

FAST TRACKING A HOUSING SOLUTION

Item A-HD (25-2005)
CM 26/01/2006

HOUSING POLICY DEVELOPMENT: FAST TRACKING A HOUSING SOLUTION FOR PEOPLE LIVING IN AREAS OF STRESS BY USING THE EMERGENCY HOUSING CIRCUMSTANCES PROGRAMME

RESOLVED:

1. **That** the contents of the Policy Framework for Fast Tracking a Housing Solution for People Living in Areas of Stress by Using the Emergency Housing Circumstances Programme as attached to the report **BE NOTED**.
2. **That** the Policy Framework attached as **Annexure "A"** to the report for Fast Tracking Housing Solution for People Living in Areas of Stress by using the Emergency Housing Circumstances Programme as approved by Minmec on 26 September 2005 **BE APPROVED** for implementation within Ekurhuleni Metropolitan Municipality's area of jurisdiction.
3. **That** a further report on programme implementation guidelines and projects **BE SUBMITTED** by the Executive Director: Housing by March 2006.
4. **That** the programme **BE INCORPORATED** into the Integrated Development Plan (IDP).
5. **That** the Executive Director: Housing **SUBMIT** a further report regarding the management of implementation of relocated families in terms of the policy.

DEPARTMENT OF HOUSING

POLICY FRAMEWORK AND IMPLEMENTATION GUIDELINES

FOR

**FAST TRACKING A HOUSING SOLUTION FOR PEOPLE LIVING IN
AREAS OF STRESS BY USING THE EMERGENCY HOUSING
CIRCUMSTANCES PROGRAMME**

Including Thubelisha's comments — 6 October 2005

OCTOBER 2005

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1. Policy Framework

1.1 Policy Intent

The main objective of the Fast Tracking Programme is the expeditious relocation of people, who live in stressful circumstances, to temporary accommodation in Transit Areas that have been established on well located land, while they await their formal permanent housing units.

1.2 Time Frame and Target

The Programme will be implemented over a period of two (2) financial years and will be reviewed every six (6) months. It is envisaged that, during this period, the Programme will result in the construction of 200 000 housing units in Transit Areas, countrywide.

1.3 Fast Tracking

Fast Tracking means the targeted, hands-on, up scaling of the existing Emergency Housing Circumstances Programme, in order to expeditiously alleviate the conditions of people living in stressful conditions by relocating them into safe, robust and easily constructed accommodation, through the cooperative interaction of the different spheres of Government, Housing Institutions, CBOs and the Private Sector through consensus on issues such as planning, identification of beneficiaries, suitable land, the provision of services and community interactions.

1.4 Areas of Stress

Areas of Stress (also known as stressful conditions or priority areas) are identified as, *inter alia*:

- i. Overcrowded, unacceptable unhealthy conditions in Informal Settlements;
- ii. Congested backyard accommodation;
- iii. Condemned inner city buildings;

- iv. Settlements housing evicted farm-workers;
- v. Court orders against Government to provide adequate housing units; and
- vi. Land that is often unsafe for habitation, eg, along river courses, on unsafe dolomitic or shale soil, along suburban railway lines, on servitudes and under electricity pylons.

1.5 Principles of the Programme

The following principles are applicable to the Programme:

- i. The Programme will run concurrently with existing housing delivery programmes which are managed and implemented by the PHDs and Municipalities;
- ii. The Programme will be closely aligned to the PHD's Housing Development Plans, Municipal IDPs, Project Consolidate and the Department of Land Affairs's Rapid Land Release Programme and must be undertaken within the ambit and scope of the New Comprehensive Plan;
- iii. It is intended that people living in these Transit Areas will later move to their own permanent subsidized housing units, as they are supplied by the developers and, make way for the next set of occupants, who will in turn await their permanent housing units;
- iv. Offer an excellent opportunity to encourage the large construction firms to return to the low cost housing market, and reintroduce the public-private co-operation in this sector; and
- v. On completion of this Programme, the temporary houses will ultimately become rental stock for the municipalities

1.6 Application of the Programme

1.6.1 Eligibility

- i. The Programme will benefit all affected persons, who find themselves, living in areas of stress, and who are not in a position to remedy their condition from their own resources; and
- ii. Foreign nationals or non-lawful residents, who find themselves in similar conditions, may also qualify for assistance under this Programme, subject to consultation with the Department of Home Affairs and compliance with its requirements regarding continued occupancy.

