

“Reactive versus proactive management system: Reconstruction and Development Programme (RDP) housing delivery’s unintended consequences”

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Reactive versus proactive management system: Reconstruction and Development Programme (RDP) housing delivery's unintended consequences

Abstract

The South African democratic government is overwhelmed by unintended consequences resulting from its objective of not only wanting to reconstruct and develop communities, but also to uplift people whose shelter and wealth was lost consequential to the apartheid system. Through Reconstruction and Development Programme (RDP) low cost houses are built and delivered to the poor for free.

The paper aims to diagnose management's attributes that stifle efficiency and inhibiting RDP housing backlog reduction. The study intends to strengthen RDP management systems, reestablishing Monitoring and Evaluation (M&E) strategies and enabling the government to evade housing delivery's unintended consequences. The question asked was whether relevantly qualified persons effected M&E to RDP projects to confirm compliance to prescripts, ensuring quality deliverables and a requirement for endorsing payment proceedings.

Municipal managers involved with RDP housing were interviewed together with inspectors, using structured questionnaires. Purposive sampling was used to obtain data from section managers, who according to researcher's judgment possessed specific information relevant to the study. The findings disclose partial compliance to M&E prescripts, exposing systems to abuse hence quality compromise. It is worrisome that double payments for the same project persist despite different housing ministers' reactive approach of appointing investigating committees to reinforce law enforcement agencies in catching perpetrators and curb corruption.

Keywords: monitoring and evaluation, unintended consequences, reactive and proactive management, RDP, quality compromise.

JEL Classification: H760.

Introduction

Housing the homeless continues to be a critical and fundamental mandate of South Africa's democratic government. The aim includes making up for the enormous backlog inherited in the housing sector as a result of historical policies of forced removals, racially based segregations and denying Africans the opportunity of owning land and proper houses. The backlog is further exacerbated by the inability to control population influx from rural and less resourced areas, together with those from neighboring countries to areas with opportunities. In the long run, these influxes end up overwhelming infrastructure and resources in urban areas (Pelling and Wisner, 2008). Overpopulation is thus associated with adverse housing conditions and negative health consequences that strain existing resources and disrupting the underlying infrastructural services (Durbin, 2009; Tsheola, 2012).

While the apartheid era was unpopular with housing restrictions utilized to control African movement and their labor, the democratic era experiences extreme influx of people who are vocal and sometimes engage in violent service delivery protests, pressurizing the government to meet their additional housing and health demands

(Hamilton, 2014; Keiser, Utzinger, De Castro, Smith, Tanner and Singer, 2004; Thomas, 2010). The government thus is caught up in meeting the stakeholders' high expectations, needing inclusive management with skill, commitment and selflessness which is scarce. The public servants who are sometimes cluttered with cadre deployment must deliver the government's mandate. They should achieve its objectives even though some are lacking the necessary expertise and qualifications. Emerging contractors aggressively demand their right to be included in economic activities and like any profit would do anything to maximize their profits, despite being least experienced. Finally, beneficiaries expect overnight delivery of multiple houses, often among substandard structures. People expect the best in return for the least inputs if anything, courtesy of democracy.

With the best intentions in the world, the National Housing Accord was signed in 1994 by stakeholders representing the homeless, government, communities and civil society, the financial sector, emerging and established contractors, building material suppliers, employers, developers and the international community, guided by policies and White Paper guidelines (InternAfrica, 2009).

RDP housing matters are causing unintended consequences and a subject of regular outcry in the society's agenda resonating in multiple, disruptive and destructive service delivery protests. Efforts to im-

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prove and expand service delivery are undermined by corruption and maladministration threats both in and outside government (Appropriation Bill Debate, 2013; Kanyane, 2010). The remedial action, adopted by one housing minister after another by appointing committees such as (NHACF)*, (SIU)*, Independent Auditors KPMG, (SITT)*, etc. would not come cheap. These committees may be needed to reinforce law enforcement agencies to investigate alleged maladministration and irregularities. However, the high expectations to stamp out fraud and corruption cannot be guaranteed and neither do they assure economic recourse (Ubuntu magazine, 2009). A fierce legal representation of counter allegations among alleged perpetrators and law enforcement authorities would rather be expected (Maharaj & Karodia, 2013).

