greater Johannesburg metropolitan council spokesman Keith Peacock confirmed he was aware "problems had occurred in the last week", affecting routine electrical repairs.

He said the problems would continue in "the near future" because all resources were being spent on cutting electricity to defaulters to recover R1.7-billion owed in arrears.

Electricity to about 2,000 households is expected to be cut every day.

But Peacock apologised for any street lights which had been cut for a long time, saying it was "unacceptable".

"We can't handle so many outages (power failures) and complaints," he said.
Electricity cut-offs pay off

JOHANNESBURG The intensified credit-control campaign in Gauteng has netted R500 million in arrears since councils started cutting off defaulters' electricity last Monday.

About 6,349 consumers have had their electricity disconnected, with the Greater Germiston council heading the cut-offs list with 2,537. Local Government MEC Mr Scelo Shiceka said yesterday.

He said 2,209 consumers had had their electricity reconnected and 3,568 had made arrangements to pay off debts. The Randfontein council had made arrangements with 90% of its residents.

About 18,027 households with incomes of less than R3,050 had registered for subsidised rates and water.

Shiceka said the Boksburg council was the only municipality disconnecting water, with 528 households cut off. About 321 homes had been reconnected.

"This campaign has been a resounding success," he said. "Persuasion hasn't been taken seriously, so we are now at the stage of coercion, and it's paying dividends."

About 860,000 had been paid in KwaThema, near Springs on the East Rand, where there were mass cut-offs and government departments settled their bills on Tuesday.

Shiceka said the Gauteng Education Department had paid its bills as had hospitals in arrears.

"I am still investigating why government departments were not paying, but people believed if they didn't pay, nothing would happen," he said.

Shiceka said the campaign had been necessary to restore the financial viability of councils.

He said a number of municipalities were on the verge of collapse, but Johannesburg wasn't among them.

Figures released by the Constitutional Development ministry yesterday show Gauteng was owed close on R4 billion in unpaid municipal services by March this year — an increase of almost R1 billion on last year.

The number of regular payers in the province has increased from 69% to 73%, and payment by all municipalities in the country dropped by 20%.

A Constitutional Development spokesman said the increase in debt was due to accumulation and the increased number of people being billed — Own Correspondent.
Councillors collect 13% of overdue payments

Gauteng local authorities had recovered more than R500m in rates and service payments since the government began cutting defaulters' electricity on August 5, local government MEC Sceiso Sisulu said yesterday.

Sapa reports he said this constituted 13% of the R3.8bn owed to Gauteng local authorities by ratepayers.

Sisulu made the announcement at a news briefing which followed a march by about 800 Soweto pensioners in support of government's payment drive.

Deborah Fine reports Sisulu also said more than 8,000 electricity cutoffs and 528 reductions in water supplies had been carried out since the start of the credit control campaign. Several councils still had to send statistics.

He said 3,568 agreements had been struck with various councils for paying off municipal debts and arrears.

Provincial Affairs and Constitutional Development Minister Vathi Moosa said the campaign was an indication of the "maturation" of the local government system.

Local authorities were now undertaking consolidation processes and gaining an understanding of effective financial management and credit control measures, he said.

However, the SA National Civics Organisation has said that the "brutal and draconian measures" taken against payments defaulters could result in violent confrontations between communities and local authorities. It believed that the way to resolve the nonpayment issue was through further negotiations.
Jo’burg defaulters face gas and water disconnections

By Lee-Ann Alfreds
City Desk

Greater Johannesburg’s councils are cutting off gas and will soon cut off water to defaulters as local authorities step up their campaign to recover about R1.7-billion in municipal services arrears.

The intensification of the campaign comes as Johannesburg resumes mass disconnections of electricity after a day’s layoff on Wednesday for routine maintenance to be carried out.

Electricity to defaulters is also expected to be disconnected this weekend, with power cuts to about 500 consumers planned for today.

About 5,849 consumers in Gauteng have had their electricity disconnected since the cutoffs started on August 5.

Thousands of defaulters are expected to be affected by the water cutoffs.

Greater Johannesburg metro spokesman Keith Peacock said gas cutoffs had started yesterday.

He warned bulk users of gas – industries, hotels and catering companies – to settle their bills to avoid being cut off. Domestic gas users will also be cut off if they are in arrears.

Peacock said water cutoffs would start on Monday.

The council had decided to cut off water after being advised that while the constitution stated that people must have access to water, it did not stipulate that it had to be supplied to houses.

This meant water supplied to houses could be cut off but access at other points would not be affected.

Peacock said money was continuing to flow in as a result of the campaign.

The “old Sandton part of the east” had reflected an increase of 61% in one day, bringing the council’s income to R1.7-million, he said. About R500-million had been netted in Gauteng since the start of the campaign.

The Kempton Park/Thembisa local council has denied rumours that Thembisa will experience a total blackout on Monday.

The council said only individual defaulters would have their electricity cut off.
Police stoned, shot at in cutoff protest

Police yesterday retaliated with rubber bullets, teargas and shock grenades when about 500 protesting residents pelted the Eersterus, Pretoria, police station with rocks and bottles.

Police spokesman Inspector Gideon Thesner said one policeman was injured when a rock struck him on the head.

Several shots were fired at police from the crowd.

The group, protesting against the cutting of electricity supplies of residents who have not paid for their services, earlier blocked the two main entrances into Eersterus by placing burning tyres in the streets.

Minibus taxis were pulled off, cars damaged, and commuters assaulted and prevented from going to work.

Two protesters were arrested.

After peacefully picketing, the Eersterus civic centre, the group marched on the police station to demand the release of the two people arrested, and the trouble began – Sapa
Sanco calls for Tembisa stayaway

Civic organisation says residents do not want pre-paid electricity meters

By Steve Moti

THOUSANDS of Tembisa residents near Kempton Park have been urged to heed a spontaneous stayaway organised by the local South African National Civic Organisation (Sanco) today.

The stayaway is in solidarity with about 20 residents of Hospital View who were arrested three weeks ago while protesting against the installation of pre-paid electricity meters.

Sanco's general secretary Mr Mandla Gumede said the stayaway was intended to register the community's unhappiness at the forced installation of the metering system.

The meters have been a source of dispute between the residents and the African National Congress-led Kempton Park Tembisa metropolitan council since March.

Gumede said the stayaway would be preceded by two marches, one to the offices of the town council and the other to the local police station.

He said a memorandum calling for a moratorium on further installation of the meters would be submitted to the council.

Hospital View has been tense since the installation of these meters.

The situation became unbearable about four weeks ago when the community had a confrontation with the police, army, reservists, traffic police and a security company.

Dogs were unleashed on the protesters who included Sanco branch chairman Mr Mlungisi Majola.

Gumede said the stayaway had the blessing of all relevant stakeholders, including members of the Congress of South African Students (Cosas) and the Pan Africanist Students Organisation (Paso) in the area.
Johannesburg water cuts delayed for a day

Dustin Chick

CUTTING the water supplies of Johannesburg users who had defaulted on their service payments had been postponed for one more day to give defaulters a chance to pay arrears, greater Johannesburg council spokesman Keith Peacock said yesterday.

Peacock said the council had begun cutting defaulters' gas supplies on Friday and would continue doing so.

He said electricity cuts which began last Monday would also continue. Twenty-two businesses in the central business district, which he declined to name, had their electricity cut on Thursday.

The cut in supplies is an attempt by the greater Johannesburg metropolitan council to recover R1,5bn in debt from 30 000 defaulters. It is estimated that all Johannesburg's local authorities are owed a combined R3bn, half of the provincial debt.

Peacock said the council was focusing on individual account holders, and no blanket cuts would be made. The included water, where it was technically possible to cut supply to individual households. People should contact the credit departments of their local councils to make arrangements for payment Peacock warned residents against trying to reconnect cables illegally, as the council would not hesitate to institute legal action, he said.

By Thursday the council had reported a 400% increase in payments.

Sandton, which falls under the eastern council, has seen its revenue go up to R1,7m, or 91% higher than last month's income.

Belinda Beresford reports the rush to pay arrears could have a marginal effect on consumer spending and possibly create a small blip in credit demand, economists said last week.

However, there was unlikely to be a long-term significant change in credit demand, and the actual effects of the payments would depend on whether individuals and companies had gone into debt to pay their arrears.

ING Barings economist Nick Bannardt said the wave of arrear payments would probably have a slightly constraining effect on third-quarter consumer spending.

Spending in the second quarter had been "fairly strong and strongly financed by bank credit, which would have indicated some pause for breath in the third quarter. This could be a little more marked than would be expected" as a result of the payments. Such a pause in consumer spending would tend to slow credit demand, but this would be offset if people were using more credit to pay arrears.

Meanwhile, Sapa reports that the SA National Civic Organisation is to demand the resignation of Gauteng local government MEC Sicelo Shiceka during a series of protest actions and marches this week against the cuts.

Comment: Page 11
Residents
heed call for
stayaway

Angry Tembisa township dwellers call for the resignation of Shiceka and councillors

By Dan Fuphe

More than 8,000 irate residents of Tembisa, near Kempton Park, yesterday, heeded a call for a voluntary stayaway and marched on the local council offices demanding the immediate removal of all pre-paid meters installed in Hospital View.

The march was led by several local and national South African National Civic Organisation (Sanco) officials and members of the Tembisa Ministers Fraternity Forum.

The otherwise disciplined march was only marred by the shooting of Mr Sello Malisoile (29).

He was allegedly shot by council police using rubber bullets.

Two elderly residents were arrested on charges of damaging meters.

Malisoile, who was shot twice in the left leg, told reporters that the attack was unprovoked.

Placards denouncing local councillors and calling the MEC for development planning and local government Mr Sicelo Shiceka a "coward" were carried by a number of demonstrators.

Shiceka had apparently earned the wrath of the residents for his insistence that punitive action be taken against rent defaulters.

Addressing the residents, Sanco local chairman Mr Mpho Mosomane disparaged the Kempton Park Tembisa Local Council and accused the council of being intransigent and of causing the impasse which resulted in the stayaway.

Sanco national deputy secretary Mr Teneke Matlha received thunderous applause when he called for Shiceka's resignation.

"We will not stop until Sicelo Shiceka has resigned. As a community, we must isolate from our society those councillors, police and traffic officers who work against us."

"If they shoot you, you must shout back," Matlha told the cheering crowd.

Councillor Alphonse Makadi said that he was saddened by what he called the unprovoked attack on residents by council policemen.

Sanco and the community accused the council and Shiceka of threatening to cut off the supply of water and electricity to households and of imposing the pre-paid metering system on residents.
'More support' for Masakhane

Johannesburg -- Increasing numbers of South Africans were supporting the Masakhane campaign and paying for municipal services. Valli Moosa, the minister of constitutional development, said yesterday.

He said it was essential that the country united in support of the activities planned for the Masakhane national focus week, which runs from September 1 to 7. Moosa said the campaign was improving the ability of local governments to deliver services.

A spokesman for Moosa's ministry said the perception that the campaign was only relevant to the black population had to change. The involvement of everyone, was essential to its success — Mpho Mantjana.
The success of the Gobi's electric disconnection command is truncated. Hence the strategic isolation is far from complete.

Poor must not be asked to pay for 'power' to the people.
Residents refuse to pay for damage

The South African National Civic Organisation said yesterday its members in Thembisa would not pay for the damage done to pre-paid meter systems.

About 2 000 display units (part of the new pre-paid meter system) have been illegally removed from the houses and damaged.

Henriette Weeseman, spokesman for the Kompton Park/Thembisa Metropolitan Local Council, estimated the damage at R33-million.

She said residents would have to pay for the replacement of the damaged display units.

About 60 residents, who were among 2 000 protesters who marched to the civic centre, were arrested on Monday for removing the units and damaging them.

The arrested residents face charges including theft of council property, possession of stolen property and tampering with council property.

Sanco branch secretary Mandla Gumede said: "It is wishful thinking on the part of the council if they believe our people will pay for the damaged display units. In the first place, those things were installed in our homes without our consent."
Discrimination justified by situation.
Cash flowing in, but non-payment culture still too strong

BY Cecilia Russell
City Reporter

While Gauteng province has recorded big successes with its "stick" approach to credit control – with R300-million in arrears paid up in the first two weeks, careful management is needed to break a habit of non-payment built up over a generation.

Local government MEC Sicelo Shiceka estimates that "at least a handful" of local authorities in Gauteng are on the brink of financial disaster. With arrears hawking around the R4-billion mark, poor payment habits from businesses, government departments and individual consumers contributes to the fiscal headache.

Local authorities are required to retain their financial independence from central government and intergovernmental grants are set to shrink in the future.

Democratically elected national, provincial and local governments, a foundation of service rendering and a Masakhane campaign means the call for non-payment for rates and services has lost its moral legitimacy.

There has been some evidence in recent weeks that the non-payment culture is on the wane, but much of this has been due to "harsh" and consistent credit control procedures.

Eskom's spokesman Peter Adams said while non-payment was still the major problem, the parastatal had evidence showing "the tides had turned" and there had been a notable response to Eskom's credit control measures, especially in Soweto.

He said Eskom's deficit nationally had decreased since the beginning of the year from about R1.4-billion to R1.1-billion.

Small gaunt have also been experienced in local authorities. But the question remains: why nearly 3 years since the local elections, is the problem still not resolved?

Consumers, who pay, see the offenders as freeloaders who are benefiting from the subsidisation of law-abiding citizens who faithfully keep the coffers ticking.

While there may be some truth in the stereotypes, recent research has shown that a complex interplay of factors is affecting people's ability to pay and their willingness to pay.

Research by Helen Monnies and Caroline White for the Centre for Policy Studies has shown that a deep suspicion of Eskom as a service provider developed during the electrification of Soweto. The community was forced to pay a levy to recoup the cost of the infrastructure.

The suspicion was reinforced over the years by poor customer care practices and a shortfall of accessible information about electricity usage.

A lack of stigma attached to non-payers and accumulated arrears added to the consumers' troubles. Limited budgets, stretched to capacity, needed to be stretched again to pay off accumulated arrears.

The unfulfilled expectation that things could be better, services more effective has also reinforced the payment syndrome.

"Why should I pay when the street outside is not paved, there are no street lights, crime is rife and the world is grungy", is a perception which emerges often in the research literature.

Research done by Rand Water into attitudes highlights this:

Rand Water's marketing services manager Maggie Ramasong said consumers tend to lump all services together, although the quality of water received in a household may be considered to be good, because mail is not delivered efficiently, the roads are not paved and there is a poor public transport service, there is a reluctance to pay.

