

CONFIRMATION OF POLICY & PROCEDURE FOR MATERIAL SUPPLY

Background

1. More and more developers indicate that the beneficiaries in PLS and Institutional projects request to receive materials instead of a completed top structure.
2. Although it is accepted that some beneficiaries are able to build their own homes, it is still necessary to formalize a policy and procedure to effect the required controls.
3. The “payment of residual” policy indicate that it should happen in three stages, one for foundations, one for roof height and the last one for the roof. The “material supply” policy of the People’s Housing Process has the same basis.

Proposed combination of Policies and Procedure

1. When a developer indicates that some beneficiaries in a PLS or Institutional Subsidy project wish to receive material instead of a completed top structure, he is to obtain the request from the beneficiary in writing. These applications would then form the bases for the developer to submit to the PHDB that those beneficiaries, on the indicated sites, will construct their own houses and the developer wishes to be relieved of his obligation in terms of the contract to delivery a top structure on the indicated sites.
2. Once the PHDB has approved the submission and the addendum to the agreement has been effected, the developer will supply the material to the beneficiary in three stages:-
 - 1) materials for foundations
 - 2) materials for walls, doors and windows to roof height
 - 3) materials for the roof
3. At every delivery the beneficiary will submit a written receipt for the material.

4. Before the next quantity of material is supplied, a building inspector's certificate has to be submitted to the effect that the work that has been done, is structurally sound.
5. Once the top structure is completed, a final building inspector's certificate is to be submitted indicating that the building is complete and structurally sound and that it conforms to, at least, the norms and standards prescribed for subsidized housing.
6. The supporting documentation at the completion of the house is therefore as follows:-
 - 1) three receipts for material from the beneficiary;
 - 2) three certificates from a building inspector
7. Once the house is complete, the developer can claim the P5 payment for that beneficiary and site, which claim can be paid if the documentation mentioned in 6 above is attached to the claim.