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RURAL HOUSING PROJECT: UPPF PROJECT PREPARATION TOOLKIT

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- 2) *With respect to cost norms and professional rates, it is recognized that these will vary depending on such factors as locality, project complexity, level of experience, and local skills scarcities. The rates and cost norms provided should therefore be regarded as an indicative guideline only.*
- 3) *Municipalities or Government Departments may find these toolkits useful in: a) determining the main risk factors associated with a particular project; b) benchmarking budgetary requirements for project preparation; c) issuing RFP's or tenders for project preparation; d) determining whether professional work rendered meets an appropriate specification.*
- 4) *PPT/UPPF preparation managers must refer to UPPF's internal UPPF Standard Operating Procedures including; Preparation Flow Chart; Detailed Project Preparation Methodology; specimen letters of appointment for professionals; specimen RFP's for procurement.*
- 5) *UPPF is a joint venture between Project Preparation Trust of KZN (PPT) and the Infrastructure Finance Company Ltd (INCA). It was established through the Support Programme for Accelerated Infrastructure Delivery (SPAID) with funding provided by the Business Trust. UPPF's core business is to assist Municipalities in preparing a range of infrastructure projects and to thereby assist in addressing service delivery backlogs.*

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SECTION A: GENERAL INFORMATION

A. Targeted capital funder: Provincial Department Of Human Settlements

B. Flow chart: Rural Housing Flowchart (See attachment A)

C. Funder requirements:

National Housing code: Rural Housing Subsidy, (Ver 1: Part3 2007)
Rural Application Packs Part 1 (Conditional Approval)
Part 2 Tranche 1 and (For Tranche 1: Detailed design approval)
Part 2 Tranche 2 (For Tranche 2: Construction approval)

▪ **STATUS QUO:**

- Generally IAs prepare rural housing project at risk and although there is preparation funding available most IA do not use this as they say it takes too long to approve,
- Preparation funding is based on the dept perception and analysis of the cost norms in the industry (including submission and comments from key role players in the field)
- Furthermore IAs often combine the Conditional Approval and T1 application stage to save on costs and time of approval. This can work well in rural projects as most of the big risks such as land and environmental concerns are reduced in this type of project where feasibility is easier to secure.
- This 'easy' approval of feasibilities can however have a negative impact as some projects have been approved in the past based solely on pure technical and social viability with no concern for project sustainability (ie poorly located with little or no economic opportunities for communities and no consideration for national directives on spatial investment. (PSEDS, PGDS)

D. Risk profile

- Land
- Bulk Services
- Environmental
- Social
- Geotechnical

Based information & reference resources

National Housing code: Rural Housing Subsidy (Ver 1: Part3 2007)
PPT/ ISLGS rural Housing Manual (Inc Flowchart)

Procurement:

Professionals are procured based on the definition of Implementing Agents: Section 2.6 of the National Housing Code, ver 1 Rural Housing Subsidy (Based on Chapter 3a: Turnkey, traditional or pre-planned)

- E. Total Cost: Refer to Part B (Summary Scope of Work and Cost Norm). It is noted that, as at March 2011, the indicative preparation costs are estimated to range from between R1,119,431 and R1,892,223 for. These estimates include a provision for preparation management, travel disbursements and contingencies.

SECTION B: SUMMARY SCOPE OF WORK AND COST NORMS

Please refer to the separate excel spreadsheet provided which identifies the work packages for the various stages of project preparation, summary scope of work, and indicative professional time inputs and cost norms.

SECTION C: DETAILED SCOPE OF WORK

STAGE 1: Preliminary Assessment

A. Inputs:

It is noted that the preliminary assessment will be carried out by either the NC or a Project Preparation Manager appointed by PPT. It focuses on three main elements: a) the project; b) the Municipality (in most cases the District Municipality or Metro); c) the capital funder.

- Telephonic interviews / meetings with personnel from municipality, any professionals working on this or a nearby project, ward councillor, community leadership;
- Face to face meeting with relevant municipal personnel (as broad-based as possible and including senior municipal officials and preferably also the Municipal Manager in medium sized municipalities or the Manager: Housing);
- Provision of standard PPT Preparation Services Agreement to Municipality, explanation of its main terms and conditions, and acquisition of verbal feedback;
- Municipal plans – in particular: IDP, Water Services Development Plan, Spatial Development Plan. Housing Sector Plan
- Telephonic discussions / meetings with prospective capital funder(s); (DOHS)
- Interviews / meetings with professionals working on this or other nearby projects, relevant provincial government departments, ward councillor, community leadership, District Municipality where relevant;
- Site visit;
- Assessment of availability of suitable project preparation professionals;
- Any existing technical work already completed (e.g. past feasibility report);
- Any relevant technical work on nearby projects (e.g. past geotech investigations on a neighbouring site).

