



KZN Human Settlements

uMnyango wezokuhlaliswa komphakathi
ISIFUNDAZWE SAKWAZULU-NATALI

HOUSING POLICY COMMUNIQUÉ

Circular No.5/2009
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POLICY UPDATES

1. THE NEW NATIONAL HOUSING CODE

In the recent past, all Department of Human Settlement Stakeholders would probably have been aware that the National Housing Code of 2000 was being revised. 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 led to the approval of the Comprehensive Plan for Sustainable Human Settlement commonly referred to as "Breaking New Ground" or "BNG", by Cabinet in September 2004. 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 2000 has been substantially revised.

The New Housing Code has been approved with effect from 19 February 2009. The National Housing Code, 2009 is aimed at simplifying the implementation of housing projects by being less prescriptive while providing clear guidelines. It is important to note that in respect of all programmes which are not contained in the Housing Code, 2009 the rules of the National Housing Code, 2000 will apply.

In an effort to introduce the new Housing Code, the National Department of Human Settlements held workshops targeting municipalities within the Province of KwaZulu-Natal, from the 9th to 13th November 2009. The intention of the workshops was to highlight the content and the imminent developments of the Housing Code. Copies of the Code were made available on compact disks to stakeholders who attended the workshops. Should you wish to have an electronic copy of the Code, please contact the Product Development Component on the following numbers, 033 392 6475/8 or 0313365357, for assistance and the persons to be contacted is Ms T Ntuli for Pietermaritzburg and Mrs S Mthembu for Durban. Electronic copies will be limited to one per organisation due to financial constraints.

An updated version of the New Housing Code will be placed on the Department's website once the official launch has taken place.

2. PLS APPLICATION PACK

It has come to the Department's attention that most stakeholders have not been aware of the existence of the new PLS Application Pack that was developed in 2007. This pack replaced the PLS Version 6.2. The new PLS Application Pack is available for use and can be downloaded from the department's website at www.kznhousing.gov.za .

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POLICY GUIDELINE TO CATER FOR THE LOCATION OF THE DEVELOPMENT SITE

The purpose of this policy guideline is to identify the major centres for KZN and to allow for the application of the location allowance based on distance. The major centres listed should be used to determine the variation to allow for additional costs relating to the delivery of materials to remote areas only.

1. CALCULATION OF THE LOCATION ALLOWANCE

1.1 IDENTIFICATION OF MAIN CENTRES

1.1.1 METHODOLOGY

The following methodology used to determine major centres is as follows:

- 1) Identify suppliers
 - Search for all material suppliers listed the “Yellow Pages”
 - Identify major suppliers
 - Conduct internet research of the details of known leading suppliers
- 2) Group suppliers by town and category and indicate how many there are within the municipal boundary, from the sources consulted.
 - Municipal areas with 3 suppliers should be considered a good option as a major centre as there is likely to be a continued availability should there be an economic downturn. (hence the selection of the following areas in the 2008/9 survey):

Table 1: Areas with 3 suppliers as at 2008/9, based on research conducted at the time

Uthungulu	Richards Bay, Empangeni, Eshowe, Melmoth,
Zululand	Pongola, Vryheid (also see table 2, below)
Amajuba	Newcastle
Umzinyathi	Dundee, Nqutu, Tugela Ferry
Ethekwini Metro	Amanzimtoti, Ballito, Bluff, Durban central, Kwamashu, Isipingo, Pinetown, and Umlazi
Ugu	Port Shepstone, Umzinto
Umgungundlovu	Pietermaritzburg, Howick
Uthukela	Ladysmith, Estcourt

- In addition to this, some areas where there are 2 major suppliers have been included to ensure a more equitable geographic spread (especially in larger district municipalities), and to ensure that there would be at least one major centre per district, hence the selection of the following areas:

Table 2: Areas with at least 2 major suppliers as at 2008/9, based on research conducted at the time

