HOUSING PROJECT PROCESS GUIDE

A process guide for the following National Housing Programmes:

Integrated Residential Development Programme

The Upgrading of Informal Settlement Programme

The Rural Subsidy: Communal Land Rights Programme.

September 2009

ABBREVIATIONS

CLARA	Communal Land Rights Act, Act 11 of 2004
DFA	Development Facilitation Act, Act 67 of 1995
EIA	Environmental Impact Assessment
EIAP	Environmental Impact Assessment Practitioner
EMP	Environmental Management Plan
ESTA	Extension of Security of Tenure Act, Act 62 of 1997
GP	General Plan
IDP	Integrated Development Plan
IPILRA	Interim Protection of Informal Land Rights Act, Act 31 of 1991
IRDP	Integrated Residential Development Programme
LEFTEA	Less Formal Township Establishment Act, Act 113 of 1996
LDO	Land Development Objectives
MEC	Member of the Executive Committee
NDoHS	National Department of Human Settlements
NHBRC	National Home Builders Registration Council
PHD	Provincial Housing Department
ROD	Record of Decision
RSDF	Regional Spatial Development Framework
SDF	Spatial Development Framework
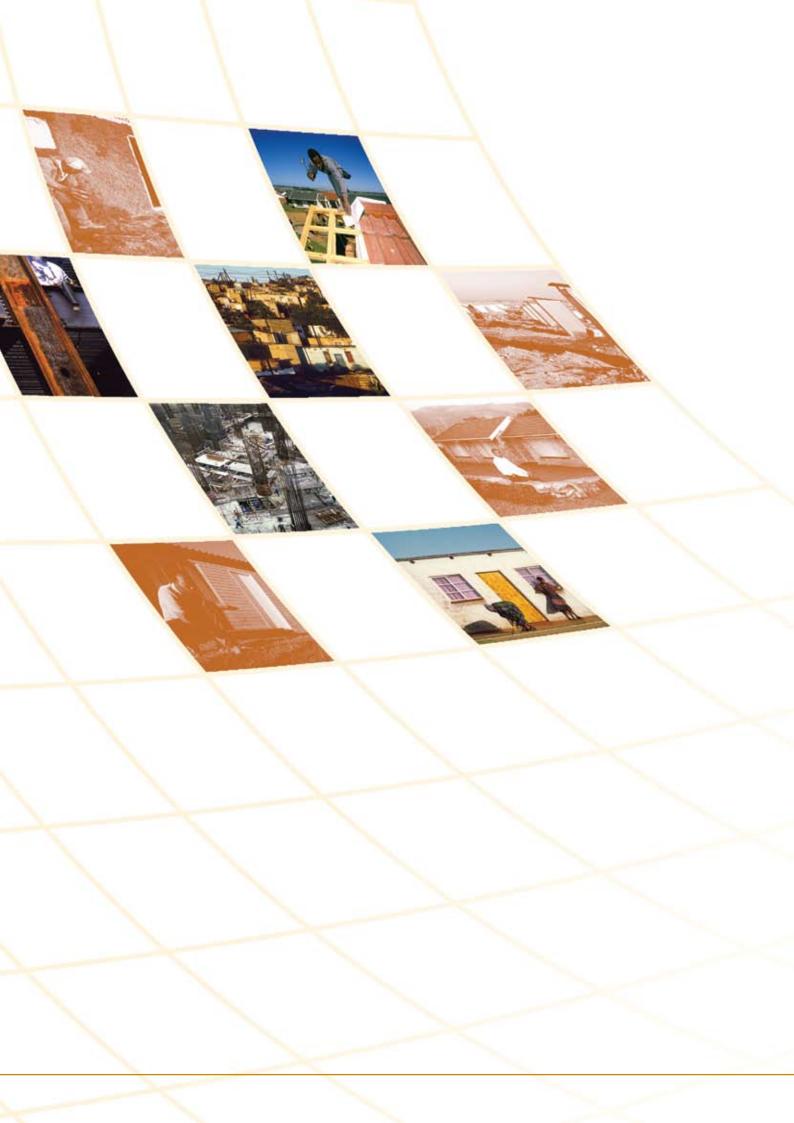
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INTRODUCTION

The Department of Human Settlements and the National Business Initiative produced a Housing Process Guide in 1997. During the 12 years since then, tremendous progress has been made with delivery, and the National Housing Programme and Housing Code has also evolved based on experience and changing needs.

This Housing Project Process Guide has been developed for the three specific programmes which are mostly utilized for subsidized housing development, namely –

- The Integrated Residential Development Programme
- The Upgrading of Informal Settlements Programme
- Rural Housing Subsidies: Communal Land Rights Programme

The previous guide emphasised the contractual relationships between parties in addition to the processes to be followed. At that stage there was also a focus on social compacts and private developer driven housing developments. The new Housing Code is comprehensive and includes detailed examples of contracts and contractual relationships, as well as many specific guidelines to assist the developer of any project.

A major change since 1997 is that the public sector organs have assumed the role of developer of subsidy housing projects, although the private sector is still involved in the implementation of the project. The Government has also created a Housing Development Agency to *inter alia* act as developer of housing projects or which may assume a developer role. The terminology used is that "Developer" means the Government department at provincial or local level that is responsible for implementing the project. "Contractor" means any private company or individual contracted by government to fulfil a function on the project whether it is managing the project, providing a professional service (deliver housing goods and/or services) or doing construction.

This Housing Project Process Guide is not intended to replace or repeat information and guidelines in the Housing Code, but is specifically intended to assist managers at all levels to understand the processes that projects must go through to achieve the required end product, the relationships between the processes, the required time frames and the responsibilities of the various role-players and professionals involved.

Over the past 15 years the Department has found that in most projects where serious delays or problems occurred, it was due to crucial steps in the development process being bypassed. As an example, this resulted in situations where houses were constructed which could not be transferred to occupants, or stands were serviced without any links to the municipal bulk services.

The Guide is also not intended to detail the processes that Professionals follow in their work, be it town planning, design or conveyancing, but to highlight the overall processes that must be completed at specific stages of a project.

The Guide is also not a comprehensive project management guide, but is a tool for the successful project management of housing projects, and includes a summary checklist which can be used to monitor progress on a project, and can also be used as the basis on which progress payments are made.

The terminology used in different provinces and in the Development Facilitation Act varies for the various processes to establish development rights and ultimately enable the developer to transfer ownership to or protect the rights of individual beneficiaries. These processes include, but are not limited to, subdivision, rezoning, establishment of Land Development Areas, township establishment and division of land. This Guide uses the generic terms "township establishment" and "rezoning" to describe these processes.

SELECTION OF SUBSIDY PROGRAMMES

The Housing Code describes the correct application of the various subsidy programmes. The diagram below contextualizes the three programmes covered in this Guide with notes on the selection of the correct subsidy programme. It highlights the differences between the three programmes in this Guide to ensure that the correct context of the chosen programmes is fully understood.

Many of the processes in this document can also be applied to other Housing Programmes, although the product may be completely different. The basic building blocks and the statutory requirements of a housing project remain similar. Users of this Guide can select applicable components of the project schedules and checklists and adapt it for their specific circumstances.

Many of the problems experienced in the closing-out phase of projects can be related to an inappropriate choice of programme. Sometimes this is done due to a perception that one programme has fewer statutory requirements than another, or can be implemented faster. Again, in most cases the basic building blocks of the projects remain the same and the correct programme is usually the one that can be fully completed in the shortest time frame.
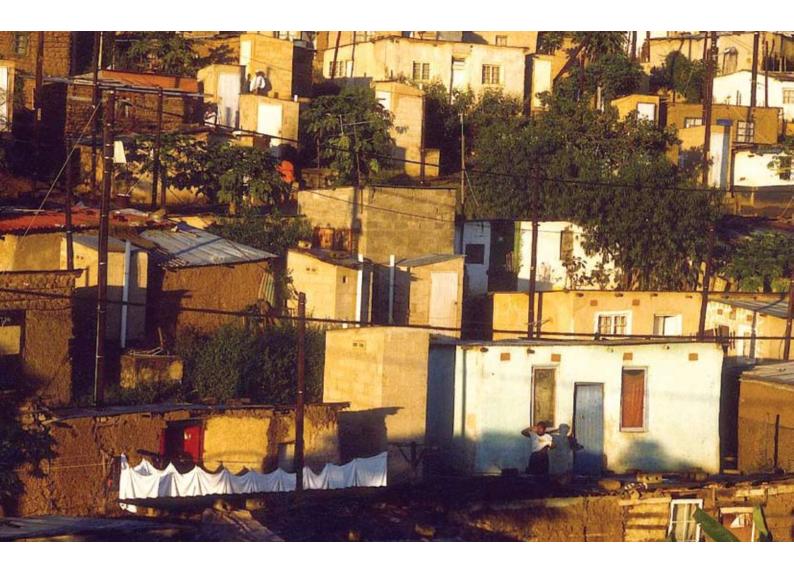
Intervention Category	Housing Programme	Description
Financial	Individual Housing Subsidies	These programmes provide subsidies to individuals to purchase completed or existing properties, grant funding to Municipalities and/or Provinces to deliver services or facilities for professional services to facilitate planning and delivery.
	Extended Discount Benefit Scheme	
	Social and Economic Facilities	
	Accreditation of Municipalities	
	Operational Capital Budget	
	Housing Chapters of IDP's	
	Rectification of Pre-1994 Housing Stock	
Incremental Housing Programme	Integrated Residential Development Programme	The programme facilitates the structured upgrading of informal settlements. It applies to *in situ* upgrading of informal settlements as well as where communities are to be relocated for a variety of reasons. The programme entails extensive community consultation and participation. Emergency basic services provision, permanent services provision and security of tenure.
	People Housing Process	
	Informal Settlement Upgrading Programme	
	Consolidation Subsidies	
	Emergency Housing Assistance	
Social and Rental Housing Programme	Institutional Subsidies	
	Social Housing	
	Community Residential Units	
Rural Housing Programme	Rural Subsidy: Informal Land Rights	The Rural programme is used to extend the benefits of the Housing Subsidy Scheme to those individuals living in areas referred to as "rural" areas where they enjoy functional security of tenure as opposed to legal security of tenure. Only individuals whose informal land rights are uncontested and who comply with the qualification criteria will be granted such Rural subsidies.

THE HOUSING CODE

The National Housing Code 2009 sets the underlying policy principles, guidelines and norms and standards which apply to Government's various housing assistance programmes introduced since 1994 and updated.

The purpose of this Guide is to provide an easy-to-understand overview of the various housing subsidy instruments available to assist low income households to access adequate housing.

The detailed description of the policy principles, guidelines, qualification criteria and norms and standards are available in the National Housing Code.

NATIONAL HOUSING POLICY CONTEXT

The South African Constitution, 1996 enshrines the right of everyone to have access to adequate housing and makes it encumbent upon the State to take reasonable legislative and other measures within its available resources to achieve the progressive realisation of this right.

In response to this Constitutional imperative, Government has in terms of the Housing Act, 1997 (Act No 107 of 1997) introduced a variety of programmes which provide poor households access to housing opportunities. The policy principles set out in the White Paper on Housing aim to provide poor households with houses as well as basic services such as potable water and sanitation on an equitable basis.

The limited resources available from the *fiscus* however necessitate the prioritisation of the most vulnerable groups as well as the provision of housing, security and comfort to all over time.