These challenges turn the dream of the democratic government's promise of "better life for all" into an illusion for the masses (Manala, 2010). It is not because of lack of the government's effort but primarily consequential to systems lazed in enforcing stakeholders' rights and responsibilities as well as demand compliance to policy prescripts. Delivery expectations are unrealistic when the system still struggles to blend-in emerging contractors with those that are established and well-resourced, as well as having incoherent commitment from officials who plague the department with flawed decisions (Bond & Tait, 1997). Professionals are also seen to be unresponsive to building capacity and vocational training desperately needed in ensuring high quality housing delivery crises. Perhaps the academic curricula and teaching methods have not prepared them to cope with these fluxes of changes in the country's demands (Osman, 2000). Manala (2010) questions if this "better life for all" government's promise is another empty slogan used to keep the black majority hoping against hope that materialize only for the few connected people.

Summary of policy prescripts, Section 26 of the Constitution of the Republic of South Africa, 1996, enshrines the inalienable right to housing that:

- ◆ Everyone has the right to have access to adequate housing. The State must take reasonable legislative and other measures within its available resources, to achieve the progressive realization of this right" (The National Housing Code, 2009).

SA Government seeks to create an enabling environment in which the human settlement process is people-centered and partnerships can thrive as essentials in adequate housing delivery envisaging that:

- ◆ The human settlement process will be participatory and decentralized allowing effective response to priorities and opportunities at the local

level and enabling all role players to contribute their skills, labor, creativity, financial and other resources to the housing process (The National Housing Code, 2009, pp. 12-13).

- ◆ Coupled with transparency, systems that monitor our progress and ensure accountability are equally important. It must facilitate coordination between various sectors so as to minimize conflict over demands on scarce resources and create an environment in which all role players meet their respective obligations (The National Housing Code, S 2.4.5, 2009; p. 14).

Despite the policy prescripts, sadly the country's housing program remains plagued by controversy, fraud and corruption, often turning intended beneficiaries into victims and the problem is worsening rather than improving (Ntsaluba, 2009; Ubuntu Magazine, 2009). Inability to adhere to the prescripts opens the system up for manipulation and abuse hence inferior quality housing delivery. These houses do not only threaten the beneficiaries' well-being but devalue democracy as double payment are incurred to repair, demolish and rebuilt inferior structures while there is little or no consequences (financially or otherwise) for the perpetrators and contractors who have benefited from the projects. Bahre (2005) highlights the need for democracy to liberate South Africans from the bondage of oppressive and corrupt practices, which are way beyond political liberation.

Goal and objective of the study. The paper's goal and objective is to assess management's enforcement of M&E of RDP projects by relevantly qualified persons, and the value placed on their endorsement when it comes to quality confirmation and compliance to policy prescripts. It was also necessary to probe what informs the processes leading to the actual payment to the contractor. The study intends to establish if management systems are adequately practiced to minimize fraud and manipulation of systems before they occur; ensuring that payment was made for pre-agreed buildings phases that met the prescribed quality standard.

Motivation for the study. Persistent inefficiencies in managing the low cost housing delivery under RDP continue to be a source of conflict between the public and SA's democratic government. The country's democracy is entrenched in people centered public participation and the benefits of a properly integrated empowered community, however policy practice discrepancy and non-implementation proved detrimental to the course (Nembambula, 2014). Multiple challenges include inferior quality housing delivery to a greater extent due to incompetent and unqualified contractors (Buys and Le Roux, 2014, p. 80). Worse still, selfish beneficiaries collude

with corrupt officials and or politicians to defraud the system (Bruce, 2014, p. 2; Nengovhela, 2012).

The research debates around the delivery of low cost housing neglected to explore proactive management strategies in order to strengthen systems, making it watertight enough to prevent fraudulent activities which allow quality compromise. Such inefficiencies are cited as reasons for widespread housing delivery protests resulting in further damages to existing resources. The question that has not been asked is what more is needed to enforce policy prescriptions if system can permit payment for inferior or nonexistent projects and only then react by attempting to find culprits who defraud the system. There is no doubt that South Africa is in dire need of a proactive management system that demands M&E by relevantly qualified persons to aid management in minimizing systems manipulation and fraudulent activities. The strategies have potential to reverse current wasteful expenditure of double expenses for repairs or demolishing and rebuilding substandard structures as well as increase qualities and quantities. The reactive management systems relying on committees and investigation units to expose housing irregularities are inadequate to root-out corruption and are costly.

The study emphasizes inclusive proactive management that reestablishes M&E strategies for the purpose of strengthening RDP management systems, realigning accountability to individuals to inhibit abuse before it occurs and enabling government to evade housing delivery's unintended consequences.

Methodology. A qualitative research method was applied as it answers questions about relationships among measured variables with the purpose of explaining, predicting and controlling phenomena (Leedy and Ormrod, 2005, p. 94). Purposive sampling was used to obtain data from (N17) managers in sections of a Municipality in the North West Province, who possessed specific information relevant to the study, according to the researcher's judgmental criteria. The method is non-probabilistic as an analyst consciously chooses who will be interviewed based on the knowledge they possess (Carletto, 1999). Closed-ended questionnaires with potential answers to select from were used for all participants as they provided a chance for responses with a greater uniformity and are more easily processed (Saunders, Lewis and Thornhill, 2007). Data were supplemented with project managers' informal interviews to find out processes that are followed leading up to payment endorsement.