1.6.2 Norms and Standards applicable to the Programme

- i. Levels of Services, Infrastructure and Specification.

The following minimum levels of Infrastructure will apply:

- Water

The provision of access to a water point or tap for every 25 families must be provided. The waterlines must be usable in a permanent configuration or layout.

- Sewer

Temporary sanitary facilities must be provided. Due to varying geographical and similar conditions, facilities to be provided may vary from area to area. Where conditions permit the use of Ventilated Improved Pit Latrines (VIP toilets) must be provided as a first option. The Municipality must therefore ensure that the system employed is suitable for the particular conditions.

The standard will be one VIP toilet per five families. Cost should be estimated per family on a shared basis in the suggested dense settlement pattern. In circumstances where soil and other site conditions do not allow for the use of VIP toilets, alternative systems must be investigated. A small bore sewerage or other appropriate system (to be used on a shared basis with one toilet per five families within the suggested settlement pattern) could be provided. The sewerage system must be usable in a permanent configuration or layout.

- Road works

A main access road must be provided. Internal roads must be formed through the removal of obstructions such as vegetation and by use of vehicles only, except in the case of extraordinary circumstances. All shelters need not necessarily have vehicle access. Settlement layouts must provide for access of utility vehicles such as ambulance and fire services.

- Storm water Drainage

An open lined storm water management system must be provided.

- Electricity and Lighting

The programme will only fund the provision of high-mast lighting.

iii. Top Structure Construction and Technologies

The transitional housing units should be basic, simple in form and easy to construct. The structural design should provide the strength, stability, and durability for the anticipated life-span of the shelter, providing basic shelter against the elements. The floor area of a shelter for a couple or a family should be at least 24m² and may vary up to 30m² depending on the need and possibilities within the funding limits. However, units of 12m² will be provided for single occupants.

- The housing units must be consistent with the National Norms and Standards in respect of permanent residential structures, applicable to the Housing Subsidy Scheme, be appropriate for the specific environment and as far as possible be acceptable to beneficiaries.
- The minimum technical specification for the provision of shelters is outlined in the Table below and serve as a guideline and Municipalities and PHDs will be allowed discretion regarding the size, materials and design of shelters on condition that minimum technical specifications are adhered to.

Guidelines on minimum product performance requirements and specifications on shelter to be provided

