

The National Housing Code

INCREMENTAL INTERVENTIONS

Consolidation Subsidies

Emergency Housing Programme

Integrated Residential Development Programme

Enhanced People's Housing Process

Upgrading Informal Settlement

Subsidy Quantum - Incremental Interventions



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Volume 4

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ACRONYMS

Community Based Organisation:	CBO
Enhanced People's Housing Process Programme:	EPHP
Community Resource Organisations:	CROs
Communal Property Association:	CPA
Corporate Social Investment:	CSI
Environmental Impact Assessment:	EIA
Faith Based Organisation:	FBO
Implementing Agent:	IA
Integrated Development Plan:	IDP
Memorandum of Understanding:	MOU
National Department of Housing	NDoH
National Department of Human Settlements	ND
Programme of Action:	PoA
Peoples Housing Process Programme:	PHP
People's Housing Partnership Trust:	PHPT

Enhanced People's Housing Subsidies

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1 PHP POLICY REVIEW

In 2004 the National Department of Housing released “Breaking New Ground: A Comprehensive Plan for the Development of Sustainable Human Settlements” (BNG) which outlined a plan for the development of sustainable human settlements over the next five years and embraced the People’s Contract as the basis for delivery. In selecting a People’s Contract, there is a very clear call in BNG for the mobilisation of communities in partnering government in the delivery of housing. Through this new plan, the Department shifts towards a reinvigorated contract with the people and partner organizations for the achievement of sustainable human settlements by stating that “it is essential that communities and beneficiaries of government housing programmes be mobilized to partner in the implementation of the new human settlements plan....*Communities and community-based organizations must be mobilized to engage more effectively with the housing programme*”.

An NDOH task team produced a “Policy Framework and Implementation Guidelines for the PHP Delivery Mechanism” in September 2005, but these Guidelines met with much resistance from the PHP sector as a whole, as they were too narrow in their focus and did not redefine PHP in a way that community driven initiatives could be included. Also the value added benefits of the process were not captured and included in the programme. The request by the sector to review these Guidelines was approved by the NDoH in March 2007.

The review process offered the NDoH the opportunity to:

- Align the programme with existing NDoH initiatives, strategies and partnerships;
- Properly accommodate support for other community driven housing initiatives;
- Work with communities in a way that social capital is built upon rather than destroyed;
- Rebuild the relationship with the Non-Governmental Organisations (NGOs)/ Community Based Organisations (CBOs)/ and the Faith Based Organisations (FBOs) as partners in the housing delivery process;
- Reconsider the policy and programme instruments so that an enabling environment is created; and
- Take ownership of the programme and with the closure of the People’s Housing Partnership Trust (PHPT) provide the institutional support to the programme, that the PHPT was never able to do. Hence EPHP is the successor of the PHPT and the PHP programme.

A new Government Programme of Action (PoA) was developed in December 2007 with housing forming part of the social transformation programme. The intention of the social transformation programme is to develop poverty eradication interventions to empower people to take themselves out of poverty while creating adequate social safety nets to protect the most vulnerable. As part of the Government PoA, government has prioritised the re-positioning of the previous PHP programme and introduced the Enhanced People's housing process programme (EPHP) and the development of a strategy for up-scaling and growing the programme. The EPHP policy framework will replace the PHP policy of September 2005 from April 2009. The phasing out of the old policy and the phasing-in of the new EPHP policy is outlined in the growth and implementation strategy for the EPHP programme.

2 ENHANCED PEOPLE'S HOUSING PROCESS

To engage with the sector in the development of a new programme, national PHP Forums were held in October 2005 and February 2006, out of which a new PHP strategy was developed. The strategy recognized that a number of different approaches to community development needed to be accommodated with community involvement in the decision making processes, community empowerment and the leveraging of additional resources being the determining factors for making it a project. This broadening of the scope of the PHP, with a focus on the outcomes of the housing process as a whole rather than just how the housing product is delivered, informed the development of the Enhanced People's Housing Process policy and programme. EPHP therefore replaces the PHP and should be seen as a new housing programme, with dedicated support and funding for harnessing community initiative, community empowerment and building community partnerships.