The instrument was divided into the following sections: *Section A:* Demography (gender; race; position; educational level and experience), *Section B:* Management processes (eg. project M&E; contract

payment, accountability, consequences for compromise etc.). The participants were interviewed using a four (4) point Likert-scale questionnaire as data collection instrument, asking respondents to indicate how much they agree or disagree, with a predetermined assumption guide (with no mid-point) ranging from strongly agree as one (1) to strongly disagree as four (4) for respondents to choose from (Allen and Seaman, 2007; Garland, 1991). The Likert-scale was relevant for this study and 1 to 4 was used to avoid a mid-point where respondents would choose middle answers which do not commit to any answer. The study utilized other data from secondary source that disclosed breakdown of cost of repairs and rebuilt of damaged houses divided into provinces.

The investigations intended to assess on a small scale, if RDP projects are monitored and evaluated by relevantly qualified persons, and whether their endorsement was mandatory to confirm quality standard compliance as well as being reliant upon to initiate the contractor's payment process. The responses would predict if management practices are proactive or reactive in nature, with the former adding value as it minimizes wasteful double costs of repairs and those of demolishing and rebuilding substandard structures; whereas the latter would mean an open system susceptible to abuse, necessitating the very double payments and costly investigations that do not guarantee economic recourse.

1. Literature review

Combating corruption and promoting public service integrity has become a major component of governmental reforms in many countries worldwide (Siddiquee, 2010). The battle is to improve access to basic services especially by the poor and disadvantaged members of societies who are in majority in developing countries as compared to countries that are already developed. According to 2001 estimation, 72% of SA's poor lived in rural areas and remained in abject poverty with the least survival opportunities (United Nations, 2002). The government must be commended for being one of the few countries that delivers free housing to its poor majority, perhaps to make up for the African people's dispossession and housing crisis largely as a result of historical policies like Group Areas Act of 1950 (Nevondwe, & Odeku, 2012), despite the abuse and challenges. The country's unique position of inheriting a huge housing backlog increased by growing demand made housing the homeless one of the democratic country's critical and fundamental mandate. The very mandate to the poor has however brought with itself unintended consequences and complexities that stifle good intention ranging from battling to integrate diverse communities which were barred from living together (Nyalunga, 2006; Simon, 1989; Malinga, 2012) to protecting the vul-

nerable from any form of abuse and atrocities of corruption (Brett, 1998; Rickerd, and Cheung, 2012; Bahre, 2005).

Gloeck and De Jager (2004) argues that fraud and corruption are universal, that no government can claim that its public sector is free from these irregularities; however this cannot mean that perpetrators deserve some kind of mercy, irrespective of the person's background or associates. The root cause perhaps emanates from ineffective planning that neglects conflict of interest and conflict issues usually judged as aberrations emerging only under the unique condition of personal hostility between non-cooperating individuals and creating conditions antithetical to the positive goals (Sanyal and Mukhiya, 2001). To the contrary, just wishing and hoping that irregularities would not occur is more catastrophic and expensive than inclusive planning with-in built preventative steps together with the necessary budgeting.

The poor feel the destruction of quality undercuts and widespread corruption the most, however the country's broader population may legitimately regard themselves as corruption victims, whether personally experienced or not (Bruce, 2014), conceivably accounting for continued violent protests spills-over into different areas.

Literature suggests that beneficiaries' involvement is often ignored by RDP administrators and neither are they seen as legitimate and active stakeholders, because of their lack of socioeconomic and political power (Manomano & Kang'ethe, 2015; Lemanski 2008; Mphahlele, 2013; Juta & Matsiliza, 2014; Sabela, 2014). Ultimately the RDP housing projects intended to uplift the poor as well as serve as economic engine through major job creation (Westaway, 2006); turned to what Public Financial Management Act (PMFA, 1999) termed as "a wasteful expenditure", as substandard houses demand an additional costs of repairs while others need to be demolished and rebuilt.

1.1. Abuse and reactive management quantified in rands and cents. Having access to adequate housing is the basic human right (United Nations General Assembly, 1948). South Africa, like the rest of the world, faces challenges of providing an enabling environment for its people to acquire suitable houses or provide adequate housing to the poor who cannot afford to fund their needs. Various stakeholders in the sector joined hands in an effort to contribute positively to the housing sector but the problem of homelessness and inadequacies continues. Similarly, Kenya's public service subsidies attempted to dent housing needs and backlog in Nairobi, however, inefficiency and inequitableness

continued to make it unaffordable to the poor (Obudho, 1997).

