

R58bn to fix sub-standard low-cost houses

Feb 9, 2011 9:45 PM | By ANNA MAJAVU, Sowetan

The cost of fixing badly built low-cost government houses has shot up to R58-billion.

"If we were to do effective rectification, we would require R58-billion - that is not for building, just for rectification," the director-general of the Department of Human Settlements, Thabane Zulu, told a parliamentary portfolio committee yesterday.

Zulu said after the meeting that the figure was an estimate.

But since minister Tokyo Sexwale said six weeks ago that he had set aside R1.3-billion to fix sub-standard houses this year, the new estimate of R58-billion came as a shock to MPs.

The department's annual budget is only R16.3-billion. If the government spends R1.3-billion a year on the rectification programme, it will take more than 40 years just to fix sub-standard houses.

It also emerged that the department has still not found a way to prevent companies that built the poorly constructed houses from getting more government contracts.

"There has to be a process where people who have not built quality must be 'blacklisted'," Zulu said.

The committee commended Zulu and Sexwale for withdrawing R463-million in funds from Free State and KwaZulu-Natal, which underspent housing budgets.