B. Outputs:

Preliminary Assessment Report indicating:

- Confirmation of *Municipal prioritization* and acceptability of terms of PPT project preparation services and Preparation Services Agreement terms.
- Appraisal of project based on the above inputs and generation of preliminary *project risk profile*. This would need to cover a range of project issues / potential risks (as outlined in **D** above) and including:
 - *Municipal buy-in to project* (not just IDP inclusion, but also de-facto and apparent commitment from senior officials and politico's);
 - *Prioritization of project* – IDP / Housing Sector Plan;
 - *Need* (including commentary on the likely accuracy of demographic data, housing demand assumptions, and ultimate level of intended service);
 - *Source of targeted capital funding* (e.g. DOHS, MIG / MIG-loan funding mix etc);
 - *Availability of capital funding* for the project (e.g. existing municipal MTEF budget allocation for bulk services / IDP priority /DOHS Budgets);
 - *Socio-political dynamics* (e.g. any problematic dynamics between the traditional authority and municipality, recent history of community unrest etc);
 - *Availability of project professionals* required to undertake project preparation.
 - *Professional conflicts* (e.g. any existing professionals with 'turf' issues / 'entrenched service providers' which lack competence / proven track record / willingness to work constructively with PPT)

- Recommendations within the following options:
 - Category 'A' = low risk, no apparent material risks detected, project viable and should proceed rapidly into pre-feasibility and feasibility stages;
 - Category 'B' = medium risk, some potential material risks which require careful mitigation during next pre-feasibility stage, project potentially viable subject to further assessment during pre-feasibility stage, project should not move into feasibility stage before re-assessment at the completion of the pre-feasibility stage to ensure that the identified risks have been adequately mitigated or eliminated;
 - Category 'C' = high risk, material risks detected with limited reasonable prospects for mitigation, no further preparation should occur.
- Detailed budget estimate for project preparation.
- Projected timetable (programme) for project preparation.

In addition, comment on the following would be desirable:

- *Environmental issues* (any obvious and very apparent environmental issues such as in a nature conservation area, wetland or gravesites etc);
- *Land ownership* - likely opposition from landowners / expropriation / servitudes / PTOs / Ingonyama Trust, etc
- Confirmation of in principle support from capital funder (e.g. DOHS/MIG).
- Recommendations on project professional team
- Record of people interviewed, positions and contact details.
- Attendance registers

C. Professional Skills & Knowledge Required:

Suitable professional with knowledge of rural housing projects and their delivery within South African Municipalities. Experience in the feasibility and design stage of housing projects is an advantage (Implementing Agent)

D. Indicative Level of Effort:

Approximately two to three days of project manager or other relevant professional time.

E. Indicative Duration:

Two weeks.

Steps 1, 2 & 3: Pre-Feasibility Stage (CIDB ‘Assessment’)

(I.e. Stage 1 Conditional Approval on DoHS cycle leading up to Stage 2 Tranche 1)

(See **Attachment B**: DoHS Rural Application Pack Part 1 and **Attachment C**: DoHS Rural Application Pack Part 2 Tranche 1)

Note: This stage should be undertaken at the level of the entire Traditional Authority to enable an overview of the development status and the prioritisation of areas for housing and other development.

A. Preparation management

i. Inputs

- ❖ Establish relationship with the Municipality, Department of Housing, Traditional Authority, Community Structures, Ingonyama Trust and Dept. Traditional & Local Govt. Affairs.
- ❖ Compile and maintain a budget (and draw downs against budget)
- ❖ Assemble, appoint, and co-ordinate the professional team in accordance with the procurement process's of the Municipality.
- ❖ Professional services required at this stage will include Land Surveyor, Land Legal consultant, Town Planner, Project Manager, Engineer, Geotechnical, Facilitator and Environmental consultant
- ❖ Ensure stakeholder participation takes place, including communications with the Municipality, Traditional Authority, Community Structures, Ingonyama Trust and Dept. Traditional & Local Govt. Affairs.
- ❖ Obtain or ensure stakeholder support relating to the proposed development process to be followed
- ❖ Ensure that the preparation process is adequately staged
- ❖ Brief and appoint the professional team (if need be assist in selecting suitable professionals).
- ❖ Monitor professional team progress and ensure feedback to community and municipality
- ❖ Receive products / reports from team, evaluate, get amendments if required, certify payment of team
- ❖ Compile pre-feasibility report with recommendations on whether or not to proceed with feasibility stage and if so recommend budgetary requirements.
- ❖ Ensure that other sectors become aware of the proposed housing project. Alignment and integration between the sectors can only take place if there is communication.
- ❖ This communication can take on various forms for example the electronic media such as email and GIS systems, written and oral communication.

ii. Outputs

- ❖ Compile Stage 2 tranche 1 applications and attach supporting documents if feasible and recommend budgetary requirements.

i. Professional Skills Requirements

Project Manager with experience in rural housing project management

B. Planning – Preliminary Spatial Plan

Note: Base information from the District Municipality and DTLGA GIS system is to be utilised as well as information available from professionals who have worked in the area such as engineers, geotechnical and environmental consultants.