SA's democratic government finds itself in situations of having to deal with historical inequities and inefficiencies in addition to being compelled to empower the masses that were historically excluded from the country's economic participation. That includes building capacity of emerging and inexperienced contractors while at the same time ensuring the delivery of quality housing. RDP projects were just a relevant and encompassing program to provide such services, had the noble ideals not been undermined by unscrupulous and corrupt developers and contractors as well as homeowners who exploit the systems with the blessings of corrupt officials and politicians (Ubuntu Mag, 2009; InternAfrica, 2009). These mandate custodians and their counterparts in developing countries perceive services delivery as an act of benevolence rather than recognize the state as a bureaucratic dispenser of public goods on the basis of rights, required to be responsive and accountable (Shah, 2008; Dawson, 2014).

It is necessary to commit stakeholders and strike a balance in fostering partnerships in a form of properly drawn contract between individuals or specific groups, explicitly stating all terms and conditions and stick to them. Planning to include accurate evaluation of risk and rewards outlines payment endorsement and their stages as well as dispute settlement procedures etc. (Meidutė and Paliulis, 2011). Selflessness and commitment to the public good are critical to governance rather than manipulation which lead to defeat and alienation to the course despite its benefits (Karodia, 2014). Karodia (2014) further warns the country's leadership against manipulation and deployment of favored people, or cadres, saying it fail to maintain the respect of ordinary cadres. A selfish system is unable to cater for potential risks and all forms of conflict either pre-determined or coincidental to service provision exposing it to costly abuses that may be difficult to reverse. The same goes to improper monitoring and evaluation or lack thereof, which leave projects to continue until completion, but ultimately the defects would be realized very late in the project cycle, demanding damage control. *Monitoring* demands a continuing function that aims primarily to provide project management and the main stakeholders of an on-going project assessment with early indications of progress or lack thereof in the achievement of project objectives (UNDP, 1997). *Evaluation means* a time-bound exercise that attempts to assess systematically and objectively the relevance, performance, quality and success of on-going and completed projects (UNDP, 1997).

The alternative is a reactive management system that would hope to remedy performance where procedures

have not been stringent enough to prevent functional failures and maladministration. The political leadership has been forced to be reactive as they try to root out unscrupulous perpetrators who compromise the government's honorable services aimed at improving people's quality of life as they spend huge amounts to educate the communities and appoint committees to reinforce law enforcement agencies tasked with the role of identifying and charging wrong-doers.

The reactive management system is indeed a costly exercise that cannot restore the situation to its original state (Krukmal, and Kryklii, 2014; Heller, Jäger, Krapp, Nagl, Schleicher, Westfechtel, and Wörzberger, 2008; Kassa, 2014; Mueller, Mitchell, Young and Culpepper, 2005). Under reactive management the onus is on the state to prove that the perpetrators who have the right to defend themselves have indeed committed a crime. Still, the approach cannot guarantee to eliminate the deep rooted challenges perpetrated by agents whose actions undermine the entire housing campaign (Sisulu, 2008). However noble the intentions, committees, special units, auditing firms etc. cannot deliver the desired unit increases if not feeding on the very resources which are insufficient to cater for the core mandate.

Systems not infused with monitoring and evaluation allow unethical civil servants to use their positions and authority to abuse taxpayers' resources and spoil the government's name, with little consequences, ethical barrier or penalties to coerce or prevent such behavior (Mbeki, 1999; Sexwale, 2009; Luyt, 2008). Mbeki (1999) cautioned the SA society whom he sees as evolving in a manner that gave birth to a situation in which disastrous collapse of societal values occurred, replaced by the motion where serving individual's material interest and pleasure is seen as good. He called for people to be vigilant, lest they join the mentally blind who fail to see that ethical values were compromised and less and less barriers or penalties being imposed on perpetrators. According to Bahre, Elyachar, Ikuenobe, Jeffrey, Niehaus, Sivaramakrishnan, (2005) there is rarely any evidence of trials of the guilty, or of consistent and effective legal and political will to charge corrupt officials even where abuses have been pointed out. The neglect is causing communities to lose confidence in their own state and sometime feel justified to liberate themselves such as those who chased fifty foreigners out of (RDP) houses that were either rented to or purchased from corrupt and greedy councilors (Mpehle, 2012, p. 219, InternAfrica, 2009).