The "radical democracy" concept, which closely aligns payment with development as practised in Ivory Park, has had a dramatic impact on payment levels which increased from just 3% to 68% in a year.

But Ramasong has reservations about whether this model can be used in areas where people are already experiencing a reasonable level of service.

"People should start paying because it is their responsibility, not because they have been promised something," she said.

Inefficiencies, consumers not getting their accounts and,
Residents refuse ‘toilet homes’

By Joshua Raboroko

Houses built by a company alleged to have links with the National Party are standing empty in Sebokeng because of opposition by groups aligned to the African National Congress.

Civic organisations and hundreds of home-seekers who live in shacks have described the low-cost homes as “National Party toilets”. The two people lost their lives.

National Party chairman of the Vaal housing forum Mr Daniel Maluleka (45) who was also a home-seeker was shot and killed during rivalry over the controversial housing complex.

The houses – built by Vesco, a Section 21 company (not for gain), came under the spotlight when it was discovered that the land had been bought dirt-cheap from the Transvaal Provincial Administration in 1991.

More than 1 000, mostly black home-seekers in the Vaal Triangle, have stubbornly refused to occupy the houses “because they are too small, and have no yards and no electricity.”

It is possible the company will earn R56 million from this project.

The project was approved by the Government of National Unity started in 1994, but the housing project has been vacant as a result of violence and political backing in the area.

Home-seekers told Sowetan that Vesco had aimed to make huge profits after receiving R15 000 a unit from the government’s housing subsidy.

Said Mrs Martha Buthelezi: “The houses are worse than the apartheid match-homes. The rooms have no walls and there is no privacy. I prefer to stay in my big shack than to be crammed with my family in those toilets.”

Iscor subsidiary

Vesco, a subsidiary of the giant Iscor, ventured into the low-cost housing market about two years ago.

It has built homes for Iscor employees and some of the employees and some low-income earners.

Vesco manager Mr Konnie Ndlovu is a member of the NP. The National Party formed the Homeless People’s Forum, which is now accused of promoting the construction of the “NP-toilets.”

Ndlovu said most of the houses have been extended and residents were happy. However, those who did not occupy their homes would have the houses sold.

He said the company intended to build more homes as part of its social responsibility programme.

Several members of the forum who supported the low-cost housing project in Zone 4, Sebokeng and Tshaped, near Sharpeville, told Sowetan that they were intimidated by members of the ruling factions.

Sowetan 11/8/97
Baleka pays up in time

Only three days before the sheriff’s office was due to swoop and auction off her home in Howes, Johannesburg, Deputky Speaker Baleka Mbete-Kgotatsile this week settled her R121 000 bond debt.

The last minute intervention saved her from further embarrassment in the same week that she was finally granted a reprieve from her driver’s licence “scandal”.

Western Cape Attorney General Frank Khan had studied the police fraud investigation into Mbete-Kgotatsile’s alleged attempts to transfer a clerk’s driver’s licence into her identity book, and commuted her completely from any criminal liability.

But, still hanging over the divorced mother of five, was the threat that she could lose her three-bedroom flat, which is occupied by some of her children.

It had been attached by Nedcor Bank after she failed to make bond payments for several months. An auction had been scheduled for Thursday, but an urgent fax from her bank’s lawyers on Monday resulted in the sale being put on hold. Mbete-Kgotatsile had paid her arrears in full.

This financial hiccup appears to support the deputy speaker’s arguments since 1994 that there is no gravy train in Parliament — at least not for her.

Mbete-Kgotatsile has a teenage son who requires expensive hospital care. She is believed to earn in the region of R350 000 per year compared with the R43 500 average for other MPs.

She is not the only member of Parliament to have run into trouble with a bank for bond payments. Winnie Madikizela-Mandela was served with a judgment by a bank when her bond amounts topped R90 000 in 1995.

Many other politicians are also finding it difficult to fund their dual residences in Cape Town and Pretoria or Johannesburg. Thus is believed to be one of the reasons why many are supporting the proposal to have Parliament based in one city instead of two.

Mbete-Kgotatsile was not available for comment.
It’s a commitment to pay for blacks slaughtered, advocate tells the Constitutional Court

JACQUING THE MAN’S JOURNEY

[Image of a person with a quote]

CHASKALSON

It’s a commitment to pay for blacks slaughtered, advocate tells the Constitutional Court
Council’s new boy on the block tackles culture of nonpayment
Getting a Picture of Sweto
Armed men sent to cut off electricity

BY ANNIE COX
Sandton Bureau

An irate Waverley, Johannesburg, couple have expressed anger and disgust after Eastern council municipal staff came to cut off their electricity accompanied by three men armed with rifles.

To add insult to injury, the Goldberg's had paid their service account in full.

Joan Goldberg said the men arrived and surrounded their house, military style, with their rifles ready. They banged on her door and said they had come to cut off the electricity.

"I went to fetch my receipts to show them I had paid in full, but they wouldn't even look at them. They said they had instructions not to negotiate with people but simply to disconnect. They would not give me their names or names of people I could phone to clarify the matter," she said.

Goldberg then called her private security company and the police, and the men moved down the road with their truck, but left one armed man on their property.

A meter reader arrived coincidentally, at the same time and she believes the men then realised they had made a mistake. "Their behaviour was disgraceful and rude. We are law-abiding citizens. It felt like we were in the middle of a war zone, not a residential area in the suburbs," she said.

Eastern council communications officer, Wilf Peacock, said: "Cuts off could lead to dangerous situations. While we don't want to have conflict with residents, there is a need for protection for our staff."

Out.
Council apologises over circulars

Deborah Fine

The Johannesburg eastern local council has apologised for sending out 16 000 incorrect circulars to Sandton residents who are in arrears with their rates payments.

The Sandton Federation of Ratepayers (Sanfed) has meanwhile claimed a victory, stating that the number of circulars issued indicated that the Sandton rates boycott was still in full swing, contrary to recent claims by the council that the boycott was beginning to end.

Sanfed is an umbrella body representing various ratepayer organisations in the Sandton area which have deliberately withheld property assessment rates payments in protest against a 300% increase in the rates last year.

Council communications officer Keith Peacock confirmed yesterday that the circulars represented 12% of the total ratepayers in the eastern council’s area of jurisdiction.

He said that the circulars had been sent to “a minority” of ratepayers in the Sandton area providing a rates arrears amount and offering the ratepayer the opportunity to pay off the arrears over a period of time.

It was discovered on Tuesday, however, that the amounts shown on the circulars reflected a lesser amount than the actual arrears.

The errors were believed to have occurred as a result of a faulty computer program.

Apologising for any misunderstandings that might have been caused by the errors, Peacock said the council would send out correct circulars, which were also an acknowledgement of debt, by the end of next week.

He said, however, that the circulars were separate from ratepayers’ normal monthly service accounts, which were “completely correct”.

He also denied allegations that residents who wanted to take advantage of the offer to settle their rates arrears or make arrangements to do so were being turned away.

Sanfed treasurer Brian Stolsenburg said yesterday that the 16 000 circulars indicated that “literally half” Sandton ratepayers were still withholding property rates payments in support of their demands.

He also said that the council had still not cut off the water or electricity of a single Sanfed member.

He claimed that this backed Sanfed’s contention that the council was not legally entitled to cut off the services of people who were fully up to date with their services accounts but were in arrears with their property assessment rates.

Sanfed has threatened to take urgent High Court action “the moment a member has his or her services cut off.”

The council has not yet commented on Sanfed’s contention.

Stolsenburg said the boycott would continue until the council agreed to reach a compromise with the ratepayers.
Campaign permits.Cauening councils.To take in R Iup.In service arears.
Hillbrow tenants conquer their own Everest

Swapna Prabhakaran

When the landlord of Navarone Court raised his tenants’ rent to R389 a month in 1988, he pushed them too far. They decided it was time to push back, and began plans to buy the Hillbrow block of flats.

Eight years later, the building is theirs. Lyon Magwira, who represents the company which bought the building on behalf of all the tenants, says achieving this dream was not easy.

“The landlord tried all means to evict us. He sent a security company. He sent people who pretended they had bought the building from him. He tried taking us to court, but then he withdrew the case.”

“But he didn’t have a reason to evict us. We didn’t refuse to pay rent. We just wanted to negotiate,” says Magwira.

The landlord wanted nearly R1-million for the dilapidated four-storey building. The tenants talked him down to R277 000 cash and applied for a housing bond.

A development NGO called Cope Affordable Housing (Cope) stepped in to help in 1993, offering advice and management training to the tenants. “It was tough to get everyone organised, even in our building,” Magwira says.

Miriam Mahanyane, who has lived at Navarone Court since 1987, was scared when there was talk of buying the building. “I was happy, but I was also afraid about us running the building by ourselves,” she said this week.

Magwira says, “There was a time when we had to fight against the security guards, to fight with the police who were pointing guns at us. And the building was once nearly burnt down.

It was during the day and even the police don’t know what happened. That was in 1988, and we spent weeks sleeping outside, waiting for our building.”

But through perseverance and co-operation the tenants managed to register themselves as a company called Everest Court Association. They plan to change the name of the building to Everest Court.

This April, their association was granted a government subsidy large enough to take the building off the landlord’s hands. Now the tenants are on a rent-to-own scheme and changes are already evident.

Hillbrow has a reputation as an area of vice. At Navarone Court, there used to be no security, “a shebeen on every floor,” and the tenants had no way to stop strangers from walking in off the street into their homes.

Now they see their building as a haven of safety. “Everyone who enters the building must produce their identity. We have managed to close down the shebeens and we can even control the overcrowding now, by ourselves,” Magwira says.

A security guard patrols the foyer and the tenants’ children happily play inside the new security gates of the building. “We know they’re safe here.”

This weekend, Housing Minister Sanke Mthembu-Mahanyele will celebrate their success with them when she opens two social housing projects in the inner city — the other is Angus Mansions in Jeppe Street — which have been awarded institutional subsidies. The tenants are proud and excited about the visit.

Lybon Mpopo, also a tenant, says he’s proud because “we own something in town. We had a very hard struggle, but we were united. We are the people of South Africa and we will show people how we go.”

All the tenants have encouragement for other people who want to follow in their footsteps. “They must be brave enough to take this risk. They must be sure of what they’re doing. It is a big risk,” Magwira says.
They are among the first Central European refugees who have received a government subsidy to buy the houses they live in.

Home sweet home... Basilie Zweine (4) and her mother Hephzibah (16) and their mother. Hephzibah's family lives here. They can all home.

This morning, the two blocks of flats across the street from the Ministry of Housing, one of the city's most important buildings in the area, reflected the city's keen interest in the building project. The Ministry, which is expected to spend $200 million on the project, will build five 36-story office buildings. The buildings are the second phase of a government-sponsored urban renewal project. During the renewal, residents of two buildings in the area will be moved to new homes.

This is last of our tenants to Linner-city.

By Eugene Blackman

The New York Times

April 29, 1981

THEREA NAUE

The New York Times
Court action looms over cutoff blunders

Council officials facing several actions for damages and intimidation following recent electricity short-circuits

By Anna Cox
Sandton Bureau

Johannesburg's Eastern council officials are facing several court actions for damages and for intimidation after recent cutoffs of electricity in the northern suburbs of Sandton.

A woman who works in a Bez Valley office block, Helen Edelstein, said municipal staff barged into her office with rifles this week and said they were there to cut off electricity. When she objected, a man pointed his rifle at her.

The police were called in and Edelstein was advised to lay charges of intimidation and of pointing a firearm.

It turned out that the landlord of the building had, in fact, paid the account in full.

"I still have nightmares about the incident," said Edelstein. "We were working when the door suddenly was pushed open and there were armed men all over the place. When I asked what was going on, one man pulled up his rifle and pointed it directly at me. I still shake when I think about it.

This follows another incident, reported in The Star yesterday, in which a Waverley couple, who had also paid their electricity account, were intimidated by council officials with rifles.

Eastern council communications officer Keith Peacock said it was normal procedure to send municipal police to protect staff carrying out the cutoffs because it could lead to dangerous situations.

There appear to have been several cutoffs of people who have paid their accounts.

Sandton councillor Craig Stephens recently moved into a new house in Athol but the previous tenant owed more than R7,000 in services. Stephens was in the process of sorting out the matter with the council when his electricity was cut off.

Some people who have had their electricity cut off despite paying their accounts are threatening to sue the council for damage to food in freezers.

Graham Meaker from Highlands North said he had paid his bill in full on August 9, the cheque was date-stamped by the council on August 12, yet he was cut off earlier this week.

"We lost over R6,000 worth of food in our fridge and freezer," he said. Armed men also arrived at his house to carry out the disconnection.

The Sandton Federation of Ratepayers' help office spokesman, John Lambson, said this practice was blatant intimidation of peaceful ratepayers.
Jo’burg cutoffs continue despite accounts chaos

Gauteng wants local authorities to scale down campaign next month, but Johannesburg takes tough line

BY CECILIA RUSSELL
AND LEE-ANN ALFREDS

The Greater Johannesburg council is to forge ahead with its credit control clampdown — which includes electricity, gas and water cut-offs — despite a call by the Gauteng government to scale down cuts next month.

Johannesburg's tough approach comes in spite of administrative bungles which have seen thousands of ratepayers receiving incorrect bills.

Yesterday Gauteng local government MEC Sello Shiceka said local authorities would scale down the credit control next month to coincide with Massakane Focus Week during the first week of September, which had been "dedicated to showing visible service delivery".

He said: "Gauteng local authorities had collected more than R1-billion in arrears owed to them for rates and service charges."

With a quarter of the R3.7-billion arrears now in their pockets, most local authorities in the province will scale down the credit-control campaign next month.

But indications are that Johannesburg will continue with the cut-off campaign despite the order from province.

"Our campaign is a low-key, long-term campaign and an integral part of Massakane. We will be supporting Massakane week and its associated activities, but we recognize that there can be no separation between service delivery and the development of the culture of payment," metro spokesman Keith Peacock said today.

Mogosodi Mokoena, strategic finance executive for the Northern council, said today the problems in the administration of the council would not change the cut-off policy.

"I have a responsibility to collect that which is legally owed to the council and where I am satisfied that a cut-off is justified, we will continue," Mokoena said.

Mokoena added that administrative problems were confined to the old Johannesburg area and did not affect Randburg or Soweto.