GENERAL PRODUCT PERFORMANCE REQUIREMENTS	
(i) Design to meet SABS 0160 (loading) and SABS 0162 (for steel work) if applicable. (ii) Adaptable to local conditions. (iii) 24m ² floor area in extent (may vary up to 30m ² depending on the need and possibilities within funding limits).	
BASIC PRODUCT PERFORMANCE REQUIREMENT	GUIDELINE SPECIFICATION
Roof covering: Trafficable, waterproof, to suit purlin spacing.	0.6 mm thick galvanised mild steel or 0.5 mm thick galvanised full hard or similar approved profile.
Side cladding: Meet OHS Act requirements. Safe, sustaining of normal weather conditions, adequate resistance to water penetration. Minimum height 2.2m	0.6 mm thick galvanised mild steel or 0.5 mm full hard galvanised Nu-RIB or similar approved profile cladding.
Columns and anchor bolts: Framed structure. Strength for stable, durable structure.	76 mm x 76 mm x 3 mm square hollow section plus 2 - 30 x 30 x 3 angles welded to column x 2200 mm long with column welded to 200 x 100 x 10 mm plate at the top and a 200 x 200 x 10 mm base plate welded to bottom end. Base plates fixed to the concrete footing with 4-M12 expansion bolts.
Column footings: Concrete	600 x 600 x 300 mm thick concrete (20 Mpa) in suitable foundation material.
Rafters: Strength for stable, durable structure.	Cold rolled 125 x 50 x 20 x 2.5 mm lipped channels, with strengthening at eaves connection and manufactured as indicated on plan with 5 degree pitch.
Purlins: Strength for stable durable structure.	Cold rolled 125 x 50 x 20 x 2.5 mm lipped channels x 3976 mm long bolted to rafters as indicated on plan with 90 x 125 x 5 mm plates and 2 x M12 bolts.
Door and window posts and frames: Strength for stable, durable structure.	Cold rolled 75 x 50 x 20 x 2.5 mm upper channel posts with 6 mm thick end plates bolted to rafter and floor as shown on drawing.
Side rails to support side cladding: Strength for stable, durable structure.	Cold rolled 75 x 50 x 20 x 2.5 mm sections with 6 mm end plates bolted to posts and columns - see drawing.
Flashings: Meet OHS Act. Safe, sustaining of normal weather conditions, adequate resistance to water penetration.	Roof ridge flashings 0.8 mm thick galvanised mild steel bent as shown on drawing.
Door: Framed, lockable and hinged.	Purpose made framed single panel steel door with sheeting, hinged one side with barrel bolt to inside and hasp and staple on outside.
Windows: Minimum 5% of floor area framed and glazed.	Standard type D7 with glazing.
Flooring: Level, solid on compacted fill, 150 mm above ground.	Concrete floor 75 mm (20 Mpa concrete) on compacted soil to 93% MOD AASHTO density.
Thermal Efficiency: To suit roofing material and local conditions.	Bubble foil with straining wires below roof sheeting.

The programme will also enable specialist-building systems using alternative technologies and materials to compete with conventional building methods as a means of accelerating delivery. All systems must carry the appropriate certification e.g. Agrement or Mantag to be considered for the programme.

1.6.3 Land Acquisition

- i. Alignment and cooperation between the DLA and the NDoH will be sought, to ensure that land is made available as a means of accelerating delivery. Also, the sites that were developed in terms of the Rapid Land Release Programmes, e.g. Mayibuye, have also been identified to provide sites for fast tracking top structure development since the lengthy preplanning phases would now have been finalized.
- ii. In addition, the NDoH has made the following provision for the acquisition of land for low-income housing in a Programme which seeks to provide Provincial Governments and Municipalities with a Policy Framework and Implementation Systems for expedient release of land for low-income housing.

Insofar as private land is concerned:

- Housing land will be identified within a Municipal IDP;
- The land must contribute to development of integrated and sustainable human settlements;
- Funding will be made available from Department of Land Affairs Redistribution Programme; and
- The purchase price of the land is to be based on just and equitable compensation.

In dealing with suitable public land for housing purposes, PHDs and Municipalities will have the first right of refusal to all State Land that is to be disposed of. A forum will be established to co-ordinate actions to secure public land for housing under the auspices of the DLA and the NDoH, taking

into consideration existing Provincial State Land Disposal Committees and other forums established by DLA.

1.6.4 Planning and Township Establishment

i. Ideally, the Programme should make use of existing stands wherever possible. However, since much of the delivery will be on newly created stands, the following latitude in terms of normal Township Establishment procedures will be required:

- Environmental Impact Assessment (EIA)

All townships established under the Programme will comply with the requirements of the EIA. However, planning and construction activities will be undertaken simultaneously with the EIA process instead of awaiting the outcome. A positive initial assessment from an appropriately qualified Environmentalist will be the only prerequisite before proceeding with construction.

- Township Layouts

Formal layouts will be produced for each township, after consultation with relevant stakeholders. They will comply with Provincial and/or Municipal Norms and will follow the established approval processes. Construction activities will be undertaken as soon as the layouts are available, which will be well ahead of the completion of these processes.