The EPHP provides for a process in which beneficiaries actively participate in decision-making over the housing process and housing product and make a contribution in such a way that:

- a) Beneficiaries are empowered individually and collectively so that the community ultimately takes control of the housing process themselves. This includes identifying the land, planning the settlement, getting approvals and resources to begin the development, contracting out or building the houses and providing the services, living in and upgrading their homes and continually improving the community;
- b) Various partnerships are created;
- c) Social capital is retained and expanded upon as the process builds on existing livelihood strategies and creates all kinds of associated poverty alleviation opportunities for the community;
- d) Housing is valued as an asset far beyond its monetary value for all the value added components it provides for individual household members and for the family as a whole;
- e) Housing citizenship is built, with beneficiaries being aware of their housing rights and responsibilities;
- f) Local economic development is promoted with money spent being kept in the community increasing the local multiplier effect;
- g) Stable communities with a direct stake in the future of their neighbourhoods are fostered;

- h) Houses are built that are better suited to the needs of individual households;
- i) Women and the youth are more directly involved in the process, ensuring skills transfer;
- j) Human settlements are built that are more sustainable because they are more inclusive and more responsive to the needs of the community and because communities have invested directly in the process.

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3 POLICY INTENTION

- 3.1 The main aim of the EPHP Programme is to deliver better human settlement outcomes (at household and at the community level) based on community contribution, partnerships and the leveraging of additional resources through partnerships. This is achieved by developing livelihoods interventions which lead to outcomes such as job creation, developing a culture of savings, skills transfer, and community empowerment, building of community assets and social security and cohesion.
- 3.2 EPHP enables / encourages communities to actively contribute and participate in the housing development process so that communities take ownership of the process and not just act as passive recipients of housing.
- 3.3 EPHP recognizes that the community is the initiator and driver of the process. The Programme is intended to build on existing livelihood strategies so that social capital that has been built up in a community is capitalised on. EPHP therefore builds on the positive steps that communities have taken to organize and house themselves rather than diminish the contribution that communities have made.
- 3.4 EPHP recognizes that community contribution is broadly defined and should not be equated with a labour contribution (sweat equity) only. This can be a contribution but it is certainly not the determining factor for the programme.
- 3.5 Partnerships between the community and the various NGOs and FBOs working in the sector are critical for making EPHP work as they ensure the transfer of skills (including management, administration as well as the technical aspects of building) and expertise to the community. This requires strong social facilitation skills as well as project management skills. The selected NGO / FBO are also responsible for leveraging additional resources and setting up the value added components of the process.
- 3.6 The Programme has a strong poverty alleviation focus and it is therefore aimed at poorer households.
- 3.7 The Programme ensures greater understanding and responsiveness to the needs of vulnerable groups including women, youth, the elderly, the disabled, and children.
- 3.8 The Programme is intended to bring about more integrated, area based development as it encourages strong linkages with other Government Departments and programmes through the community engagement and housing delivery processes.
- 3.9 The Programme is intended to provide an alternative to developer-driven development which creates uniform housing products and little appreciation of

the housing asset by communities. It therefore creates a more sustainable means for government to work with communities to reduce the housing backlog.

- 3.10 The Programme is intended to build and support the housing micro-finance sector by supporting the work of NGOs who assist communities in building and extending their homes.
- 3.11 The Programme is based on practice and therefore needs to allow for rapid feedback mechanisms to ensure that the programme is implemented.
- 3.12 EPHP is aligned to support other housing programmes such as rural and farm resident housing and could be used to help unblock stalled projects in Provinces.

4 POLICY PRINCIPLE

- 4.1 EPHP is based on the principles of:
- a) community decision making / choice;
 - b) community contribution (these are defined in the section listing the funding contributions); and
 - c) Partnerships and leveraging additional resources.
- 4.2 The policy is therefore designed around the value added principles that EPHP can deliver through the process and provides a mechanism to facilitate the flow of resources from government to resource poor groups and provide mechanisms that are accountable and responsive to a participatory approach.
- 4.3 The programme recognizes the risk of no involvement by the National Home Builders Registration Council (NHBRC) for government but also needs to allow for community initiative and participation in the process. EPHP therefore requires project enrolment with the NHBRC through the Province to foundation and slab level, but will not require individual house enrolment. In addition the NHBRC will be required to participate as a partner in the programme to build the capacity of the community in which the project is being initiated.