DEMOCRATIC GOVERNMENT

Local authorities frequently fail to take action against corrupt officials where abuses have been		
GOVERNMENT OFFICIALS	BUILDING CONTRACTORS /DEVELOPERS	RDP HOUSING BENEFICIARIES
<ul style="list-style-type: none"> ◆ Officials claim to be unemployed or earn less in order to fraudulently benefit from RDP allocation ◆ False claim of house subsidy & system manipulation to have multiple claims. Fraud estimated at R133-million ◆ Corrupt senior officials sell plots to RDP housing hopefuls that have already been sold to other buyers ◆ R25-million lost to 1708 applications for housing subsidies allocated to people already dead ◆ Fraudulent allocation of RDP house-building tenders to officials' and councilors' family, friends and associates. ◆ Illegal house allocation to foreigners & non qualifying at times aided by Corrupt councilors, officials and politicians accepting bribes 	<ul style="list-style-type: none"> ◆ Bribe corrupt officials to approve shoddy RDP building work or use cheap, inferior material on lucrative government contract ◆ Claim money from the government for building non-existent houses ◆ More than R25-million was lost after 1708 subsidies were allocated to people who were already dead ◆ Developers claiming money from the government for building non-existent houses ◆ Use inferior material e.g. mixing 20 wheelbarrows sand to cement bag instead of recommended three to one. 	<ul style="list-style-type: none"> ◆ Pay bribes to officials to jump the queue & get quick allocation of house ◆ Sell houses illegally before limitation period expired ◆ People not entitled occupy RDP houses illegally, at times aided by corrupt councilors, politicians or officials ◆ Give their allocated RDP houses as church tithe then join queue of the homeless ◆ Do not occupy their houses but lease them out to other people or foreigners to do business in them ◆ Disrupt & destroy when angry, essential resources (eg burning school & libraries) in heir service delivery protests including free housing demand
Local authorities frequently fail to take action against corrupt officials where abuses have been pointed out		

Source: Internafrika.org. 2009: Exploiting housing expectations, and author's compilation from media reports.

Fig. 1. Examples of reported forms of exploitation and abuse from different stakeholders

The above preview displays the difficulties facing a system that is not watertight to prevent abuse, in its effort to improve access to basic services especially to the poor with people who have a sense of entitle-

ment and there is little consequence for wrong doing. South Africa must combat corruption if there is any chance of promoting public service integrity which has become a major component of govern-

mental reforms in many countries worldwide (Sid-diquee, 2010).

1.2. The processes for proactive management.

The benefits of proactive management are enhanced when the outcomes are not arbitrary but clearly defined and communicated. If there is any hope for RDP housing delivery to succeed, different role players and their conflicting interests need to be considered and addressed well in advance for the people not to feel alienated (Osman, 2000). The assignment of roles must be specific, computing cost

and benefits, defining rewards and risks associated with each task. From the planning stage, existing resources and capabilities need to be identified in advance, together with their retention strategies because they have an influence to both the strategic choices that managers make and the implementation of those chosen strategies (Lepak, and Snell, 2008; Holland, Sheehan & De Cieri, 2007). The process must include precise placement of existing skills and resources, defining add-ons required to be able to complete the project successfully.

Table 1. Complementary roles of results-based monitoring and evaluation

Ten steps to a results-based monitoring and evaluation system	
Monitoring	Evaluation
<ul style="list-style-type: none"> ◆ Clarifies program objectives ◆ Links activities and their resources to objectives ◆ Translates objectives into performance indicators and sets targets ◆ Routinely collects data on these indicators, compares actual results with targets ◆ Reports progress to managers and alerts them to problems 	<ul style="list-style-type: none"> ◆ Analyzes why intended results were or were not achieved ◆ Assesses specific causal contributions of activities to results ◆ Examines implementation process ◆ Examines implementation into performance indicators process ◆ Explores unintended results ◆ Provides lessons, highlights significant accomplishment or program potential, and offers recommendations for improvement

Source: Ten Steps to Results Based Monitoring and Evaluation (M&E) System: Ref. 29672.

Advantages of the above M&E processes is detection of problems as they occur and enabling corrective measures in the early stages of the project, rather than escalating the problem to irrecoverable levels.