But in October, local authorities would resume the campaign and the mass service cut-offs that had characterised the past few weeks would resume.

Shiceka said the brief response would give community organisations, which have vociferously criticised the cut-off campaign, a chance to consult with government.

It would also give those who cannot afford to pay for services an opportunity to register with local authorities for subsidised rates and services.

But a Johannesburg council source told the Star the cutoff campaign was being put on ice to give the councils an opportunity to recover from the embarrassment of continuing the campaign while billing systems — especially those in the Northern council — were chaotic.

Shiceka admitted that "government is not innocent" and said incorrect accounts were unacceptable.

He told a press briefing it was a myth that black people owed the most.

"Whites and business owe the most, not Africans," he said. Of the about R700-million owed in Johannesburg's Southern council, which included Soweto, R600-million was owed by consumers in the city centre, Shiceka said.

In the past three weeks there had been 51,852 cutoffs in Pretoria, 8,159 in Alberton, 2,763 in Germiston, 1,711 in Krugersdorp, 1,601 in Springs, 1,100 in Lekoa-Vaal, 920 in Heidelberg, 551 in Benoni, 390 in Boksburg, 287 in Lethlabeng, 158 in Brakpan, 52 in Westmoreland and 16 in Vereeniging.

Court battle looms
Millions to upgrade squatter camps into formal townships by Tommy Makoe

Hundreds of Gauteng squatter camps are to benefit from a multimillion-rand provincial housing department programme to upgrade them to fully fledged townships.

This community-based programme, with a total budget of R36-million, is to be allocated to both the former Transvaal Provincial Administration informal settlements and other upgradable squatter camps, which mushroomed largely after 1990.

Gauteng director of land affairs Caren Engelbrecht said that before the 1994 general election, the now-defunct TPA had initiated a programme to formalise the informal settlements. The new provincial government is now implementing the long-promised plans as well as looking at more recently established squatter camps on both private and state land.

She said R6-million out of the total budget would be spent on the settlements identified before 1994. The remaining R29-million would be used to revamp nine other squatter camps that were not earmarked by the TPA for upgrading.

The provincial government has invited local authorities to apply for funding to upgrade informal settlements in their jurisdiction.

Already the Benoni Transitional Local Council has applied to upgrade four settlements in its area, and applications have also come from the Lekoa/Naal, Boksburg, Khayalami and Thutuka local authorities.

Engelbrecht said the provincial government had identified 200 upgradable informal settlements.

"Formalising the other 200 upgradable squatter camps could take more than 10 years – this depends on the funding," she said.

"It is a long-term goal because the problem is that most of them were occupied without any formal planning. They have poor infrastructure and, besides, the legal process of formalising them is complex.

"Each site will cost between R1 200 and R1 600, which will be part of the amenities for the upgrading of the sites. Because of budget constraints, our priority for now is low-cost areas," Engelbrecht explained.

Most of the provincial funding covered town-planning costs, surveying, transfer duties and the purchase of land.

Formalising

She said her department had completed all the paperwork for formalising Orange Farm, a squatter camp near Vanderbijlpark, to have 30 000 sites. Orange Farm will be declared a township next month.

The department is also investigating other former TPA squatter camps, including Zonke/Zizwe on the East Rand, Ivory Park and Rabie Ridge near Kempton Park, Doornkop in Soweto, Poorfontein near Krugersdorp, two squatter camps in Rietfontein, and Soshanguve next to Pretoria.

"They will probably be fully formalised in the next six months," Engelbrecht said.
Jo’burg’s southern council recovers millions in arrears

Deborah Fine

THE greater Johannesburg southern local council had recovered more than R30m in municipal arrears last month by stepping up its credit control campaign against payments defaulters, senior council official Shan Balton said yesterday.

Balton, who is chairman of the council’s budget and finance committee, said the council had collected a “hard cash” total of R28.6m in outstanding arrears payments between March and August. However, there was “still a long way to go” before optimal payment levels were reached.

The council was still facing total outstanding arrears of R566m, which increased to R758m if present outstanding payments were taken into account. The old Johannesburg southern suburbs and the central business district were responsible for R306m of the arrears, while the remainder of the south, including Soweto, accounted for R260m of arrears.

The R28.6m did not include instalments paid off in terms of financial arrangements with the council or voluntary payments.

During July, about 288,000 municipal bills had been issued, of which 111,000 had been paid in full, 45,000 had been partially paid and 130,000 had not been paid at all.

However, Balton said that he believed payment levels would improve “dramatically” once the council had completed the installation and upgrading of water and electricity meters throughout the south and further intensified its credit-control campaign against defaulters. Payment would also increase as a result of visible service delivery and the “jacking up” of the council’s communication strategies.

Between March and last month, the council issued 34,320 summonses involving more than R120m and carried out 5,183 electricity cuts. A further 10,765 summonses would be issued in coming months, while thousands of defaulters could face additional water and electricity cuts.

On a positive note, Balton said the council’s payments strategy had resulted in a “steady” overall average payment level increase in the southern council’s area of jurisdiction, from 82.1% in January to 83.1% in July.

Average payment levels in the old Johannesburg southern suburbs had increased from 89.5% in January to 90.8% in July, from 90.4% to 92.4% in the central business district, from 18.2% to 24% in Soweto and from 2.1% to 3.9% in the volatile Orange Farm informal settlement.
Project to Provide Homes in CBD

Occupants will be expected to rent homes and later buy them.

Kowloon 6/19/77

By Joshua Habibah
New law is on its way to help douse the number of fires

Installation will cost R300, but existing homes won't have to comply

BY LEE-ANN ALFREDS
City Desk

ough new legislation to cut the number of fires in Gauteng will have little impact on existing houses and buildings, many of which do not comply with fire safety standards.

The legislation, which will include the compulsory installation of fire detectors, at a cost of about R300 for households, in all new houses and buildings, is expected to be implemented next year.

Local government department spokesman Sakkie Lombard said yesterday that some of the documentation was ready, but the legislation still needed to be "workshopped".

The legislation will not apply to existing buildings and houses, many of which do not comply with fire standards.

"It is not easy to backdate legislation," Lombard said.

He said the department was also investigating heavier fines for buildings which fail to comply with fire safety regulations.

At the moment, violators can be fined only R60.

The Star reported earlier this year that at least half of Greater Johannesburg's high-rise buildings, defined as above 30m or nine to 10 storeys, have inadequate safety controls.

And across the city, warehouses and office blocks, which serve as housing, and informal settlements are mushrooming, increasing the province's already high risk of fire.

Money lost through fire this year is expected to exceed R1.6 billion - almost double that of last year, according to Greater Johannesburg's director in charge of management services, Andre Tomlinson.

He said the losses, together with the critical shortage of emergency services personnel, were seriously hampering the province's ability to fight fires - and could prove deadly.

Johannesburg is said to be operating on less than 65% of its manpower needs.

As a result, Gauteng had launched an awareness programme to educate people about the dangers of fire.

The programme, known as the Emergency Services Awareness Week, will run from today to Friday. It will be held annually.

Activities during the week will include visits to schools, parades, demonstrations, and open days at fire stations.
Orange Farm residents get land rights as township proclaimed

Louise Cook

GAUTENG Housing and Land Affairs Minister Dan Mofokeng yesterday officially proclaimed Orange Farm—a town south of Johannesburg—a township and opened its first Housing Transfer Bureau.

This meant residents of the more than 30 000 serviced sites of Orange Farm could now get legal ownership of their properties for the first time.

Southern metropolitan local council mayor Nanda Mayathula-Khoza said the proclamation was an attempt to correct imbalances of the past and to give people access to land ownership.

She said Orange Farm residents could now get title deeds to their land, have a better chance to get a home loan and know they would not be moved.

Several register extensions to the township had been opened and more would be completed before the end of the year. However, the council had sales records, lease and land allocations by the previous government were incomplete—pamphlets inviting people to claim land would have to be distributed. The deadline for responses was December 13.

Land Affairs director-general Geoff Budlender said the proclamation marked the end of policies prohibiting black people from owning land in cities. "Security of tenure is a basic human right, protected by the constitution. I am sure the Housing Transfer Bureau will ensure that when the land at Orange Farm is transferred, this does not lead to dispossession or conflicts about the rightful owner."

In cases of conflicting claims to the same land, more land must be made available, he said.

"For 73-year-old Eugene Ngwane, reports Sapa, the proclamation signified the end of a long struggle to own a piece of land. "In order to provide a roof over my family's head. He was forcefully removed from Soweto in 1962."

Since then, he said, life had been difficult as people in the area—dubbed "Palestine"—because it accommodated 30 000 landless families—lived under constant fear of eviction.

"Today, I am pleased that Mofokeng and other government officials have come to my area to give us rights over land," the pensioner said.
to counter El Niño

Rand Water’s 11 million consumers urged to start saving now:

Cabinet approves measures to support rural communities

BY SHIRLEY WOODGATE

Strong warnings have gone out to the 11-million consumers in the Rand Water supply area not to waste water: following due forecasts by weather experts of the renewed effects of the El Niño phenomenon this summer.

Today’s warning by Rand Water quality marketing manager Karl Lubout to Gauteng consumers comes as the Government for the first time in history announced a pre-emptive disaster management plan to counter the effects of drought well before El Niño hits the country.

El Niño triggers either drought or flooding in various parts of the world as the temperature of the Pacific Ocean drops by some 3°C.

Local weather forecasters have issued a string of warnings that the current recurrence, which is the strongest in 50 years, will lead to well below average rainfall from November this year to March 1998.

Lubout said while El Niño would be a major problem for farmers relying on regular rainfall, the current situation in the Vaal River system— which supplied 60% of the country’s industry—was extremely healthy.

“But while the bottom line is that we have supplies for up to four years, there is absolutely no guarantee where we will be at that stage,” he said.

Swinging into action ahead of the expected drought, the Cabinet approved several measures this week to tackle the problem facing South Africa and its neighbours.

Conservation Development Minister Vahli Moosa said an inter-ministerial committee for disaster management (IMC) had been set up to co-ordinate the activities of Government to combat El Niño.

Cabinet had approved one urgent ministers’ meeting of the Southern African Development Community (Sadeq) to address the consequences of El Niño and the Department of State

Drought is likely from November to March

Expenditure had to ensure emergency funds be made available.

Cabinet also recommended the implementation of action plans by all departments and provinces, and steps would have to be taken to establish provincial structures to deal with El Niño and other disaster-related incidents.

Earlier, Agriculture Minister Derek Hanekom warned farmers the Government would no longer provide drought relief, and Moosa said officials were liaising with agricultural bodies and farmers on how best the sector should reposition to cope with the expected drought.

Conservation measures introduced by Water Affairs Minister Kader Asmal included the allocation of an extra R200 million from the poverty relief fund to help speed the removal of alien vegetation from catchment areas of major dams.

As the potential drought disaster period looms, dams which are currently at an average of 9% full countrywide would be closely monitored, water savings promoted countrywide and restrictions introduced where necessary.

A more conservative operating rule for dams is due to be implemented to ensure at least a two-year water supply for domestic purposes.

Asmal stressed that special measures would have to be introduced for millions of mainly rural South Africans who still had no access to clean water.

They included the repair of waterworks in the former homelands and the sinking of more boreholes and close liaison with the army to co-ordinate water delivery in tankers to drought-hit communities.

Talks were due to be held with Eskom to facilitate a proposed national energy campaign to save water. Millions of rands would be contributed for a cloud-seeding programme in Northern Province.

Asmal stressed, although it was not absolutely certain that a severe drought would occur, the proposed measures would not only reduce the impact of a drought but be cost-effective.
Johannesburg broke, cuts spending

Motor dealers, equipment suppliers and car hire firms are among the metro’s creditors. The Star was told They are refusing to do further business with the metro until the debts are settled.

In an unusual move yesterday, the ANC, which has a majority in all five councils, joined with the opposition parties in the metro’s indebtedness, to find steps to permanently rectify the financial problems and to report publicly on initiatives taken to solve them.

The meeting also agreed to immediate steps to curtail expenditure by departments.

These include, limiting expenditure to what is absolutely necessary to the daily delivery of services, capital expenditure to be limited to contractually committed projects only, the active collection of debts, an end to “soft loans” for employees, and a freeze on vacancies other than “critical posts”.

Finance head Lucas Opperman said the R1-billion loan would enable the council to continue its capital projects as scheduled. It would not cost the ratepayer anything because it had been budgeted for, he said.

The seriousness of the crisis was underscored by the ANC’s support for the financial rescue deal proposed by the DP, but the DP then voted against the motion because of the ANC amendments.

R8,6-m owed to Eskom for electricity is just one debt

agreeing to cut the metro’s budget by R121-million.

The ANC, the NP, the IFP and the DP also voted to raise local and foreign loans totaling R1-billion. The bulk of the loan will go towards capital projects.

The parties have instructed Johannesburg’s chief executive officer, Nicky Padayachee, to disclose the full extent of the metro’s indebtedness, to find steps to permanently rectify the financial problems and to report publicly on initiatives taken to solve them.

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Money comes pouring in after council gets tough with non-payers

BY Themba Sepotoxele

Greater Johannesburg's Southern council recouped R21-million last month due to credit control measures and revenue collection, the council's finance strategic executive Bethuel Jwedi said yesterday.

He said the council would continue issuing summonses and cutting services such as water and electricity to defaulters until the payment level reached 100%.

"There is progress. We are steering in the right direction," Jwedi said.

"The level of payment is increasing but we will be satisfied only when it reaches 100%" he said.

There has been an increase of R4-million in August over the previous months," he said.

During a presentation at the Soweto Civic Centre, Jwedi said the council had recouped R9-million in Johannesburg, R7-million in Soweto, R1,8-million in Lenasia, R1,5-million in Ennerdale and R1,4-million in Orange Farm.

In August alone, the council had also recovered R6-million from other areas such as Glen-vista and Eldorado Park, and R3-million from the Johannesburg CBD.

Meanwhile, the Institute of Municipal Finance Officers has established a new investment code for local authorities to determine investment policies.

The investment code is used throughout the country and is also accepted by the national Department of Finance.

As trustees of public funds, the council has an obligation to see to it that cash resources are managed effectively.

The policy is aimed at gaining the highest possible return without undue risk.
Soweto homeowners facing ruin

Govt committee told that nine badly built houses had to be demolished

"This is the most egregious example of absolute exploitation of inexperienced first-time home buyers I've yet come across," Trail said.

Johannesburg's Western Metropolitan Substructure has pledged R1 million towards the costs of repairing the houses.