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5 APPLICATION OF THE PROGRAMME

- 5.1 Importantly, there is a difference between across the board participation and the Enhanced Peoples Housing Process, and as such the entry point for engaging with a community must be around accessing housing through this housing programme.
- 5.2 Community is defined either by location (e.g. through living in a particular area) and/or by common interest (for example a household who wants a house and who wants to / is willing to participate in the housing process).
- 5.3 The Programme applies to the following 2 options:
- a) Areas / projects where communities have already organized themselves and want to participate in the housing process. This requires pre-development support and resource accumulation. The organised community then takes their request to the Local Authority through the local negotiating platform. This is a demand led approach.
 - b) Areas / projects where there is an opportunity to mobilize communities to participate in the housing process as identified through the Local Authorities and Provincial Housing Plans. This will happen where Local Authorities have allocated a certain percentage of land to the EPHP programme in their Integrated Development Plan (IDP) / housing sector plan so that the programme is prioritized. Part of the IDP / housing sector plan will need to be negotiated with communities on EPHP processes / projects. This is a supply led approach.
- 5.4 This means that Provinces will need to manage their demand databases (housing waiting lists) as EPHP encourages government supporting those communities who want to work with government to build human settlements in terms of a demand led approach. This must be viewed and managed constructively so that it is not seen as a means of queue jumping.
- 5.5 Minimum standards for community participation and empowerment are applied and will need to be benchmarked through the monitoring and evaluation process. This is done in the funding arrangements section (section 7).
- 5.6 Practically EPHP projects can be applied to:
- a) Projects where ownership (individual or group) is the tenure form or where "Permission to Occupy" (PTO) letters have been given in rural areas.

- b) A range of different building typologies including new build, hostel refurbishment, informal settlement upgrade, in-situ upgrade etc.
 - c) Different housing contexts such as informal settlements, rural settlements, greenfields developments, etc.
 - d) Projects where different densities are introduced; and
 - e) Projects where different products and process options are encouraged.
- 5.7 EPHP can only be applied when there are approved Community Resource Organisations (CROs) in a Province. CROs can be NGOs, FBOs or a specifically put together development consortium. The ND will provide a set of skills needed for a CRO to work with a community in implementing a EPHP project. CROs would then be screened against the set of skills required and if approved placed on an approved list which will then be issued to provinces. However it is for the community to select which CRO they are going to work with in the Province.
- 5.8 EPHP will only be applied where communities are prepared to make minimum community contributions (as defined in 7.3.)

6 WHO WILL BE ASSISTED?

6.1 The basic entry requirement for the programme is that an individual needs to be part of an already organized community group or must have indicated that he / she wants to participate in a community driven housing project. In other words the programme covers approaches and initiatives of both individuals who want to / are willing to become part of a group and community groupings.

In addition the Programme will only provide access to subsidies to beneficiaries who satisfy the following entry requirements:

- a) **Resident:** he or she is lawfully resident 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).
- b) **Competent to contract:** he or she is legally competent to contract (i.e. over 18 years of age or older or legally married or legally divorced and of sound mind).
- c) **Not yet benefited from government assistance:** neither that person nor his or her spouse has previously derived benefits from the housing subsidy scheme, or any other state funded or assisted housing subsidy scheme which conferred benefits of ownership, leasehold or deed of grant or the right to convert the title obtained to either ownership, leasehold or deed of grant. Such previous beneficiaries may, however, qualify for the purchase of a vacant serviced site.

In the case of a divorced applicant who previously derived benefits from the housing subsidy scheme, or any other state funded or assisted housing subsidy scheme which conferred benefits of ownership, leasehold or deed of grant or the right to convert the title obtained to either ownership, leasehold or deed of grant, the terms of the divorce order will determine such an applicant's eligibility for any further benefits under this Programme. Divorced applicants who acquired ownership of a residential property or who derived a financial benefit from the sale of a residential property as part of the dissolution of the joint estate, will be disqualified from accessing any further housing subsidy, except that such an applicant may purchase a serviced stand developed as part of a project financed from any of the National Housing Programmes.

- d) Not yet owned a fixed residential property:** A person who has not owned fixed residential property may apply for a subsidy, except where the applicant has acquired a vacant serviced site and needs assistance to construct a house. However, if a person has obtained a residential property without government assistance and the property does not comply with the National Norms and Standards for the construction of stand-alone dwellings, such a person still qualifies for subsidisation. The property so acquired must be in possession and registered in the name of the potential beneficiary, with the Registrar of Deeds.

In addition to the above requirements, any applicant must also satisfy the following general criteria:

- e) Married or Cohabiting:** he or she is married (in terms of the Civil Law or in terms of a Customary Marriage) or habitually cohabits with any other person. The word "spouse" includes any partner with whom a prospective beneficiary habitually cohabits.

Where an application is made for a subsidy on the basis of a legal marriage or cohabitation arrangement, it is required that the property must be registered in the names of both spouses in the Deeds Office. Documentary proof of the marriage and affidavits from both spouses in respect of cohabiting arrangements and customary marriages must be provided.