Umzinyathi	Dundee, Nqutu, Tugela Ferry
Umkhanyakude	Ingwavuma, Mtubatuba
Ilembe	Mandeni, (KwaDukuza) Stanger
Sisonke	Ixopo, Kokstad
Zululand	Paulpietersburg, Nongoma

- Cross border suppliers should also be evaluated as these may be used to source materials, as indicated in Table 3 below:

Table 3: Qualifying cross border areas as at 2008/9, based on research conducted at the time

Eastern Cape	Matatiele (included as sourcing could occur from this area)
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- The finalization of the major centres should take into account the following:
 - ⇒ Finalisation of the major centres should consider the ease at which information can be obtained from suppliers in terms of obtaining prices for sand, stone, cement, blocks, 0.5 mm corrugated iron roof sheeting, and delivery of materials.
 - ⇒ The pricing for these materials must be based on the bill of quantities for the minimum house specification in terms of the conditional grant and should include cement, sand, stone, blocks, cranked roof sheeting and transport costs

3) Map areas with a 20 metre radius (Annexure A1 and A2 can be used as a guide)

- Application for locational (material delivery costs) to be considered only for areas outside the periphery (thus the white areas on the map of Annexure A2),
- Each district municipality must have at least one major centre
- The major centre must be accessible with reasonably well developed road infrastructure within the town.

1.1.2 INITIAL MAIN CENTRES

The following major centres have been identified:

Uthungulu	Richards Bay, Empangeni, Eshowe, Melmoth
Zululand	Pongola, Vryheid, Paulpietersburg, and Nongoma
Amajuba	Newcastle
Umzinyathi	Dundee, Nqutu, Tugela Ferry
Umkhanyakude	Ingwavuma, Mtubatuba
Ilembe	Mandeni, (KwaDukuza) Stanger
Ethekwini Metro	Amanzimtoti, Ballito, Bluff, Durban central, Kwamashu, Isipingo, Pinetown, and Umlazi
Ugu	Port Shepstone, Umzinto
Umgungundlovu	Pietermaritzburg, Howick
Uthukela	Ladysmith, Estcourt
Sisonke	Ixopo, Kokstad
Eastern Cape	Matatiele

1.2 KILOMETER CALCULATION

The distance to be determined as follows:

- 1) The 20km inclusive distance of the development site from a major centre as defined in the national housing manual, will be a radius of 20km from the city/town hall (or nearest policy station in the case of a suburb).
- 2) The distance beyond the 20km radius, must be measured **in one direction** along a road from the town/city hall to the development site that can accommodate a 10 ton truck. The reason for this is that the electronic calculator (spreadsheet updated annually by the national Department (see Annexure B), already contains a factor that multiplies the distance by 2 to account for the return trip.

This factor was derived as follows:

10 companies were phoned at random in to establish the cost per kilometre for a ten ton truck to make 2 trips (in excess of 20 km) to deliver materials, in one direction. The average cost was then determined (at the time of finalising the calculator in 2007 it was approximately R7.45/kilometre). This amount is adjusted annually by the National Department to take into account the escalation of delivery, labour and fuel.

The formula can thus be summarised as:

Distance in excess of 20km = a +20

Average cost of ten ton truck to deliver materials (2 trips) in one direction in excess of 20 km = b

Annual adjustment factor for escalation (including fuel, labour and delivery fee) = c

Total variation amount (to a maximum of 5% of the subsidy quantum at the time) = f

Thus, f= (a+20km) x (bxc)

The value of (f) is programmed not to exceed 5% of the subsidy quantum.

3) Use a map (as set out in paragraph 3) to identify a 20 kilometre radius from the nearest major centre (Annexure A1 can be used as a guide)

- Application for locational (material delivery costs) to be considered only for areas outside the periphery
- The kilometre distance to be measured from the location of the site office to the nearest area municipal (or where applicable, suburb boundary e.g. Durban areas).
- This can be done by:
 - ⇒ actually travelling the distance
 - ⇒ using electronic means such as “Google Earth”
 - ⇒ measurement by “AA”- maps, “Brabys” Global positioning systems (GPS) or GIS
- In larger areas, additional points for measuring is suggested, as follows:
 - ⇒ Measure from the closest area listed (determined as having more than 1 well known supplier) as indicated in the table below:

Ethekwini Metro	Amanzimtoti, Ballito, Bluff, Durban central, Kwamashu, Isipingo, Pinetown, and Umlazi
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1.3 HOW TO CLAIM FOR THE LOCATION ALLOWANCE

The National Department of Housing Variation Manual calculator will be used to calculate the location allowance.