The costs of reactive management in rands and cents:

- ◆ Already in 2009, the Human Settlement Minister, Sexwale estimated the cost needed to rectify badly built RDP housing to R1,3 billion, of which R800 million was geared for KwaZulu-Natal and North West Province alone (Creamer Media Reporter, 2009). He expressed his grief that government image is being tarnished by thieves who have been entrusted with jobs and contracts to serve the people but instead they steal from them with little reprimand.
- ◆ Almost 2100 in Gauteng government officials falsely claiming housing subsidy estimated to R133 millions, or manipulating the computer system to allocate to themselves houses claiming to be unemployed.
- ◆ More than R25-million was lost after 1708 applications for housing subsidies were allocated to people who were already dead, according to the Department of Home Affairs.
- ◆ An official allegedly allocated R115-million worth of tenders to his peers in Limpopo’s Department of Local Government and Housing.
- ◆ The housing department reportedly spending more than R22-million on a series of *production plays* during one minister’s tenure, including the industrial theatre production *A re Ageng Mzanzi (Let’s Build South Africa)* costing taxpayers R5.5 million, a payment to one production company owned by former soap opera actor (Mail &

Guardian, Nov 28 2009; Government, KZN, 2009).

- ◆ A council municipality in North West building between the years 2000 and 2005, only 586 houses (5.86%) despite receiving funding for 10 000 units.

Source: author’s compilation from different Media Sources and parliamentary reports.

Expenditure per province on the National Rectification Programme for repairing houses due to poor workmanship for the period 2011/12 to 31 May 2014:

Table 2. Additional expenditure breakdown

Province	Expenditure (R’000)
Eastern Cape	1,521,608
Free State	121,870
Gauteng	137,689
KwaZulu-Natal	206,001
Limpopo	7,617
Mpumalanga	12,093
Northern Cape	68,819
North West	12,167
Western Cape	42,075
Total	2,129,939

Source: Democratic Alliance Party (Political Opposition) compilation, 2014.

The amounts in the table above may look insignificant, especially for Provinces with lesser expenditure if they are taken at face value; however these are double expenditures for the same projects that could have contributed significantly to the increase in the number of units provided.

Another costly venture was when the lives of the be-

beneficiaries and those of their households were endangered by shady structures not strong enough to withstand the harsh weather conditions. A picture of a damaged house below presents an unintended

consequence in housing the poor where a 49 year old woman was killed when her RDP home collapsed as a result of the heavy storms coupled with the poor workmanship of the house.



Source: "Anti-Privatisation Forum (AFP) Questions Quality of RDP Houses" (AFP), November 19, 2008.

Fig. 2. RDP house collapsed, killing 49-year old mother

Responses to a parliamentary questions revealed that the Department of Human Settlements spent R2.129 billion on repairing haphazardly built RDP homes within a period of three years, which is money that could have been spent building new RDP homes (AFP, 2008).

2. Theoretical framework relevant for the study

2.1. Stakeholder theory. Stakeholders are individuals or groups with interest and rights in, or ownership of, an organization where its activities and the primary ones are those whose concerns the organization must address in order to ensure its own survival (Hellriegel Slocum, Jackson, Louw, Staude, Amos, Klopper, Louw, Oosthuizen, Perks, Zindiye, 2012, p. 159). In the delivery of RDP housing, stakeholders include government, civil servants, building contractors, material suppliers and communities inclusive of prospective beneficiaries.

Stakeholder theory then deals with the relationships that the organizations have with many of its constituent groups and what it does to stimulate and maintain the support of these groups by considering and balancing their relevant interests (Clarkson, 1998; Jones and Wicks, 1999). Recent arguments have criticized the theory's main focus which had more to do with organizational implications. The focus resulted in much of stakeholder theory research being conducted at an organizational level of which analysis tend to have an imbalance towards other stakeholders. The primary focus has been on individuals or groups whose interest must be protected to ensure the survival of the organization

caused undesired imbalance rather than the necessary synergy of stakeholders needs to maintain and sustain the organization's overall well-being (Reynolds, Schultz and Hekman, 2006).

The current approach to stakeholders' theory would make the theory's application to public institutions difficult as there is a thin line between primary individuals or groups whose interest must be protected to ensure the survival of the institution and those that are not. Profit oriented institutions can claim success with increased profits and growth in investors' wealth to safeguard their continuity. It means non-profit organizations and public institution must find a different drive that is more towards the constituency they aim to serve. Bartlett, Beech, de Hart, de Jager, de Lange, Erasmus, Hefer, Madiba, Middelberg, Plant, Streng, Thayer and van Rooyen (2014) recognize the importance of other stakeholders who may not have debt or equity stake in the organization, but whose vested interest must be catered for, for the organization's wellbeing. To maintain the necessary balance required under stakeholders theory, role players must be identified, clearly defining roles and responsibilities as well as the risks and rewards associated with their involvement in program and projects. The value of members who do not bring economic benefit (like community leaders) must not be underestimated. Ownership protection and upkeep of provided services may be the thread that links success or failure of program deliverables.