Ten years after the introduction of the housing programme in 1994, a comprehensive review was undertaken of the outcomes of the programme and the changes in the socio-economic context in the country. This lead to the approval of the Comprehensive Plan for the Creation of Sustainable Human Settlement commonly referred to as "Breaking New Ground" or "BNG", by Cabinet in September 2004.

While retaining the basic principles of the Housing White Paper, the Comprehensive Plan shifts the focus to improving the quality of housing and housing environments by integrating communities and settlements through a holistic development orientation. It also sets new minimum standards for housing products improving privacy and sustainability by providing for the development of a range of social and economic facilities in human settlements. The Comprehensive Plan also focuses on the upgrading of informal settlements in order to meet the Government's commitment towards achieving the Millennium Goal of the United Nations to improve the lives of 100 million slum dwellers worldwide.

In order to support the implementation of the Comprehensive Plan, housing departments in all spheres of Government, as well as Housing Support Institutions have been extensively restructured.

Likewise, the National Housing Code of the year 2000 has been substantially revised. The National Housing Code 2009 is aimed at simplifying the implementation of housing projects by being less prescriptive while providing clear guidelines. The rest of this document contains a broad overview of the programmes in the National Housing Code.

It is important to note that in respect to all programmes which are not contained in the Housing Code, 2009 the rules of the National Housing Code, 2000 will apply.

THE THREE PROGRAMMES

Integrated Residential Development Programme (IRDP)

What is the programme about?

One of the key lessons learnt in the review of the outcomes of housing programmes since 1994 is that, owing to a variety of reasons, low income settlements continued to be located on the urban periphery without the provision of social and economic amenities and by and large constituted "housing subsidised beneficiary islands".

Hence a new Programme has been introduced to facilitate the development of integrated human settlements in well-located areas that provide convenient access to urban amenities, including places of employment. The Programme also aims at creating social cohesion.

The Integrated Residential Development Programme (IRDP) provides for the acquisition of land, servicing of stands for a variety of land uses including commercial, recreational, schools and clinics, as well as residential stands for both low, middle and high income groups. The land use and income group mix will be based on local planning and needs assessment.

The IRDP can be undertaken in phases or in one single phase. The first phase could provide serviced stands, whereas the second phase provides for housing construction for qualifying low income beneficiaries and the sale of stands to persons who for various reasons, don't qualify for subsidies, and/or the disposal of other stands such as commercial uses.

Who will be assisted?

This Programme will assist people who:
- Lawfully resides in South Africa (i.e. citizen) of the Republic of South Africa or in possession of a permanent residence permit. Certified copies of the relevant documents must be submitted with the application).
- Legally competent to contract (i.e. over 18 years of age or legally married or legally divorced or declared competent by a court of law and sound of mind);
- Neither the applicant nor his or her spouse has previously benefited from government assistance;
- Has not owned fixed residential property; and
- Has previously owned fixed residential property, such a person may only qualify for the purchase of a vacant serviced site.

In addition to the above the following criteria must also be satisfied:
- Persons must be married or habitually cohabit;
- Single persons must have financial dependants;
- Single persons without financial dependants such as the aged, military veterans, etc. may be assisted;
- Households must earn a monthly income in the range as annually announced; and
- Persons who have benefited form the Land Restitution Programme may also be assisted.

In addition, the programme also makes provision for the creation of non-residential stands such as:
- Institutional stands e.g. police stations, schools and clinics;
- Business and commercial stands;
- Stands for non-profitable community services e.g. churches and crèches/nursery schools; and
- Stands for public use e.g. parks and community facilities etc.

Special conditions apply to the sale and transferring of these stands.

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Important considerations

Plans for projects undertaken with the scope of the IRDP must be based on approved housing chapters of Municipal Integrated Development Plans and priorities and reservation of funds for project development agreed to between the MEC and the Mayors in terms of the multi – year housing plan developed as part of an approved IDP.

All procurement processes must occur within the prescripts of relevant legislation and in a fair, equitable, transparent and competitive manner. To support and ensure compliance with procurement, three contracting strategies or a combination thereof are proposed in this Guide.

How to access the programme

Municipalities will assume the role of a developer. Where a municipality does not have the required capacity to fulfil this role, the Provincial Government may assume the role of developer. The developer will submit a project application to the MEC making use of *pro forma* procurement documents, agreements, and/or contracts when applying for a project and the implementation thereof.

Who are the role players and decision makers?

The municipality assumes the role of the developer and applies for funding from the MEC. The municipality undertakes all planning and project activities. The MEC reserves and distributes funds and assesses and adjudicates various aspects of the project process and approves project

THE THREE PROGRAMMES

Upgrading of Informal Settlements Programme (UISP)

What is the programme about?

Informal Settlements are common to most developing countries which undergo a process of rapid urbanisation and have limited resources to address the housing needs of all its citizens and in particular the poor who flock to cities in search of a "better life and future" for their families.

Hence the Programme for the Upgrading of Informal Settlements is one of the most important programmes of Government which seeks to improve the living conditions of millions of poor people by providing secure tenure and access to emergency services as well as basic services and housing.

Experience has shown that access to basic services, secure tenure and a house provides a platform/foundation to households to improve their social and economic circumstances.

One of the basic tenets of the programme is that beneficiary communities must be involved in all aspects of the project cycle throughout to ensure that existing fragile community survival networks are not compromised and to empower communities to take charge of their own settlements design standards and housing solutions. All members of the community, also those that do not qualify for subsidies, are included.

The Programme therefore aims to bring about social cohesion, stability and security in integrated developments, create jobs and economic growth for communities which did not previously have access to land and business services, formal housing and social and economic facilities and amenities.

Who will be assisted?
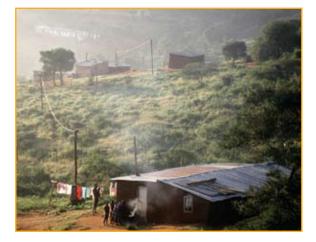
This Programme will benefit all persons living in informal settlements who meet the following criteria:
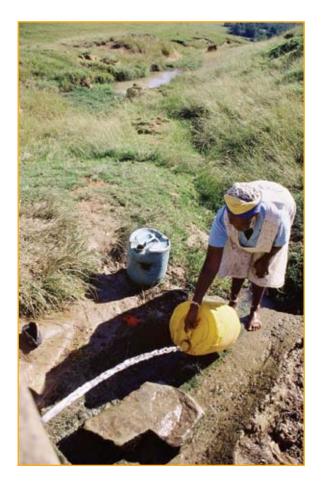
- Households that comply with the Housing Subsidy Scheme qualification criteria;
- In order not to exclude any community members, households with a monthly income exceeding the maximum income or qualifying for housing subsidies as approved by MINMEC, are also included subject to certain conditions;
- Households headed by minors, who are not competent to contract, may benefit with assistance the from the Department of Social Development;
- Persons without dependants; and
- Persons who are not first-time home owners.

Applications for the following people may be considered on a case-by-case basis:

- Persons who have previously received housing assistance and who previously owned and/or currently own a residential property; and
- Immigrants whose residence status is uncertain on the conditions and under guidance prescribed by the Department of Home Affairs.

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Social and economic facilities and amenities to enhance the sustainability of the upgraded settlement may also be provided through the special Programme which provides funding for such amenities.

How to access the programme

Municipalities will identify informal settlements to be upgraded within their areas of jurisdiction, and apply to the Provincial Housing Departments for funding for projects under this Programme. This will be undertaken in close collaboration with the relevant communities.

Project funding will be based on the number of persons that qualify for assistance and funding may include funds to facilitate community participation and empowerment.

The Programme also provides funding for project management purposes.

Important considerations

This Programme will be used for the *in situ* upgrading of informal settlements. As a last resort, in exceptional circumstances (e.g. where the terrain is not suitable for human settlement owing to flooding, shallow undermining etc,), residents may be relocated and resettled. This Programme will finance the creation of serviced stands only. Beneficiaries may apply for housing construction assistance through the other National Housing Programmes.

This Programme may be undertaken in three phases, focusing on community participation, planning, emergency services, basic services and housing construction as part of a final phase.

Who are the role players and decision makers?

The projects will be undertaken on the basis of a partnership of co-operative governance between the relevant municipality, the Provincial Housing Department, the National Department of Housing, the Department of Social Development (in respect of households headed by minors) and the Department of Home Affairs (in respect of establishing residence status of immigrants).

Municipalities will fulfil the developer role.

The Provincial Housing Departments can assist a municipality if the municipality lacks capacity, and can assume the role of developer if the municipality cannot meet the project commitments.

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Rural Housing Subsidy: Communal Land Rights

What is the programme about?

Owing to the difficulty of defining rural and urban areas, the conventional wisdom tends to view human settlements on a continuum from major metropolitan urban agglomerations through various secondary settlements, to small towns and down to widely dispersed homesteads in remote areas.

All are regarded as interdependent and fulfil different functions. The various housing subsidy instruments need to cater for all these diverse circumstances. Bearing in mind the policy principle of tenure security, the various subsidy instruments provide for assistance in all types of settlements along the continuum where freehold or rental tenure can be achieved.

However in areas of communal tenure (e.g. where the Minister of Rural Development & Land Reform holds land in trust for communities) and where traditional leaders allocate land for settlement to households or persons, freehold tenure can in most cases not be easily secured. Hence, it was necessary to develop a programme to assist households in areas with communal tenure to access housing subsidies.

The Rural Housing Programme only applies in areas of communal tenure and requires that tenure rights first be confirmed through the processes prescribed by the Minister of Rural Development & Land Reform. Furthermore, subsidies are only available on a project basis but can be flexibly applied to meet real needs.

The Programme thus deals with the rules for housing subsidies for housing development on communal land registered in the name of the State and which will be held by community members/traditional authority subject to the rules or custom of that community. It is a pre-requisite for the allocation of subsidies under the Programme that a beneficiary community member provides proof of uncontested land tenure rights and qualifies for a new order tenure right on the portion of land allocated to him or her.

The housing subsidy may be utilised for the development of internal municipal residential services where no alternative funds are available, house building, upgrading of existing services where no alternative funding is available, the upgrading of existing housing structures or any combination of the said options.

This Programme adheres to the objective of the Comprehensive Plan for the Creation of Sustainable Human Settlements for a needs-orientated rural development programme that caters for traditional technologies, appropriate funding mechanisms, and addressing the important issues of tenure security, livelihood strategies and the broader socio-cultural matters.

Who will be assisted?

The Programme will assist people who:
- Lawfully reside in South Africa (i.e. citizen of the Republic of South Africa or in possession of a permanent residence permit. Certified copies of the relevant documents must be submitted with the application);
- Are legally competent to contract (i.e. over 18 years of age or legally married or legally divorced or declared competent by a court of law and sound of mind);
- Are neither the applicant nor his or her spouse has previously benefited from government assistance; and
- Has not owned fixed residential property.

Certain conditions apply to the following groups:
- Persons who are married or habitually cohabiting;
- Single persons with financial dependants;
- Single persons without financial dependants;

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- Households with a monthly income in the range as annually announced;
- Persons who have benefited form the Land Restitution Programme;
- Persons classified as Military Veterans as confirmed by the SANDF; and
- Persons in polygamous unions may apply for a rural subsidy. In such cases, where available, applicants must submit affidavits from the traditional leaders or the person who performed the marriage.

