

KWAZULU-NATAL DEPARTMENT OF HOUSING

SUBMISSION

TO : THE HOUSING ADVISORY COMMITTEE

SUBJECT : POLICY AND PROCEDURE ON THE RECTIFICATION OF HOUSES IN KWAZULU-NATAL

1. PURPOSE

To seek the approval of the MEC for Housing for a Policy and Procedure on the Rectification of Houses delivered between 15th March 1994 and 31st March 2002.

2. BACKGROUND

2.1 The National Housing Programme: Rectification of Houses delivered between 15th March 1994 and 31st March 2002 was approved by Housing MINMEC on the 3rd March 2005.

2.2 The National Department of Housing has provided broad implementation guidelines for this programme that do not address all issues of implementation. Therefore, a provincial guideline is required to ensure clarity and procedural uniformity in the implementation of the programme within KwaZulu-Natal.

3. POLICY AND PROCEDURE

3.1 Aim of the Programme

The aim of the programme is to rectify defects in houses delivered between 15th March 1994 and 31st March 2002 in respect of Municipal Services and Top Structure Defects.

3.1.1 Municipal Services

- a] Inappropriate township layout and design, whereby a house may, for example, be subject to flooding, to the extent that its structural integrity has been compromised; and
- b] inappropriate storm water drainage systems.

3.1.2 Top Structure Defects

- a] Insufficient foundation design, where the seriousness of such structural defects compromises the overall structural integrity of the house;
- b] defective or substandard materials that were used during construction;
- c] defective construction practices, such as failure to secure roof ties properly or incorrect roof construction practices;

- d] incidents of major structural defects which have not been repaired due to the inability of the registered property owner to finance such repairs;
- e] structural faults caused as a result of inappropriate soil conditions for house building purposes; and
- f] houses which have been vandalized after completion but before occupation by the rightful housing subsidy beneficiary.

3.2 Precondition of the Programme

- 3.2.1 The project must be included in the Municipal IDP or Housing Plan.
- 3.2.2 The Municipality must firstly seek recourse, from the relevant professional institution in whose domain the defect arose through the applicable Professional Indemnity Fund, or applicable insurances and guarantees held by the contractor or implementing agent.
- 3.2.3 The Department will provide funding for the rectification work if the rectification claim is presented after the indemnity prescribed period has expired. This is subject to the Criteria and Other Conditions of the Programme as stated in paragraph 3.3 below, being met.
- 3.2.4 In the case of houses built by a contractor through the People's Housing Process, the Department will provide funding only if sufficient proof is provided that all attempts made to contact the PHP contractor was unsuccessful.

3.3 Criteria and Other Conditions of the Programme

- 3.3.1 Rectification work will only be conducted on houses that are occupied by the original subsidy beneficiary or as approved by the MEC.
- 3.3.2 The rectification work will be confined only to correct structural defects caused as a result of the factors detailed in paragraphs 3.1.1 and 3.1.2 above.
- 3.3.3 The subsidized houses that qualify for rectification work, in terms of this Programme, will include all:
 - a] project approved houses delivered between 15 March 1994 and 31 March 2002;
 - b] Developer Driven Individual Subsidy houses approved and delivered, as a project, between 15 March 1994 and 31 March 2002; and
 - c] houses which have been vandalized after completion, but before occupation by the rightful housing subsidy beneficiary.
- 3.3.4 The rectification work will exclude all the houses built before 15 March 1994 and all the houses built after 31 March 2002.
- 3.3.5 Defects that are the result of poor maintenance, negligence, or caused as a result of the beneficiary undertaking improvements or changes to the original structure must be excluded from any rectification work.
- 3.3.6 The rectification work will only involve a "once off" rectification of defects which cause the housing unit to be structurally unsound and, this rectification will not include any increases of the size of subsidised units.
- 3.3.7 The National Housing Programme: Housing Assistance in Cases of Emergency will be utilized to deal with structural defects that were caused by natural disasters.
- 3.3.8 Houses that have been vandalized after completion, but before occupation by the rightful housing subsidy beneficiary must be rectified so as not to disadvantage the new housing subsidy beneficiary.

- 3.3.9 In addition to the above, the MEC for housing may consider any application for the rectification of houses built in terms of Government's Housing Subsidy Scheme, taking into account all necessary information and supporting documents.
- 3.3.10 If demolition is required and a new house has to be built to replace it, the Department must endeavour to negotiate a warranty with the NHBRC similar to that available for consolidation subsidies.
- 3.3.11 The municipality must address the relocation of beneficiaries during the reconstruction period in cases requiring demolition.
- 3.3.12 The municipality will appoint a suitably qualified professional at risk (cost to be borne by the municipality), to determine and inspect the defects on the houses identified by the municipality. The department will only re-imburse the municipality for the professional's fee on the properties where approval is granted for rectification work to be undertaken.
- 3.3.13 It is recommended that the qualified professional appointed by a municipality should be a registered professional in the built environment profession.
- 3.3.14 All appointments of professionals/service providers by the municipality must be in terms of the Tripartite Policy.