The overall purposes are to : a) facilitate more integrated and therefore sustainable development; b) ensure closer linkages with community needs and assets; c) ensure congruency with the IDP and other spatial plans; d) define the local spatial planning and development context.

i. Inputs:

- ❖ Obtain existing base maps, relevant plans, LUMS (if available) and extracts of the municipality's IDP and sub-regional plans
- ❖ Liaise with professionals who have worked in the area such as Planners, Engineers, Geotechnical and Environmental consultants

ii. Outputs:

a. Drawings:

Plans should ideally be produced at A0 scale to enable presentation at workshops. The format must make them easily accessible by stakeholders who do not have technical development expertise. Two types of plans must be produced:

- Plan(s) of the area showing the status quo including the following (and based on existing available base information / plans / maps including IDP and spatial development frameworks – SDF's). This could take the form of an overlay on an existing aerial photo / orthophoto:
 - ❖ Traditional authority boundary and ward boundaries
 - ❖ Existing 'imizi' (homesteads) – based on existing aerial photography
 - ❖ IDP and sub-regional nodes and sub-nodes and corridors
 - ❖ Existing land use
 - ❖ Topography and slope analysis (>1:3; 1:3 to 1: 6: 1:10>) – based on existing base information / maps
 - ❖ Natural features: rivers, vegetation etc
 - ❖ Key man made features such as dams, power lines, roads and railway lines
 - ❖ Areas likely to be affected by 1:50 and 1:100 year flooding
 - ❖ Environmentally sensitive areas (eg: wilderness or conservation areas) – and as arising from preliminary environmental assessment
 - ❖ Existing social facilities (especially schools, health, telephones, transport)
 - ❖ Infrastructure (taking into consideration bulk service assessment):
 - ❖ Water reticulation, standpipes and reservoirs
 - ❖ Boreholes
 - ❖ Raw water sources
 - ❖ On site sanitation (government delivered)
 - ❖ Roads
 - ❖ Electricity
 - ❖ Police stations
 - ❖ Schools and educational facilities
 - ❖ Health care facilities
 - ❖ Economic development activities

- ❖ Undevelopable areas for housing
- Plan(s) of the area showing main development priorities and based in part on the results of a workshop with the key stakeholders including: the municipality, traditional authority, community structures, Ingonyama Trust, Dept. Traditional & Local Govt. Affairs, Dept Housing, other funders and key government departments:
 - ❖ Proposed future land use “zoning”
 - ❖ Proposed nodes
 - ❖ Priority areas for housing and proposed phase 1 for housing (typically 1000 sites) and any subsequent intended phases
 - ❖ Priority areas for other development especially health care, education, other key social facilities and economic development.

b. Report:

The report needs to cover the main elements of the above plans including:

- ❖ Outline the spatial planning context
- ❖ Indicate the logic for rural housing (e.g. supports corridor or nodal development; supports land reform initiatives; area of high vulnerability and shelter need)
- ❖ Identify linkages to and congruency with the IDP, LDO's, sub-regional frameworks, Housing Sector Plans and other spatial plans
- ❖ Describe existing and proposed land use
- ❖ Comment on adequacy of existing social facilities (especially schools, health, telephones, transport)
- ❖ Comment on the current level of infrastructure and top-structures
- ❖ Comment on the Municipalities water services development plan (WSDP), integrated transport plan (ITP) , integrated waste management plan (IWMP) , Land Development objectives.
- ❖ Comment on integration, alignment and proposed projects of other key sectors.
- ❖ Identify main development priorities and needs
- ❖ Comment on required approval process for housing development including those related to planning and environmental issues
- ❖ Recommend process for acquisition of required approvals (eg: DFA/TAC) and outline timeframes (TAC= Technical Approval Committee which includes DoH and DLTGA personnel)
- ❖ Socio economic and population statistical data

ii. Professional Skills Requirements

Professional Town Planner

C. Social facilitation – preliminary

Notes: The budget requirements will vary greatly depending on: a) The level of existing trust and co-operation that exists and the level of pre-existing work that has been done by the municipality and others in the target area; 2) the capacity and willingness of the municipality to assist with social facilitation activities / level of support required.

i. Inputs

- ❖ Identify key stakeholders / local structures and ensure their involvement in the project. They will need to include: the municipality, traditional authority, community structures, Ingonyama Trust, Dept. Traditional & Local Govt. Affairs, Dept Housing, MIG / DWAF, any other funders
- ❖ Introduce the stakeholders to the housing process, project cycle, timeframes, risks of project failure, relative roles & responsibilities
- ❖ Identify key needs
- ❖ Identify existing social facilities & adequacy thereof (especially schools, health care, telephones, transport)
- ❖ Identify any existing projects / development interventions in the area (and include in planning)
- ❖ Facilitate agreement between municipality and traditional authority with respect to:
 - Who is the developer and what procurement process is to be followed
 - Type of development strategy to be used
 - Planning requirements
 - Form of tenure
 - Phasing of project and logistics
 - rates and services (if any)
- ❖ Obtain commitment from municipality, traditional authority and community structures to work together on the project
- ❖ Identify social risks, recommend solutions, evaluate feasibility of project based on socio-political conditions.
- ❖ It is assumed that at least three meetings / workshops will be required plus telephone liaison and that Municipal personnel would play a key role in helping to facilitate the process.

ii. Outputs

- ❖ Written record of process followed including records of meetings and attendance registers.
- ❖ Completion of proforma consent to develop Ingonyama Land.

iii. Professional Skills Requirements

Qualified social facilitator or facilitator with a proven track-record in similar projects.