Important considerations

If a community has a recognized traditional council, the powers and duties of the Land Administration Committee of the community is exercised and performed by the traditional council. Persons who qualify for new order tenure rights will qualify for housing subsidies under this Programme.

Benefits of the Programme will extend to persons who wish to obtain a housing subsidy and who have uncontested old order rights. Documentary proof of the rights granted to him/her must be provided with an application and in the case of the lack thereof it should include an affidavit providing details of the rights held in respect of the land and confirmation of the fact that the land has been occupied for a continued period of more than five years.

Variations may apply where applicable. For this purpose please refer to the Manual on the Adjustment of the Housing Subsidy Scheme Amount for Extraordinary Development Conditions in the Technical Guidelines.

How to access the programme
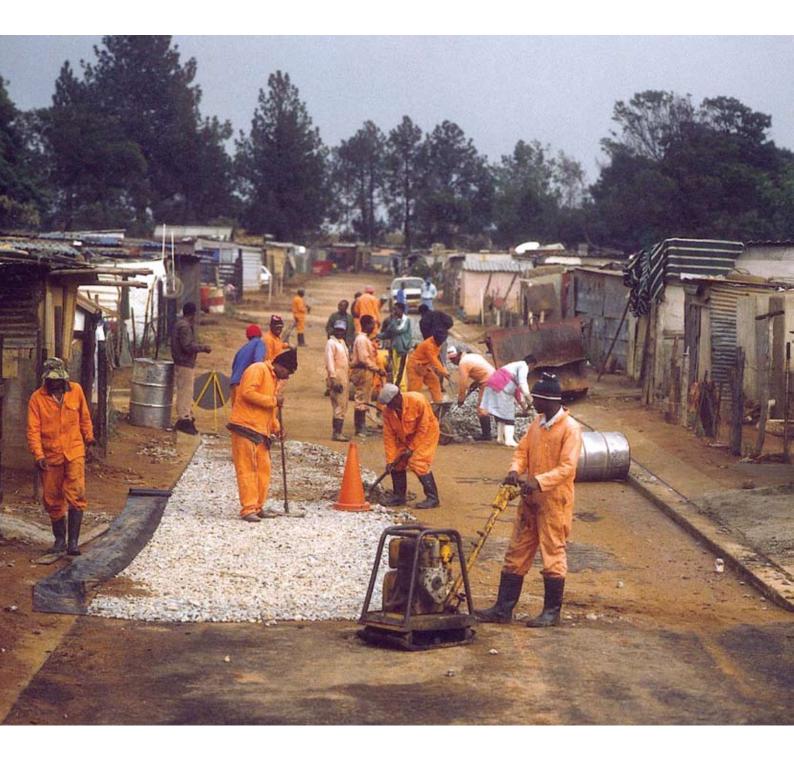
Funding under this Programme will only be available within the context of an approved housing development project and may not be accessed on an individual basis. The housing subsidies allocated to beneficiaries under this Programme are awarded to persons who enjoy informal land rights protected by the provisions of the relevant legislation. Subsidies under this Programme will only be approved if no other form of subsidy can be applied. It is a pre-requisite for project approval that the beneficiary community members must participate in all aspects of the housing development that is planned and will be undertaken.

Who are the role players and decision makers?

A traditional council must in terms of the Traditional Leadership and Governance Framework Act, 2003 (Act No 41 of 2003), co-operate with any relevant municipal ward committee and must meet at least once a year with its traditional community to give account of its activities and finances.

There are five role-players within this Programme namely:
- National Department of Rural Development & Land Reform;
- Provincial Department of Human Settlements;
- Municipalities;
- Traditional Councils; and
- The Land Administration Committee (after the promulgation of CLaRA).

PROCESS FLOW CHARTS

This section contains generic flow charts for the three programmes. The charts utilise the same building blocks and symbols wherever possible. These symbols are expanded upon and more detail of individual steps and processes provided in the "notes on flow charts" following the charts.

The Integrated Residential Development Programme and the Upgrading of Informal Settlement Programme has been combined into one chart. The processes required for these programmes are essentially the same, with the main difference being the development *in situ* of an informal settlement with the additional requirements of dealing with the residents during planning and construction.
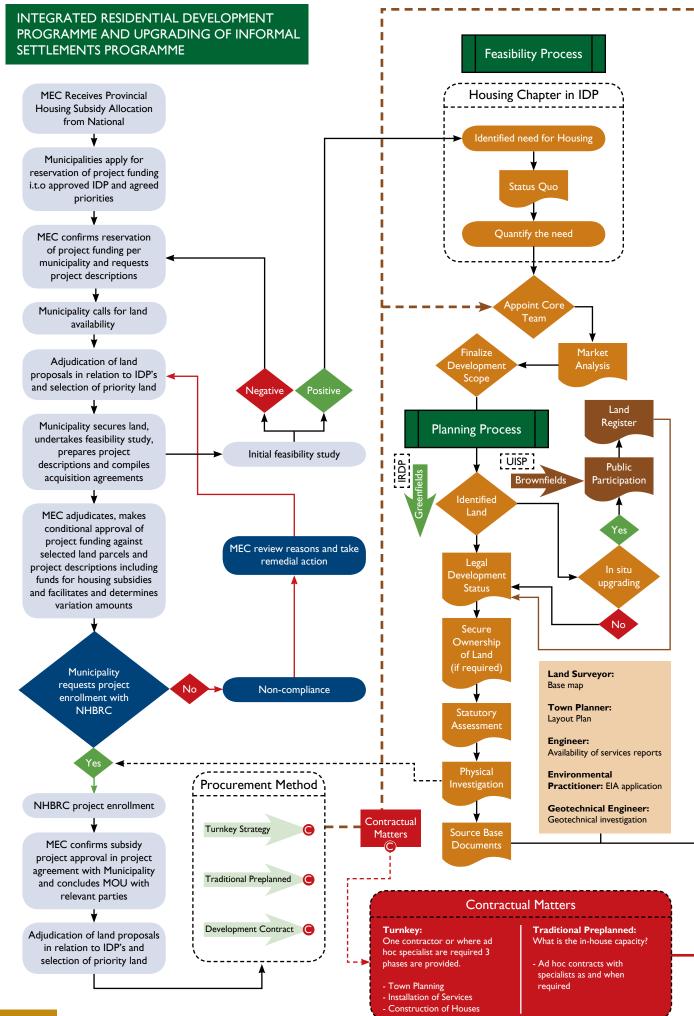
Most projects require all the steps in the flow charts, but some may be well advanced and for example only require the construction portion within an already established township, or where a rezoning is required rather than township establishment. The flow chart remains a guide to confirming that all the preceding processes have been properly completed.

The flow charts follow a serial project process, but many processes can be done in parallel if the risks are clearly understood and managed. It could lead to fruitless expenditure if the engineer is instructed to design the services before the layout plan and General Plan is approved, as changes may lead to a re-design.
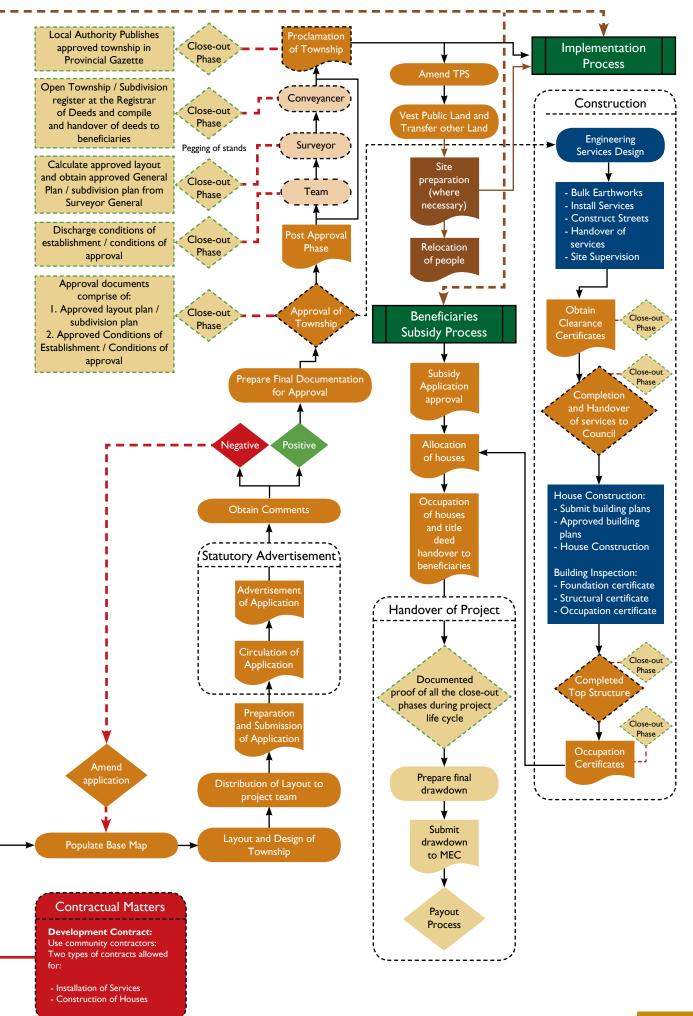
The flow charts cannot show all the links, as it would clutter the picture unnecessarily. The phase close-outs indicated in yellow diamonds are intended to show that they are specific processes which must be completed, but they all link to the final project completion and hand-over, although this is not explicitly shown.

The township establishment process is generic, as it was found that the various Provincial Ordinances and the Development Facilitation Act require the same steps before proclamation can take place, although the sequence and terminology varies.
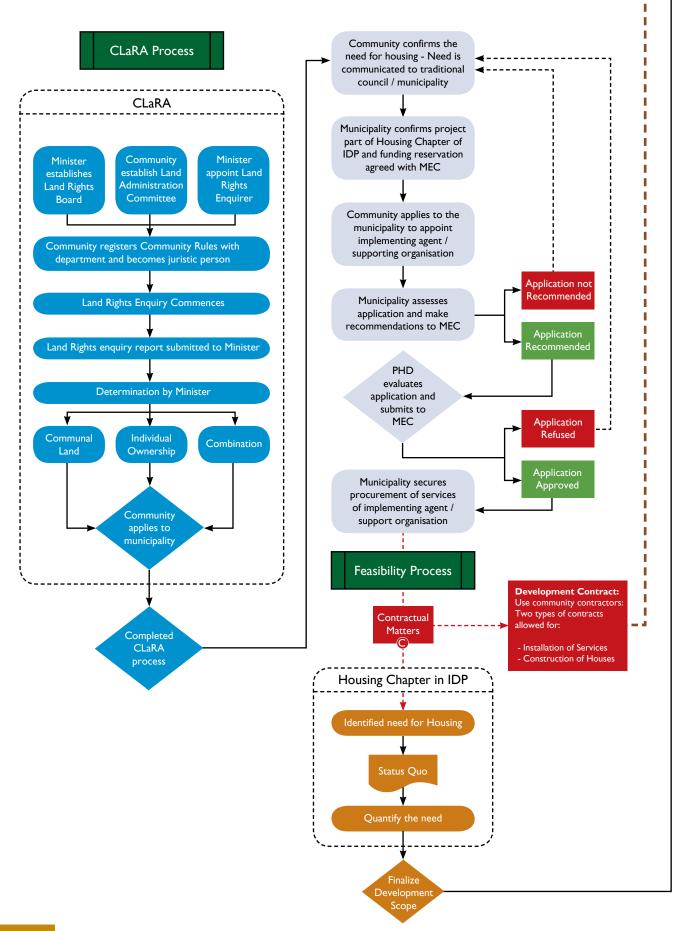
The tasks done by professionals are also not detailed, but the outcome is shown or there is a specific phase close-out. Examples are township approvals, conveyancing, engineering design, etc.