- The distance measured from the city or town hall as outlined in paragraph 1.2(2) must be captured under section 12 (location adjustment) of the calculator questionnaire (Annexure B).
- The calculation sheet will automatically calculate the allowance based on the information captured on the calculator questionnaire.
- The Implementing Agent must submit a map showing the distance of the development site from the major centre. This should be verified by the Region by either (1) actually traveling the distance; (2) using electronic means such as “Google Earth”; or (3) measurement by “AA”- maps, “Brabys” Global positioning systems (GPS) or GIS

2. MONITORING AND EVALUATION

The major centres will be monitored for the next 3 years and reassessed to determine whether more centres can be identified, particularly in areas with few suppliers, and whether the application of the allowance has assisted in ensuring a sound standard of top structure is achieved.

The policy guideline can be accessed on the Department's website at www.kznhousing.gov.za

Please note that workshops on the Policy Guideline to cater for the Location of the Development Site will be undertaken early in the new financial year.

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SOCIAL HOUSING DEVELOPMENT

The Department has been receiving numerous queries related to Social Housing which this article hopes to address.

Social Housing is a rental or co-operative housing option for low income persons at a level of scale and built form which requires institutionalised management that is provided by accredited social housing institutions or in accredited social housing projects in designated restructuring zones. This is in terms of Government's commitment towards the regeneration of inner cities in the country, the development of well located land and the intention to broaden the current housing assistance programmes to accommodate higher density development and to address the increasing demand for rental housing in urban areas.