Trail said housing inspectors should be given more authority and the building industry should join the effort to help the Meadowlands.

Earlier, giving Cosab's view to the standing committee on the National Home Builders' Registration Council Bill, Trail said Cosab was in favour of an indemnity fund, topped up by builders at a rate of 1.3 percent of the market value of the houses they built.

The fund would be used to repair defective houses.

An insurance scheme was another option, Trail said.

The Bill, if enacted, would make it an offence to be a house builder without being registered. It would require builders to give a five-year warranty on their products. — Sapa
Emphasis of Service Cutbacks

Citicism of local authorities’ Militant stance that created us and them attitude

Employs of service cutbacks

80% payment of accounts

Proud Ivoire Park Boasts
Jo'burg's disease time bomb

Eight sewerage works allow raw waste into our rivers

By JACKIE CAMERON

Contaminated sewage is flowing into Johannesburg rivers, and health experts have warned that a deadly-disease time bomb is ticking in the city.

At least eight sewerage works have allowed huge batches of raw human waste into rivers; one because it ran out of chlorine, another after a 'power failure', and the others because they misjudged the amount of chlorine needed or time taken for bacteria to be killed.

Sewage is a fertile conductor for diseases such as cholera, typhoid, hepatitis and dysentery, which all start off with acute diarrhoea and, if left untreated, can kill the sufferer.

The Department of Water Affairs has warned that, without proper organisation, treatment of such sewage on the East Rand, to clean up its adverse face, is needed.

Results of government-commissioned spot tests on rivers in the East Rand revealed that at least seven sewerage works have allowed bacteria-infected waste into rivers. The water is considered highly hazardous to drink and is also unfit to swim in or even touch.

Spills from broken sewers on the Klip River is also believed to be responsible for the death of hundreds of fish in the Klip River, one government source said.

Greater Johannesburg's Transitional Metropolitan Council is struggling to consistently comply with health standards at four large sewerage works around the city.

Russel Rimmer, of the council's Cydna Laboratories, told the Saturday Star this week that Northern Works, which treats water that goes to Hartbeespoort Dam, released sewage recently despite "running out of chlorine.

"I tried to find out why, and my mind it was a lack of delivery, and it was probably only one delivery of chlorine," Rimmer, who had been asked to speak on behalf of the council, said.

The Ollantsville works, in the south, was "not getting the results we should be getting", because the "right environment for bacteria to die off was not being created at the plant.

"Not a lot is being done about this because it is believed that the water going into the rivers is pretty much okay. The Government is expecting us to make sure we get the levels of bacteria down as soon as possible.

"We cannot compare our situation to other countries. Our rivers are small, and what we discharge has a more exaggerated effect because Rivers are under greater pressure, particularly from informal settlements.

However, Rimmer said he did not believe the contaminated sewage posed a serious health risk. "You can get the cholera virus in rivers, but you need an awful lot of these things before you get infected.

But national director of communicable diseases Dr Neil Cameron warned that these test results should be regarded as "very serious.

"If these figures are true, and water is going into rivers used for drinking water, it is cause for concern. The message is that this is serious, but I don't believe it affects tapped drinking water.

"Diseases which spread through water include cholera, typhoid and hepatitis. A. We're expecting cholera. It has to do with the sanitary conditions in many rural areas.

"Typhoid is also endemic in such areas. It's often spread by dirty toilets but you can get it through water and food. It's tied to the environment.

And a senior Department of Health official said: "If something is not done now, it will get worse. This may be the start of the whole service being in jeopardy. There seems to be a serious management problem at local government level.

"Dr Quennin Esgay, director of the Department of Environmental Monitoring, said: "Water-borne diseases are among the biggest killers in South Africa. About 50,000 people die each year from diarrhoea alone, and the contamination of rivers is a contributory factor."

Witwatersrand University microbiology department lecturer John Dewar said South Africa was sitting on a health time-bomb.

"The day will come when the water is not fit to drink, but that day is still a long way off," he said.
Housing MEC suspends department head

Vuyo Mivoko

GAUTENG housing MEC Dan Mofokeng has suspended his head of department, Enos Nguthane, for reasons related to management.

Mofokeng confirmed the suspension last night. "I refused to give further comment until formal charges were brought against me."

The matter was sub judice, Mofokeng said, and Nguthane would be given an opportunity to study the charges when they were formulated and he would be given the chance to defend himself.

Nguthane was suspended with "immediate effect" on September 16 without being given formal reasons.

Gauteng director-general Vincent Matambo, to whom Nguthane reported, said there was disagreement over "issues of management of the department. The matter was "under discussion" and would hopefully be resolved next week. Gauteng premier Tokyo Sexwale would be briefed today."
Three harrowing stories which illustrate the influence of alcohol

If anyone has any doubts about the seriousness of drinking and driving, here are three cases to illustrate the point.

On May 5 1996, Gerhard Titus woke up in a hospital ward in Cape Town and realised that he would never walk again.

The previous evening, Gerhard and his cousin were on their way home after giving a lift to some friends in Kennard near Upington in the Northern Cape. Eric was driving and both men had had far too much to drink. Approximately 45 km from Keimoes, Eric lost control of the vehicle and it rolled 35 metres off the road. Gerhard was thrown out of the car, sustaining severe injuries.

Rescue teams immediately arranged that he be flown to the Conrado Hospital. Although he survived the crash, it was soon clear he would spend the rest of his life in a wheelchair.

He spent months undergoing rehabilitation and adapting to life without the use of his legs.

The decision to get into the car with a driver who had drunk too much had major implications for Gerhard. That decision will now affect him for the rest of his life and it is one that he regrets every day.

This was not the first time Gerhard had been drinking and driving. On December 2 1994, he was convicted of driving under the influence of alcohol in the Kenneos Magistrate's Court. He was given a R$500 fine and a suspended prison sentence.

At the time I saw the court procedure as a huge joke. After the hearing was over, I went to the bottle store and bought another bottle of brandy. I wish now that I had listened to the magistrate. Perhaps my life would have turned out differently,” says Gerhard.

Life for Gerhard these days is very different to the life he led before the accident. Then he was able to enjoy rugby and soccer and socialise with his friends. He had a job and planned to live in his own flat.

Today he has no job, his friends have all but forgotten him and he is dependent on his family for everything.

Gerhard says “The hardest part for me is to accept the idea of being in a wheelchair. I feel cut off from life. I started to rebel against people and against God. But I now believe that this was God's way of telling me to stop drinking. At the age of 28, I have to start all over again.”

“After the accident I had to learn to do many things from the beginning again, like getting dressed, having a bath and going to the toilet. It's been very hard for me and my family.”

“When I look back at the way I used to drink and how I used to joke about other people who had suffered in some way or the other because of drinking, I can't believe how stupid it all seems. Yet, at the time it was such an important element in my life. I seldom know how I got home most nights.”

Had law enforcement been stricter on Gerhard, perhaps he would have thought twice about drinking and driving, and about agreeing to be a passenger in a car with a driver who was under the influence of alcohol.

Administrative clerk Ivy Worthington (21) died in February 1996 in Pretoria when the vehicle she was travelling in overturned.

It was a rainy evening when Ivy visited friends in Valhalla, Pretoria. It was only 30 days after her 21st birthday and, like many other young women, she dreamt about marriage and the prospect of children.

The vehicle overturned on a curve near the Pretoria Central Prison. Ivy and her friend and a small boy who were sitting in the rear of the vehicle were killed instantly when their necks were broken on impact.

Winston and Ru Worthington were at home when the call came about their daughter. “A Sister from the HP Verwoerd
dangers of drinking and driving

Legislation is designed to protect the innocent

How much is too much?

The Arrive Alive campaigns, against drinking and driving and walking comes at the same time as proposals to amend the legal blood alcohol level. The proposed levels are 0.05 grams per 100ml for road users at 0.02 grams per 100ml for professional drivers. These laws will only come into effect in the first half of 1998.

The message: This gives quite clear – if you are going walk home or drive home, don’t drink.

It is time South Africa joined the rest of the world in terms of managing their drinking habits. In Europe and America, friends take it in turn to be the “designated driver” and they do not drink anything. Given our poor public transport system and lack of taxis at night, this may be the only solution.

Also, South Africans need to stop pouring drinks down the guests’ throats and start bei better hosts by either drive guests home or inviting them to stay at their home overnight.

The new regulations, coupled with stricter sentences mean that drunken drivers no longer be allowed to ruin everyone else’s lives.

hospital asked us to please come in. She didn’t want to tell us what the problem was.

“We were given a sedative, after which a doctor informed us that Ivy was killed in a car crash. It is the most terrifying experience. One cannot describe the feeling of having to hear that your child has been killed,” says Winston

Ria says she never thought it could happen to one of her children. “We are talking about a 21-year-old woman with her whole life ahead of her,” she remarks.

“Although drinking and driving was suspected, the driver was found not guilty on a charge of culpable homicide.

“I keep on wondering what went through Ivy’s mind when she saw the vehicle was going to overturn. She must have experienced terrible fear”

Both parents believe that if others can learn something positive from this incident, their death would make more sense.

The change in lifestyle from a professional dancer to a quadriplegic is a drastic one. Everyone thinks that it won’t happen to them.

But, as Gerald Marais warns, if you drink and drive or get in a car driven by an intoxicated driver, there could be a whole new set of wheels waiting for you. This is his story.

Gerald (37) is quadruple and has limited use of his arms. He lives on a disability grant of R1450 per month and requires 24-hour care.

Early one morning three years ago Gerald and a friend were on their way to a remote town at the coast.

The town was 10 minutes from the hotel where he was visiting another friend. His friend, still intoxicated from the night before, lost control and the car hit a telephane pole.

When Gerald recovered consciousness his first thought was that he could not feel his legs. He knew then that he would never walk again. He was transferred to a hospital where he spent the next seven months undergoing rehabilitation.

Gerald describes the hospital as being.Safer heaven. “The hospital cocoons you from the real world. It allows you to forget that the outside world exists, even if it is a temporary illusion. The staff are trained for dealing with para-quadriplegics and make you feel very comfortable in a period of your life that is exceptionally uncomfortable,” says Gerald.

Before the accident Gerald enjoyed a varied life. He was a professional dancer and disc jockey, and had tried his hand at many different careers. Gerald was - and still is - sports mad, except now he is unable to participate in sports as he used to. Gerald’s love of music has also helped him through difficult times and it remains one of his passions today. “I am still able to put a record on the record player even though I have limited movement of my wrists and fingers.

“I intend to use my story to help others not make the same mistake. My friend was not sober enough to drive but I ignored my own instincts for the sake of keeping the peace. I intend to talk to schools and anybody who will listen to tell them that the price of drinking and driving is higher than you may be willing to pay.

“I want to appeal to the public – think before you drink, before you drive.”
Many problems remain, but the millions spent on lighting, sewers, roads, recreation centres and better services are beginning to make a difference, writes Themba Sepotokele.
Bacteria scare in city tap water

By JACKIE CAMERON

Rand Water is to start testing tap water at homes around the city after a snap survey revealed levels of bacteria above the acceptable drinking standard at a northern suburbs house.

Rand Water tested five water samples from houses in the north, south, east, west and centre of Johannesburg after reports in the Saturday Star last week that sewage works were allowing bacteria-infested effluent to flow into rivers.

The water was declared free of faecal contamination, but a sample taken at a house in Gallo Manor, Sandton, showed up unacceptably high levels of other bacterial contamination.

Traces of cyanide were also found in the water, but the amount was deemed acceptable in terms of SA Bureau of Standards norms, Rand Water said.

Rand Water biologist Dr Michael Steynberg said the bacteria that showed up in the tests was "an alarm bell or risk measurement", but it could not be ruled out that the sample had not been taken correctly.

"Total coliforms (bacteria) are an alarm that there may be other things present in the water. If it was of human origin, one would have seen it in the faecal coliforms. This is unlikely to stem from sewage spillage. There could be something in the local reticulation system."

"Healthy humans would probably not be affected by water with this level of total coliforms. But someone with a low immune system, such as someone with HIV -- may pick up a stomach complaint or something like that," Steynberg said.

Karl Labou, water quality marketing manager for Rand Water, said: "We've been monitoring bulk supply but we need to start looking at the end-user points. In future we're going to test water from taps more and more."

Labou said he would retest the water from the Gallo Manor tap to eliminate the possibility of contamination through unscientific sampling, and "would also like to test the chlorine on site."

"If we get this level (of bacteria) again we may need to chlorinate on line. Bacteriological counts are dependent on chlorine. We may have to chlorinate more."

He said cyanide levels found in the samples were "very low" and did not pose a health threat.

"They are within international norms. Water often assumes the characteristics of the water catchment area. Mineral content of water doesn't necessarily mean you have a good or bad quality."

"There has been quite a push to drinking distilled water. That isn't necessarily correct (that drinking bottled water is healthier). Water without minerals is unhealthy. Natural minerals supplement those in your body."

FROM PAGE 1

Bacteria scare

Labou also said they would be monitoring developments on the heavily polluted Klip River, where a sewage works is at the centre of a Department of Water Affairs and Forestry investigation.

"We can only act in an advisory capacity. They must comply with their permits. We will assist them with analyses. The Department of Water Affairs and Forestry has to take action against them if they don't comply."

Water from the Klip River is used for drinking purposes, particularly in towns further afield, such as Parys.
JOHANNESBURG HOUSE PRICES

Still affordable in global terms

Local estate agents dispute international property consultant’s assessment that Johannesburg homes are expensive

Johannesburg executives planning to emigrate may be elated to read global property consultant Knight Frank International (KFI)’s assessment that homes in many cities abroad are cheaper than Johannesburg’s. KFI says higher executive salaries make houses in Montreal, Milan and even San Francisco, New York and Sydney more affordable than in Johannesburg.

But local agents urge caution, arguing that Johannesburg prices may actually be the lowest of any major world city.

KFI’s 1997 Lifestyles survey compares the average Houghton house at R1,4m with Chelsea in London (R3,75m), Pacific Heights in San Francisco (R2,35m) and 16 other world cities.

Bottom of the list, they say, are Brussels (R900 000), Bombay (R1m), Milan and Moscow (both at R1,2m).

But when they calculate prices as a ratio of executive salaries (see graph), Montreal’s R1,65m is only 1.75 times the average executive’s R950 000 salary. Milan’s price-salary ratio is 2.1 (R1,2m, R600 000), as is Madrid’s (R1,4m, R700 000) and Brussels’ (R900 000, R425 000).