ICON	DESCRIPTION
	This icon signifies that a sub-process would normally be required.
	This icon signifies that a decision is to be made.
	This icon signifies that an action, document or sub-process would be required to complete a specific task.
	This icon signifies the initiation of a specific phase.
	This connector represents the flow process from one activity to another. Black connectors represent the main process flow.
	Coloured connectors contextualises the flow between phases and should not be used as a short-cur procedure.

INTEGRATED RESIDENTIAL DEVELOPMENT PROGRAMME AND UPGRADING OF INFORMAL SETTLEMENTS PROGRAMME

MEC Receives Provincial Housing Subsidy Allocation from National

Municipalities apply for reservation of project funding i.t.o approved IDP and agreed priorities

MEC confirms reservation of project funding per municipality and requests project descriptions

Municipality calls for land availability

Adjudication of land proposals in relation to IDP's and selection of priority land

Municipality secures land, undertakes feasibility study, prepares project descriptions and compiles acquisition agreements

Initial feasibility study

MEC adjudicates, makes conditional approval of project funding against selected land parcels and project descriptions including funds for housing subsidies and facilitates and determines variation amounts

MEC review reasons and take remedial action

Municipality requests project enrollment with NHBRC

No — Non-compliance

Yes

NHBRC project enrollment

MEC confirms subsidy project approval in project agreement with Municipality and concludes MOU with relevant parties

Adjudication of land proposals in relation to IDP's and selection of priority land

Procurement Method

Turnkey Strategy — C

Traditional Preplanned — C

Development Contract — C

Negative Positive

Feasibility Process

Housing Chapter in IDP

Identified need for Housing

Status Quo

Quantify the need

Appoint Core Team

Finalize Development Scope ← Market Analysis

Planning Process

Land Register

IRDP Greenfields UISP Brownfields → Public Participation

Identified Land

Legal Development Status

In situ upgrading

Yes

No

Secure Ownership of Land (if required)

Statutory Assessment

Physical Investigation

Source Base Documents

Contractual Matters — C

Land Surveyor:
Base map

Town Planner:
Layout Plan

Engineer:
Availability of services reports

Environmental Practitioner: EIA application

Geotechnical Engineer:
Geotechnical investigation

Contractual Matters

Turnkey:
One contractor or where ad hoc specialist are required 3 phases are provided.

- Town Planning
- Installation of Services
- Construction of Houses

Traditional Preplanned:
What is the in-house capacity?

- Ad hoc contracts with specialists as and when required

Local Authority Publishes approved township in Provincial Gazette

Close-out Phase

Open Township / Subdivision register at the Registrar of Deeds and compile and handover of deeds to beneficiaries

Close-out Phase

Calculate approved layout and obtain approved General Plan / subdivision plan from Surveyor General

Close-out Phase

Discharge conditions of establishment / conditions of approval

Close-out Phase

Approval documents comprise of:
1. Approved layout plan / subdivision plan
2. Approved Conditions of Establishment / Conditions of approval

Close-out Phase

Proclamation of Township

Conveyancer

Surveyor

Pegging of stands

Team

Post Approval Phase

Approval of Township

Prepare Final Documentation for Approval

Negative   Positive

Obtain Comments

Statutory Advertisement

Advertisement of Application

Circulation of Application

Preparation and Submission of Application

Distribution of Layout to project team

Layout and Design of Township

Amend application

Populate Base Map

Contractual Matters

Development Contract:
Use community contractors:
Two types of contracts allowed for:

- Installation of Services
- Construction of Houses

Amend TPS

Vest Public Land and Transfer other Land

Site preparation (where necessary)

Relocation of people

Beneficiaries Subsidy Process

Subsidy Application approval

Allocation of houses

Occupation of houses and title deed handover to beneficiaries

Handover of Project

Documented proof of all the close-out phases during project life cycle

Prepare final drawdown

Submit drawdown to MEC

Payout Process

Implementation Process

Construction

Engineering Services Design

- Bulk Earthworks
- Install Services
- Construct Streets
- Handover of services
- Site Supervision

Obtain Clearance Certificates

Close-out Phase

Completion and Handover of services to Council

Close-out Phase

House Construction:
- Submit building plans
- Approved building plans
- House Construction

Building Inspection:
- Foundation certificate
- Structural certificate
- Occupation certificate

Completed Top Structure

Close-out Phase

Occupation Certificates

Close-out Phase

CLaRA Process

CLaRA

- Minister establishes Land Rights Board
- Community establish Land Administration Committee
- Minister appoint Land Rights Enquirer

Community registers Community Rules with department and becomes juristic person

Land Rights Enquiry Commences

Land Rights enquiry report submitted to Minister

Determination by Minister

- Communal Land
- Individual Ownership
- Combination

Community applies to municipality

Completed CLaRA process

Community confirms the need for housing - Need is communicated to traditional council / municipality

Municipality confirms project part of Housing Chapter of IDP and funding reservation agreed with MEC

Community applies to the municipality to appoint implementing agent / supporting organisation

Municipality assesses application and make recommendations to MEC

- Application not Recommended
- Application Recommended

PHD evaluates application and submits to MEC

- Application Refused
- Application Approved

Municipality secures procurement of services of implementing agent / support organisation

Feasibility Process

Contractual Matters ©

Development Contract:
Use community contractors: Two types of contracts allowed for:

- Installation of Services
- Construction of Houses

Housing Chapter in IDP

Identified need for Housing

Status Quo

Quantify the need

Finalize Development Scope

Planning Process

Identified Land

↓

Legal Development Status

↓

Determine Land Rights

↓

Land Affairs to approve development on State owned land

↓

Statutory Assessment

↓

PHD checks information and tests against database

↓

Implementing agent / supporting organisation prepares and submits project application to MEC

↓

Physical Investigation

↓

Source Base Documents

↓

Populate Base Map

↓

Layout and Design of Township / GPS of boundaries and houses

↓

Distribution of Layout to project team

PHD evaluates project application and if complaint with policy prescripts submit to MEC

↓

MEC approves project application

↓

PHD record project on HSS and inform municipality of decision

↓

Project agreement concluded

↓

New constructed houses registered with NHBRC

Land Surveyor: Base map

Town Planner: Layout Plan

Engineer: Availability of services reports

Environmental Practitioner: EIA application

Geotechnical Engineer: Geotechnical investigation

Where Applicable

This section of the chart includes typical services installation and construction of houses.

The programme allows for a wide range of options and implementation in accordance with the approved scope of the project.

Beneficiaries Subsidy Process

Subsidy Application approval

↓

Allocation of houses

↓

Occupation of houses and title deed handover to beneficiaries

Where Applicable

Handover of Project

Documented proof of all the close-out phases during project life cycle

↓

Prepare final drawdown

↓

Submit drawdown to MEC

↓

Payout Process

Implementation Process

Construction

Engineering Services Design

↓

- Bulk Earthworks
- Install Services
- Construct Streets
- Handover of services
- Site Supervision

Where Applicable

↓

Obtain Clearance Certificates — Close-out Phase

↓

Close-out Phase

Completion and Handover of services to Council

Where Applicable

↓

House Construction:
- Submit building plans
- Approved building plans
- House Construction

Building Inspection:
- Foundation certificate
- Structural certificate
- Occupation certificate

Where Applicable

↓

Close-out Phase

Completed Top Structure

↓

Close-out Phase

Occupation Certificates

Where Applicable

17

NOTES ON FLOW CHARTS

This section provides more detail on the individual icons used in the flow charts. These icons include workflows, tasks and decisions which are described in the tables below.

Two processes are expanded on in more detail. The procurement strategy is an important up-front decision which has an important impact on the processes to be followed.

The NHBRC requirements are also set out in more detail to assist with the understanding of their requirements.

Procurement Strategy

Government Department or Agency acting as Developer has to consider what strategy to follow to implement project, either in-house or by procuring services.

Will the in-house resources and capacity of the developer be sufficient to provide professional and contracting services throughout (and to the point of completion of the project) the whole project?

No ← → **Yes** → Do all the work in-house as Developer

Is the Developer able to complete certain aspects of the programme (in terms of capacity and professional resources)?

No ← **Yes** →

Does the Developer intend to use one contractor for the whole project?

Yes ← **No** →

Does the Developer intend to appoint community contractors for different steps of the programme?

No ← → **Yes**

TURNKEY STRATEGY
The turnkey Contractor is appointed by the Developer through a public tender to do all the work related to the successful completion of the project.
- Planning of approved land;
- Township establishment process;
- Design and installation of internal reticulation services and the construction of houses

RISK: Tenderer carries the risk should overruns occur that are not provided for in the contract.

TRADITIONAL PREPLANNED
Professional and contracting services may be provided in-house or procured through public tenders.
- The Developer has the flexibility to appoint and brief professionals and to manage the process of development in a hands-on manner.
- Contractors undertake construction by making use of the comprehensive designs issued by the developer.

Please note: the Developer may apply the turnkey strategy within this strategy and award development rights through a tendering process.

RISK: Developer carries the risk for any financial overruns.

DEVELOPMENT CONTRACT
Community Contractors are contracted / appointed through public tenders

This strategy permits the community to participate in development to the extend that they are able to do so.

RISK: Materials and construction managers are required to manage the Developer's risk associated with construction.

NATIONAL HOME BUILDER'S REGISTRATION COUNCIL (NHBRC)

```
┌─────────────────────────────────────────────────┐
│ MEC conditionally approves housing development project │
└─────────────────────────────────────────────────┘
                      │
                      ▼
┌─────────────────────────────────────────────────┐
│ Home Builder (developer) submits project for      │
│ in-principle approval with project description and │
│ preliminary geo-technical report.                 │
└─────────────────────────────────────────────────┘
                      │
                      ▼
```

Incomplete

NHBRC requests further particulars ◄── NHBRC reviews project description and preliminary Geo-technical Report ──► NHBRC rejects application and notifies MEC **Unacceptable**

Complete

Is site underlain by dolomites? — **Yes** → NHBRC requests dolomite stability investigation **Unacceptable**

↓ NHBRC reviews dolomitic stability investigation report

No

Acceptable

NHBRC grants in-principle enrollment and advises the Home Builder in writing and notifies MEC of any conditions

Developer prepares feasibility study and submits to NHBRC

NHBRC reviews feasibility study

Is Home Builder registered? — **No** → NHBRC rejects application and notifies the MEC

Yes → **Is the NHBRC unduly exposed to the aspects of the project?** — **Yes** → NHBRC rejects application and notifies the MEC

