

The National Housing Code

INCREMENTAL INTERVENTIONS

Consolidation Subsidies

Emergency Housing Programme

Integrated Residential Development Programme

Enhanced People's Housing Process

Upgrading Informal Settlement

Subsidy Quantum - Incremental Interventions



human settlements

Department:
Human Settlements
REPUBLIC OF SOUTH AFRICA

Volume 4

The Housing Code

Subsidy Quantum - Incremental Interventions



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INCREMENTAL INTERVENTIONS

SUBSIDY AMOUNT

The Director-General of the National Department will annually announce the various housing subsidy and Programme grant amounts as well as the amounts that apply to the variation of the project costs to cater for special development requirements.

As a result, this section must please be replaced on an annual basis, as and when the revised cost schedules are received.

The housing subsidy scheme amount

The housing subsidy amount for the financing the construction of at least a 40 sqm house during the financial year (1 April 2009 to 31 March 2010) is set out below.

Housing subsidy quantum amounts for the 2009/2010 financial year

The 2009/2010 housing subsidy guideline amounts			
Income category	Top structure funding	Own contribution	Product price
Integrated Residential Development Programme:			
R0 to R1 500	R55 706,00	None	R55 706,00
R1 501 to R3 500	R53 227,00	R2 479,00	R55 706,00
Indigent: Aged, disabled and health stricken R0 to R3 500	R55 706,00	None	R55 706,00
Consolidation Subsidy Programme			
R0 to R1 500	R54 650,00	None	R54 650,00
R1 501 to R3 500	R52 171,00	R2 479,00	R54 650,00
Indigent: Aged, disabled and health stricken R0 to R3 500	R54 650,00	None	R54 650,00

The 2009/2010 housing subsidy guideline amounts			
Income category	Top structure funding	Own contribution	Product price
Enhanced People's Housing Programme:			
R0 to R3 500	R55 706,00	None	R55 706,00
Emergency Housing Assistance:			
	Municipal Engineering Services	Construction of temporary shelter	
Temporary Assistance	R4 230.00	R47 659.00	
	Repair of existing services	Reconstruction of existing houses	
Repair	R22 416.98	Up to an amount equal to the prevailing Individual subsidy quantum.	
Informal Settlement Upgrading:			
See table reflecting detailed cost breakdown			

**Detailed breakdown of the subsidy amounts for the 2009/2010 financial year:
Integrated Residential Development Programme**

INTEGRATED RESIDENTIAL DEVELOPMENT PROGRAMME: The 2009/2010 housing subsidy guideline amounts		
	ITEM DESCRIPTION	AMOUNT
Construction Cost of Housing a 40 sqm house	Earthworks (provisional)	790.07
	Concrete, Formwork and Reinforcement	4,291.13
	Brickwork	14,236.75
	Roof structure	3,736.14
	Windows	1,388.94
	Doors and Frames	1,657.35
	Finishing and Paintwork	2,212.40
	Electrical	1,100.45
	Plumbing and Toilet	6,607.10
	Material	36,020.34
	Labour	9,732.37
	Sub Total	45,752.71
	P & G	4,968.14
	Overheads	2,095.32
	Transfer costs	800.00
	Beneficiary Administration	255.95
	Profit	1,833.40
	Total	55,705.52
	Total Const. Cost (Rounded Off)	55,706.00

The funding for the provision of municipal engineering services

As from 1 April 2007, the cost for the provision of internal municipal engineering services must be financed from alternative sources. The use of the housing subsidy allocation for the financing of such internal services may only be approved as an option of last resort. In cases where the provincial annual housing funding allocation is used for the provision of municipal engineering services as indicated, the subsidy amount and detailed cost breakdown are set out below.

Detailed breakdown of the cost of a serviced stand for the 2009/2010 financial year: Integrated Residential Development Programme

INTEGRATED RESIDENTIAL DEVELOPMENT PROGRAMME: The 2009/2010 housing subsidy guideline amounts		
	ITEM DESCRIPTION	AMOUNT
Serviced Stand Cost	Indirect Cost	
	Professional fees	
	Safety Inspector (DoL)	68.26
	Environmental Control Officer	54.60
	Pre-planning Studies	365.17
	Project Management	749.05
	Geotechnical Evaluation	89.90
	Contour Survey	59.93
	Land Surveying and Site Pegging	299.62
	Land Survey examination fee	92.89
	Town Planning	404.46
	Civil Engineer : Services	898.85
	Site Supervision : Clerk of Works - Civil	227.70
	Social Facilitation	299.63
	Legal Fees	20.51
	Sub Total : Indirect Cost	3,630.57
	Direct Cost	
	Water Reticulation (including meter)	4,614.11
	Sanitation Reticulation	5,363.13
	Roads	3,445.58
	Storm Water	4,988.61
	Street Lighting	119.83
	Sub Total Direct Cost	18,531.25
	Total Cost of a Serviced Stand:	
	Sub Total : Indirect Cost	3,630.57
	Sub Total : Direct Cost	18,531.25
	Total :	22,161.82
	Total Cost (Rounded Off)	22,162.00

**Detailed breakdown of the subsidy amounts for the 2009/2010 financial year:
Emergency Housing Assistance Programme**

EMERGENCY ASSISTANCE: The 2009/2010 housing subsidy guideline amounts		
TEMPORARY ASSISTANCE	ITEM DESCRIPTION	AMOUNT
1. Basic Municipal Engineering Services in respect of temporary assistance on a shared basis (Inc. VAT)	a) Indirect Costs:	
	Beneficiary Administration	261.77
	Safety inspector (DoL)	69.81
	Environmental Control Officer	55.85
	Pre-planning studies	373.45
	Project Management ^[1]	74.51
	Geo-technical Investigation (if applicable) ^[2]	20.96
	Contour Survey ^[3]	13.95
	Land surveying and site pegging ^[4]	69.87
	Land survey examination fee (Surveyor General) ^[5]	21.66
	Town Planning – (i) Layout	38.73
	(ii) Township establishment	55.57
	Environmental Impact Assessment	24.84
	Civil Engineer: Services design & Site supervision:	114.22
	Social facilitation	49.67
	Legal Fees (if applicable) (rental agreements) ^[6]	4.96
	Mediation & Conflict Resolution ^[7]	39.73
	Sub-Total: Indirect Costs per stand	1,289.55
	b) Direct Cost:	
	Water reticulation on shared basis	1,002.01
	Sanitation on shared basis	936.67
	Roads (Main access)	740.63
	Storm Water	261.40
	Sub-Total: Direct Cost	2,940.72
	Total cost of a serviced stand: (portion of an ordinary stand shared between <u>5 units</u>)	
	a) Sub-Total: Indirect Costs	1,289.55
	b) Sub-Total: Direct Cost	2,940.72
	TOTAL STAND COST:	4,230.26
	TOTAL STAND COST (portion of an ordinary stand shared between <u>5 units</u>) (rounded off):	4,230.00

- 1 If the Municipality cannot manage the project
- 2 Only if site is to be used for temporary settlement with a permanent housing solution, or for scoping study
- 3 Only if site is to be used for temporary settlement with a permanent housing solution, or where the topography necessitate for services planning purposes
- 4 Site pegging only for site to be used for temporary settlement with a permanent solution or permanent temporary area
- 5 As in 4 above
- 6 When applicable
- 7 When applicable

**Detailed breakdown of the subsidy amounts for the 2009/2010 financial year:
Emergency Housing Assistance Programme**

EMERGENCY ASSISTANCE: The 2009/2010 housing subsidy guideline amounts		
TEMPORARY ASSISTANCE	ITEM DESCRIPTION	AMOUNT
2. Construction Cost of temporary shelter (Inc. VAT).	Roof sheeting / covering	5,275.88
	Side Cladding / Wall Cladding	8,689.28
	Columns and anchor bolts	5,151.71
	Column footings: Concrete bases for structure posts	1,239.46
	Rafters	2,389.61
	Purlins	3,101.92
	Door & Window posts and frames	2,078.12
	Side rails to support side cladding	2,544.27
	Flashings	744.99
	Door	1,916.92
	Window	1,853.75
	Flooring: Concrete	6,208.19
	Thermal improvement under roof	2,234.96
	Sub-Total:	43,429.05
TOTAL SHELTER COST	43,429.00	

EMERGENCY ASSISTANCE: The 2009/2010 housing subsidy guideline amounts		
	ITEM DESCRIPTION	AMOUNT
Existing services	Repair of services to National Norms and Standards	22,416.98
Existing houses	Repair of existing formal structure according to National Norms and Standards	Up to an amount equal to the prevailing Individual subsidy quantum.

**Detailed breakdown of the subsidy amounts for the 2009/2010 financial year:
Informal Settlement Upgrading Programme**

INFORMAL SETTLEMENT UPGRADING: The 2009/2010 housing subsidy guideline amounts	
ITEM DESCRIPTION	AMOUNT
Phase 1	
Survey, registration, participation, facilitation, dispute resolution etc	3% of project cost
Geotechnical investigation	91.93
Land acquisition	2,617.70
Pre-Planning	788.81
Interim engineering services	2,966.74
Phases 2 and 3	
Detailed town planning	413.67
Land surveying and pegging	306.43
Contour survey	61.29
Land survey examination fee	94.99
Civil engineer's fee	919.28
Site supervision fees	232.86
Permanent engineering services provision	18,952.44
Project management	8% of total cost
Relocation grants	
Transportations and loading costs for people and household effects	392.66
Social service support including support for the registration of social benefits, school registration and other welfare support	296.67
Relocation food support to households	488.64
Maximum cost per household	1,177.97

**Detailed breakdown of the subsidy amounts for the 2009/2010 financial year:
Enhanced People’s Housing Process Programme**

ENHANCED PEOPLE’S HOUSING PROCESS PROGRAMME: The 2009/2010 housing subsidy guideline amounts		
	ITEM DESCRIPTION	AMOUNT
Construction Cost of Housing a 40 sqm house	Earthworks (provisional)	790.07
	Concrete, Formwork and Reinforcement	4,291.13
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	Overheads	2,095.32
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Detailed breakdown of the cost of a serviced stand for the 2009/2010 financial year: Enhanced People's Housing Process Programme

INTEGRATED RESIDENTIAL DEVELOPMENT PROGRAMME: The 2009/2010 housing subsidy guideline amounts		
	ITEM DESCRIPTION	AMOUNT
Serviced Stand Cost	Indirect Cost	
	Professional fees	
	Safety Inspector (DoL)	68.26
	Environmental Control Officer	54.60
	Pre-planning Studies	365.17
	Project Management	749.05
	Geotechnical Evaluation	89.90
	Contour Survey	59.93
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	Town Planning	404.46
	Civil Engineer : Services	898.85
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