- General Plans

General Plans will be registered with the Surveyor General, but probably only after much of the construction has been undertaken.

- Township Registers

Township Registers will be opened as soon as is practically possible, but often only after occupation of the houses.

ii. These measures are necessary to accelerate delivery, but will require flexibility on the part of the relevant authorities.

1.6.5 Procurement of Housing Goods and Services

- i. In all instances the prescripts of the Preferential Procurement Policy Act, 2000 (Act No. 5 of 2000) must be complied with.
- ii. Contract strategies that could be considered include:
 - A Turnkey Contract or Contracts for the Supply, Delivery and Installation of Housing Goods and Services;
 - A Contract for the Supply and Delivery of Materials; and
 - A Construction Contract, which may be by the normal competitive process or by the use of local Small and Medium Size Enterprises, or by Municipal Construction Teams.

1.6.6 Application of the Expanded Public Works Programme (EPWP)

- i. Opportunities for implementing the Expanded Public Works Programme (EPWP) will feature very strongly in the roll out of this Programme and will further Government's intent to reduce poverty through the reduction of unemployment. The EPWP, as a short-to-medium term Programme, will provide work opportunities, coupled with training, through the introduction of labour-intensive construction methods for clearing areas for pathways, infrastructure involving low-volume roads and sidewalks, stormwater drains, trenches and manufacturing of certain building materials on site.
- ii. The target is to provide, at a minimum, 448 labour-intensive work opportunities for every 500 units constructed, for the unemployed and unskilled people who live in the stressful conditions and the surrounding areas.

1.6.7 Capacity Building

- i. The medium term objective is to increase capacity of affected Municipalities to ensure that they achieve their developmental goals.
- ii. The Department has finalized the Framework and Implementation Guidelines for the Accreditation of Municipalities which makes provision for sufficiently capacitated Municipalities to administer National Housing Programmes. Given the fact that the capacity of

Municipalities is not uniform, three (3) levels of Accreditation have been created and Municipalities will be entitled to determine which level of Accreditation they wish to achieve and the pace at which the process will occur. Their intentions will be supported by the NDoH as well as the PHDs, as part of a focused Capacity Building programme. It is expected that this process will lead to the enhanced capacity development and institutional capabilities of Provinces and Municipalities over the same period.

1.7 Roles and Responsibilities of the various Stakeholders

1.7.1 National Department of Housing (NDoH)

The NDoH will be responsible for the:

- i. Overall management of the Programme;
- ii. Liaison with relevant Government Departments to obtain special dispensation to fast-track Land Use and Township Establishment processes; and
- iii. Interventions to remove 'high level' blockages.

1.7.2 Provincial Housing Departments (PHDs)

- I Approval of project applications
- ii. Enter into agreements with Thubelisha
- iii. Transfer funds to Thubelisha
- iv. Retain ownership of transitional housing stock (transfer to municipalities may be negotiated)

1.7.3 Municipalities

Municipalities will be responsible for:

- i. Considering whether a matter merits the submission of an Application for assistance under this Programme;
- ii. Requesting assistance from the PHD on any of the matters concerned if the municipality lacks the capacity, resources or expertise to address the situation;
- iii. Assuming ownership of the engineering services installed;

- iv. Managing, operating and maintaining the transitional settlement after its development under this Programme;
- v. Ensuring as far as possible, the availability of bulk and connector engineering services;
- vi. Providing basic municipal engineering services such as water, sanitation, refuse removal services and other municipal services;
- vii. Ensuring that situations which may qualify for consideration under this Programme are given expeditious treatment;
- viii. Identification of beneficiaries;
- ix. Ensuring old 'shacks' are cleared once relocations have been effected; and
- x. Management of the relocations to the new transitional housing units.

1.7.4 Thubelisha Homes

Thubelisha Homes will be responsible for the:

- i. Day-to-day implementation and co-ordination of the Programme;
- ii. Identifying and securing appropriate land;
- ii. Appointment and management of the professional team, contractors and any other service providers;
- iv. Financial administration;
- v. Liaison with all stakeholders;
- vi. Initiating, planning and formulating applications for projects relating to Fast Tracking situations;
- vii. Submitting the application to the PHD;
- viii. Handover of completed units to the Municipality; and
- ix. Client database management.