3.4 Procedure for the Rectification of Houses

The procedure to be followed for the rectification of houses is contained in the flow diagram attached as **Annexure A**.

3.5 Norms and Standards Applicable

- 3.5.1 If the defects are due to Municipal Services, details of the shortcomings must be established and the Guidelines for Human Settlement Planning and Design (commonly called the "Red Book") should be utilized to measure acceptable standards for the rectification work.
- 3.5.2 Rectification work must be measured against the NHBRC's technical requirements, set design and construction standards for NHBRC registered builders, as published in the NHBRC's Home Building Manual.
- 3.5.3 The materials used must carry the South African Bureau of Standards (SABS) stamp.

3.6 Application Form of the Programme

The municipality, for the rectification work, must complete the application form attached as **Annexure B**.

3.7 Time Frame of the Programme

- 3.7.1 Due to the Rectification Programme being effectively implemented in KwaZulu-Natal in the 2006/7 financial year, the time frame set by the National Department of Housing for all rectification work to be finalized by the 31st March 2010 be extended by 1 year.
- 3.7.2 All rectification work in this Province must be finalized by the 31st March 2011.
- 3.7.3 All applications for approval in this Programme must be submitted to the Housing Advisory Committee by the 31st March 2008.

4. Motivation

In view of the National Housing Programme: Rectification of Houses delivered between 15th March 1994 and 31st March 2002 being approved by Housing MINMEC on the 3rd March 2005, a provincial guideline is required to ensure clarity and procedural uniformity in the implementation thereof.

5. Financial Implications

The cost for the rectification must not exceed the costs as stipulated in the Detailed Cost Breakdown for the housing subsidy during that financial year.

The cost of demolition and removal of rubble may be claimed from the housing subsidy allocated for a serviced site.

The fee payable to the appointed professional to inspect the defects and estimate the rectification cost, must not exceed the regulated fee as set by the relevant professional council or regulatory body.

6. Legal Implications

Nil

7. Recommendation: that,

the policy and procedure as contained in paragraph 3 above, be approved.