No ↓

NHBRC issues project enrollment certificate

REFERENCE TABLE

Ref	Task or item	Notes	Responsibility
1	MEC Receives Provincial Housing Subsidy Allocation from National	MEC receives Provincial Housing Subsidy allocation from the National Department of Housing according to the housing needs / projects identified in the Provincial Integrated Development Plan. Allocation of funds according to different programmes.	NDoHS / MEC / Provincial Department of Human Settlements
2	Municipalities apply for reservation of project funding i.t.o approved IDP and agreed priorities	Municipalities apply for reservation of project funding in terms of approved IDP and agreed project priorities.	Developer (Municipality as implementing agent)
3	MEC confirms reservation of project funding per municipality and requests project descriptions	MEC confirms reservation of project funding in terms of the relevant housing programme per municipality and requests project descriptions.	MEC / Municipality
4	Municipality calls for land availability proposals where required	Municipality calls for land availability proposals where required.	Developer / Land owners / Municipality
5	Adjudication of land proposals in relation to IDP's and selection of priority land	Adjudication / consideration of land proposals in relation to IDP's and selection of priority land.	Developer / Municipality
6	Municipality secures land, undertakes feasibility study, prepares project descriptions and compiles acquisition agreements	Municipality secures land, undertakes feasibility study, prepares project descriptions and compiles acquisition agreements / Land Availability Agreement.	Developer / Municipality
7	MEC adjudicates, makes conditional approval of project funding against selected land parcels and project descriptions including funds for housing subsidies and facilitates and determines variation amounts	MEC adjudicates / considers, makes conditional approval of specific project funding against selected land parcels and project descriptions including funds for housing subsidies and facilitates and determines variation amounts.	MEC

REFERENCE TABLE

Ref	Task or item	Notes	Responsibility
8	Municipality requests project enrollment with NHBRC		NHBRC / Developer
9	NHBRC project enrollment	NHBRC issues a Project Enrolment Certificate	NHBRC / Developer
10	MEC confirms subsidy project approval in project agreement with Municipality and concludes MOU with relevant parties	MEC confirms subsidy project approval in project agreement with Municipality and concludes MOU with relevant parties.	MEC / Municipality / Developer
11	Adjudication of land proposals in relation to IDP's and selection of priority land	Adjudication / consideration of land proposals in relation to IDP's and selection of priority land.	Developer / Municipality
12	Turnkey Strategy	Procurement method: Turnkey project – Developer responsible for whole project (i.e. provides complete and functional development)	Developer / Municipality
13	Traditional Preplanned	Procurement method: Pre-planned project – Only the town planning part of the project is done (i.e. the town planning is done and the land use rights obtained.)	Developer / (Town Planner) / Municipality
14	Development Contract	Procurement method: Development project – Only the development part of the project is done (i.e. the construction of engineering services and houses are done.)	Developer / Municipality
15	Contractual Matters	Memorandums of Understanding / Undertakings / Agreements / Contracts	MEC / Municipality (developer) / NHBRC / Community / NGO's / CBO''s / Contractors

REFERENCE TABLE

Ref	Task or item	Notes	Responsibility
16	●	Contracts: The project manager ensures that ALL contracts are signed with relevant role players and originals are kept on file for record purposes.	Project Manager
17	Feasibility Process	During this process the developer or appointed professional team will assess the general conditions surrounding the intended housing development and identify constraints and risks insofar as it could affect the said development. From this the feasibility and / or viability of the proposed project will be determined and a Feasibility Report submitted.	Developer / Professional Team
18	Identified need for Housing	The developer will assess the current need for housing (type and size) as depicted in the housing chapters of the Municipal IDP. This need should include specific information regarding the demand and supply of current housing programmes.	Developer
19	Status Quo	The developer will investigate the content of the housing chapters within the IDP and study supplementary documents (where not part of the housing chapters) like current stock, housing waiting lists, projects in progress and current occupation to determine the status quo.	Developer
20	Quantify the need	In order to ensure that the project is correctly scoped as well as that all factors have been considered, it is suggested that a report be generated by the developer quantifying the need and status quo assessment. This report will serve as a tool for diligence purposes as well as a supplementary document where the developer applies for funding from the PHD.	Developer
21	Appoint Core Team	A Municipality will normally appoint a project team to assist with the delivery of housing programmes. The choice of a project team is crucial and could affect the timely completion of the project and quality of the end product. Hence, it is suggested that careful consideration be given to the appointment of the said project team. Factors like local knowledge, capacity, experience and track records are of utmost importance.	Developer / Municipality

REFERENCE TABLE

Ref	Task or item	Notes	Responsibility
22	Market Analysis	Optional activity. In the event where a vague housing chapter was prepared for a Municipality, it could be necessary for a market analysis to be undertaken in order to ascertain the development scope, however this should be considered the exception to the rule.	Developer
23	Finalize Development Scope	Finalise development scope from the feasibility undertaken.	Developer
24	Planning Process	During this process the developer's appointed professional team will plan and design the proposed township and also compile and submit the necessary statutory land use applications in order to realize the anticipated land use rights identified during the feasibility process.	Developer / Project Team
25	In situ upgrading	Where informal settlement has taken place on the proposed development area, this process must be followed. This phase is a variation from the IRDP in terms of the UISP and only applicable to UISP.	Professional Team / Town Planner
26	Public Participation	An extensive public participation process should be undertaken for existing informal settlements which include all interested and affected parties such as the current occupiers. The participation process should determine the quantity of people living on the land as well as the normal requirements needed to determine whether these people are eligible to be accommodated under the UISP. A Community Resolution with regard to the proposed development should be obtained and a Social Compact concluded with the community / beneficiaries to ensure their participation in the project.	Town Planner
27	Land Register	A land use survey should be done to determine the current land use whilst a land rights enquiry should also be undertaken. A land register should be compiled to register the current occupants and claimants. The Land Register will be used for the transfer of erven.	Town Planner / Municipality / CBO's / Community

REFERENCE TABLE

Ref	Task or item	Notes	Responsibility
28	Legal Development Status	Determine legal framework for obtaining the proposed land use rights and / or current legal status of the settlement as well as specific constraints in terms of the current legislative frameworks and title deed restrictions.	Lawyer / Legal Advisor / Conveyancer
29	Secure Ownership of Land (if required)	Determine the current ownership/vesting of the land in question, i.e. National Government (State), Provincial Government, Municipality or Private (individual / company / trust etc.).	Lawyer / Conveyancer
30	Statutory Assessment	Investigation and assessment in terms of compliance of the proposed development against local statutory planning controls and forward planning documents (SDF, RSDF, LDO and Precinct Plans).	Town Planner
31	Physical Investigation	All appointed team members investigate and compile base information as per discipline with regard to the physical aspects of the particular land parcel.	Town Planner / Land Surveyor / Lawyer / Geotechnical Engineer / Civil Engineer / Electrical Engineer / EIA consultant, *et al*
32	Source Base Documents **Land Surveyor:** Base map **Town Planner:** Layout Plan **Engineer:** Availability of services reports **Environmental Practitioner:** EIA application **Geo-technical Engineer:** Geo-technical investigation	The Land Surveyor must obtain all Surveyor General diagrams (approved and submitted) with regard to the topography, cartography, aerial photos, land use rights (lease areas, grazing / mining rights, servitudes, usufructs etc.) and reservations (nature conservation area etc.). Town planner (or project manager – where appointed) source all municipal documents (zoning certificate, as built plans and building plans) and compile a base map comprising of all the information received from specialists into an electronic format. The civil and electrical engineer investigates the current situation with regards to engineering services and compiles an availability of services report. The environmental practitioner will assess all environmental aspects in terms of the listed activities in terms of R.386 & R.387 in accordance with the regulations as stipulated in R.385. The Conveyancer must obtain all relevant deeds office documentation (deeds, caveats, interdicts, attachments, court orders etc.) with regard to the land parcel.	Project Manager / Town Planner

REFERENCE TABLE

Ref	Task or item	Notes	Responsibility
33	Populate Base Map	All information in Item 30 populated into electronic layout as layers.	Town Planner
34	Layout and Design of Township	Town Planner, Urban Designer & engineer undertakes the layout of the township/ subdivision in consultation with the environmental consultant.	Town Planner
35	Distribution of Layout to project team	Town Planner circulates the draft layout to the rest of the project team – the rest of the team will use this layout to finalise their respective reports and applications to relevant authorities.	Town Planner / Urban Designer / Engineer
36	Preparation and Submission of Application	Once the relevant procedure, Act or Ordinance was chosen (best suited for the anticipated development and location) the Town Planner prepares and submits an application to the relevant authority/tribunal.	Town Planner
37	Circulation of Application	All interested and affected parties should be notified of the application as required by the natural rules of justice and more specific, the *audi alterem partem* rule. The way of notification is set out in the relevant legislation used. Normally a choice of "who is responsible for the circulation" exists, however it is good practice to obtain the consent of the authority to which the application was submitted where it will not be circulating, to do so. More importantly, the authority who received the application should confirm, notify and clarify to the applicant which departments, interested and affected parties or other parties, in its opinion, the application is to be circulated to.	Municipality / Development Tribunal / Town Planner
38	Advertisement of Application	Depending on the legislation used, a certain statutory advertisement period applies. Normally an application will be advertised in two languages, in two local newspapers and the Provincial Gazette, once a week for two consecutive weeks. Approval from the authority to who the application was submitted is normally sought for the notice to be published, the particular period and the choice of newspaper used. The said authority will normally confirm the languages, the period and newspapers to be used in this process.	Applicant / Authority

REFERENCE TABLE

Ref	Task or item	Notes	Responsibility
39	Obtain Comments	During Item 35, the application was circulated to various authorities, bodies and interested and/or affected parties. It is the prerogative of the entire project team to obtain (as quick as possible) formal feedback from the relevant affected parties through personal consultation, discussions and negotiations of requirements and conditions to be imposed.	Town Planner / Project team / Developer
40	Prepare Final Documentation for Approval	Once all comments / objections in Item 37 were obtained, the applicant should reply thereto by either accepting any requirements / conditions and if so, it might be necessary to make certain amendments to the initial layout and application or reject such objections / requirements / conditions. In this case it will be necessary to determine whether the amendment is material (significant) or immaterial (insignificant) – where material go back to Item 31 – if not proceed and prepare final documents which will include the final layout and conditions of establishment. If there is a dispute, a site visit and a formal public hearing will be held to afford the parties the opportunity to submit evidence or arguments to be considered. Those can be tested by the other parties.	Town Planner / Professional Team / Planning Committee / Townships Board / Development Tribunal
41	Close-out Phase — Approval of Township	Authority / Tribunal to whom the application was submitted, approves the application, layout and conditions of establishment / conditions of approval.	Municipality / Tribunal / MEC
42	Close-out Phase	Approval documents comprise of: * approved layout plan / subdivision plan; * approved conditions of establishment / conditions of approval	Municipality / Town Planner / Project Manager

REFERENCE TABLE

Ref	Task or item	Notes	Responsibility
43	Post Approval Phase	After approval of the township / subdivision certain conditions are normally imposed on the development as pre-proclamation or pre-registration conditions / requirements to be complied with. During this phase of the development, the project team will be responsible for discharging of pre-proclamation conditions / approval conditions per discipline.	Town Planner / Professional Team /
		The land surveyor will obtain the approval documents from the town planner and calculates and surveys the layout / servitudes prior to the submission of the draft small scale diagram, servitude diagrams and general plan to the Surveyor General, who will issue an approved general plan and diagrams.	Land Surveyor /
		The conveyancing attorney will use the approved general plan / small scale diagram / subdivision diagram and other applications and documents to register the township / subdivision in the Deeds Office and to open the township register / subdivision register for further vestings / transfers.	Conveyancing Attorney
44	Close-out Phase — Conveyancer	Open township / subdivision register at the Registrar of Deeds and compile & handover of deeds to beneficiaries.	Conveyancer
45	Close-out Phase — Surveyor	Calculate approved layout and obtain approved general plan / subdivision plan from Surveyor General	Surveyor
46	Close-out Phase — Team	Discharge pre-proclamation / pre-registration conditions / conditions of approval.	Professional Team