1.7.5 National Homebuilders' Registration Council (NHBRC)

The NHBRC will be responsible for:

- i. Identifying alternative Housing Systems that meet the necessary requirements, and advise Thubelisha Homes accordingly;
- ii. Fast-track the Project and Home Enrolment process;
- iii. Provide quality inspection services; and
- iv. Training of unemployed and unskilled labourers

1.7.6 Departmental Technical Committee

The Departmental technical Committee will be responsible for:

- i. Monitoring progress at National, Provincial and Municipal level;
- ii. Determining of allocation of funds to PH D's;
- iii. Drafting of appropriate reports for upward submission; and
- iv. Identification of problem areas

1.7.7 The National Housing Delivery Facilitation Team

The National Housing Delivery Facilitation Team will be responsible for:

- i. Identification of actual constraints; and
- ii. Determining actual solutions to those constraints.

2. Funding for the Programme

Projects under this Programme will be funded through funds made available by the PHDs that have been reserved or reprioritised for projects approved under this Programme.

2.1 Grants

2.1.1 Approved funds for projects, in the form of Grants, will be transferred by the PHDs to Thubelisha Homes in a manner and subject to such terms, conditions, and controls relating to the handling of finances as may be agreed. *Thubelisha must not have to 'negotiate' with every province, but rather have one generic agreement in place that is acceptable to all provinces.*

2.1.2 Progress payments shall be made, against proof of the provision of value for money by achievement of agreed milestones provided that advance payments can be made.

2.1.3 The Amount of the Grant

A total amount of up to R **27 310,00** including VAT may be available per Grant, as the aggregate sum available for all purposes in respect of Fast Tracking

Assistance where all basic Engineering Services, a Shelter, Professional and other services may be required. A typical cost breakdown is attached as Annexure.

i. Land Cost

- The Grant will not fund the acquisition of land.

ii. Indirect cost: Professional Fees

- An amount of up to R **739,00** including VAT is allowed per grant to cover indirect costs in respect of Professional Fees for Project Management and the planning and design of the settlement area, based on a higher than normal dense settlement pattern (five families per ordinary stand of 250m²).

iii. Direct cost: Basic Municipal Engineering Services:

- An amount of up to **R 1 685,00** including VAT is allowed per grant for the provision and installation of all basic municipal engineering services.
- Engineering services costs are based on shared services provision and a higher than normal dense settlement pattern (five families per ordinary stand of 250m²).

iv. Shelter

An amount of up to **R 24 885,00** including VAT will be allowed for the provision of a shelter, with a floor area of 30m², including VAT.

v. Variations

Variations to the amount will include:

- A maximum of 3% for geophysical and other extraordinary conditions such as the project extent and location calculated on the total Grant amount per Grant based on a professional assessment and full motivation;
- An additional amount of up to R4 446,00 (including VAT) per grant in respect of the Southern Cape Coastal Condensation area could be applied for based on a professional designed specification for a specific product;
- Provision of funds to address matters such as the cost of relocation or site rehabilitation, based on professional assessment and full motivation and the provision of high-mast lighting as a last resort, where funds could not be obtained from other sources or government programmes.

3. Guidelines for Implementation of the Programme

3.1 Pre-planning

3.1.1 The Municipality must:

- i. Identify and/or confirm and support the priority area (stressful condition);
- ii. Undertake a comprehensive assessment of the priority area to determine the nature and extent of the stressful condition and the number of shacks and people affected;
- iii. During this assessment process, establish whether the persons are already on an official waiting list for subsidized housing and place those that have not yet made application, on the waiting list; and
- iv. Formally initiate discussions with Thubelisha Homes and the PHD on the identification of alternative land and the availability of funding for relocation of the affected occupants.