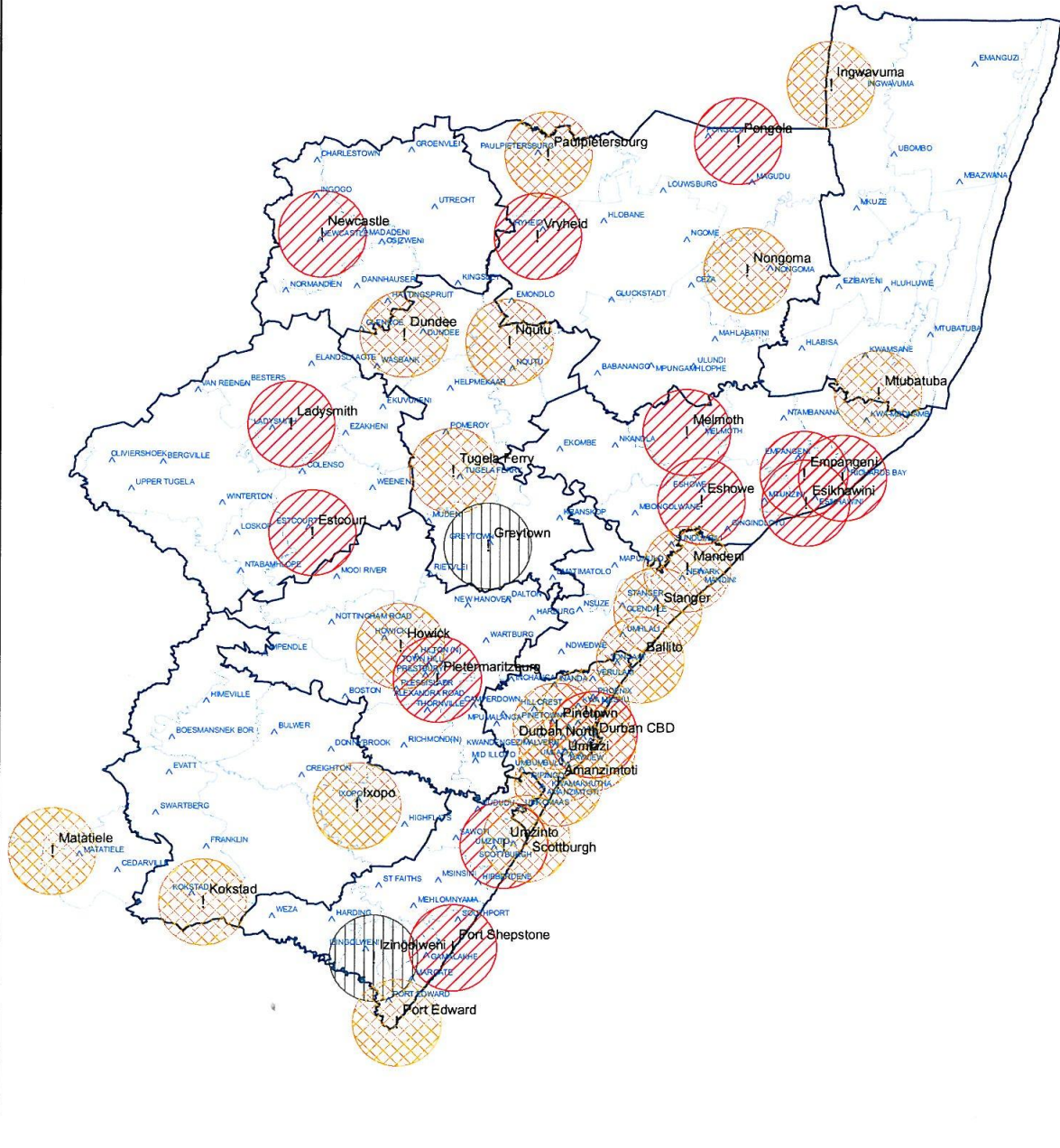
The Social Housing Policy was approved by Housing: Minmec on the 4th June 2005 followed by the Implementation Guidelines on the 16th November 2006. Although the Policy comprises only one aspect of the overall housing strategy, it is a key component in delivering housing to the needy. Social housing has shown that it is able to significantly contribute to urban regeneration and to urban efficiency. It can meet objectives of good location, integration, and viability. The sector can facilitate local economic development through supporting local economies. It makes a financial contribution to local authorities by way of regular payments for rates and services. Social housing has been shown to promote the effective and efficient management of rental and/or collective forms of accommodation (with emphasis on long term management and maintenance). This contributes to social integration, social stabilisation and crime reduction.

Documents related to the Social Housing Programme can be accessed on the Department's website on www.kznhousing.gov.za or alternatively visit the Social Housing Foundation's website on www.shf.org.za for more information.

REVISED MAJOR CENTRES

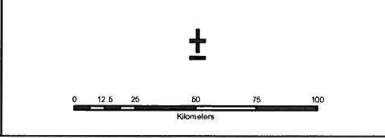


KWAZULU-NATAL DISTRICT MUNICIPALITY 20 KM BUFFERS



KZN Housing
 uMnyango: wezeZindlu
 ISIFUNDAZWE SAKWAZULU-NATAL

Disclaimer:
 The Department of Housing, KZN Housing, does not accept any responsibility for the accuracy or completeness of data used or presented. Therefore, it is advised that users should be liable for damages, including loss of profits or consequential damages arising out of the use of information.



