



MEDIA UPDATE ON HERBERT CHITEPO HOUSING COOPERATIVE

Press Release: 08 December 2011

Kuwadzana- Lawyers representing six members of Herbert Chitepo Housing Cooperative and the HRT Membership Officer Simbarashe Majamanda on Monday 5 December 2011 successfully resisted attempts by the police at Kuwadzana Police Station to charge them with criminal defamation charges arising from articles published in the media claiming that the cooperative management was abusing funds.

Lawyer Kennedy Masiye of the Zimbabwe Lawyers for Human Rights (ZLHR) said charging the seven would compromise investigations into corruption allegations raised against the cooperative management. He argued that the seven could not be charged before a full investigation into the serious allegations of abuse of funds and misuse of resources were completed.

The police had summoned six members of the Herbert Chitepo Housing Cooperative namely Tonderai Kandawasvika (41), Polite Manenji (31), Shamiso Maingehama (34), Dorothy Kasamba (58), Tapiwa Zinyuku (38) and Hama Tinarwo (31), and Majamanda in order to charge them with criminal defamation charges.

This followed a report made to the HRT by the cooperative members, alleging rampant corruption and mismanagement of the cooperative by the executive management led by David Paradzayi Chinyanga. This report was subsequently published in various newspapers.

Cooperative members accused the Chinyanga executive of abusing cooperative funds, turning the cooperative into a commercial entity without their consent and blocking the development of the cooperative.

Masiye told the police that “the seven can only be charged after Chinyanga and his executive have been cleared of any wrongdoing.” The seven were released without being charged.

On Tuesday 6 December 2011, 10 members of the Herbert Chitepo Housing Cooperative visited the HRT offices and demanded that the issue be further investigated and urged the police and other authorities empowered to deal with corruption to prosecute the whole cooperative executive. Key issues raised are indicated below;

1. **Commercialising the Cooperative without Members’ Consent:**

- The Management and Executive Committee allegedly announced at a General Meeting of the Cooperative in May 2011 that they had opened some retail outlets and butcheries. But members questioned this demanding to know how these retail outlets and butcheries were owned and administered. There were also questions around use of generated revenue from these business ventures. Chinyanga is said to have threatened all those who raised concerns with death and

that he would shoot anyone who challenged his position, claiming he had the support of some local government officials.

2. Subscription Payments:

- Members have stopped paying subscriptions owing to the fact that upon formation in 2004 , the Cooperative set a \$65.00 subcription amount which was revised to \$30.00 in December 2009. From thereon Management and Executive Committee started changing subscriptions and charging interest on late payments without consulting members. The subscriptions were changed from \$30.00 to \$45.00. This saw some members paying as much as US\$73 in monthly subscriptions including interests.
- The subscriptions were meant to cover water bills. However, members claimed they started receiving bills of up to US\$400 from the City of Harare.
- Given these anomalies the majority of members stopped paying their monthly subscriptions to the management resulting in a standoff.
- In 2009, members were asked to pay \$95.00 each towards purchase of electricity poles and to their astonishment only about 50 poles were bought. Of the 50 poles, two households share a pole and in the case of some houses that are close to each other, four households share one pole. It is important to note that only 50 poles were bought after each member contributed \$95.00 and a total of 464 members paid. Also of great concern is that all three members of the Supervisory Committee are unemployed but have managed to purchase vehicles each, at the time when members were appealing for an explanation for the electricity poles expenditure.
- The cooperative initially charged US\$50 for the nominee form but now it is available for free, raising serious questions from those that bought the forms, feeling they were victims of fraud by the management.

3. Members' Rights:

- Members feel that their rights are not being honored. They cannot freely express themselves without fear of victimization. One member alleges that when asked what development is being realized at the Cooperative, the Chairperson unzipped his pants and asked if the progress members wanted to see was in his underwear and if that was the case then they should feel free to look, or if they so wished they could go look in his wife's underwear.
- Some members have been beaten up for bringing to the attention of the Management a letter that had been written by lawyers in an effort to get Management to address the grievances of the members. Case references are available with our lawyers.
- Members claim they have been picked up by the police, apparently acting on the instructions of Chinyanga for alleged defamation of character. The members have been barred by Chinyanga's executive from going anywhere near the houses of the Management but there is no such order to validate this situation.
- Security guards and general help that had initially been hired to serve the interests of the Cooperative and its members are allegedly being used as militia to protect the Management and beating up builders as well as harass members in their homes.
- Most members have been served with warning letters of eviction since they have not been paying subscriptions. What is stressing most members is that the cooperative agreed that members would stop paying monthly subscriptions once they built their houses to roof level. The notices are being selectively sent out, mostly to those who are at the forefront of

demanding transparency and accountability in the management of the cooperative.

- In 2008 Management announced that there was a donor who was willing to assist members and the only help that came was in 2009 in the form of trees which members were given to plant in the cooperative premises.
- Following probes into the financial situation of the cooperative and pressure from members, Management appointed an auditor whom they claimed had come from the Ministry of Small and Medium Enterprises. But through the investigations of the Anti Corruption Commission, it was discovered that this was false and Management has been holding on to financial records and flatly refusing to release them to anyone. They have even ignored summons from the Ministry of SMEs to meet and discuss grievances of their members. This is a cause of concern as members are now questioning the Ministry's ability to resolve disputes in cooperatives.

4. Corruption:

- Members stated that the cooperative had agreed that the first 20 houses built on subscription funds would be rented out in order to maintain a cash inflow for the activities of the Cooperative. These houses have however been allocated to some police and army personnel some of whom are alleged to have been involved in assisting in covering up for Chinyanga in a case that he had been arrested for. Named officers are one Mashuro (Mbare Police Station) and a certain Masango (whose service status is still unclear).
- Of late if a member puts up a foundation for their house and goes away to look for money to further develop their house, they usually find that their stand has been sold off to someone else and if there is another stand with a member that would have been away for longer than two months they are allocated that stand. If none is available they are put back on the cooperative waiting list.

5. Plans:

- Each member in 2009 was asked to pay between \$250 and \$300 towards a plan for their house. To date none of the members have plans to their structures.

6. Bulk Water Meter:

- The cooperative is still using a bulk meter despite members' request for domestic meters. Members claim that the Management is stalling this change because they are benefitting from the bulk meter as they get to mould bricks on the cooperative account. Members also did not understand being asked to pay a \$135.00 connection fee especially considering they are using a bulk meter and had done their own plumbing.

HRT Recommendations:

- It is critical that the following action points be implemented for the successful running of the Hebert Chitepo Housing Cooperative and expose the ill treatment and victimization of members at the Cooperative;
- External auditors go through Cooperative books of accounts and all financial records. Proper systems of accounts and management should be put in place without undue delays.
- Honour the members' petition for the removal of the entire Management Committee led by Chinyanga.
- Police Fraud Squad also look into the fraud charges being brought up against the Management

Committee

- Ministry of SMEs should take appropriate measures against the cooperative management.
- A General meeting of all members should be held as a matter of priority to rid the cooperative of corrupt leadership.

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