D. Land audit – preliminary

Outputs

Preliminary report:

- ❖ Schedule of properties, registered owner, extent, title deed number, servitudes and restrictive conditions of title that might affect the project
- ❖ Copies of title deeds or aktex printouts and SG diagram (and GP if in existence)
- ❖ Comments on key boundaries that might affect development (eg: R293, ward, municipal, traditional, GP's etc)
- ❖ Identification of land claims.
- ❖ Commentary of any restrictive conditions or land claims that might affect development.
- ❖ Completion of proforma consent to develop Ingonyama Land – obtained via social facilitation process above.

Plans (diagram):

- ❖ Cadastral boundaries
- ❖ Boundaries of Traditional Authority as well as any R293 and existing GP's (if applicable)
- ❖ Extents of properties and property names
- ❖ Pick up unregistered servitudes such as power lines and rail lines via physical survey
- ❖ Outside figure diagram with relevant co-ordinates for project boundary
- ❖ Project phasing

E. Bulk services assessment

Base maps are to be obtained from the project planner.

Outputs

Report:

- ❖ Status of existing water supply (reticulation as well as raw water supply), roads, electricity and sanitation (including sewers if applicable)
- ❖ Bulk services which are planned for construction or which have funding approved (with support documents such as funding resolutions)
- ❖ Adequacy of existing bulk services
- ❖ Identification of bulk services required (ie: roads, water, electricity, sanitation) and likely sources of funding (e.g. MIG / DWAF/ Eksom etc)
- ❖ If possible, indicative cost estimates for required bulk services

Drawings:

- ❖ Locality plan
- ❖ Boundary of project (phase 1 for housing) and Traditional Authority and sub-wards
- ❖ Position of existing bulk services (water, roads, electricity, government funded sanitation / sewers where applicable)
- ❖ 1:50 & 1:100 year floodline (taken from existing municipal or other GIS data)

F. Preliminary Geotech

Note: To be based on a desktop assessment, mandatory site visit, existing knowledge of the area and plans and topo maps provided by the project planner. And as define in the NHBRC's GFSH 02.

Outputs

Preliminary report:

- ❖ Identification of broad geotechnical conditions in the areas and implications for development, specifically w.r.t. roads, VIP's / on site sanitation, stormwater control, cut & fill, platforms and founding conditions, road construction materials
- ❖ Identify obvious restraints such as the prevalence of a high or perched water table, unstable areas, oversteep areas, seepage areas, rock outcrops, rivers and streams
- ❖ Viability of this proposed project in terms of geotechnical conditions and comment on, a) Project fit for human Settlement b) Suitable for Project Linked Housing Development.
- ❖ Preliminary recommendations in terms of development controls.

Note: Further suggestions / recommendations w.r.t site-specific geotech will be made at the construction stage - specifically DCP testing for foundations and percolation testing for VIP and on site sanitation

Drawings:

- ❖ Boundary of project (phase 1 for housing) and Traditional Authority and sub-wards
- ❖ Broad distribution of rock & soil types
- ❖ Geotechnically sensitive or undevelopable areas (eg: seepage, shallow soil, boulders / rock outcrops, slope instability etc)

Professional Skills Requirements

Qualified Geotechnical Engineer with a proven track-record in similar projects.

G. Environmental (preliminary assessment)

IMPORTANT NOTES:

- 1) *In terms of a letter from the KZN Department of Agriculture and Environmental Affairs dated 20th July 2007, true 'deep rural' housing projects do not require any environmental authorisation, nor any environmental exemption, provided such projects: a) only entail the upgrade of existing 'imizi' and entail no greenfields housing development; b) do not entail the provision of any services beyond on-site sanitation (any additional services would required environmental authorisation); c) are located on Ingonyama Trust land. The understanding is that a preliminary assessment by an environmental consultant, supported by input from the project planner, should be undertaken in order to confirm that this is the case and should be furnished to the DLGTA / TAC in order to confirm whether or not the projects meetings the above criteria.*
- 2) *Whilst DAEA approval may not be required for all rural housing projects, it is nonetheless recommended that a preliminary environmental assessment always be undertaken in order to better understand the environmental issues on the site so as to inform better development practice.*
- 3) *Whilst the DFA regulations provide an excellent basis for determining the requirements with respect to environmental issues it is likely that most rural projects will not follow a formal DFA process. Most projects will follow the planning route utilising the newly established Technical Advisory Committee (TC) route. The processes and activities will however remain similar.*

- ❖ Confirm whether or not the project meets the DAEA criteria for a typical in situ upgrade rural housing project and whether or not it consequently requires environmental authorisation / exemption. The specified DAEA criteria for projects which do not require any authorisation or exemption are those which: a) only entail the upgrade of existing 'imizi' and entail no green-fields housing development; b) do not entail the provision of any services beyond on-site sanitation (any additional services would required environmental authorisation); c) are located on Ingonyama Trust land
- ❖ Consider and comment on the following DFA regulations relating to a scoping report on a preliminary basis (ie: not at the level of a full scoping report – a paragraph for each item will suffice):
 1. “The scoping report must indicate the extent to which the proposed activity or development will impact on the environment, and where appropriate deal with the following specific aspects of the environmental impact:
 2. The physical and landscape characteristics of the land development area and its surroundings;
 3. The ecological characteristics of the land development area and its surroundings;
 4. The current and potential land – uses of the land development area;
 5. Existing significant archaeological, historical and cultural sites in the land development area and its surroundings;
 6. The social and economic impact on communities in the land development area and its surroundings;
 7. The existing infrastructure and/or services in or around the land development area and surroundings;
 8. The existing social and community structures, services and facilities in and around the land development area;
 9. The levels of present and possible pollution, including noise pollution, in the future as a result of the proposed development;
 10. Any risks or hazards to the environment posed by the development;
 11. The health and safety of the public;
 12. The social costs of the proposed development;
 13. The effect of the proposed development on different groups or individuals;
 14. The medium and long term sustainability of the proposed development;
 15. What mitigating measures could be implemented to reduce negative impacts and enhance positive impacts of the aspects described in paragraphs a) to m) and, where appropriate, to what extent alternative sites for the development were investigated;
 16. Comments from Dept. Local Government and Traditional Affairs and Dept of Agriculture and Environmental Affairs with respect to environmental requirements or exemptions.
- ❖ Identify any areas of particular environmental sensitivity

