



## **ENHANCEMENTS TO THE COMMUNITY RESIDENTIAL UNITS (CRU) STANDARDS AND COSTING**

(The following is an extract of the approved submission)

The MEC for Human Settlements and Public Works approved the Enhancements of the Community Residential Units Standards and Costing on 28 January 2021. These Enhancements must be read in conjunction with the 2014 CRU Policy Guideline on Standards and Costing. The effective date for the implementation of the Enhancements to the Community Residential Units Standards and Costing is 28 January 2021.

### **1. ENHANCEMENTS TO CRU STANDARDS AND COSTING**

In June 2018, the Department appointed two service providers namely SCIP Engineering Group to undertake designs of row housing using raft foundations and ORMA Consulting to conduct a cost analysis thereof. These designs and applicable costs may be accessed on the Departments website using the following link <https://www.kzndhs.gov.za/index.php/features/guideline-documents/community-resident-unit-typologies>

- 1.1 In an effort to establish a fair escalation on the approved 2014 costs, the Department has aligned the costs to the 2018/19 national subsidy quantum adjustment percentage of 5,336% plus 12,4% calculated as the total average of the 2018( 8%) and 2019 (4,4%) quarterly Bureau of Economic Research Building Cost Index (BER-BCI) escalations. The total increase to be applied for the 2020 cost is therefore 17, 7% i.e. (5, 3 + 8 + 4, 4). The following table reflects the cost of the new raft foundations and escalated costs of the CRU Standards with strip and pile foundations.

<b>ITEM DESCRIPTION</b>	<b>COST PER ITEM IN 2014</b>	<b>COST PER ITEM IN 2020</b>
9m <sup>2</sup> Guard house with strip foundation	<b>R 72 937.02</b>	<b>R 87 221,77</b>
9m <sup>2</sup> Guard house with raft foundation	<b>None</b>	<b>R 111 124,75</b>
9m <sup>2</sup> Guard house with pile foundation	<b>R 113 200.61</b>	<b>R 135 027,73</b>
19m <sup>2</sup> Office block with strip foundation	<b>R177 074.87</b>	<b>R 212 004,75</b>
19m <sup>2</sup> Office block with raft foundation	<b>None</b>	<b>R 247 372,75</b>
19m <sup>2</sup> Office block with pile foundation	<b>R236 650.83</b>	<b>R 282 740,75</b>
35m <sup>2</sup> Unit with strip foundation	<b>R 211 335.00</b>	<b>R 252 387,11</b>
35m <sup>2</sup> Unit with raft foundation	<b>None</b>	<b>R 288 995,82</b>

35m <sup>2</sup> Unit with pile foundation	<b>R 273 001.86</b>	<b>R 325 604,53</b>
45m <sup>2</sup> Unit with strip foundation	<b>R 269 466.82</b>	<b>R 322 322,84</b>
45m <sup>2</sup> Unit with raft foundation	<b>None</b>	<b>R 369 391,19</b>
45m <sup>2</sup> Unit with pile foundation	<b>R 348 751.53</b>	<b>R 416 459,53</b>

1.2 Social facilitation activities that are undertaken during the construction phase are also undertaken during the planning phase of the project. This includes the following activities:

- a) Consultation and liaison with community leaders, community representative structures and community members to leverage trust and relationships;
- b) Communication and liaison with service providers and all relevant stakeholders to aim a smooth and successful implementation;
- c) Facilitate community beneficiaries and assist with administration & handling of different queries;
- d) Attend all community, Project Steering Committee (PSC) and stakeholders meetings during working and after working hours including weekends;
- e) Coordinate briefing sessions and workshops if required; Compile comprehensive reports about the progress of the project and challenges of the project on a monthly basis;
- f) Development of clear social facilitation plan to be used during the duration of the project;
- g) Any additional tasks that may arise which fall within the socio-political or economical component of the project.

It must be noted that in more complex projects, social facilitation also includes activities such as, but not limited to:

- a) Physical verification of beneficiaries;
- b) Decanting of beneficiaries/people from the Informal Settlements to temporal structures or completed CRU's;
- c) Update the beneficiary schedules by re-doing the physical verification /social surveys;
- d) Consultation with the Department of Home Affairs and the South African Police Service (SAPS) to assist in removing all illegal or unlawful foreign nationals;
- e) Facilitation on the demolishing of all illegal structures (shacks);
- f) Resolving of general tenancy matters and conflict;
- g) Assisting in the process of the allocation of beneficiaries;
- h) Developing a Communication plan;

- i) Attending Ad hoc meetings called by political principals, the Department of Human Settlements, the Municipality and the Implementing Agent.

The abovementioned list is reflective of the tasks that the social facilitator undertakes in CRU projects. In view of the volatile nature of this type of project these activities are required in both the planning and construction stages of the project. The costs applicable to Social Facilitation and Tenant Administration have not been escalated by the 17, 7% applicable to the construction costs but are aligned with the draft Revised National CRU Policy as follows:

ACTIVITY	COST
Social Facilitation (Planning & Construction)	R500.00 per unit
Tenant Administration	R350.00 per unit

- 1.3 Due to the densities of CRU projects, extensive external works such as fencing, parking, play areas, etc. are undertaken to ensure a holistic and complete living environment. The Professional fees and Preliminary costs for these tasks will be based on the same percentage applicable to the construction stage of the project as per the 2014 Standards and Costing and will be as follows:

ITEM FOR EXTERNAL WORKS	COST
Professional Fee	10% of total cost for External Works
Preliminaries	9% of total cost for External Works

- 1.4 A Contingency fee to the maximum amount of 5% of the total cost of the project may be allowed. However, the request must be motivated in a submission to the MEC for approval of this funding to be granted.
- 1.5 The cost for the installation of curtain rails has been included in an effort to prevent damage to the internal structure as a result of tenants installing and uninstalling their own curtain rails.
- 1.6 The detailed Enhancements to the CRU Standards and Costing including the Breakdown of costs for Curtain Rails is attached **Annexure B**.

## **ANNEXURE A**

### **Designs of row housing using raft foundations**

**Detailed Enhancements to the CRU Standards and Costing**