SUBMITTED

MR P. WOOLF
ACTING GENERAL MANAGER:
PLANNING & DEVELOPMENT

DATE

RECOMMENDED/NOT RECOMMENDED/RECOMMENDED AS AMENDED

CHAIRPERSON
KZN HOUSING ADVISORY COMMITTEE

DATE

SUPPORTED/NOT SUPPORTED/SUPPORTED AS AMENDED

MS S. Z. F. NYANDU
HEAD OF DEPARTMENT

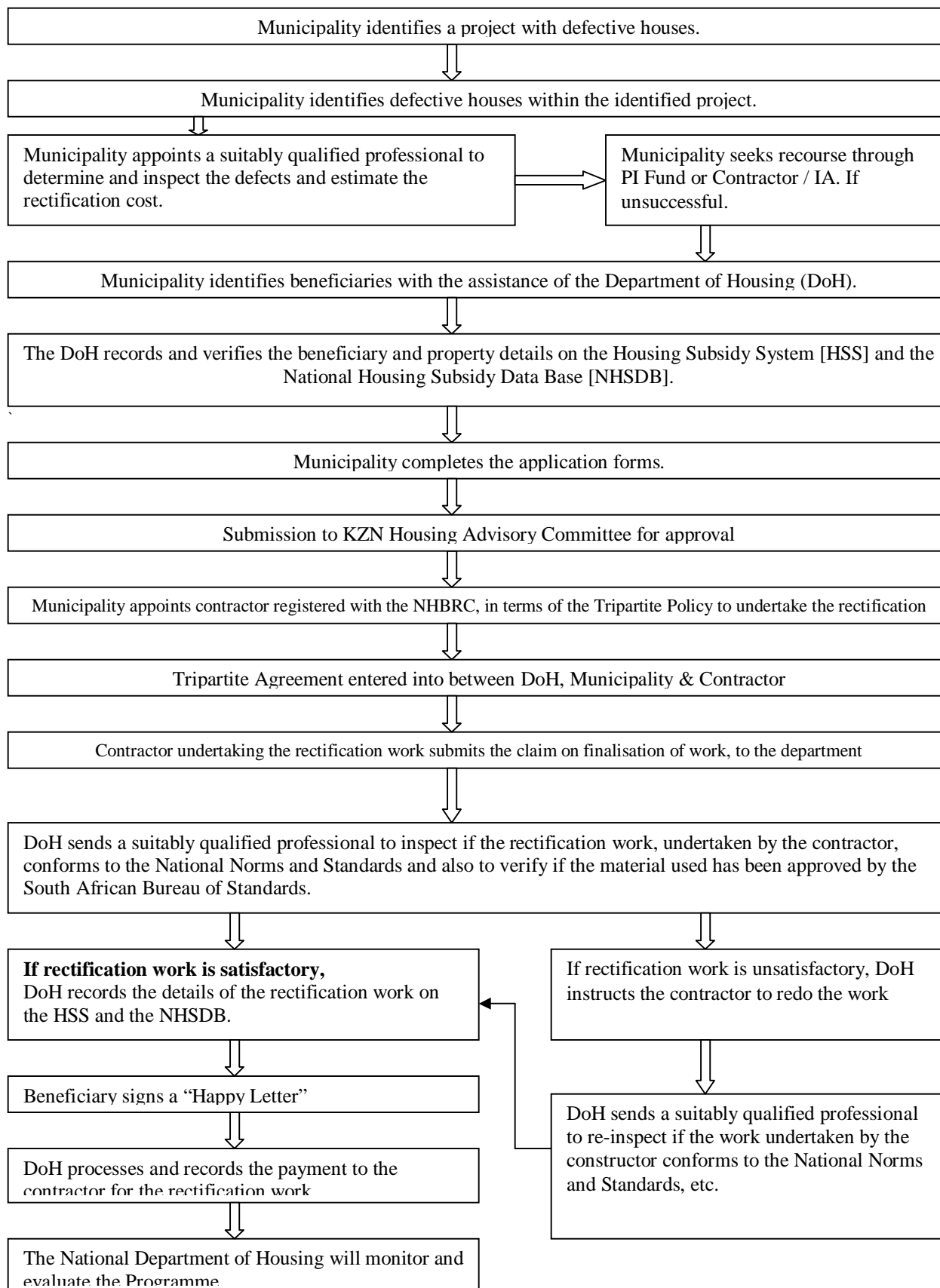
DATE

APPROVED /NOT APPROVED/APPROVED AS AMENDED

MR M. MABUYAKHULU
MEC FOR HOUSING

DATE

PROCEDURES TO BE FOLLOWED WHEN UNDERTAKING RECTIFICATION WORK IN KWAZULU-NATAL



INDIVIDUAL REGISTRATION NUMBER OF THE ORIGINAL SUBSIDY APPLICATION FORM		INDIVIDUAL PHD RESOLUTION NUMBER OF THE ORIGINAL SUBSIDY APPLICATION FORM	
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APPLICATION FORM FOR RECTIFICATION WORK

Project Application Registration Number		Project Application PHD Resolution Number	
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TABLE 1			
THE FOLLOWING DOCUMENTS MUST BE ATTACHED			OFFICIAL USE
Certified copy of Bar-coded Identity Document	SELF	SPOUSE	
Certified copy of a contract with the contractor undertaking the rectification work			
Certified copy of NHBRC certificate of the contractor undertaking the rectification work			

TABLE 2 (For official use only)			
PROCESS RECORD		DATE	SIGNATURE
1.	Complaint screened by the PHD		
2.	Beneficiary and property details verified in the Housing Subsidy System (HSS)		
3.	Beneficiary and property details verified in the National Housing Subsidy Data Base (NHSDB)		
4.	Defects of the property inspected by the technical team		
5.	Rectification work cost estimated by the technical team		
6.	Tender, inviting NHBRC registered contractors, advertised		
7.	Date of Contractor appointment		
8.	Rectification work completed		
9.	Rectification work inspected by the technical team		
10.	Details of rectification work recorded in the HSS		
11.	Recourse obtained from Professional Indemnity Fund or relevant contractor: Name of Fund or Contractor: Amount: R		
12.	Payment made to contractor		
13.	Payment recorded in the HSS		
14.	Did occupant when signing "Happy Letter", indicated satisfaction with: <div style="margin-left: 40px;"> [i] Quality and structure of housing unit YES NO [ii] Workmanship YES NO [iii] Materials used YES NO [iv] Timeframe for completion of rectification work YES NO [v] Quality control procedures YES NO [vi] Design of housing unit YES NO </div>		

ANNEXURE B

SECTION A: APPLICANT DETAILS	
APPLICANT	SPOUSE (or Deceased Partner)
Surname	
Maiden or Former Surname	
Full Names (First Three Only)	
Identity Number	

SECTION B: DETAILS OF PROPERTY	
District	Municipality
Township	Erf (stand) / Lot Number
Township Extension	Size of Stand
	Type of Sanitation
Unit number:	
Street Address:	