3.2 Project Application and Funding

3.2.1 Thubelisha Homes, in consultation with the Municipality, must compile and submit an Application for Fast Tracking Assistance in Exceptional Urgent Housing Situations to the PHD

3.2.2 The Application for Fast Tracking Assistance in Exceptional Urgent Housing Situations will include information regarding the following:

- i. Particulars of the application:
 - A description of the area of stress, indicating its nature, origin and the planned course of action, including the following information;
 - The locality of the priority area including whether it involves an existing formal township or housing situation or an informal situation;
 - A community profile covering the broad demographics and situation of the persons affected, including the situation with regard to the presence of illegal immigrants and non subsidy qualifying beneficiaries;
 - Steps taken to date;
 - Details on the new location and the land proposed for relocation;
 - Details on the funding required, including the availability of other options regarding funds and help from other sources;
 - The communication strategy proposed to be employed with regard to the affected persons;

- Linkages with existing and/or other programmes;
- A statement of the special and exceptional situations, which might justify Fast Tracking Assistance in terms of this Programme;
- The proposed Project Business Plan and Financial Flow details;
- The number of transitional housing units to be provided, details of Municipal Engineering Services to be provided;
- The details on land ownership, the Land Acquisition Plan and price of land;
- The Contracting Strategy details;
- A detailed plan for the permanent settlement solution of the affected persons in terms of the agreed priorities and actions to be taken regarding non qualifying housing subsidy beneficiaries;
- Any other or further information, which, in the opinion of the applicant, may assist the MEC to come to a decision in the matter;
- Rental to be charged by the Municipality for the housing unit provided subject to any applicable provisions for assistance to indigent persons; and
- Arrangements to be made in respect of payment of service charges.

3.3 Function of the PHD in Assessing the Applications

Upon receipt of an application from Thubelisha Homes, the PHD must:

- i. Acknowledge receipt thereof within seven days;
- ii. As soon as possible examine the application to ascertain whether it is procedurally correct, comprehensive, and appears to contain an appropriate motivation for consideration as a case of Fast Tracking situation. If this is not the case, the application must be returned promptly with an indication of what is incorrect or incomplete. In such cases, the application may be amended and resubmitted;
- iii. Ensure that each submission is accompanied by a document explaining any strategy proposed for follow through actions after the completion of the project;
- iv. Confirm that funds are available for the project;
- v. Evaluate the application forthwith and forward the documents concerned, together with its own evaluation, comments and recommendations to make a suitable submission to the MEC for consideration;

- vi. The PHD must confirm the decision of the MEC on the application within 21 days after receipt of the complete application;
- vii. The MEC must assess the application in accordance with the criteria set out in Section... below. If the application is approved, the MEC will, subject to the conditions of this Programme, determine specific terms and conditions applicable to the approval; and
- viii. When the project is approved, PHD will register that approval and inform the Municipality and Thubelisha accordingly.

3.4 How the MEC assesses the Project Applications

- i. All projects should conform to the policy intent of the Programme and meet the requirements of the definition of Fast Tracking situations.
- ii. In making its decision the MEC shall, where appropriate, give due consideration to the following criteria:
 - The cause, nature and extent of the stressful condition;
 - Actions already taken to address the immediate situation;
 - Potential for further aggravation if emergency action is not taken;
 - The availability of funds in relation to the need to provide for other demands which might be made on the fund;
 - Prevailing environmental conditions;
 - Community involvement;
 - Capacity of the Municipality and/or the PHD to assist or to address the situation;
 - The evaluation of the PHD of the situation and its recommendations thereon;
 - Potential to implement EPWP;
 - Technical feasibility of the proposed course of action;
 - Innovation, replicability, and Cost efficiency;
 - Accountability and the gearing of other possible State or other resources;
 - Availability of suitable land, Social and Municipal Services;
 - The cost structure of the application in terms of the funding and technical requirements and guidelines;
 - The land ownership details, land acquisition plan, land price, and
 - The planning regarding the permanent housing solution for the affected persons.