REFERENCE TABLE

Ref	Task or item	Notes	Responsibility
47	Close-out Phase — — Proclamation of Township	Once all pre-proclamation conditions were met, the general plan / subdivision diagram and township register / subdivision opened, the authority that approved the application will issue a certificate to the effect and proclaim the township / subdivision as an approved township. Local authority publishes approved township in Provincial Gazette. All land rights are effective from proclamation.	Town Planner
48	Amend TPS	It is a pre-proclamation condition / requirement that the existing town planning scheme must be amended to include the township / subdivision in the town planning scheme prior to the declaration of the township and the amendment must be published simultaneously with the declaration of the township.	Town Planner / Municipality
49	Vest Public Land and Transfer other Land	The vesting of public places will be noted in the Deeds Office in both the Township Title and the Township Register. Other erven can then be transferred to the new owners. New entities registered are transferred to beneficiaries.	Conveyancing Attorney
50	Site preparation (where necessary)	In both existing settlements and new townships the areas of the site where engineering services must be installed / constructed, can be cleared, where possible. This phase is a variation from the IRDP in terms of the UISP and only applicable to UISP.	Services Contractor
51	Relocation of people	Where structures or people are located on areas identified for roads, parks or other social facilities, structures will be have to be relocated and / or the occupiers / people be moved. Negotiations, agreements and arrangements for such relocation can be done. People who did not qualify for the UISP must be relocated to pre-determined areas.	Professional Team / Municipality / Contractors

REFERENCE TABLE

Ref	Task or item	Notes	Responsibility
52	Implementation Process	The implementation of the remaining construction phase is started. During this process execution of the above phases is put in place.	Professional Team Local Municipality Contractors
53	Engineering Services Design	The civil / electrical / traffic engineers will use the services agreement and approved layout plan for preliminary engineering services design and the approved general plan as well as the town planning layout to finalise the design of the services for the development. These services will normally not include the design of the external bulk and link services; however exceptions to the rule might apply depending on the stipulations of the service agreement. The designs must be approved by the Municipality.	Civil / Electrical / Traffic Engineers / Municipality
54	- Bulk Earthworks - Install Services - Construct Streets - Handover of services - Site Supervision	Prior to the commencement of any construction related activity the following documentation must be available. These can include, but not limited to approved land use rights, a positive geo-technical report, a positive Record of Decision (EIA) and an approved occupational health and safety plan. The necessary earthworks are conducted and services installed under the supervision of a site engineer. On completion of and after testing the services installed and constructed, the hand-over of services to the relevant municipality will take place. In addition to the above contractors will also need to provide details in terms of standard contacts.	Engineers / Contractors / Municipality
55	Obtain Clearance Certificates — Close-out Phase	The Conveyancer will then obtain the necessary tax clearance certificates from the local municipality for the transfer of erven.	Conveyancer

REFERENCE TABLE

Ref	Task or item	Notes	Responsibility
56	**House Construction:** - Submit building plans - Approved building plans - House Construction **Building Inspection:** - Foundation certificate - Structural certificate - Occupation certificate	The architect will compile and submit building plans to the Municipality for approval prior to the commencement of construction. Upon completion of the top structure an engineer will certify that foundations and structural elements of the house are satisfactory for human occupation.	Architect / Structural Engineer
57	Completion and Handover of services to Council — Close-out Phase	The engineering services are handed over to the Municipality.	Contractor Developer / Municipality / Project Manager
58	Completion Inspection — Close-out Phase	A final inspection is undertaken by the Municipality.	Civil / Electrical Engineers / Architect / Project Manager
59	Completed Top Structure — Close-out Phase	The top structures are completed. completion certificates issued.	Project Manager / Contractor / Architect
60	Occupation Certificates — Close-out Phase	On completion of the construction of the houses, occupation certificates are obtained from the Municipality.	Contractor / Architect / Developer / Municipality
61	**Beneficiaries Subsidy Process**		
62	Subsidy Application approval	Specific programme subsidies are approved.	Municipality / PHD
63	Allocation of houses	Municipality allocates houses per beneficiary registration.	Municipality / PHD
64	Occupation of houses and title deed handover to beneficiaries	Occupation takes place and title deeds are handed over	Conveyancer / Municipality / PHD

REFERENCE TABLE

Ref	Task or item	Notes	Responsibility
65	Handover of Project	This phase comprises of the cumulative finalisation of the different close-out phases and ultimate completion of the project.	Project Manager / Contractor / PHD
66	Documented proof of all the close-out phases during project life cycle	Documented proof of all the close-out phases during the project life cycle.	Project Manager
67	Prepare final drawdown	Compile all documentation required for the final drawdown per housing programme.	Project Manager / Developer
68	Submit drawdown to MEC	Submit final drawdown to MEC.	Developer / Project Manager
69	Payout Process	Payment is made by the National Government to the Provincial Government. The Provincial Government then pays the Municipality who pays the contractors.	NDoHS, PHD, Municipality & Contractors
70	CLaRA Process		
71	Community confirms the need for housing - Need is communicated to traditional council / municipality	Community confirms the need for housing. The need is identified and communicated to the traditional council / Municipality.	Community / NDoHS / PHD / Municipality
72	Municipality confirms project part of Housing Chapter of IDP and funding reservation agreed with MEC	Municipality confirms project part of Housing Chapter of IDP & funding reservation is agreed with MEC	Municipality
73	Community applies to the municipality to appoint implementing agent / supporting organisation	Community applies to the Municipality to appoint an implementing agent / supporting organization	Community
74	PHD evaluates application and submits to MEC	PHD evaluates the application and submits to MEC for approval	PHD
75	Application Approved	MEC approves the application	MEC

REFERENCE TABLE

Ref	Task or item	Notes	Responsibility
76	Municipality secures procurement of services of implementing agent / support organisation	Municipality secures payment of services of implementing agent / supporting organization	Municipality
77	PHD checks information and tests against database	PHD checks information and database	PHD
78	Implementing agent / supporting organisation prepares and submits project application to MEC	Implementing agent / supporting organization prepares and submits project application to MEC	Implementing Agent
79	PHD evaluates project application and if complaint with policy prescripts submit to MEC	PHD evaluates the project application and submits to MEC	PHD
80	MEC approves project application	MEC approves the application	MEC
81	PHD record project on HSS and inform municipality of decision	PHD record project on HSS and informs Municipality of decision	PHD / Municipality
82	Project agreement concluded	Project agreement concluded	NDOH / PHD / Municipality
83	New constructed houses registered with NHBRC	Registration of houses with NHBRC commences	NDoHS / PHD / Municipality
84	Project implementation continues	Implementation of the project continues	NDoHS / PHD / Municipality

REFERENCE TABLE

Ref	Task or item	Notes	Responsibility
85	Payment of subsidies in accordance with milestones	Payment of subsidies in accordance with milestones commences	NDoHS / PHD / Municipality
86	Project Completion	Project is completed	NDoHS / PHD / Municipality
87	Services handed over to municipality	Civil Engineering Services is now handed over to the municipality.	NDoHS / PHD / Municipality
88	Contractual Matters	It is of utmost importance to ensure that where contractors and/or other professionals are used, that signed contracts between the respective parties exist and be kept on file.	NDoHS / PHD / Municipality
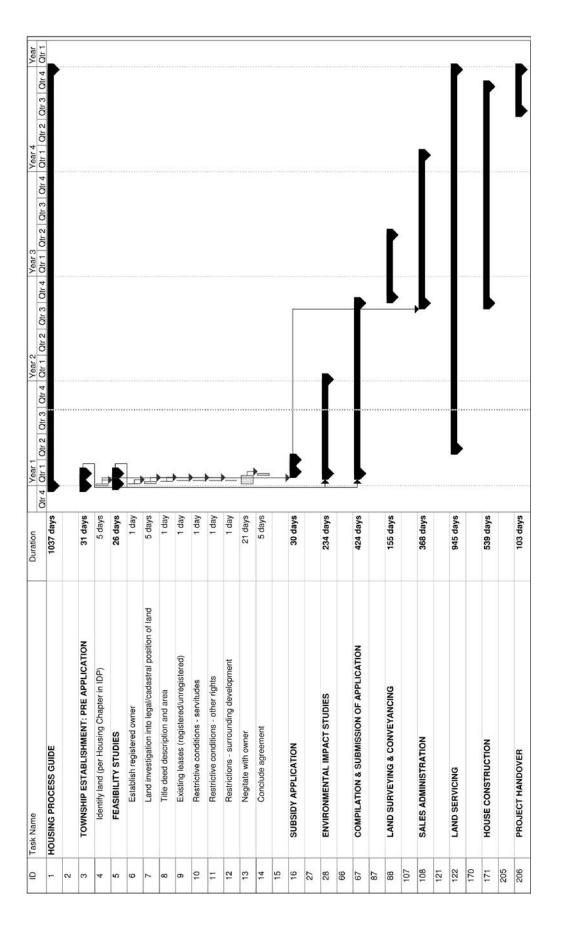
PROJECT SCHEDULES

The project schedule is also a generic schedule which project managers can use to plan their specific projects. The time required for construction will vary from project to project, as will environmental and other approvals. Users of this Guide can use the schedule as a general tool to plan and manage their projects, but the best use will be to utilise the electronic version and adapt the schedule to their specific project requirements and circumstances.

The township establishment schedule and/or process for obtaining the necessary land use rights is based on the statutory periods contained in the DFA. The time for comments and approvals by municipalities and government departments are often the most difficult to manage, but is also the one area where a project can *inter alia* be accelerated through good co-operative governance.
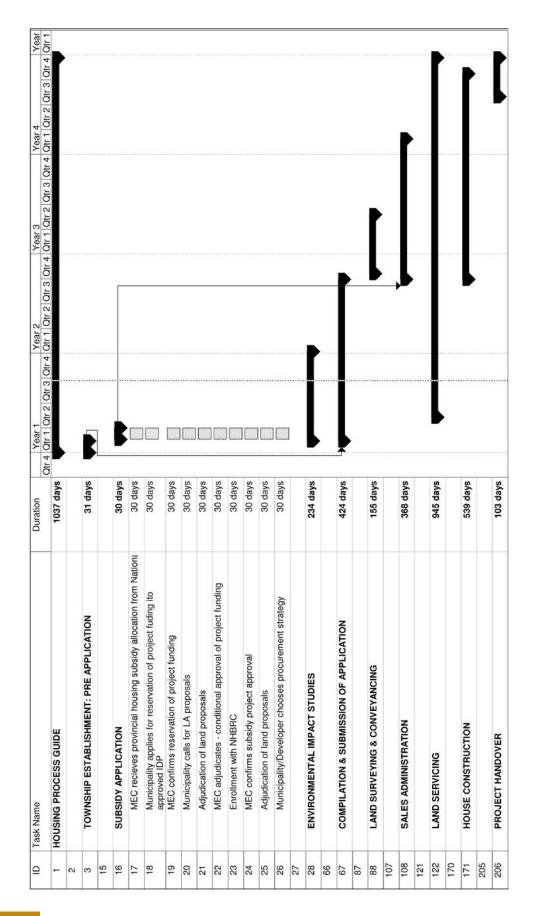
1. HOUSING PROCESS