Sydney’s is 3.2, at R2,1m, R658 000, while Johannesburg’s is 3.33 (R1,4m, R425 000).

Most expensive is Hong Kong at 7.92 (R9m, R1,15m).

KFI’s research director Steve Mallen warns from London that the survey is only a rough guide.

“It’s particularly hard to compare your country with others because executive homes in most cities are apartments, but not so in Johannesburg where almost every senior manager lives in a detached house,” he says.

Nonetheless, observers feel KFI’s survey — which appeared in The Sunday Times in London last week — will influence potential SA emigrants and international executives considering a move to Johannesburg.

Pam Golding Properties Gauteng MD Ronald Ennik says the average Houghton home costs R865 000. This is confirmed by sales statistics from competitor Lew Geffen, which puts Johannesburg at the same ratio as Brussels — 2.11 times the average annual executive salary — at the lowest end of the survey.

“We’ve done no formal research into international prices,” says Ennik. “But we have lots of contact with executives from cities worldwide and they keep remarking about our uniquely low house prices.

“We also know that Cape Town is consistently voted one of the top seven resort cities in the world, and its house prices are ridiculously low compared to those of other cities,” he says.

“Ian Fife
This man was responsible for one of the most disgraceful housing scams in South African history.

The people ripped off have been trying to find him for years — this week we tracked him down to a mansion in Bryanston, Johannesburg.

Building contractor Piet Smit and a partner built homes on a rubbish dump in Soweto and sold them to eager buyers for around R55 000 nearly 10 years ago.

Within two years the rubbish subsided and the houses started cracking up, literally.

Smit and his partner, Tony Baxter, were branded "unscrupulous" by a commissioner of inquiry. A top bank official said their behaviour was the worst example he had seen of a community being "totally ripped off".

Just two years after the houses were built, the SA Bureau of Standards found "very serious signs" of construction defects.

Furious residents won 12 default judgments against the developers' company, Group Housing Corporation. But when lawyers tried to execute the judgments, which were not contested, the company was found to be an empty shell with no assets.

The residents were left high and dry, committed to repaying banks for worthless houses.

Meanwhile, the men who sold them the houses vanished. Baxter went to England and Smit remained in the building industry under the guise of closed corporations and firms with constantly changing names.

A commission of inquiry called in 1994 by the administrator of the then Transvaal accused both men of having had only one aim: maximising profits at residents' expense.

Two weeks ago a geo-technical survey of the houses found that some of them were built on a rubbish dump. Between four and six were so dangerous they would have to be demolished and rebuilt from scratch.

Ian Cruickshank, the architect commissioned to prepare a report on the houses, said essential repairs would cost about R2.5-million, more than a third of the original cost of the entire project.

"This is an indictment of the system, that we have allowed these kinds of developments to be built," he said. "Ninety percent of the blame is the developer's."

Sharon Trail, general manager of the Council of Southern African Banks, told a recent hearing of the Gauteng legislature's committee on housing and land affairs that this was "the most egregious example of absolute exploitation of inexperienced first-time home buyers I've yet come across."

When the Sunday Times tracked down Smit, 50, to a palatial house in Bryanston, he blamed the facaco on his former partner. He claimed he had been in charge only of marketing and selling the houses and had had nothing to do with the way they were built.

The allegations against me are completely false and untrue," he said. "I was never personally trying to do anyone in. I didn't make any fortune."

He said he knew nothing about judgments against him. But Odette Goldenhuys, the lawyer acting for the residents, said she personally had handed the relevant papers to him.

Brian Levenson, managing trustee of the National Housing Trust, said consumers in South Africa had no statutory protection against developers who went insolvent or disappeared.

He said black home buyers had been "ripped off outrageously" by developers in the 80s, after the government allowed them to own their own houses.
Samwu slams town council

Johannesburg — The South African Municipal Workers' Union (Samwu) slammed the Nelspruit town council yesterday for allegedly allowing Biwater, the British multinational company, to set township water and services rates using infrastructure subsidised by government.

Biwater has been selected as the "preferred bidder" in a 50-year water and sanitation privatisation contract valued at nearly R500 million.

Samwu said it was "a complete disgrace" that a few members of the town council had pushed through the privatisation process despite opposition from Cosatu.

Roelf Kotze, the chief executive officer of the Nelspruit town council, said Biwater had been selected as the preferred bidder and there had been "all sorts of allegations" against it and the other bidder.

"We are not interested in investigating these allegations. The company was chosen solely on its technical ability and because it satisfied the requirements of the request for proposals," said Kotze.
The shame of Hillbrow's slumlords

Buildings are infested with rats, and some are fire hazards or have structural defects

BY RODNEY VICTOR

Many Hillbrow slumlords are neglecting their buildings and leaving residents to live in squalor, according to Johannesburg mayor Isaac Mogase. "There are buildings that are infested with rats living in piles of garbage, and many buildings are fire hazards or have serious structural defects,"

On Wednesday, municipal teams collected nearly 9 tons of rubbish from the streets and laneways of Hillbrow, said Richard Brown, co-ordinator of Johannesburg's metropolitan police research unit.

"Some laneways were so clogged with builders' rubble the teams could not even enter," he said.

The neglect had made Hillbrow a breeding ground for crime, Mogase said.

He was speaking after the first day of a massive clean-up of the area, which has the reputation of being the Johannesburg suburb with the most crime.

Police have increased their patrols of the suburb to crack down on criminals and illegal immigrants. Rory Robertshaw of the metro council said 60 suspected illegal immigrants were arrested yesterday. A total of 80 illegal immigrants were arrested on Wednesday, the first day of the campaign.

Three suspects were arrested yesterday for possession of stolen property.

The crackdown had brought an astonishing array of problems to the fore and revealed a disturbing picture of a community in crisis, Mogase said.

"We have to adopt a new approach to crime. We cannot always go in with the big stick - we have to uplift the living conditions of law-abiding citizens so that we can restore the area and make it safe and crime free," he said.

The focus moved yesterday to Goldreich and Van der Merwe streets, where environmental health teams continued to inspect buildings and issue statutory notices to those landlords whose buildings posed health and safety hazards.
Residents blame Sanco for 'scam'

By PHIL MELCK

A large group of residents from the Randfontein area have blamed their local ANC municipality for alleged corruption and fraud.

The group, who identified themselves as the Randfontein Action Group, said they were fed up with the lack of action from the municipality.

“Sanco and his cronies need to come clean and tell the community what’s going on,” said one resident.

The group said they had evidence of fraud and corruption in the municipality’s procurement process.

“The municipality needs to be transparent and accountable,” said another resident.

Meanwhile, the ANC has denied the allegations.

“The municipality is committed to transparent and accountable governance,” said the ANC’s spokesperson.

Residents have been left without basic services, including water and electricity, which has caused frustration among the community.

“We need proper housing, amenities and services,” said a resident.

The residents said they would continue to protest until their demands were met.

“The ANC needs to act now,” said a resident.

 eff. 19/10/20
Housing delivery on deadline, but state threatens budget cuts

He said the department of finance and state expenditure had reneged on commitments for allocated funding to the housing department.

Mofokeng said the country faced an estimated backlog of between 1.5 million houses, of which 750,000 were said to be in Gauteng.

There were indications that the backlog had increased from the previous figure of 1.5 million and that it would continue to increase.

The delivery rate required to clear the backlog and cater for new households over the next 10 years was 145,000 houses annually.

During the year 1996 of the national housing department and provincial departments were not allocated any money because of roll-over funds unspent in the previous year.

Mofokeng said it was unheard of that any department as important as housing could not receive an allocation in a financial year.

"The crippling effects of this ill-informed strategy are being felt now." — Sapa
Housing official to face music

Official fails to organise induction courses and performance appraisals

By Joshua Raboroko

Gauteng head of housing and land affairs, Mr Enos Ngubane, who has been suspended from his position, is to face several charges, including neglecting or failing to introduce proper accounting systems that could have prevented the theft of R8.5 million earmarked for low-cost housing.

Ngubane, who was suspended by MEC for housing Mr Dan Mofokeng, is due to answer the charges at a special hearing to be held in his department next week, department spokesman Mr Manase Seatile said yesterday.

The charges include failing to introduce a proper accounting system to regulate the management of the housing subsidy with regards to housing finance.

This negligence in failing to implement the accounting system allegedly allowed abuse to take place, such as the theft of about R8.5 million by Mr Louis Botha, a senior housing department official.

Botha was subsequently found guilty and sentenced in the Johannesburg Magistrate’s Court earlier this year to 31 years’ imprisonment.

Ngubane is also alleged to have failed to act against Mr Chris van den Heever, administration officer in the department, when it was brought to his attention that he (Van den Heever) had allegedly stolen R3 220 from a member of the public.

He is also alleged to have appointed consultants Adonis and Associates without proper regard for treasury instructions and tender board regulations.

According to the charge sheet, some of the members in that company were Ngubane’s friends.

Appraisals

He is also alleged to have failed to organise induction courses and performance appraisals on staff on a quarterly basis, and is alleged to have failed to restructure the department tender board despite a decision to this effect at management level.

Another charge is that he disregarded and disobeyed instructions from MEC Mofokeng not to enter the department’s offices while on suspension.
Dismay over Jo’burg council services cuts

Bid to rein in R130-million a month overspending will hit roads and pavement maintenance

BY LEE-AN ALFREDS
AND CECELIA RUSSELL
City Desk

Ratepayer groups in Johannesburg today expressed dismay at the cutbacks in some services which the cash-strapped Greater Johannesburg metropolitan council is to implement.

They say the cutbacks mean further deterioration of what they perceive as an already low level of service delivery.

The council announced yesterday that attempts to rein in overspending of about R130-million a month are set to hit some services.

"Non-essential" services such as the cutting of grass and the maintenance of roads and street lights will be the first to suffer.

The cuts - which are not expected to affect basic services such as the provision of electricity, water and refuse removal - were announced yesterday at the first briefing of a technical task team established to rescue the local authorities from bankruptcy.

The Observatory Ratepayers' Association treasurer Thelma Hurley said her suburb already had an "air of deterioration and neglect".

Hurley said cutbacks on road maintenance were particularly worrying as already roads in the area were potholed and badly in need of repair.

DP councillor Claire Quaal said her party was concerned with the deterioration of services, particularly of roads.

The road maintenance budget had already been cut from R12-million last year to R3-million this year which was not adequate to keep the roads in Johannesburg's Eastern council maintained.

The NP's Johan Kiliian said while the service provision deterioration was insatiable because of the overspending, once "infrastructure is allowed to deteriorate it would cost ten times as much to fix it up".

The cutbacks are part of a range of austerity measures the councils are implementing in an attempt to break a crisis which has seen workers sit idle because of a lack of supplies.

Other measures to cut costs include retrenching staff to reduce the salaries bill, the council's major expense.

"We've been trimming the fatty excess. Now we are going to cut the meat we can afford to do without," said Kenny Fihla, chairman of the "Committee of 10" created this month to revise the five councils' budgets.

The committee - which has to report back to local government MEC Sicelo Shiceka on November 10 - is advised by a technical task team comprising independent consultants and headed by chartered accountant Jeff van Rooyen.

While it was too early to confirm which services would be affected, Fihla indicated that grass-cutting and the frequency of refuse collection in certain areas would be reduced.

The task team also revealed yesterday that about R30-million from regional services council (RSC) levies had gone missing every year since 1993.
Nedcor calls off evictions

Pule Molebathindi

The fear of jeopardising the writing of matric examinations was the main reason behind Nedcor Bank's and Vosloorus Community leaders' decision to suspend yesterday's planned eviction of 87 families in debt to the bank. The evictions were called off after an urgent meeting between officials of the African National Congress (ANC), SA National Civics Organisation, Servcon and Nedcor. The houses are believed to have already been repossessed.

ANC branch chairman Mthutuzeli Siboza said the major concern was fear that unscrupulous elements would use the potentially explosive situation to derail the matric examinations. Siboza said most of the people not paying had genuine hardships, but did not want to come forward and be put in the Servcon programme, which tries to resolve the issue of non-payment with the banks.
With a "savings deposit" of bricks which she has bought, this Tshepong client will lay a new foundation while continuing to live in her house in the back of the property. Yet tens of thousands of homeless people in Gauteng may not be as fortunate.

The homeless arrive more quickly than new houses do

BY THEMBLA SEPOTOKELE
City Reporter

The future of Gauteng's homeless people, who are waiting to be allocated land, hangs in the balance because of the large numbers that migrate to the province and occupy vacant land illegally.

According to recent research, a third of the about one million foreigners waiting to be granted South African citizenship are in Gauteng. About 20 000 people from other provinces migrate to the province every month.

The acting head of Gauteng's housing and land affairs department, David Lefutso, said the department's Mayibuye programme, aimed at identifying and allocating land to the homeless, might have to increase its R30-million budget because demands for land had rocketed.

He said the programme aimed to allocate land to 35 000 families by the end of 1999, but 57 000 applications for land had been received.

Lefutso said that while the government was committed to spending more money to speed up housing delivery, the number of immigrants had increased drastically.

However, Lefutso said the Housing Ministry, in conjunction with the South African Police Services and the Justice Department, had taken measures to prevent land invasion and to arrest culprits.

"The department is concerned about the slow progress in releasing land. As indicated by the Gauteng migration statistics, our province is hard pressed to release land. At the same time people have resorted to illegal occupation of land, especially land earmarked for development," Dan Mofokeng, the housing MEC said.

About 20 000 people migrate to Gauteng every month

A squatter hotline has been set up by the Western council which will accept complaints about illegal squatting.

The council is concerned about the situation and has set up a 24-hour service to control and monitor informal settlements and land invasions.

The telephone numbers are: 7862166 extension 3111 (during working hours) or, after hours (011) 760-5945.
New data casts doubt on next phase of Highlands Water Project

Water shock for Gauteng

JONATHAN ROSENTHAL
INDUSTRIAL EDITOR

Johannesburg — The second phase of the $4 billion Lesotho Highlands Water Project, an interbasin water transfer scheme to supply Gauteng with water from the Orange river, may be scaled down or dropped altogether, sources close to the project said recently.

The sources said new data indicated that there might not be sufficient water available for a fully fledged second phase of the project.

Sources within the water affairs department said initial studies into the available water were "over-optimistic" and were hampered by poor rainfall data.

Paul Roberts, the deputy director-general of the water affairs department, said there was some capacity of further water to draw but the exact quantity had not been determined. The final quantity would be influenced by environmental and political concerns over the quantity of water that would flow down the Orange river to Namibia.