- The MEC, in approving an application and in addition to any other conditions, may stipulate the nature and scope of any other agreement(s) it deems necessary for the successful completion of the project.

3.5 After Approval of the Fast Tracking Situation Project Application

3.5.1 Administration of Approved Funding

- i. The PHD must immediately notify Thubelisha Homes whether an application has been approved, approved with conditions, partially approved or declined. Funds in respect of approved projects will be managed by Thubelisha Homes based on the approved application and conditions imposed by the MEC which constitute the approved business plan for the project.

3.5.2 The Agreement between the PHD and Thubelisha Homes

- i. Once a project has been approved and funds have been allocated by the PHD, they shall within thirty days enter into a written Agreement with Thubelisha Homes.

- ii The Agreement between the PHD and Thubelisha Homes must incorporate the approved Business Plan as an Annexure and must include the details set out below, and must be signed on behalf of the PHD by the Head of the Department and the CEO of Thubelisha Homes:

- Conditions imposed by the MEC when approving the project;
- Requirements of the Procurement Regime applicable;
- The total number of persons/households to be relocated under the project;
- Detailed description of the land for the relocation;
- The envisaged planning of the area and the type of assistance that will be provided
- A detailed itemised breakdown of all amounts of the Grant and the total Grant amount;
- A detailed Project Implementation Plan, also indicating the Cash Flow, agreed Project Milestones and Progress Payments;
- The agreed Professional Services to be procured, detail on the work to be done, and fees to be paid;

- Detail on any other agreed Housing Goods and Services to be provided and or procured; and
- Any other matters deemed reasonable and necessary to ensure meeting project objectives.

3.6 Progress Payments

- On approval of a project, the approved project budget will be managed by Thubelisha Homes.
- Expenditure of funds must be for the purposes approved and subject to the conditions imposed by the MEC.
- The circumstances and nature of the project as described in the application and Agreement with the PHD will determine and identify the cash flow requirements of the specific project.
- Advance payments to a maximum of 30% at a time, of the total available amount for each of the Projects' Phases in terms of the Table below, shall be made to Thubelisha Homes to implement the project. Payment of subsequent claims for actual work done will be subject to the receipt and approval of proof for work done.
- The Table below is a guide on the Project Phases and Payment milestones.

PHASE I : LAND ACQUISITIONING, PLANNING AND ENGINEERING SERVICES DESIGN				
Milestones		Description of Milestone Activities	Nature of Payment	Actual amount per grant (incl. VAT)
1.1	Land	<ul style="list-style-type: none"> • Land acquisitioning agreement. • The lodgement of the transfer documents for registration in Deeds Office, • Opening of township register if applicable 	Full purchase price of land and fees payable to conveyancer on lodgement and completion as applicable.	R 0
1.2	Planning and Land Surveying	<ul style="list-style-type: none"> • Finalisation of Base Plan, site investigations (EIA, geotechnical), layout planning, township establishment and approval, • On submission of General plan for approval, • On approval of general plan, pegging of stands and opening of township register as applicable. 	% of fees for: Town planning, land surveying, geotechnical and EIA services as interim payment. Final payments on completion.	Up to R 426,90
1.3	Engineering Services design	<ul style="list-style-type: none"> • On submission and municipal approval of final engineering services design, specification and 	% of fees for engineering services design as interim	Up to R 65,46

		procurement documentation.	payment. Final payment on completion.	
1.4	Mediation and Conflict resolution	<ul style="list-style-type: none"> Conduct mediation and resolve conflict, 	% of fees as interim payment based on value for money. Final payment on final outcome.	Up to R 22,77
1.5	Social Surveys & Beneficiary registration	<ul style="list-style-type: none"> Compiling beneficiary list & gathering of textual data. Site allocation and compilation of property register. Signing of lease / rental agreements. 	% of fees as interim payment based on value for money. Final payment on completion.	Up to R 181,31
1.6	Project Management	<ul style="list-style-type: none"> Approved project implementation plan. Project management in accordance with approved project plan. 	% of fees as Interim payment based on value for money. Final payment on project completion.	Up to R 42,69
TOTAL: PHASE I				Up to R 739,13