ID	Task Name	Duration
1	HOUSING PROCESS GUIDE	1037 days
2		
3	TOWNSHIP ESTABLISHMENT: PRE APPLICATION	31 days
15		
16	SUBSIDY APPLICATION	30 days
27		
28	ENVIRONMENTAL IMPACT STUDIES	234 days
66		
67	COMPILATION & SUBMISSION OF APPLICATION	424 days
87		
88	LAND SURVEYING & CONVEYANCING	155 days
107		
108	SALES ADMINISTRATION	368 days
121		
122	LAND SERVICING	945 days
170		
171	HOUSE CONSTRUCTION	539 days
205		
206	PROJECT HANDOVER	103 days

2. TOWNSHIP ESTABLISHMENT

ID	Task Name	Duration
1	**HOUSING PROCESS GUIDE**	**1037 days**
2		
3	**TOWNSHIP ESTABLISHMENT: PRE APPLICATION**	**31 days**
4	Identify land (per Housing Chapter in IDP)	5 days
5	**FEASIBILITY STUDIES**	**26 days**
6	Establish registered owner	1 day
7	Land investigation into legal/cadastral position of land	5 days
8	Title deed description and area	1 day
9	Existing leases (registered/unregistered)	1 day
10	Restrictive conditions - servitudes	1 day
11	Restrictive conditions - other rights	1 day
12	Restrictions - surrounding development	1 day
13	Negitate with owner	21 days
14	Conclude agreement	5 days
15		
16	**SUBSIDY APPLICATION**	**30 days**
27		
28	**ENVIRONMENTAL IMPACT STUDIES**	**234 days**
66		
67	**COMPILATION & SUBMISSION OF APPLICATION**	**424 days**
87		
88	**LAND SURVEYING & CONVEYANCING**	**155 days**
107		
108	**SALES ADMINISTRATION**	**368 days**
121		
122	**LAND SERVICING**	**945 days**
170		
171	**HOUSE CONSTRUCTION**	**539 days**
205		
206	**PROJECT HANDOVER**	**103 days**

3. SUBSIDY APPLICATION

ID	Task Name	Duration
1	**HOUSING PROCESS GUIDE**	**1037 days**
2		
3	**TOWNSHIP ESTABLISHMENT: PRE APPLICATION**	**31 days**
15		
16	**SUBSIDY APPLICATION**	**30 days**
17	MEC recieves provincial housing subsidy allocation from National	30 days
18	Municipality applies for reservation of project fuding ito approved IDP	30 days
19	MEC confirms reservation of project funding	30 days
20	Municipality calls for LA proposals	30 days
21	Adjudication of land proposals	30 days
22	MEC adjudicates - conditional approval of project funding	30 days
23	Enrollment with NHBRC	30 days
24	MEC confirms subsidy project approval	30 days
25	Adjudication of land proposals	30 days
26	Municipality/Developer chooses procurement strategy	30 days
27		
28	**ENVIRONMENTAL IMPACT STUDIES**	**234 days**
66		
67	**COMPILATION & SUBMISSION OF APPLICATION**	**424 days**
87		
88	**LAND SURVEYING & CONVEYANCING**	**155 days**
107		
108	**SALES ADMINISTRATION**	**368 days**
121		
122	**LAND SERVICING**	**945 days**
170		
171	**HOUSE CONSTRUCTION**	**539 days**
205		
206	**PROJECT HANDOVER**	**103 days**

4. ENVIRONMENTAL IMPACT ASSESSMENT

ID	Task Name	Duration
1	HOUSING PROCESS GUIDE	1037 days
2		
3	TOWNSHIP ESTABLISHMENT: PRE APPLICATION	31 days
15		
16	SUBSIDY APPLICATION	20 days
27		
28	ENVIRONMENTAL IMPACT STUDIES	234 days
29	EIA Application	59 days
30	Complete application	3 days
31	Land owner consent	1 day
32	Peruse application	1 day
33	Submit application	1 day
34	Awaiting approval by competent authority	14 days
35	Receive acknowledgement of receipt of application	0 days
36	Scoping phase	85 days
37	Public participation (Registration of IP and AP's)	30 days
38	Site assessment	1 day
39	Identification of Environmental Impacts	3 days
40	Prepare Scoping Report	15 days
41	Prepare Plan of Study for EIA	1 day
42	Avail Scoping Report for Public Comment	2 days
43	Public Review Process	30 days
44	Incorporate Public comments	3 days
45	Submit report to CA	0 days
46	Awaiting approval by CA	30 days
47	Receiving approval for continuation of EIA	0 days
48	EIA Report	165 days
49	Compile EIA report (incorporate specialist rep)	20 days
50	Submit for public review	30 days
51	Incorporate Public comment	5 days
52	Draft EMP	7 days
53	Review and Finalise EIA report	3 days
54	Submit EIA report	0 days
55	Awaiting Environmental Authorisation	60 days
56	Granting of Environmental Authorisation	45 days
57	Record of Decision	10 days
58	Issue ROD	0 days
59	Notify all stakeholders of decision from CA	10 days
60	Notice of intention to appeal (10 days)	0 days
61	CA receive appeal (30 days)	0 days
62	Responding statement (30 days)	0 days
63	Appellant to respond to responding statement (20 days)	0 days
64	CA to acknowledge statement (10 days)	0 days
65	Decision of appeal indefinite	0 days
66		
67	COMPILATION & SUBMISSION OF APPLICATION	424 days
87		
98	LAND SURVEYING & CONVEYANCING	155 days
107		
108	SALES ADMINISTRATION	368 days
121		
122	LAND SERVICING	945 days
170		
171	HOUSE CONSTRUCTION	539 days
205		
206	PROJECT HANDOVER	103 days

ID	Task Name	Duration
1	HOUSING PROCESS GUIDE	1037 days
2		
3	TOWNSHIP ESTABLISHMENT: PRE APPLICATION	31 days
15		
16	SUBSIDY APPLICATION	30 days
27		
28	ENVIRONMENTAL IMPACT STUDIES	234 days
66		
67	COMPILATION & SUBMISSION OF APPLICATION	424 days
68	Obtain basemapping	40 days
69	Land Surveyor - Aerial Photo, contours & as built	40 days
70	Conveyancer - Conveyancers Report	5 days
71	Civil Engineers - Availibility of services reports (Water, sewer, roads & stormwater)	14 days
72	Electrical Engineer - Availibility of electrical services report	14 days
73	Geo-technical Engineer - Geo-technical Investigation	40 days
74	Other: Circumstances might require additional studies to be conducted	40 days
75	Define planning parameters	5 days
76	Prepare drafte layout plans	14 days
77	Test plans against engineering requirements	2 days
78	Legal Framework - Decision on application legislation to use	2 days
79	Prepare re-zoning/subdivision application	7 days
80	Submit application to local authority	0 days
81	Advertising of application	28 days
82	Obtainn comments from external & internal departments	14 days
83	Preparation of conditions of establishment	1 day
84	Finalization of conditions of establishment	0 days
85	Local authority approval process	5 days
86	APPROVAL OF TOWNSHIP BY LOCAL AUTHORITY	0 days
87		
88	LAND SURVEYING & CONVEYANCING	155 days
107		
108	SALES ADMINISTRATION	368 days
121		
122	LAND SERVICING	945 days
170		
171	HOUSE CONSTRUCTION	539 days
205		
206	PROJECT HANDOVER	103 days

6. LAND SURVEYING & CONVEYANCING

ID	Task Name	Duration
1	**HOUSING PROCESS GUIDE**	**1037 days**
2		
3	**TOWNSHIP ESTABLISHMENT: PRE APPLICATION**	**31 days**
15		
16	**SUBSIDY APPLICATION**	**30 days**
27		
28	**ENVIRONMENTAL IMPACT STUDIES**	**234 days**
66		
67	**COMPILATION & SUBMISSION OF APPLICATION**	**424 days**
87		
88	**LAND SURVEYING & CONVEYANCING**	**155 days**
89	Preliminary calcualtions	5 days
90	Pegging of stands	10 days
91	Prepare draft General Plan (GP)	10 days
92	**Submit GP to Surveyor General**	**60 days**
93	Initial examination of GP	45 days
94	Advise amendments/corrections	3 days
95	Amend/correct GP and re-submit	2 days
96	Final examination of GP	5 days
97	Approval advice of GP	5 days
98	Preparation of application	5 days
99	Advertising of removal or restrictions/court order	28 days
100	Advising Deeds Office	2 days
101	**Opening of Township Register**	**35 days**
102	Drafting of application	20 days
103	Submission of approved GP to Deeds Office	2 days
104	Lodge documents at Deeds Office	3 days
105	Conveyance procedures	10 days
106	Registerable erf (subject to clearance certificates)	0 days
107		
108	**SALES ADMINISTRATION**	**360 days**
121		
122	**LAND SERVICING**	**945 days**
170		
171	**HOUSE CONSTRUCTION**	**539 days**
205		
206	**PROJECT HANDOVER**	**103 days**

ID	Task Name	Duration
1	**HOUSING PROCESS GUIDE**	**1037 days**
2		
3	**TOWNSHIP ESTABLISHMENT: PRE APPLICATION**	**31 days**
15		
16	**SUBSIDY APPLICATION**	**30 days**
27		
28	**ENVIRONMENTAL IMPACT STUDIES**	**234 days**
66		
67	**COMPILATION & SUBMISSION OF APPLICATION**	**424 days**
87		
88	**LAND SURVEYING & CONVEYANCING**	**155 days**
107		
108	**SALES ADMINISTRATION**	**368 days**
109	Set up allocation procedures	20 days
110	Distribute application forms or sign up applicants	60 days
111	Process application forms and submit for approval	10 days
112	Approval of individual subsidies	80 days
113	Inform / Contact approved applicant	10 days
114	**Registration of Transfer**	**188 days**
115	Signing of Legal Documentation eg. Deed of Sale	60 days
116	Obtain clearance certificates	10 days
117	Prepare all transfer documents	5 days
118	Lodge documents at Deeds Office	1 day
119	Register transfer	10 days
120	Register property owner	0 days
121		
122	**LAND SERVICING**	**945 days**
170		
171	**HOUSE CONSTRUCTION**	**539 days**
205		
206	**PROJECT HANDOVER**	**103 days**