Legend

- ▲ Police Stations
- ! Supplier Towns
- Local Municipality
- District Municipality
- 20 KM Suppliers Buffer
- Some
- Potential
- Main



Questionnaire

Name of project:

Project number:

ERF NRS:

		Size of House	
1. GROUNDWATER		YOU MAY HAVE ONLY ONE "Y" IN THIS SECTION	
CATEGORY 1 - Permanent or perched water table equal to or less than 1.0m below ground level.			
CATEGORY 2 - Permanent or perched water table more than 1.0 but less than 1.5m below ground level.			
2. ERODIBILITY OF SOIL		YOU MAY HAVE ONLY ONE "Y" IN THIS SECTION	
CATEGORY 1 - High risk- Erodibility index 1-8			
CATEGORY 2 - Medium risk - Erodibility index 9-15			
3. HARD EXCAVATION		YOU MAY COMPLETE ONLY CATEGORY	
CATEGORY 1 - Hard rock excavation		10% - 100%	
CATEGORY 2 - Boulder excavation		10% - 100%	
4. DOLOMITE (Site Class D)		*YOU MAY HAVE ONLY ONE "Y" IN SECTIONS 4-7*	
CATEGORY 1 - Class P and anticipated inherent risk Class 1 and 2: Dolomite area Class D2			
CATEGORY 2 - Class P and anticipated inherent risk Class 3, 4 and 5: Dolomite area Class D3			
5. EXPANSIVE CLAYS (Site Class H)		*YOU MAY HAVE ONLY ONE "Y" IN SECTIONS 4-7*	
CATEGORY 1 - Medium - Class H1			
CATEGORY 2 - High - Class H2		Low PE: 5 < CDS < 20 OR Medium PE: 20 < CDS < 40	
CATEGORY 3 - Very high - Class H3		High PE: 40 < CDS < 60 OR Very High PE: CDS < 60	
6. COLLAPSING SANDS (Site Class C)		*YOU MAY HAVE ONLY ONE "Y" IN SECTIONS 4-7*	
CATEGORY 1 - Class C1		Modified normal foundations OR Compaction below footings	
CATEGORY 2 - Class C2		Compaction below footings OR Light raft OR Medium raft OR Heavy raft OR Special raft	
7. COMPRESSIBLE SOILS (Site Class S)		*YOU MAY HAVE ONLY ONE "Y" IN SECTIONS 4-7*	
CATEGORY 1 - Class S1		Modified normal foundations OR Compaction below footings	
CATEGORY 2 - Class S2		Light raft OR Medium raft OR Heavy raft OR Special raft	
8. MINING SUBSIDENCE		YOU MAY HAVE ONLY ONE "Y" IN THIS SECTION	
CATEGORY 1 - Old under-mining depth 90m-240m below surface		Compaction below footings OR Medium raft	
CATEGORY 2 - Mining within a depth of between 90m-240m below surface		Additional earthworks OR Soil mattress	
9. SEISMIC ACTIVITY		YOU MAY HAVE ONLY ONE "Y" IN THIS SECTION	
CATEGORY 1 - Mining induced seismic activity >100 cm/s ²		Stiffened strip footings OR Heavy raft	
CATEGORY 2 - Natural induced seismic activity >100 cm/s ²		Stiffened strip footings OR Heavy raft	
10. TOPOGRAPHY OF THE SITE		YOU MAY HAVE ONLY ONE "Y" IN THIS SECTION	
CATEGORY 1 - Average ground slope flatter than 1:100			
CATEGORY 2 - Average ground slope of between 1:11 and 1:20			
CATEGORY 3 - Average ground slope of between 1:7.5 and 1:10			
CATEGORY 4 - Average ground slope of between 1:5 and 1:7.5			
CATEGORY 5 - Average ground slope of more than 1:5			
11. SOUTHERN CAPE COASTAL CONDENSATION AREAS			
Housing in the designated area is subject to severe condensation conditions.			
12. LOCATION ADJUSTMENT			
Major Centre			
Distance from identified major centre (measured in <u>ONE</u> direction)			
% allowance on material cost			
13. PHYSICAL DISABILITIES AND SPECIAL HOUSING NEEDS			
CATEGORY A - Needs walking aids			
CATEGORY B - Partial usage of wheel chair.			
CATEGORY C - Full-time usage of wheel chair.			
CATEGORY D - Partially/profoundly deaf			
CATEGORY E - Partially/totally blind.			
CATEGORY F - Partially/ total movement loss/paralysis in the upper body limbs.			

Number of houses: