

The National Housing Code

SOCIAL & RENTAL INTERVENTIONS

Community Residential Units

Institutional Subsidies

Social Housing Policy

Subsidy Quantum - Social & Rental Interventions



human settlements

Department:
Human Settlements
REPUBLIC OF SOUTH AFRICA

Volume 6

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SUBSIDY AMOUNT

The Director-General of the National Department will annually announce the various housing subsidy guideline amounts and the guideline amounts for the variation of the project costs to cater for special development requirements. The said adjustment will take cognizance of the BER Building Cost Index which monitors increases in building materials during the preceding financial year.

The housing subsidy scheme amount

The housing subsidy amount to be used for the financing of the construction/upgrading of housing units by a registered housing institution 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
Intstitutional Subsidy Programme:			
R0 to R3 500	R52 171,00	Institution must add capital	R54 650,00

**Detailed breakdown of a new house for the 2009/2010 financial year:
Institutional Subsidy 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
	Profit	1,833.40
	Total	54,649.57
	Total Const. Cost (Rounded Off)	54,650.00
	Less contribution	2,479.00
	Total	52,171.00

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 on the next page.

Detailed breakdown of the cost of a serviced stand for the 2009/2010 financial year: Institutional Subsidy 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	