- ❖ Identify any areas, which are proclaimed wilderness or conservation areas and comment on the implications.
- ❖ Identify the proximity to any hazardous installations (eg: Petro Chemical Industry), which may pose a risk for human settlement.
- ❖ Identify any environmental regulations or laws which may apply to the proposed development of rural housing projects in the area and what obligations they impose on the project.
- ❖ Based on your assessment, identify whether or not there appear to be any material barriers to the proposed development from an environmental impact perspective, what the barriers are, and the viability of overcoming them.
- ❖ If further environmental assessment may be needed, how would this be decided, what would it consist of, at what indicative cost, and at what stage in the project cycle the work would need to be done relative to township establishment and / or the commencement of development.
- ❖ Drawings: If there are any relevant environmental sensitivities or issues then a drawing is required (eg: annotated map) at a suitable scale showing the locality of the different sensitivities / impacts relative to the proposed project area and identifying the nature of the sensitivities / impacts. Highlight where possible existing structures or umuzi's, which fall within the areas, delineated as wetlands or environmentally sensitive areas.

H. Household Socio-economic Survey

Notes: 1) It is assumed that a community based partner (CBP) is already in place. 2) Usually a sample survey of one third of the settlement is required, but a survey of the entire settlement is recommended in cases where there might be particular land legal complexities or where integrated / economic development is a priority. 3) It should be noted that a GPS survey / beneficiary registration process occurs under Tranche 1 (see below).

Inputs

- ❖ Undertake a socio-survey - door to door sample if necessary (specify proportion of settlement for which survey is required eg: 33%).
- ❖ Ensure that appropriate consultation occurs with the key stakeholders (including traditional authority, ward councillor, ward development committee and municipality)
- ❖ Compile a report and analysis of data. Draft a socio-survey questionnaire in isiZulu for comment by the relevant Municipality / Traditional Authority and possible amendment prior to undertaking the field survey.
- ❖ Training of local fieldworkers on questionnaire and survey methodology.

Report

- ❖ Beneficiary profile: full name, ID number, monthly household income, number in household, family head
- ❖ Site number: as allocated by traditional authority / municipality and as appears on top-structure (where applicable) (*consider the possibility of linking this to the mapping obtained eg: orthophoto's as well as possible linkages to the GPS survey to follow*).
- ❖ Top-structure information: top-structure type: blocks with tin roof, wattle and daub, shack; is the structure permanent: can it be extended or does it need to be replaced;
- ❖ Tenure: Type of tenure (as perceived by beneficiary); existence of PTO / deed of grant / title deed (specify whether documented or note) (*this should be verified against the land audit above*);
- ❖ Tenancy: is the resident a tenant and if so who is the landlord, what are the contact details, how much rent is paid; does the resident have any sub-tenants and if so how many
- ❖ Economy: sources of household income; where do people work; specify existing food security, agricultural, and micro enterprise activity in which

household is involved;

- ❖ Social facilities: access to and adequacy of educational facilities; health facilities; telecommunications; transport.
- ❖ Brief community needs assessment: prioritisation of community needs;
- ❖ Skills audit – identify key skills (including those relating to construction and micro-enterprise)
- ❖ Special needs: identify any special needs within the household (eg: orphans and vulnerable children, HIV AIDS, aged, chronically ill, mentally handicapped etc); identify any existing social grants being received (eg: child support, pensions, foster care etc)

Note: Given that there might be substantial delays before the commencement of the GPS survey under Tranche 1, it is recommended that, wherever possible, GPS points should be recorded in order to locate such issues / activities as: special needs; existing homestead gardens and agricultural activity; existing micro-enterprises; creches; pension pay points; existing social facilities such as clinics and schools. This assists with the initiation of support projects ahead of (or in parallel with) housing and infrastructure delivery and facilitates linkages with the spatial plan (outlined above).

STEPS 4, 5, 6 & 7: Feasibility and Implementation stage (CIDB 'Concept')

(IE: Stage 2 of the DoH cycle comprising of two tranches) (See **Attachment D: DoHS Rural Application Pack Part 2 Tranche 2**)

Note: This stage is to be undertaken at the level of the project as defined by the first phase or 1000 allotments to be developed. The feasibility stage comprises of two tranches. The tranche system includes elements of feasibility and implementation at both levels.