Roberts said a report on the Orange River Planning Study, which will examine the quantity of water that could be drawn off, would only be released next year.

The report is likely to have significant economic consequences for Lesotho because it could lead to a downward adjustment of the royalties paid by South Africa to Lesotho. The fixed royalty of $5.4 million a month (in 1993 rands) was based on the original estimates of water flow.

Mike Muller, the director-general of the water affairs department, said a new calculation of the royalty and further phases of the project were discussed earlier this month between Kader Asmal, the water affairs minister, and his Lesotho counterpart, Shakhane Mokhehle.
Govt dismisses Samwu's water concession jitters

Deborah Fine

THE provincial affairs and constitutional development department has reacted strongly to claims by the SA Municipal Workers' Union (Samwu) that the proposed greater Nelspruit water concession will lead to job losses and massive increases in service tariffs.

The 30-year concession was awarded last month by the greater Nelspruit town council to private SA consortium Meta A Sechaba, which is backed by British firm Bwater. The council said the public/private sector partnership would dramatically speed up the delivery of affordable water and sanitation services in the area, especially in previously disadvantaged areas.

Samwu members, the Congress of SA Trade Unions and the SA Communist Party marched on the council's offices on Monday, demanding the suspension of the concession on the grounds that privatisation led to large-scale retrenchments and unaffordable service rates for poor communities.

The concession has received the support of the department which views Nelspruit as an important pilot project in the department's investigation into public/private sector partnerships as a means of furthering the reconstruction and development programme.

Dismissing Samwu's claims regarding Nelspruit as "absolutely wrong," department deputy director-general Chuppy Oliver said yesterday the consortium was chosen as the preferred bidder because of its commitment to service charges which were even lower than the council's tariffs. Moreover, the project would not result in a single retrenchment because the consortium would absorb all the workers affected by the concession at better salaries and conditions of employment, as well as greater training opportunities.
In wake of court decision, even small arrears can lead to electricity cuts by cash-strapped councils.
Le Roux says that over time, other developers will bring up small office blocks around shopping centres such as the Evolution Park. "We have had more growth in the area because the commercial environment is better than before," he says. But there is still resistance to the development of new sports and recreation centres in the area. The only double-think organisation that might be the Evolution Park is the newly opened "new sports and recreation centre" in the suburb of Nafld."
Gauteng limits cost and size of houses

Robyn Chalmers

GAUTENG has set limits on the cost of stands and the size of houses to be built under its low-cost housing programme, says housing and land affairs MEC Dan Mofokeng.

"The total cost of a site provision is limited to R7 000 per stand and the size of the building — which must be designed so it can be extended — to 30m²."

Mofokeng last week outlined a new strategy to improve value delivered by the subsidy, saying 65% of people in the low-cost housing market had no access to additional end-user finance.

"We have taken a decision to limit the cost of land, servicing of stands and transfer of property to R7 000 per stand," he said.

Continued on Page 2

Houses

Continued from Page 1

"If local authorities wish to improve the standard of internal services they must make financial contributions from their own resources."

Mofokeng had 120 000 houses and stands completed or under construction and had delivered water and sanitation to more than half a million people in three years, Mofokeng said.

Housing Minister Sankie Mthembu-Mahanyele has criticised the construction sector’s hesitance to enter the low-cost housing market because they "claim the profits are little, the processes and procedures cumbersome."

Mthembu-Mahanyele said the 12m², 16m² and 20m² shelters produced in certain cases were "an embarrassment to all of us and a blatant insult to the beneficiary." South Africans could no longer be the victims of developers who did not take affordability levels into account, or of municipalities that demanded unrealistic service levels.

She also took banks to task, saying 104 000 mortgage loans valued at R7bn had been issued to date to applicants who earned more than R1 500.

"Those below remain shut out of the credit mortgage systems of our conventional banking institutions," she said.
Housing subsidy increase ‘unlikely’

Robert Chalmers 06/01/97

It was highly unlikely that the housing ministry would accept Gauteng housing MEC Dan Mofokeng’s recent proposal to increase the top subsidy to R19 000 from the present R15 000, industry sources said yesterday.

The sources said that constraints on government’s budget and recent warnings from the finance ministry about provincial overspending meant the proposal was unlikely to be approved.

Earlier this week, Mofokeng and his department had proposed a R19 000 subsidy which was discussed at a meeting attended by the nine provincial housing MECs and Housing Minister Sankie Mthembu-Mahanyele. Mthembu-Mahanyele could not be reached for comment yesterday.

Mofokeng said the proposal was influenced by the inflation rate which had pushed up the costs of building materials and labour.

As the increase was a proposal to the national ministry, Mofokeng said he had requested that the ministry investigate the effect of the proposed hike on the housing subsidy budget and on the subsidies available.

Mofokeng also warned that the target of 1-million houses by 1999 would not be met unless government allocated R4.6bn in the next financial year to housing and R5.2bn the following year. He said housing departments had not been allocated new money this year because of the rollover of unspent funds. “What this ignored is the expenditure pattern in any mass-delivery programme. Low levels in the first year are typical. ”
Land affairs director warns of imminent land invasions in

Robyn Chalmers

GAUTENG is expecting a wave of land invasions next year and legislation to deal fairly with the homeless is vital, says Gauteng land affairs director Carlen Engelbrecht.

Engelbrecht said international experience had shown a country was seen as a particularly "soft" target in the year before an election, and it was likely the spate of land invasions around SA would gain momentum.

"It is impossible to provide formal housing for the estimated 20 000 people flooding into Gauteng each month, the majority of whom have a right to housing. A range of strategies is needed to cope with this situation."

The majority of invasions to date had taken place in Gauteng, KwaZulu-Natal and Western Cape.

A provincial spokesman said Gauteng's Mayibuye programme was going into overdrive to cope with the problem. More than 4 000 sites had been released to date and it was expected that 36 000 sites would be released for settlement over the next year.

Engelbrecht said the land invasions were highly organised, and targeted people who had nowhere else to go. People tended to settle on flood plains, rubbish dumps, dolomite land and school, church and clinic sites.

Typically, it cost squatters R80 a month for a site. Of this, R50 was rental, R20 protection money and R10 for a legal defence fund.

"The organisers tend either to be grassroots leaders or people who promise they can deliver housing when elected politicians cannot," she said.

This action had the potential to undermine local government. "These people have no safety or security and no access to social services. Effectively, it allows them to jump the housing queue and impedes development."

She said legislation was desperately needed which would allow for a fair eviction procedure. This was part of the thinking behind the Unlawful Occupation of Land Bill, which is likely to be redrawn.

One of the more controversial clauses in the draft bill is that an in-depth inquiry is needed where land owners wish to evict people who have been resident for more than a year. Engelbrecht said the aim was to differentiate between new invasions and longstanding settlements where people had, in many cases, built their own social structures and formal housing.
Council plans to blacklist defaulters

By LEA-ANN ALFREDS
City Desk

Residents who consistently refuse to pay for municipal services could be blacklisted from next month, when the Greater Johannesburg metropolitan council and its four local authorities are expected to take a hard line on defaulters.

The potential blacklisting is part of a move to tighten up credit-control measures to recover the R1.8-billion owed to the five local authorities and forms part of a review of the councils' books and operations.

The review was ordered by Local Government MEC Sccoli Sisefo last month to try to break a crippling cash crisis which had forced the local authorities to default on payments to all their creditors and to abandon certain projects and services in favour of others. The review, to be finalised by Monday, is being undertaken by a technical task team of independent accountants.

In terms of the new policy, "habitual defaulters" could be blacklisted from December onwards by having their names included on credit bureau listings. The councils are considering establishing an "internal blacklisting register of evasive customers". All new customers will also have to pay two months' deposit from next month.
Cash-strapped city will cut costs and put pressure on even the smallest debtors to pull itself out of crisis

Jo burg poised to put squeeze on ratepayers
The Chris Hani informal settlement on the East Rand will receive a grant of R13 million to fund water supply and sanitation services.

The project is backed by the Greater Benoni City Council and the Gauteng government. There are 2,250 stands in the township situated near Daveyton.

The government, parastatals, councillors and communities unanimously agreed to the township’s layout.

The stands will be allocated to residents of the township according to their length of stay in the area.

This means that the longest staying residents will receive first option to purchase stands.

Chairman of Greater Benoni City Council’s Executive Committee, Naheed Hassan said: “Stands will be pegged and a general plan will be submitted to the surveyor-general. The installation of water and sanitation services and the promulgation of the township will follow shortly.”
Residents in for a big shock

By Joshua Raboroko

HUNDREDS of thousands of consumers – particularly residents of Soweto – will be in for a shock this week when the Greater Johannesburg Metropolitan Council introduces new strict control measures in an attempt to recover R1.7 billion owed to it.

The council has proposed strict control measures and a R500 million cut in its operating budget to overcome its cash flow crisis, a spokesman for a team investigating the council's financial problems, Mr Wilhe Ramoshaba, said yesterday.

The team was appointed by Gauteng MEC for development planning and local government Mr Sicelo Shiceka.

In terms of the new credit control policy, the council aims to target residents who owe R50 as well as those who owe hundreds of thousands of rands, to recover about R1.8 million in service arrears. Any resident with outstanding accounts of more than 30 days will be targeted.

For example, a resident who owes between R301 and R1 500, will be served with letters of demand following the normal monthly statements. If the letter of demand is ignored, the defaulter's electricity will be cut.

Residents who owe more than R1 500 will receive telephone calls and personal visits from senior officials, followed by letters of demand and the cutting off of electricity and water.

Ramoshaba said teams would be formed to oversee billing, arrears and resultant legal proceedings.

Anyone found tampering with water or electrical equipment could face the removal of the service completely or have legal proceedings instituted against them.
ANC’s Turok criticises green paper

Jacob Dlamini

CAPE TOWN — Plans to draw up local government legislation could suffer from the same problems as the reconstruction and development programme unless adequate emphasis was placed on community involvement, African National Congress MP Ben Turok warned yesterday.

Addressing Parliament’s constitutional affairs committee hearings on the local government green paper, Turok said the document did not go far enough in recognising the role of municipalities in economic development.

He said the paper failed to strike the right balance between what government could deliver and what community participation could achieve, and unless this was redressed municipalities would suffer.

Turok, who sat on the team which drafted the NDP, said the idea of local development forums had been contentious and had proved difficult to inscribe in the Development Facilitation Act.

He said the green paper, published last month as part of a process aimed at developing a comprehensive framework for new local government legislation, was too loose and too general and that it should encourage the emergence of local economic development forums.

In his submission, Mphila Hlahla, the head of the Development Bank of Southern Africa’s private sector investments, urged municipalities to adopt private-public sector partnerships. He said government alone could not fulfil SA’s infrastructural needs and that partnerships between municipalities and business would enhance efficiency, improve services and give local government access to additional sources of capital.

He warned, however, that poorly structured partnerships could lead to job losses.

Jailbreakers to serve 80% of sentence before parole

Business Day Reporter

PRISONERS who escaped from jail and were recaptured would have to serve at least 80% of their total effective sentences before they would be considered for parole, the department of correctional services said yesterday.

The move forms part of the department’s tough new measures to clamp down on increasing incidents of jailbreaking, and will apply to awaiting trial prisoners, any person found guilty of attempting to escape from custody, and persons aiding or attempting to aid such escapes.

Any prisoner or awaiting-trial prisoner who escapes more than once will not be considered for parole and will have to complete the full term of effective sentence.

The new measures exclude convicts sentenced to life imprisonment.
Agreement ends civics bond boycott

By Joshua Raboroko

CIVIC organisations have ended the bond boycott which cost the South African Housing Trust (SAHT) subsidiary, Khayalethu Home Loans, about R50 million in the past five years.

The South African Civic Organisation (Sanco) signed a new agreement with Khayalethu Home Loans after a meeting in Johannesburg, the organisations said in a joint statement yesterday.

In terms of the agreement, KHL reaffirmed that it would rectify structural defects to some of the 15 000 low-cost houses built by the financial institution in the past five years.

Sanco agreed to end the boycott after KHL promised to repair the defects 18 months ago but resumed the protest in August this year when the repairs were not made.

Hundreds of consumers boycotted payment of their bonds after they complained that "serious cracks" and other defects occurred in the newly-built homes.

The new agreement involved the Housing Ministry and the Government-created Mortgage Indemnity Fund.

The statement said that a major outcome of the negotiations was the recognition of all parties of the need for the Government to be a signatory to the new agreement.

Sanco general secretary Mr Mbongeni Ngubeni said yesterday that stakeholders in the agreement could not afford to undermine the important role civics played in resolving problems.

KHL managing director Mr Siza Khampepe said they would do their best to honour the new agreement and not jeopardise their relationship with Sanco.
Council amends death row prisoner legislation

CAPE TOWN — The National Council of Provinces’ justice committee yesterday amended legislation dealing with prisoners sitting on death row to allow courts to make substitute prison sentences effective from the date on which they were sentenced to death.

Committee chairman Masheo Moses (African National Congress) said this was being effected at the request of Chief Justice Ismail Mohamed.

After argument from Democratic Party delegate James Sello, the committee agreed its report to Justice Minister Dullah Omar would say that courts should feel compelled, when resentencing death row prisoners to jail terms, to take into account the period they had already served.

The Criminal Law Amendment Bill, introduced after the Constitutional Court’s ruling that capital punishment was unconstitutional, provides for setting aside all death sentences and substituting them with other punishments.

In a second amendment to the bill, which was passed earlier this month by the National Assembly, the committee inserted a provision that a court should, if necessary, also hear oral evidence on written evidence that was not presented to the previous court.

Its report will also say that in resentencing, courts should take into account all legislation dealing with parole.

The amended bill is to be considered by a council plenary tomorrow, and the National Assembly will be required to ratify the legislation when it reconvenes next week. — Sapa.

Biology exam goes ahead

THE Gauteng metric biology examination was written yesterday despite reports that the paper had been leaked, the province’s education department said.

Sixteen people were arrested on Sunday by the department’s investigation team after they were allegedly found selling copies of the biology paper at Lenasia, south of Johannesburg.

Gauteng Education MEC Mase Manamela earlier said the arrests were a breakthrough in the investigation into exam paper leaks, which have dogged examinations in the province. — Sapa.