2.2. Results and interpretations.

Table 3. Participants’ gender and race

No.	Gender	Frequency	Per cent %	No.	Race	Frequency	Per cent %
1	Male	2	11.76	1	Black	13	76.47
2	Female	5	88.24	2	Wkite	2	11.76
	Total	17	100.00	3	Coloured	2	11.76
				Total		17	100.00

Table 4. Qualifications and designation

No.	Qualification	Frequency	Per cent %	No.	Designation	Frequency	Per cent %
1	Degree & higher	2	11.76	1	Technical	4	23.53
2	Nation Diploma (ND)	3	17.56	2	Administration	2	11.76
3	Technical training (Ns.)	4	23.53	3	Financial	6	35.29
4	Up to Matric & others	8	47.06	4	Supervise/Inspector	5	29.41
	Total	17	100.00	Total		17	100.00

Table 5. Work experience

No.	Designation	Frequency	Per cent %
1	< 5 years	6	35.29%
2	< 10 years	2	11.76%
3	≤ 15 years	4	23.53%
4	≤ 20 years	3	17.65%
	> 20 years	2	11.76%
Total		17	100.00

The department still needs to balance its gender in managerial position and also increase management qualifications. Matching qualifications with position was not covered in detail assuming it would be

another study’s subject. Position experience assessed the section’s retention levels which can influence service quality and 12% with more than 20 years needs improvement.

Demographic responses

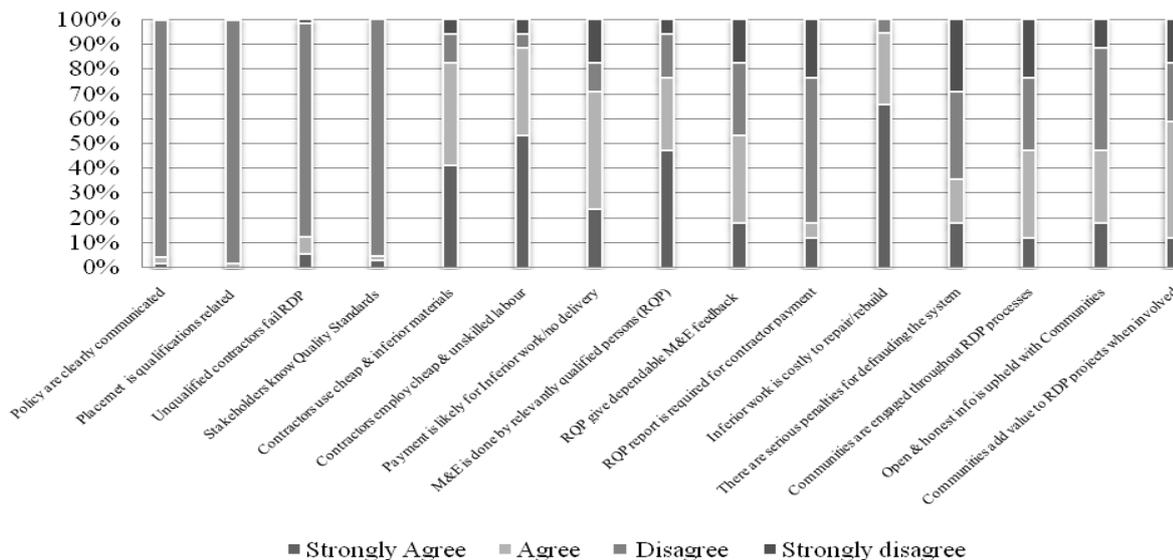


Fig. 3. Management processes responses

Policies must inform performance continuously which will also inform position qualifications needs. Qualification relevance is not given the required emphasis. It is not clear how unqualified contractors, using cheap materials and unskilled workers’ projects can be paid when M&E is in place. With a valued M&E and linking project processes as policy prescribe may enhance

RDP systems and reduce its manipulation and losses incurred.

Conclusion

This paper examined the value placed in Monitoring and Evaluation (M&E) to RDP housing together with relevant stakeholders’ involvement in ensuring

project success. The paper sets to emphasize endorsement of relevantly qualified project inspectors to confirm prescribed quality standard compliance, also guided by HCPMC 95 of 1998. The endorsement must be relied upon that the project is risk free, as well as serve as a prerequisite that enforces developer's timeous payment. Properly instituted (M&E) would constitute proactive management that bound endorsers to defect risks in order to eliminate wasteful expenditures of redoing projects after paying for the initial work. Alternatively unintended consequences will continue to force the department to an expensive reactive management in pursuit of unscrupulous inspectors, engineers, developers and public servants who compromise the noble ideals by taking advantage of the systems loopholes, enabling substandard uninhabitable houses to be paid for (Bahre, 2005; Housing probe, 2009).