Tranche 1 – Scopes of work:

A. Preparation management and Project Management

i. Inputs

- ❖ Maintain relationship with municipality, traditional authority, community structures, Ingonyama Trust and Dept. Traditional & Local Govt. Affairs.
- ❖ Compile and maintain a budget (and draw-downs against budget)
- ❖ Ensure agreement is reached with respect to procurement and contracting strategies
- ❖ Ensure that all understands financial arrangements such as the flow of funding, roles and responsibilities, bridging funding and VAT implications.
- ❖ Ensure that the necessary process and procedures are in place for dealing with the project finances
- ❖ Assemble, appoint, and co-ordinate the professional team including a Project Manager, Land Surveyor, Town planner, Geotechnical Engineer, Environmental consultant and facilitator.
- ❖ Ensure continued stakeholder participation takes place, including communications with the municipality, traditional authority, and community structures, Department of Housing, Ingonyama Trust and Dept. Traditional & Local Govt. Affairs.
- ❖ Ensure that the preparation process is adequately staged
- ❖ Brief and appoint the professional team (if need be assist in selecting suitable professionals).
- ❖ Monitor professional team progress and ensure feedback to community and municipality
- ❖ Manage the alignment and integration of the project with other programs
- ❖ Receive products / reports from team, evaluate, get amendments if required, certify payment of team
- ❖ Manage the process of evaluation, approval and implementation of Tranche 1
- ❖ Process the necessary claims to the DOH

ii. Outputs

- ❖ Compile Stage 2 tranche 2 applications and attach supporting documents, if feasible, and recommend budgetary requirements.

iii. Professional Skills & Knowledge Required:

Suitable professional with knowledge of rural housing projects and their delivery within South African Municipalities. Experience in the feasibility and design stage of housing projects is an advantage (Implementing Agent)

B. Land Assembly: Land Rights Agreement– Land Surveyor or land legal consultant

(Note: The land audit is covered by the pre-feasibility stage outlined above)

Inputs

- ❖ Discussions with the Traditional Authority, Traditional and Local Government Affairs, Department of Housing, Municipality and Ingonyama Trust to define most suitable planning route in other words DFA or TC (*TC=Technical Committee – formerly Technical Approval Committee*).
- ❖ Application to the Ingonyama Trust with respect to in principle support leading up to the conclusion of a development rights agreement.

Outputs

- ❖ Letters of in principle support or minutes of meeting whereby agreement was reached.
- ❖ Culminate in a development rights agreement after “planning consent” is obtained

C. GPS survey, functional tenure, subsidy administration and approval

Inputs

- ❖ Discussions with the Traditional Authority, Department of Housing , Municipality and community with respect to the administrative process to be followed in the subsidy admin process
- ❖ Allocation and functional tenure arrangements by the Traditional authority
- ❖ GPS survey: linkages to surveyor, placement of beacons and GPS referencing
- ❖ Site logistics and method of signing up beneficiaries. I.e. Central office or mobile units going out to the people.
- ❖ Planning and co ordination of activities between different functionaries (i.e.: signing of certificates of occupancy, subsidy administration and GPS survey)
- ❖ Logistics with respect to photocopiers, GPS's, vehicles required, digital cameras etc

Outputs

- ❖ Beneficiary approvals by DOH and certificates of occupancy by Traditional Authority
- ❖ Completion of survey and GPS readings/ data base.
- ❖ Digital information to inform settlement plan and planning report.

D. Settlement plan, planning report and planning approval

(Note: this report and plan should include the information from the planning report completed in the pre-feasibility stage)

Input:

- ❖ Work prepared by the Land Surveyor including individual GPS survey of the spatial location of each and every subsidy to be issued as well as the physical survey of existing roads, power lines and railway lines.
- ❖ Beneficiary approvals by DOH and certificates of occupancy by Traditional Authority linked to survey *(completed under GPS and sales admin above)*
- ❖ Community support for the proposed settlement plan
- ❖ Geotechnical data
- ❖ Environmental data
- ❖ Information from spatial plans and LUMS
- ❖ Information on bulk services and existing services
- ❖ Existing educational, social and welfare facilities
- ❖ Flood lines
- ❖ Services agreements
- ❖ Copies of title deeds
- ❖ Letters of support

Outputs:

- ❖ PDA Submission for Municipal planning approval through the KwaZulu-Natal Planning Act No 6, 2008
- ❖ Or final settlement plan and planning report to be submitted to TC
- ❖ Or alternatively DFA application in terms of Chapter 6
- ❖ Process culminates in approval by the Department of Traditional and Local Government Affairs
- ❖ Drawings : Final settlement plan: (suitable scale showing at least A1 size)
 - Boundary and agreed phasing of the project
 - Number of Umuzi's to be developed. Positions of new structures to be mapped.
 - 1:100 yr flood lines determined as accurately as possible. Utilisation of 20 m buffer where doubt exists
 - Informally settled portion of project area if any.
 - Slope analysis (>1:3, 1:3 – 1:10, <1:10) – already produced in the pre-feasibility stage
 - Actual positions of man made features and servitudes
 - Positions of existing and proposed amenities and facilities
 - Location and contextual plans areas – already produced in the pre-feasibility stage
 - Undevelopable areas (based on site visit, slope analysis, risk of flooding, report on bulk services, geotechnical appraisal, land audit report) – (Already produced in the pre-feasibility stage).