ANC decides on referendum

Kevin O’Grady

AN EXTENDED African National Congress (ANC) national working committee would decide before the end of the year how to involve the public in the debate on where Parliament should be situated, ANC spokesman Ronnie Mamoepa said yesterday.

Addressing a news briefing on a weekend national executive meeting, Mamoepa said an earlier executive committee decision that the ANC should have made up its mind about the future seat of Parliament by the end of the year no longer stood and that by then the extended working committee would have set out deadlines for involving the public and making a final decision.

To suggest that a public referendum might be held on whether Parliament should remain in Cape Town or be moved to Pretoria, Midrand or Bloemfontein would be to pre-empt the outcome of the working committee’s deliberations, he said. The issue was not discussed at length at the meeting and would not be on the agenda at next month’s conference.

Sanco disbands interim executive

SANC disbands interim executive

the defunct interim committee about the dissolution,” Menu said.

He alleged the interim committee had ignored the recommendations of the committee that led to the expulsion of Alexandria branch chairperson Mzamane Mayekiso and the pending court case against him.

Challenging Mayekiso’s expulsion, Menu said the branch had not been fully briefed on the reasons for the national executive.

“The Sanco branches in Johannesburg believe that organisational matters cannot be resolved in the courts, but can only be resolved internally, pointing to terms of the organisation’s policies and regulations. Sanco cannot be seen to be taking itself to court,” Menu said.

Sanco national general secretary Mbonengi Ngubeni dismissed the allegations and the disbandment of the interim executive.

“Mayekiso was expelled from the organisation for violating national executive council decisions and his expulsion still stands. We are still going to court on Tuesday and we are not going to withdraw,” he said.

He declined to give the reasons for the expulsion, saying the case was sub judice.

The establishment of an ad hoc committee contravened Sanco’s constitution, he said.

Interim executive member Sipho Thabiso called the disbandment “illogical.” — Sapa.

Zimbabwe

Continued from page 1

guerillas” payments were the roof of Friday’s crisis but said a programme to find money for them — estimated at 28% of GDP in maximum — had been put to an International Monetary Fund team.

The team would leave today with “no reason to refuse” of US$62.5m budget support, he said.

President Robert Mugabe said Zimbabwe retained 2.5 months’ import cover of foreign currency reserves.

Muzurwa accused banks of using foreign currency accounts, introduced under post-1991 economic liberalisation laws, to speculate rather than fund development as intended.

They would now be barred from holding more than US$5m in foreign currency balances.

Reuter reports economists said SA was not at risk of infection from the currency crisis in Zimbabwe.

“Zimbabwe is not a market because of what is happening in Zimbabwe is unrealistic,” said Neil Anderson, foreign trading head at UAL Merchant Bank in Johannesburg.

If the rand gets hit then the other currencies in the region catch a cold, but it doesn’t work the other way around, said sub-Saharan analyst James Whittmestone at ING Barings.

The rand also took comfort on Monday from Reserve Bank governor Chris. Stalls’s assurance that the rand had little to fear from falling gold prices or economic slowdown in east Asia.

Stalls said the days of calling the shots for the SA economy were long gone and dismissed reports that the rand would suffer from east Asian economic slowdown.

PEANUTS

By Charles Schulz

[Image of Peanuts comics panel with Charlie Brown and Snoopy]
Sandton rates proposals to be considered

The Gauteng Democratic Party (DP) and ratepayers' associations were considering proposals made by the technical task team appointed by development, planning and local government MEC Siselo Shiceka to resolve the longstanding Sandton rates boycott.

This followed the DP's extended caucus meeting with the Johannesburg "committee of 10" appointed to solve the city's liquidity crisis, and the technical task team, together with Deloitte & Touche senior partner Jeff van Rooyen.

Van Rooyen said this week it was difficult to point fingers at any particular individual or group for the greater Johannesburg metropolitan council's cash crisis.

Van Rooyen was appointed head of an expert task team tasked to revise the budget of the metropolitan council, together with its four local councils, and bring expenditure in line with incoming revenues.

DP leader in the metropolitan council, Mike Moriarty, said the task team informed the meeting of the proposals contained in the report about the budget review.

After the proposals were discussed, the task team invited further input from the residents' associations.
Official's case postponed a second time

BY HOPWELL RAKER
Political Staff
Star 20/11/97

The hearing of suspended Gauteng Housing Department director Eno Nguthane was postponed for the second time yesterday to give his lawyer time to prepare the case.

Nguthane, who is facing nine charges ranging from misconduct and maladministration to mismanagement, was suspended by Housing MEC Dan Mofokeng in September.

Premier Tokyo Sexwale has appointed attorneys Ratha Mokgoatlheng and Johannes Malane to preside over the hearing.

The case was first postponed on November 18 until yesterday be-

Housing director's new lawyer needs more time

cause Nguthane's former lawyer stopped representing him.

Yesterday Nguthane requested a further postponement to give his new lawyer, labour consultant Joe Tshabalala, a chance to familiarise himself with the case. The hearing has now been set for December 8.

Among other charges, Nguthane has been accused by the Housing Department of nepotism, unbecoming behaviour towards a woman assets manager, and of appointing a firm of consultants without regard for treasury and tender-board regulations. The department alleges that he was on friendly terms with members of the firm.
Old mining land becomes township

their own home

A new life in...
Squatters delay construction plan

BY THEMA SEPOTOKILE

Despite threats of eviction, squatters have erected shacks on the vacant land between Jabulani Amphitheatre and Jabulani Civic Centre, further delaying the construction of a multi-million-rand shopping complex in the area.

The squatters vowed to continue to build shacks despite the council’s threats to have them evicted after it obtained a court interdict, to pave the way for the construction of a shopping centre by Metropolitan Life.

Two weeks ago squatters from surrounding townships and hostels invaded the land and council security officials demolished their shacks.

When the squatters returned, a person was shot in the leg and arrested after pointing a firearm at council security officials.

Greater Johannesburg’s Southern council’s Lawrence Boya said: “The invasion has put the process back

According to Metropolitan Life, the first phase would cost R80-million.”

Boya said squatters were not aware that the invasion was hampering job creation and delaying investment in the sprawling township.

Council’s security services head, Sean Coetze, said the council had applied for a court interdict to have the people evicted and then to have the shacks demolished.

He said the council had only resorted to applying for a court interdict after the squatters repeatedly erected shacks.

Jabulani police commissioner Martin Marx said the council would find it difficult to evict the squatters if it waited for the situation to get out of hand.
Council workers 'first to face service suspensions' for debt

Johannesburg 28/11/97 — excluding hospitals and schools, which would be dealt with separately — accounted for R2.7m of the total debt. He promised that action would be taken against these as well.

Other groups targeted for action included banks, hotels and church groups. Public and private hospitals would follow after they had been given 10 days notice of impending action.

The council said one hotel group owed it more than R3.3m out of a consolidated eight accounts it had and western metropolitan local council schools were R8.0m in debt.

Fihla said some of the credit control steps would be subcontracted to local community groups and workers.

"The list of debtors will be consolidated and updated on a weekly basis," he said.

Contrary to perceptions, Fihla said, 60% of council debt was from the former Johannesburg and Sandton councils and the old Roodepoort administration — not from traditionally black residential areas.

JUDGEMENT IN BRIEF
GJMC to hit hard on rent dodgers

By Joshua Raboko

The Greater Johannesburg Metropolitan Council (GJMC) is to start "cracking the whip" from today by cutting off essential services, including electricity and water, to more than 1 000 of its employees who owe more than R2 million.

The cuts will be carried out mainly in formerly white areas of Johannesburg, Sandton, Randburg and then spread to Soweto, Alexandra Township and informal settlements in an attempt to recover R1.75 million owed to the council.

GJMC's deputy executive officer, Mr Henry Fihla, told a press conference yesterday that the majority of the employees lived in Johannesburg's eastern and southern areas, Sandton and Randburg.

The crackdown on the employees comes after the GJMC warned that its four local councils would implement credit control measures this and next week and intensify them during the festive season.

Fihla said the council was compiling a list of councillors, politicians, and other civil servants who might be in arrears, adding, "We will not hesitate to terminate services and expel such people if found guilty."

National, provincial and local government buildings would be targeted — already the Randburg Town Council was in arrears amounting to R1 million.

However, no councillors were found to owe, apparently because they feared drastic action would be taken. So far only Councillor Bapalapula of the southern metropolitan council has been expelled for refusing to pay.

More than 100 branches of the major banks owed R3.3 million, one chain of hotels owed R3 million, and seven businesses were R12 million in arrears.
Council cuts off services

By Joshua Raboroko

The Greater Johannesburg Metropolitan Council at the weekend cracked down on hundreds of consumers, including businesses in Sandton and Randburg, by cutting off electricity and water in an attempt to recover R1,8 billion owed to it for municipal services.

The total number of cut-offs, which started on Friday with the termination of services to council employees who collectively owe up to R10 million in unpaid services, will be released today.

Deputy chairman of the council's executive committee, Mr Kenny Fihla said the cut-offs would be vigorously pursued over Christmas because "December is an ideal time" and "because the council needed to break the culture of non-payment".

The defaulters would receive sufficient warnings before their services were terminated, with Fihla saying the process will be intensified throughout the festive season, starting today with churches, banks and corporations.

Fihla would not name the big corporates, but Sowetan is in possession of a document indicating that all banks, Anglo American Corporation, Syfrets, JHI Properties, Sanlam Properties and the South African Rail Commuters were in arrears.

Fihla said provincial government departments owed about R2.7 million while a "millionaire's club" owed more than R12 million.
Gauteng to probe scam in housing

Province aims to curb corruption by instituting audits in certain areas

By Joshua Raboroko

The Gauteng Province is to appoint a commission of inquiry into alleged irregularities concerning the allocation of state-owned homes in the province. Details of the alleged corruption will be released today.

Addressing members of the South African Residential Developers Association (Sarda) in Sandton, Johannesburg, at the weekend, Gauteng MEC for housing and land affairs Mr Dan Mofokeng said his department would institute audits in a range of areas to improve performance.

The exact details of the irregularities were unclear but he said the department would avoid corruption and bad practices by role players in an effort to deliver houses to the poor.

He encouraged major construction industries to empower the emerging black contractors to help build 249 000 houses by 1999, saying his department had created opportunities for many construction companies to get involved in housing delivery by allocating at least 5 000 subsidies.

Mofokeng said presently there were 116 housing delivery projects approved or being introduced in the province. The private sector developers were involved in 79 of these projects.

The balance of the projects were taken over by local authorities who in most cases used the private sector contractors to install infrastructure. Municipalities introduced small emerging contractors to projects.

Major companies should educate, train and equip emerging contractors with building and entrepreneurial skills.

"In order to be successful in housing delivery there must be partnerships between the private sector, local authorities and my department."
Tenants delay house transfers

Nearly 30 000 claims approved so far, but completion of scheme has been delayed by misconception that owners will be held responsible for service arrears.

ByThemba Seputsele
City Desk

The transfer of rented houses to tenants in the Greater Soweto area is making rapid progress, with more than 29 000 claims having been approved so far.

A consultant to the Gauteng Housing and Land Affairs Department said local committees had so far approved 29 000 claims.

He said more than 4 000 transfers had been registered, and a further 6 000 were at present being processed by the deeds office.

But a complete transfer of all houses was being delayed by some of the claimants because they were under the impression that they had to sign an acknowledgement of debt for unpaid service bills.

About 15 000 tenants whose claims had been approved were delaying the transfers by not responding to letters asking them to come to bureaux offices to check and confirm that their particulars on their draft title were correct, the consultant said.

“These hesitation often seems to be due to the impression that tenants will be required to sign an acknowledgement of debt for payment of service charges owed by them.

“That is not so. The transfer of ownership of houses by the bureaux is entirely separate from the collection of municipal debt, which is the responsibility of the treasury departments of various councils,” he said.

In nearly all the cases, the state’s discount benefit scheme was expected to be announced shortly.

“When that scheme stops, people will lose the opportunity to get their properties free; instead, they will either be required to pay a full market-related rent, or they will lose their rights of occupation,” the consultant said.
Private sector 'must help meet target'

Robyn Chalmers

THE Gauteng housing department was relying heavily on the private sector to assist in meeting a target of 249,000 low-cost houses by 1999, housing and land affairs MEC Dan Mofokeng said at the weekend.

Speaking at an SA Residential Developers' Association briefing, Mofokeng said much of the capacity required to meet Gauteng's delivery target was located in the private sector.

To make a success of low-cost housing delivery, there had to be partnerships between the private sector, local authorities and government.

"If one of these role players is not committed to the process, blockages occur which delay delivery," he said.

Mofokeng said his department was aware that developers were exposed to more risk when operating in the low-cost housing delivery market. Gauteng had structured its pilot housing projects in such a way that the developer had to deal only with commercial and development risk. The political, social and bureaucratic risks were carried by the department or local authorities.

He said there had been problems with housing delivery in areas such as social compacts in many instances the social compact came about due to a lunch or dinner with a couple of comrades.

"My view is that the legitimate representatives of the people are elected officials. That is why we now insist on formal agreements with local authorities," he said.

Another problem in some instances was the size and quality of the house, as the erosion of the subsidy due to inflation over the past three-and-a-half years had made it difficult to deliver proper structures.

However, some developers had adopted innovative methods in the way they structured their layouts and built houses.

Mofokeng acknowledged that the department had problems with staffing, training, systems and budgets, but said a reorganisation was taking place.

Over the next 16 months the Gauteng administration would release land through the Mayibuye programme to relieve the pressure of land hunger and invasions. Informal settlements would be upgraded to ensure healthy and safe conditions.

A number of issues needed to be addressed, including speeding up the establishment of townships, the management of community conflict, and increasing development and end-user finance.

Mofokeng said a national allocation of at least R4,0bn was necessary for 1998/99 to avoid a decline in the delivery of houses. "If these funds are not allocated, we will not be able to allocate funds to new projects," he said.
Housing commission instituted

Sexwale wants inquiry into the fraudulent allocation of homes

By Joshua Raboroko

Gauteng Premier Tokyo Sexwale has appointed a commission of inquiry to investigate the activities of government officials, including former community councillors, who fraudulently allocated state-owned houses valued at R10 billion during the apartheid era.

Most of the houses were sold to home-seekers by officials who allegedly evicted widows and other unemployed people from the houses.

Gauteng MEC for housing Mr Dan Mofokeng told a media conference in Johannesburg yesterday that the commission – to be known as the Home Truths Commission – had been charged with the responsibility of investigating allegations of corruption and intimidation in the allocation of houses in the past 20 years.