The key elements of monitoring are to clarify objective and linking them to performance, enabling identification of problems as the project progresses. Evaluation on the other hand focuses on activities, driven by end results and resolving those unintended as they occur for an improved product (Ref. 29672). Employing these processes would constitute proactive management that assists RDP management systems to be watertight, thus reducing the possibility of manipulation and fraudulent activities. Neglecting such processes opens the system up for fraudulent activities demanding costly reactive processes attempting to find perpetrators once the crime has been committed. The latter strain relations as well as resources meant for the betterment of people's lives rather than reacting to corrupt people who can afford to cover their trails with the aid of forceful legal teams to prove otherwise.

Complexities in RDP deliveries such as severe shortage of inspectorate capacity in South Africa in addition to widespread greed, negligence and quality compromise of the few professionals who were expected to make a difference but are costing tax payers millions of rands in waste, are not underestimated. It was reported that attorneys, developers, inspectors, engineers and government officials have been charged with several counts of fraud and theft amounting to millions of rands and cases been registered with SAPS for defrauding the department of more than R10 million (CIDB, 2011; Housing Probe, 2009). Some monies may have been recovered through investigation committee; but at what cost? These services do not come cheap. Literature also presents a disturbing picture of wastefulness that goes unpunished in the country (Chaskalson, 2005; van Vuuren, 2005, p. 43; Cuthbertson, 2008).

Although research was done on a small scale, the results confirm some loopholes in the current system and that it is taken advantage of by people who get paid to

do otherwise. The M&E is one of the prescripts in the country's housing policies with clearly defined processes including involvement of all stakeholders for values adding to the housing provision.

Results show some level of compliance to policy prescripts; however its worth or effectiveness is questionable if to-date projects continue to be paid when they hardly exist or are in conditions not suitable for human habitation. Disregard of the value adding of communities and potential beneficiaries may have contributed to these wastes. The houses end up being abandoned, repaired or demolished and rebuilt at additional costs with little recoupsments from perpetrators who caused such waste. The major systems gap is real M&E that demand consequential accountability with financial losses risks intertwined into the system to inhibit fraud from happening.

The debate about where M&E should be located is immaterial to this paper, as long as prescripts are utilized to add valued to processes and are followed to the core. It can be in the Presidency Office as the Zuma administration requires, or as the critics require it to be located in the premier and the mayor's office (Kanyane, 2010). What is critical is that the prescripts are enforced and accountability attached to specific persons (naming endorser and signature) together with consequences for non-compliance or omissions to be applied indiscriminately.

Recommendation

The study proposes proactive management system that is uncompromising on including relevant stakeholders and actual monitoring and evaluation by relevantly qualified personnel to mitigate deficiencies in policy implementation while demanding enumerate budget spent exclusively on projects building. The inbuilt strategies would inhibit systems manipulation as it require clear definition and assignment responsibilities, reconciling conflict of interest by attaching economic risks and rewards to individual stakeholders prohibiting anomalies before they happen. Rather pay for expertise and endorsement of a relevantly qualified independent assessor whose endorsement must be a prerequisite for project payment. The assessor's endorsement must mean quality confirmation and taking personal responsibility for risks and rewards, to be applied indiscriminately.

Doing things *with* beneficiaries supersedes giving unvalued freebees. Houses must be delivered to households collectively and not to individuals to eliminate the chances households' members reappear into the RDP waiting list. RDP beneficiaries together with community leaders must be given a significant role to play in the process towards their housing. They may not bring the economic means to grow projects volumes, but their engagement could mean striking a needed balance between their demand and resources

availability. Their engagements could enhance collective ownership of decisions that induce a sense of pride to value and upkeep their free assets as well as its surroundings. The renting out and sale of RDP housing must be prohibited.

As there is no system that is a panacea to all problems, for any shortfall in diagnosing omissions and irregularities, those in authority must take *personal responsibility and be* accountable. Success is dependent on indiscriminately holding those who are in charge to the risks and rewards personally with

attached economic penalties and losses of fortunes.

Asset Forfeiture Unit (AFU) established in 1999, Chapters 5 and 6 of the Prevention of Organised Crime Act, 1998 (Act No. 121 of 1998, POCA) was created to “take profit out of crime”. Through the powers it bestows to those in authority to seize assets of people involved in crime and corruption, the act can be used to its maximum to recoup the department’s losses resulting from irregularities and deceit (AFU, 1999) with less dependence on costly investigation committees.

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*Abbreviations:

- KPMG: Klynveld, Peat, Marwick and Goerdeler.
NHACF: National Housing Anti-Corruption Forum.
SITT: Special Investigative Task Team.
SIU: Special Investigations Unit.
DHS: Department of Human Settlement.