PDA submission requirements:

- 1 Preliminary Environmental Report and relevant correspondence
- 2 Letter of Approval from DAEA&RD
- 3 Geotechnical investigation, findings and mapping
- 4 Socio-economic report
- 5 Community Structures set up for the project
- 6 Final list of beneficiaries
- 7 Designation Diagram and accurate GPS points for the designation diagram for functional tenure ownership
- 8 Updated Land Audit Report
- 9 Copies of the Title Deed and Surveyor-General Diagram
- 10 Example of functional tenure certificate / Certificate to Occupy (CTO)
- 11 Traditional Authority Consent
- 12 Ingonyama letter of approval or Development Rights' Agreement
- 13 Confirmation of the Regional Land Claims Commissioner that there are no land claims over the property
- 14 List of PTO's for non-residential land uses in the area
- 15 Building Plans of houses to be constructed
- 16 An indication of when show houses will be constructed
- 17 Overall Project Management Structures and Participation
- 18 Engineering status quo report
- 19 1:100 year flood line
- 20 Services Agreement with District Municipality
- 21 Services Agreement with Local Municipality
- 22 Supporting planning analysis, plans and report
- 23 Supporting Plans for analysis phase
- 24 Finalised Settlement Plan to include beneficiary GPS position of new structures, flood line, project boundary, slope and topographic features
- 25 Development Designation Diagram
- 26 PDA Memorandum of Application and all associated documentation

E. Engineering design, specifications, program & costing

(Note: this report should include the information from the report on bulk services completed in the pre-feasibility stage)

Inputs

- ❖ Planning consent obtained from DLGTA
- ❖ Agreement on split between services and top structures. As a rule of thumb services are limited to on site sanitation and the construction of limited road access and minor water reticulation.
- ❖ All information obtained during the prefeasibility and Tranche 1 process

Outputs:

- ❖ Detailed specifications and cost models for on site sanitation
- ❖ Detailed specifications and costings of other services (eg: water supply, roads) if any

- ❖ Engineering design fees and supervision costs
- ❖ Proposed tender documentation and contracting strategies
- ❖ Clear support from the role-players and particularly the Municipality and Traditional Authority with respect to the agreed product
- ❖ Detailed budgets and clear methodology on implementation
- ❖ Design drawings: (Suitable scale showing at least the following):
 - Existing and proposed services
 - Areas to be developed in line with the settlement plan
 - Design drawings of agreed on site sanitation system
 - Detailed specifications of materials included on drawings
 - 1:100 year flood line – already produced in the pre-feasibility stage
 - Position of existing and water mains and connectors and those programmed for construction (and if possible their size / peak flow capacity) – already produced in the pre-feasibility stage
- ❖ Design report:
 - Cost estimates and lengths for **internal services (IF ANY)**
 - Comment on the proposed **internal services (IF ANY) and the liable source of funding if non DOH**, specification and materials covering:
 - ❖ Internal roads and access networks, (including access ways and footpaths)
 - ❖ Storm water Control: design parameter for minor system, critical points and major culverts.
 - ❖ Water reticulation
 - ❖ Electricity
 - Cost estimates for Engineer's fees for design and supervision for project implementation
 - Cost estimates for required **bulk services** (already covered in pre-feasibility stage)
 - Comments on **bulk services and the liable source of funding** including: public transport routes / taxi collectors, storm water detention facilities, bulk water supply for the project area (already covered in the pre-feasibility stage).
 - Notes on your meetings held with the beneficiary community with regard to proposed level of services;
 - Comment on existing services and programs
 - Comment on the agreed form of on site sanitation and its suitability, anticipated lifespan, maintenance, geotechnical and environmental issues as well as health and safety issues.
 - Comment on proposed contracting and procurement related issues such as standard documentation, tender process and adjudication, BEE, local content and EPWP.
 - Comment on proposed testing methods and supervision of site-specific geotech such as percolation testing.

F. Top-structure solutions & delivery method

(This component is often managed by the housing contractor or implementing agent based on past experience and existing plans and forms part of the project management scope)

Input

- ❖ Site visit with key community representatives and team members to consider technical constraints, especially town planner and engineer

- ❖ Outline broad delivery method and top structure solutions that should be considered
- ❖ Outline criteria and constraints that need to be taken into consideration in selecting a method
- ❖ Workshops (two or three) the CBP and other stakeholders to outline the constraints and criteria and to gauge support for various options
- ❖ Agreement on the preferred option and housing delivery option / s, e.g. People's Housing Process / NHBRC stipulation
- ❖ Procurement and contracting strategies
- ❖ EPWP
- ❖ Approved settlement plan

Report and designs

- ❖ Detailed foundation designs options and costings (*utilising site specific geotechnical input provided by geotechnical consultant*)
- ❖ Proposed house size and design
- ❖ Materials and specifications
- ❖ Detailed costings and proposed program and contracting strategies
- ❖ Delivery method decision (including utilisation of local contractors, PHP, materials supply etc)
- ❖ Top structure solution decision
- ❖ Design and supervision costs
- ❖ Site specific geotech methodology ie: DCP tests, cube tests and percolation tests for on site sanitation

Note: a social consultant will be appointed to support you in the workshops.