"The main aim of the commission is to prevent the recurrence of bureaucratic bungling, discrimination and corruption that prevailed under the previous regime," he said.

The commission, to be led by a team of lawyers, would focus on the allocation of and evictions from state-owned houses.

Mofokeng said the commission would start hearing evidence from victims with immediate effect. Victims of corruption and maladministration have until January 21 next year to submit their complaints.

The commission will link up directly with one of the province’s "transfer of houses programme", which aims to transfer rented houses to tenants, said Mofokeng. He said there were 150 000 such houses in the province.

In greater Soweto 29 000 claims have been approved – 4 000 transfers had been registered and a further 6 000 were being processed by the deeds office.

Some of the alleged irregularities occurred when officials of the now defunct House of Delegates and of the House of Representatives allocated subsidies – amounting in some instances to R99 000 – to individuals who had allegedly paid bribes.
New commission to investigate housing

Johannesburg — The Gauteng department of housing launched the Home Truths Commission yesterday to review the allocation of, and evictions from, state-owned houses in the 20 years before the democratic elections in 1994.

Dan Mofokeng, the Gauteng housing minister, said yesterday over 150,000 government-rented houses were to be transferred to previous tenants.

"In the greater Soweto area, 20,000 claims have been approved, from which 4,000 claims had been registered and a further 5,000 were being processed by the deeds office," Mofokeng said.

"Property to be transferred runs into billions of rands and is to be found in areas which include Sandton," he said.

He said his department would be revising the province’s rental formula. The commission, headed by John Blaauw, an attorney, would investigate irregularities that may have occurred since 1976. It would address unfair evictions from state- or council-owned homes.

Mofokeng said the hearing would be concluded in May next year and the commission would give a report in April.
Probe of state-owned houses launched

Robyn Chalmers

The Gauteng government has appointed a commission of inquiry to investigate alleged irregularities in the apartheid era allocation of up to 45 000 state-owned houses with an estimated value of R3bn in Gauteng housing and land affairs MEC Dan Mofokeng said yesterday about 180 000 state-owned houses valued at R10bn were being transferred to their occupants in Gauteng.

It was estimated that with up to 30% of these homes, there were allegations of corruption and intimidation in their allocation in the 20 years before the new government took office.

Mofokeng said claims of irregularities included the sale of state-owned houses to councilors’ family members, people renting houses for R10 a month in Sandton and people being forced into marriage to secure housing.

The Truth and Reconciliation Commission had been appointed to investigate the allocation of and eviction from state-owned homes between January 1 1976 and March 31 1994.

Victims of corruption and maladministration had until the third week of January to submit complaints, and the commission would conclude its hearings in March. A report should be completed by April.

Continued on Page 3

The commission would be chaired by Germiston lawyer Jabu Dlamini. He said it was unclear how victims of unjust treatment would be compensated.

The commission would be linked to a housing transfer programme, in terms of which government had agreed to give occupants of state-owned homes a discount of R7 500 on the historic price of each property. Housing transfer bureaux were being set up to oversee this programme.

Mofokeng said in the greater Soweto area, 29 000 claims had been approved, of which 4 000 transfers had been registered and 6 000 were being processed. Since the government had assumed office, Gauteng had facilitated the delivery of 120 000 houses and developed 85 000 stands.
Jo’burg pulls in R17-million with electric shock-treatment

Big companies find themselves in the dark as their municipal bills go unpaid

By Lee-Ann Alfreds
City Desk

Johannesburg recovered more than R17-million in the last week of November as a result of the tough credit-control campaign aimed at recouping billions owed to the city in municipal services arrears.

And almost half the money – R8-million – was paid by businesses owing more than R250 000 each following phone calls to them from Greater Johannesburg Metropolitan Council’s chief executive officer Nicky Padayachee, according to metropolitan councillor Kenny Fihla.

The remaining R9.1-million was recovered by the four local councils between November 22 and 28.

While it is not known exactly how much money has been recovered and how many cutoffs carried out since November 28, at least two banks and several big companies are known to have had their services terminated.

According to council records, electricity to one branch of FNB, two branches of Nedcor, Murray & Roberts Housing, Adcock Ingram and Bellevue’s Hunter Service Station has been cut.

The council has also been concentrating on cutting services to council employees found to be in arrears.

Johannesburg introduced its new credit-control policy last month to recover R1.8-billion owed to it in arrears.

The new policy is part of a budget review, ordered by the provincial government, to try to break a cash-flow crisis which forced the city to default on three payments to Eskom and to abandon certain services in favour of others.

The new policy includes the “outsourcing” of cutoffs and billings to private firms, and personal visits by council employees to defaulters.

Fihla said 1 355 cutoffs were effected between November 22 and 28, with 86 customers in the Northern Council area, 530 in the South, 578 in the West and 161 in the East being left without electricity.

About R4.5-million was recovered in the North as a result of the cutoffs, R4.6-million in the South, and R496 000 in the East.

Fihla said the total owed by the defaulters who were cut off was R24.5-million.
Housing crisis mounts in north-western suburbs

BY ANNA COX

Tension is mounting in the north-western suburbs of Johannesburg where about 800 tenants, illegally occupying premises in public housing schemes, are facing eviction by the Northern council.

Although the council has agreed to place a moratorium on the evictions until January, the South Western Johannesburg Civic Organisation (Soweto) says there is great tension in the community.

Violence broke out last week when a council official tried to evict a family in Claremont and tried to move in a family who had been on the waiting list for a council house.

Soweto spokesman Manuel Sandes said his organisation was negotiating with the council, but there had been ongoing problems since the riots in the area in February and since a task team, formed by local government MEC Sicelo Shiceka, had been formed to deal with illegal occupations.

"The council has reneged on some task team decisions and has acted in bad faith. Because of the crisis of the past, the housing problem is beyond the control of many residents who have been squatting in backyards and garages," he said.

The affected areas are Jan Hofmeyer, Vrede Park, Claremont, Westbury and Noordgeug. Northern council communications officer Khanyi Mkonza said unlawful occupations were escalating.
R1,1-m recovered
in latest cutoffs

Electricity and water to 910
Greater Johannesburg businesses
and households were cut off
between November 29 and De-
cember 4, resulting in R1,1-mil-
lion in arrears being recovered.
The cutoffs are part of an at-
tempt by the Greater Johannes-
burg Metropolitan Council and
its four local authorities to re-
cover R1,8-billion in arrears and
to break a cash crisis which has
resulted in the councils default-
ing on three payments to Eskom.

Metro deputy executive
chairman Kenny Fihla said that
in the Southern Council, water
to 58, electricity to 129 and gas to
19 households was cut. How-
ever, only R112 000 of the R1,67-
million owed was recovered.
The council was investigating
why the amount was so low.

The Northern Council had
the lowest number of cutoffs,
with electricity to only 37 busi-
nesses being suspended. About
R1-million of the R1,23-million
owed was recovered.

The Chief Executive Officer of
the Northern Council cutoff was
because of the chaotic state of the
council’s information systems.

Water to 12 Eastern Council
dwellers and electricity to 248
was cut. No water supplies were
cut in the Western Council area,
but electricity to 306 customers
was suspended. The amounts re-
covered by these two councils
has not yet been totalled.
Cape living among best

London - In spite of their crime statistics, Cape Town and Johannesburg are the best African cities in which to live, reports the Corporate Resources Group - which advises corporate managers setting allowances for expatriate staff.

They are followed by Tunis and Harare, while Luanda, Conakry and Brazzaville are at the bottom - with Brazzaville listed as the least livable city in the world.

Vancouver and Toronto in Canada, and Auckland in New Zealand, had the highest quality of life in major world cities, the group reported yesterday.

Cities to avoid at almost any price were Brazzaville in the Congo, Baghdad in Iraq and the Bosnian capital Sarajevo.

The group reported on 192 cities worldwide, based on 42 factors, including political stability, economic outlook, culture, health and education resources, as well as public transport.

Canadian cities generally came top of the list of North American cities, and Mexican cities near the bottom of South American.

Vancouver was voted No 1 in North America and the world, and Toronto No 3.

Atlanta had the highest quality of city life in the United States, followed by San Francisco and Honolulu.

In Latin America, Buenos Aires, Montevideo and Panama City topped the list, while San Pedro Sula in Honduras, Port-au-Prince in Haiti, and Havana in Cuba were at the bottom.

Baghdad, bottom of its regional list, was the second worst city in the world in which to live. - Sapa-AP
Still no water in the south

BY LEE-ANN ALFRED

Thousands of residents in the south of Johannesburg are still without water despite promises from the Southern council that their water supply would be restored two days ago.

Residents of Ennerdale, Lawley and Orange Farm have been without water since Sunday.

On Tuesday, Southern council spokesman Connie Ras told The Star that technicians were working on the problem and that water was expected to be restored on Tuesday night.

But many aggrieved callers to The Star complained that by yesterday water had still not been restored.

Fiona Sallie of Ennerdale Extension 9 said she had not seen a "drop of water" since Monday, when water was last transported to the area.

Everybody's complaining.

It's been five days now and we don't have a drop of water ... I don't know what my neighbour who has a baby of only a few weeks old, is doing," Sallie said.

Council spokesman Simon Selepe said water was expected to be restored to the area by this afternoon.

"At the moment we have two pipes running, and we're hoping that, by tomorrow afternoon, water should be restored," he said.

Selepe denied that water was not being trucked into the area: "There are 20 water tankers out there at the moment."

He said a hotline was available for people with small children and babies who needed water. Water could be requested and would be delivered anytime, Selepe said.

The hotline number is (011) 403-2926.
Hillbrow hotels a 'no-go' zone with no water.
Jo'burg council threatened with shutdown over arrears

THE Johannesburg metropolitan council said yesterday an administrative oversight was responsible for R300 000 not being paid to a company which maintains computers for emergencies in the greater-Johannesburg area.

The Sysman group, which had not received payment from the council since June, this week threatened to shut off the facility if the outstanding amount was not paid before Friday.

The strategic executive for public safety and emergency services, Hallow Maeko, said he became aware only two days ago that the Sysman group had not been paid.

"We renewed our contract with the company in June, but payments were delayed because of financial problems within the council," he said. "I was under the impression that we had now paid all our creditors."

Maeko said he had taken it upon himself to ensure a cheque was sent to the group.

He said the company would continue to maintain the emergency services' computer system for the council.

"In a system shut off, the reaction to emergency calls and the dispatch of vehicles would be severely affected. — Sapa"
Courts won’t see the light when non-payers whinge

The truly poor can get off the hook, but the rest have to cough up or stay in the dark.

BY CATHY POWERS
High Court Reporter

The courts are showing little mercy to defaulters on electricity and water payments.

In hearing the urgent applications by businesses to have their water and lights turned back on, the courts have consistently decided that the council is entitled to cut off services on non-payment and that this does not conflict with the constitution, according to an attorney who represents the council.

An issue that will be decided next year is the health risks that arise from terminated services.

"People must understand that the courts are behind local government," said the attorney who did not want to be named. "The council is not a profit-making organisation. They are not trying to make a quick buck."

Since the beginning of the month, seven cases involving the termination of services have been heard in the Johannesburg High Court. But this is a drop in the ocean compared with the 1 440 households and companies which have had their lights, gas and water cut off so far. Very few of these cases come to court because most people don’t have the financial clout to take legal action.

Many of these cases have been deferred to next year and an interim deal is arranged whereby the defaulter pays a portion of the arrears to have services reconnected.

But in no circumstances does the council write off amounts owing or the interest, according to Keith Peacock, spokesman for Greater Johannesburg Metro Council’s Eastern council.

Jeff O’Connell, chief executive officer of the Western council, said a plan had been started for people who genuinely could not afford to pay for services and the register of such people, pensioners, and those with no or minimal income would be reviewed continually.

Said the attorney: "There is a culture of non-payment. We have to break the chain, it has to be rectified from grassroots up."

Businesses and individuals be warned: pay up or take your case to court, where you will end up paying costs as well as your electricity bill.
MEC unveils big housing scheme

Mofokeng says 70 000 sites in 60 areas will be developed for poor people

By Joshua Raboroko

 Gauteng MEC for local government and housing Mr. Dan Mofokeng has announced a multi-million rand housing and infrastructural project to provide shelter for the poor communities in the province.

In a statement in Johannesburg at the weekend, Mofokeng said his department's Mayibuye Programme - a local government driven development - had developed 30 000 sites which would benefit 180 000 people.

Mofokeng said that 70 000 sites in 60 areas would be developed for housing and infrastructural projects aimed at improving "the lives of our poor people."

"In Phola Park we have committed more than R74 million for the completion of 4 320 services sites which were allocated to people."

He said that so far, through the upgrading of the informal settlements programme at a cost of R30 million, his department targeted upgrading 24 773 sites in 11 areas in the province.

He said the department would continue consulting people, including the private sector, with the aim to deliver different housing programmes that embraced subsidy schemes.

A consolidation subsidy, which targeted people who already have been allocated sites and services, would be accelerated in the new year.

"We have enhanced this programme with the building and construction industry," Mofokeng said.

Pilot projects were due to start next month at Soshanguve in Pretoria, Ivory Park in Midrand and Orange Farm, south of Johannesburg, the MEC said.

People would be given financial support to build houses.

An institutional subsidy scheme would help develop housing under a range of tenure options, including rental, to thousands of people living in squalid conditions in the inner city of Johannesburg.

"The inner city housing programme is one of our important programmes which demonstrate the different needs of our communities," Mofokeng said.
Claims of housing corruption

BY THEMBA SEPOTOKILE

Nearly 800 submissions detailing alleged irregularities in the allocation of about 45 000 state-owned houses during the apartheid era have been received by the Gauteng government's Home Truths Commission since it began operating at the beginning of the month.

The commission, which was instituted by outgoing Gauteng premier Tokyo Sexwale, is probing allegations of corruption in the allocation of houses and eviction of people from state-owned houses between January 1 1976 and March 31 1994.

Thousands of families were allegedly thrown out of houses by corrupt councillors and municipal officials to make way for others who had paid bribes. Others were overlooked during housing allocations because they had not paid bribes.

The commission is headed by Germiston lawyer Jabulani Dlamini, and it will conduct public hearings until March.

Gauteng Housing and Land Affairs assistant director Ronne Stevens said yesterday the commission had received 780 genuine claims where people had submitted written forms. He said more were expected before the January 20 deadline.

The commission's toll-free number is 0 800 600 245.

Star 31/12/97