8. LAND SERVICING

ID	Task Name	Duration
1	HOUSING PROCESS GUIDE	1037 days
2	TOWNSHIP ESTABLISHMENT: PRE-APPLICATION	31 days
3	SUBSIDY APPLICATION	30 days
16	ENVIRONMENTAL IMPACT STUDIES	224 days
27	COMPILATION & SUBMISSION OF APPLICATION	424 days
66	LAND SURVEYING & CONVEYANCING	155 days
87	SALES ADMINISTRATION	366 days
107	LAND SERVICING	945 days
121	Services agreements	14 days
123	Determining design standards	10 days
124	Prepare draft agreement	10 days
125	Negotiate with local authority	14 days
126	Sign agreement	1 day
127	Establish available capacity	30 days
128	Assessment of Physical Features of site	1 day
129	Incorporate topographical surveys	5 days
130	Incorporate geo-technical surveys	5 days
131	Determine floodlines	5 days
132	Bulk Services Investigation/Feasibility	30 days
133	Establish construction points	30 days
134	Preliminary Design Report	45 days
135	Prepare preliminary design	10 days
136	Prepare abbreviated specifications	10 days
137	Prepare cost estimates	5 days
138	Draft report	20 days
139	Approval by Local Authority	5 days
141	Finalisation of Level of Service	5 days
142	Review product quality/cost	5 days
143	Funding application to electricity regulator	30 days
144	Detail Design	60 days
145	Detail Design and Specifications	40 days
146	Obtain approval from local authority	20 days
147	Tender Process and Award	55 days
148	Call for tenderers/issue documents	20 days
149	Evaluate tenders & tender report	5 days
150	Review & award tender	20 days
151	Appoint contractor	10 days
152	Completion of Contractual Requirements	20 days
153	Approve insurances & guarantees	10 days
154	Approve Occupational Health & Safety (OHS) Plan	10 days
155	Determine contractual dates & communication procedures	0 days
156	Construction of Services	90 days
157	Construction of civil services	60 days
158	Construction of electricity reticulation	60 days
159	Measurement & interim certification of completed work	60 days
160	Resolve claims and extra work	10 days
161	Phase 2 Geo-technical Investigation	30 days
162	Completion/Handover Process	17 days
163	Arrange completion inspections	10 days
164	Handover completed work to local authority	6 days
165	Substantial completion certificate by engineer	2 days
166	Serviced erf clearance certificate issued by Local Authority	0 days
167	Maintenance period5	240 days
168	End of maintenance inspection & rectification	12 mons
169	Final completion certificate	0 days
171	HOUSE CONSTRUCTION	539 days
205	PROJECT HANDOVER	103 days

ID	Task Name	Duration
1	HOUSING PROCESS GUIDE	1037 days
2	TOWNSHIP ESTABLISHMENT: PRE APPLICATION	31 days
3		
15	SUBSIDY APPLICATION	30 days
16		
27	ENVIRONMENTAL IMPACT STUDIES	234 days
28		
66	COMPILATION & SUBMISSION OF APPLICATION	424 days
67		
87	LAND SURVEYING & CONVEYANCING	155 days
88		
107	SALES ADMINISTRATION	368 days
108		
121	LAND SERVICING	945 days
170		
171	HOUSE CONSTRUCTION	539 days
172	Preliminary Design	20 days
173	Prepare preliminary design	20 days
174	Prepare abbreviated specifications	10 days
175	Prepare cost estimates	10 days
176	Review & award tender	5 days
177	Approval of product	20 days
178	Detail Design and Specifications	40 days
179	Prepare detailed designs	40 days
180	Prepare specifications	40 days
181	Tender Process and Award	55 days
182	Call for tenders/issue documents	20 days
183	Evaluate tenders & tender report	5 days
184	Review & award tender	20 days
185	Appoint contractor	10 days
186	Completion of Contractual Requirements	12 days
187	Approve insurances & guarantees	10 days
188	Approve Occupational Health & Safety (OHS) Plan	10 days
189	Determine contractual dates & communication procedures	2 days
190	Building Plan Approval	40 days
191	Submission of individual building plans	10 days
192	Approval of building plans	30 days
193	Construction of Houses	90 days
194	Construction of houses	80 days
195	Structural inspections	80 days
196	Measurement & interim certification of completed work	80 days
197	Resolve claims and extra work	10 days
198	Completion Handover Process	17 days
199	Arrange completion inspections (building control)	10 days
200	Accept handover in terms of contract	7 days
201	Completed top structure	0 days
202	Maintenance period	60 days
203	End of maintenance inspection & rectification	3 mons
204	Final completion certificate	0 days
205		
206	PROJECT HANDOVER	103 days

ID	Task Name	Duration
1	HOUSING PROCESS GUIDE	1037 days
2		
3	TOWNSHIP ESTABLISHMENT: PRE APPLICATION	31 days
15		
16	SUBSIDY APPLICATION	30 days
27		
28	ENVIRONMENTAL IMPACT STUDIES	234 days
66		
67	COMPILATION & SUBMISSION OF APPLICATION	424 days
87		
88	LAND SURVEYING & CONVEYANCING	155 days
107		
108	SALES ADMINISTRATION	368 days
121		
122	LAND SERVICING	945 days
170		
171	HOUSE CONSTRUCTION	539 days
205		
206	PROJECT HANDOVER	103 days
207	Occupation of houses by benificiaries	10 days
208	Title deed handed over to the beneficiary	10 days
209	Final subsidy drawdown	0 days
210	Final completion at end of maintinace period	0 days

DEVELOPMENT CHECKLIST

No	Housing Process Guide	% Complete	Days Planned	Days Completed	Days Remaining
	Total Completion				
1	Subsidy Application				
1.1	MEC receives provincial housing subsidy allocation from National				
1.2	Municipality applies for reservation of project funding i.t.o approved IDP				
1.3	MEC confirms reservation of project funding				
1.4	Municipality calls for LA proposals				
1.5	Adjudication of land proposals				
1.6	Municipality secures land, undertakes feasibility study and project descriptions				
1.7	MEC adjudicates - conditional approval of project funding				
1.8	Enrollment with NHBRC				
1.9	MEC confirms subsidy project approval				
1.10	Adjudication of land proposals				
1.11	Municipality / Developer chooses procurement strategy				
2	Township Establishment				
2.1	Identify land				
2.2	Feasibility Studies				
2.3	Establish registered owner				
2.4	Negitate with owner				
2.5	Conclude agreement				
2.6	Land investigation into legal / cadastral position of land				
2.7	Title deed description and area				
2.8	Existing leases (registered / unregistered)				
2.9	Restrictive conditions - servitudes				
2.10	Restrictive conditions - other rights				
2.11	Restrictions - surrounding development				
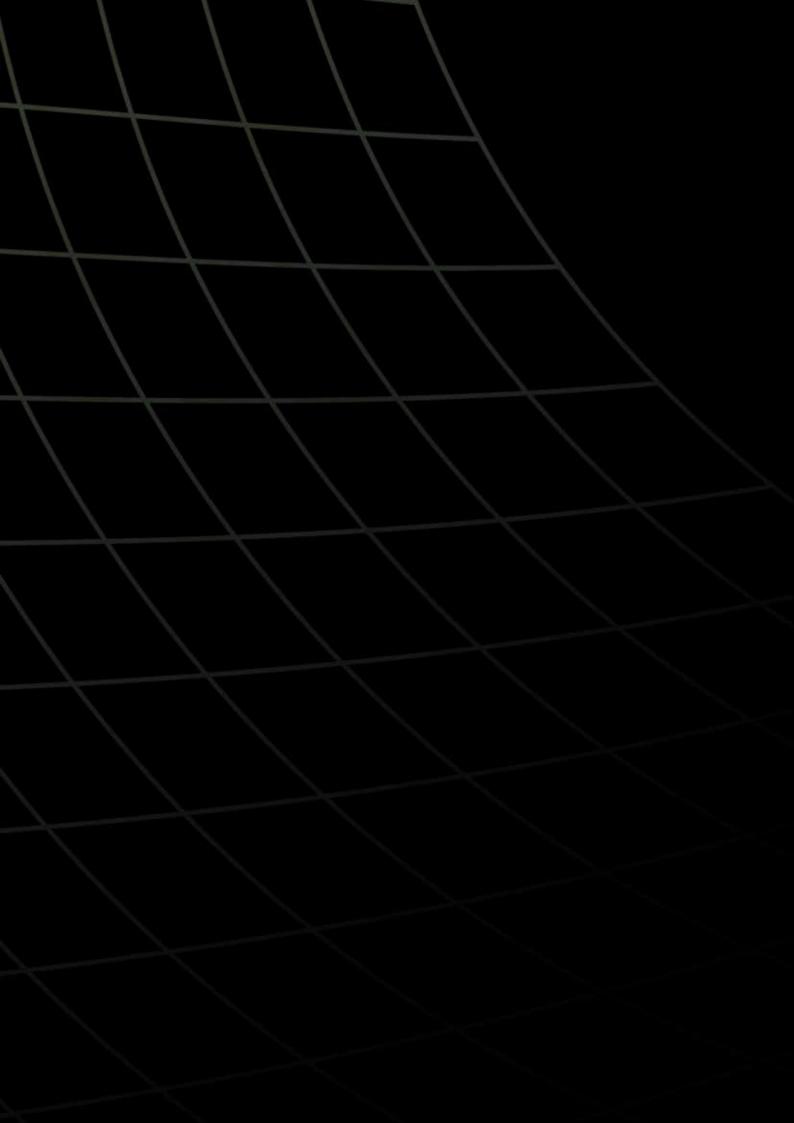
DEVELOPMENT CHECKLIST

No	Housing Process Guide	% Complete	Days Planned	Days Completed	Days Remaining
	Total Completion				
3	Environmental Impact Studies				
3.1	EIA Application				
3.2	Complete application				
3.3	Land owner consent				
3.4	Peruse application				
3.5	Submit application				
3.6	Awaiting approval by competent authority				
3.7	Receive acknowledgement of receipt of application				
3.8	Scoping phase				
3.9	Public participation (Registration of IP and AP's)				
3.10	Site Assessment				
3.11	Identification of Environmental Impacts				
3.12	Prepare Scoping Report				
3.13	Prepare plan of study for EIA				
3.14	Avail Scoping Report for public comment				
3.15	Public review process				
3.16	Incorporate public comments				
3.17	Submit report to CA				
3.18	Awaiting approval by CA				
3.19	Receiving approval for continuation of EIA				
3.20	EIA Report				
3.21	Compile EIA Report (Incorporate specialist rep)				
3.22	Submit for public review				
3.23	Incorporate public comment				
3.24	Draft EMP				
3.25	Review and finalise EIA report				
3.26	Submit EIA report				
3.27	Awaiting Environmental Authorisation				
3.28	Granting of Environmental Authorisation				
3.29	Record of decision				
3.30	Issue ROD				
3.31	Notify all stakeholders of decision from CA				
3.32	Notice of intention to appeal (10 days)				
3.33	CA receive appeal (30 days)				
3.34	Responding statement (30 days)				
3.35	Appelant to respond to responding statement (30 days)				
3.36	CA to acknowledge statement (10 days)				
3.37	Decision of appeal indefinite				

DEVELOPMENT CHECKLIST

No	Housing Process Guide	% Complete	Days Planned	Days Completed	Days Remaining
	Total Completion				
4	Compilation and Submission of application				
4.1	Town planning layouts, etc.				
4.2	Obtain Basemapping				
4.3	Land surveyor - aerial photo, contours and as built				
4.4	Conveyancer - Conveyancer's report				
4.5	EIAP - EIA Application				
4.6	Civil Engineers - Availability of services reports (water, sewer, roads and stormwater)				
4.7	Electrical Engineer - Availability of electrical services report				
4.8	Geo-technical Engineer - Geo-technical Investigation				
4.9	Other: Circumstances might require additional studies to be conducted				
4.10	Define planning parameters				
4.11	Prepare draft layout plans				
4.12	Test plans against engineering requirements				
4.13	Legal Framework - Decision on application legislation to use				
4.14	Prepare re-zoning / subdivision application				
4.15	Submit application to local authority				
4.16	Advertising application				
4.17	Obtain comments from external and internal departments				
4.18	Preparation of conditions of establishment				
4.19	Finalisation of conditions of establishment				
4.20	Local authority approval process				
4.21	Approval of Township by Local Authority				

Department of Human Settlements

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