G. Social compact agreement (including a clear definition and agreement on the product)

(Note: In some cases the DoH may request the social compact at an earlier stage of the project. In most cases there will be insufficient certainty over the project concept prior to Tranche 2, however it may be possible in some cases to finalise a broad social compact during Tranche 1 or at the end of the pre-feasibility phase).

Inputs

- ❖ Information dissemination and workshops
- ❖ Presentation on the proposed products, levels of service, house size, contracting strategies, local labour, EPWP etc
- ❖ Agreement reached on levels of service and product with all role players
- ❖ Facilitate signing of the social compact and rates and services agreement:
- ❖ Facilitate and attend workshops or meetings with the professional team, Metro Housing, Department of Housing and community-based partner as required.
- ❖ Facilitate and attend workshops on the housing process in consultation with top-structure solutions consultant.
- ❖ Orientate the CBP and community on housing development process
- ❖ Ensure CBP is adequately involved and makes relevant inputs into the development process
- ❖ Identify any key social threats to the project, recommend and implement solutions (such as allocation of sites etc)
- ❖ Give written and verbal feedback to stakeholders & professional team.

Outputs

- ❖ Signed social compact
- ❖ Signatories include CBP, municipality and Traditional Authority

H. Social facilitation

Input

- ❖ Community and professional team meeting.
- ❖ Liaise closely with stakeholders and professional team
- ❖ Facilitate signing of the social compact and rates and services agreement:
- ❖ Facilitate and attend workshops or meetings with the professional team, Municipality, Traditional authority, Department of Housing and community-based partner as required.
- ❖ Facilitate and attend workshops on the housing process in consultation with top-structure solutions consultant.
- ❖ Orientate the CBP and community on housing development process
- ❖ Ensure CBP is adequately involved and makes relevant inputs into the development process
- ❖ Identify any key social threats to the project, recommend and implement solutions (such as allocation of sites etc)
- ❖ Give written and verbal feedback to stakeholders & professional team.

Report

- ❖ Formal Capacity building:
 - o Constitutional development, identification of Development vehicles.
 - o Community wide communication (mass meetings).
 - o Liaise project concept & monthly progress meetings.
 - o Introduction to the housing delivery process
- ❖ Informal capacity building: Liaise project concept & monthly progress meetings.

I. Geotech Phase 1: As per NHBRC's GFSH 02 phase 2 geotechnical requirements

Input

- ❖ Identify any potential hazards
- ❖ Define ground conditions and provide site classifications, ground water conditions and soil profiles within zone of influence of foundation work
- ❖ Determine suitability of dolimitic land for housing developments, designate land
- ❖ Provide geotechnical basis for planning
- ❖ Broadly classify the land for development in term of councils residential site class designations
- ❖ Gather data in relation to the housing subsidy variations
- ❖ Obtain the necessary info in relation to the councils Housng Consumers Protections measures act (Act 95 of 1998)

Report

Provide a report capturing the information detailed above and enabling the NHBRC's house enrolment stage as per GFSH 2.

J. Environmental management

To be defined by the Project Manager in consultation with the independent agent responsible for environmental management in terms of standard environmental management procedures. Where necessary additional advice should be sought from the Provincial Department of Agriculture and Environmental Affairs

Input

- ❖ Provide a report that details the development footprint and determines the requirement for an environmental approval (Completed in Pre-Feasibility)
- ❖ If the Development is of a “Deep rural” nature and the development footprint will remain relatively unchanged no Environmental authorisation is required

Report

- ❖ Develop an Environmental management plan for the construction of the infrastructure and housing

Note: other activities outlined under the 'Background' for 'Tranche 2' above such as site administration, housing construction, services construction, and site supervision should be addressed by the project manager who reports to the Municipality (sometimes via an IA).

Tranche 2 – Scopes of Work: (construction implementation)

Preparation management and Project Management

- ❖ Maintain relationship with municipality, traditional authority, community structures, Ingonyama Trust and Dept. Traditional & Local Govt. Affairs.
- ❖ Compile and maintain a budget (and draw downs against budget)
- ❖ Ensure that agreement is reached with respect to the procurement of contractors and the relevant contracting strategy.
- ❖ Ensure that all financial obligations and requirements are in place with specific attention to the flow of funds, VAT implications and bridging finance
- ❖ Assemble, appoint, and co-ordinate the professional team including a Project Manager, Land Surveyor, Town planner, Geotechnical Engineer, Environmental consultant and facilitator.
- ❖ Ensure continued stakeholder participation takes place, including communications with the municipality, traditional authority, and community structures, Department of Housing, Ingonyama Trust and Dept. Traditional & Local Govt. Affairs.
- ❖ Ensure that the alignment and integration of other programs into the project become a reality
- ❖ Ensure that the preparation process is adequately staged
- ❖ Brief and appoint the professional team (if need be assist in selecting suitable professionals).
- ❖ Monitor professional team progress and ensure feedback to community and municipality
- ❖ Receive products / reports from team, evaluate, get amendments if required, certify payment of team
- ❖ Manage the process of evaluation, approval and implementation of Tranche 2
- ❖ Process the necessary claims to the DOH

SECTION D: Gantt Chart (Timetable)

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