PHASE 2: PROVISION OF MUNICIPAL ENGINEERING SERVICES AND SUPERVISION			
Milestones	Description of Milestone Activities	Nature of Payment	Actual amount per grant (incl. VAT)
2.1	Installation and Construction of Engineering Services	<ul style="list-style-type: none"> Procurement. Municipal engineering services installation approved by municipality including: construction of sanitation; roads and storm water and water supply. Site supervision, Handover of services to municipality and final municipal completion certificates. 	Interim payments on the cost of construction of services based on proof of value for money. Final payment on completion.
TOTAL: PHASE 2			Up to R 1 685,10

PHASE 3: PROVISION OF TRANSITIONAL HOUSING UNIT AND SUPERVISION			
Milestones	Description of Milestone Activities	Nature of Payment	Actual amount per grant (incl. VAT)
3.1	Shelter Provision	<ul style="list-style-type: none"> Procurement Construction of shelter as per agreed specification Supervision Handover certificates 	Interim payments on the cost for construction including labour and materials based on proof of value, for money. Final payment on completion of shelter
TOTAL: PHASE 3			Up to R24 885,77

GRAND TOTAL PER GRANT

**Up to
R27 310,00**

- vi. The envisaged expenditure and payment against milestones must be indicated in detail in the Application and subsequent Agreements. As and when payment conditions as detailed in the previous table are reached or completed, claims must be submitted to the PHD together with the necessary proof that the condition/milestone has been reached.
- vii .The PHD must satisfy itself that all requirements have been met and must effect payment within 30 days from receipt thereof.
- viii. Payments made for a specific milestone must not exceed the amount indicated in the project budget for such specific milestone and or product, work or service provided.
- ix. At the conclusion of the emergency housing project, Thubelisha must report to the PHD, the details of the procurement strategy followed, including the quotations/bids received in respect of each purchase or service procured and the reasons for quotation selected.
- x. The documents as indicated in the Table below are required for proof of Progress Payment.

Documentary proof for payment

Progress Payment	Document required as proof for payment
Land	<ul style="list-style-type: none"> • Land Purchase: <ul style="list-style-type: none"> ○ Signed Acquisition Agreement. ○ Proof of Lodgement of Registration. ○ Proof of Final Registration.
Land Surveying	<ul style="list-style-type: none"> • Copy of Contour Plan, approved SG Diagram, Municipal approved Draft General Plan, SG approved General Plan and Pegging of Stands as applicable.
Town Planning	<ul style="list-style-type: none"> • Proof of Municipality approved Layout Plan, proof of submission of Land Development Application, proof of Environmental Record of Decision, Letter of Approved Application, Letter of approval of Township Registration, as applicable.
Engineering Services Design	<ul style="list-style-type: none"> • A certified copy of the Approved Engineering Designs and Specifications issued by the Municipality, Contract Documentation.
Legal Services	<ul style="list-style-type: none"> • Monthly report and statements as per agreement, as the case may be.
Mediation and Conflict	<ul style="list-style-type: none"> • Monthly report and statements as per agreement, as the case

Progress Payment	Document required as proof for payment
Resolution	may be.

Progress Payment	Document required as proof for payment
Social Surveys, Beneficiary Registration and Rental Agreements	<ul style="list-style-type: none"> • Municipal approved survey report. • Municipal approved beneficiary registration database, list. • Municipal approved signed rental agreements, as the case may be.
Municipal Engineering Services Installation	A copy of the approved Municipal Handover Certificate in respect of the Municipal Engineering Services. Monthly Site Supervision Reports, Final Municipal Completion and Handover Certificate as applicable and As Build Drawings. In the case of Progress Payments, Engineer's Progress Certificates.
Shelter	A copy of the Engineer's Certificates per shelter in the case where Contractors may be involved.