- f) Single with Financial Dependents:** he or she has proven financial dependents. A financial dependent refers to any person who is financially dependent on the subsidy applicant and who resides permanently with the housing subsidy applicant. Financial dependents include any or a combination of the following proven financially dependent persons of, and residing permanently with, the subsidy applicant:

- i) Biological parents or parents-in-law;
- ii) Biological grandparents or grandparents-in-law;
- iii) Brothers/sisters under the age of eighteen [18] years or, if older, who are proven financially dependent on the applicant;
- iv) Children under the age of eighteen [18] years, i.e.:
 - a) Grand children;
 - b) Adopted children;
 - c) Foster children;
 - d) Biological children;

- e) Any of the above persons over the age of eighteen [18] years who are still studying and who are financially dependent on the applicant; and
- v) extended family members who are permanently residing with the applicant due, for example, to health problems and who are therefore proven financially dependent on the housing subsidy applicant.

Special Provision: it is a requirement that in cases where housing subsidy applications are submitted by single persons with financial dependents, that the particulars from the identification document of such dependents must be recorded on the application form and the information must be captured in the Housing Subsidy System. The following documents must accompany an application for a housing subsidy:

Certified copies of:

- i) Birth certificates, bearing the thirteen digit identity number for children who do not have bar coded identity documents;
 - ii) Bar coded identity documents of all persons who are claimed as part of the household;
 - iii) Divorce settlement documentation (to prove custody of children) where relevant;
 - iv) Affidavits for unions solemnised in terms of SA Civil Law and accompanied by sworn statements to prove the authenticity of the relationship to the applicants, where applicable; and
 - v) court orders or, orders issued by the Commissioner of Child Welfare to prove guardianship for foster children, where relevant.
- g) Monthly household income:** The gross monthly household income of his or her household may not exceed the amount of the maximum income limit as approved by the Minister from time to time.

A prospective beneficiary will be required to submit adequate proof of income, and, in the case of income received through self-employment, must sign an affidavit stating the amount earned.

For the purposes of assessing whether any particular person is entitled to receive a housing subsidy, the income of his or her spouse (if any) shall be added to that person's income, and "income" shall include:

- i) basic salary and/or wages;

- ii) any allowances paid on a regular, monthly or seasonal basis as part of an employment contract;
- iii) any loan interest subsidy, or other remuneration payable regularly on a monthly basis to the individual (and/or to his or her spouse) by his or her employer;
- iv) any financial obligations met on behalf of the individual (or his or her spouse) by his or her employer on a regular monthly basis;
- v) any commission payable to the individual (and/or to his or her spouse) on a monthly basis (an average of the most recent 12 (twelve) months will be determined for eligibility assessment purposes);
- vi) income received through self employment; and
- vii) any retirement or disability benefits received on a regular (monthly) basis.

Special Provision: Beneficiaries of credit-linked subsidies will be subject to additional criteria as stipulated by the financial institution.

h) Persons who are beneficiaries of the Land Restitution Programme: beneficiaries of the Land Restitution Programme (LRP), should they comply with other qualification criteria, may apply for housing subsidies in the following manner:

- i) In cases where a serviced site has been provided in terms of the Land Restitution Programme, such beneficiaries may qualify for a housing subsidy equal to the value of the prevailing subsidy amount applicable for the top structure (Consolidation Subsidy); and
- ii) In cases where the beneficiary did not receive any residential property, such beneficiaries may qualify for a full housing subsidy.

i) Persons classified as military veterans as confirmed by the SANDF: Military veterans who are single without financial dependants may also apply for individual subsidies.

j) Persons classified as aged: Aged persons who are single without financial dependants may also apply for subsidisation. Aged persons can be classified as male and female persons who have attained the minimum age set to qualify for Government's old age social grant.

k) Persons classified as disabled: Persons who are classified as disabled, whether single, married or co-habiting or single with financial dependants, may apply for housing subsidies. In addition the MEC may in

his/her discretion decide to award the beneficiary the variation of the subsidy.

Furthermore, if a person who has already received state funding for housing and/or who already owns or owned a residential property, is or becomes disabled, or if his or her dependent(s) is/are or become disabled and that person satisfies the other qualification criteria, the MEC may at his/her discretion decide to award the beneficiary the variation of the subsidy.

The variation of the subsidy amount for purposes of improvements to the dwellings for disable persons is contained in the Variation Manual, included in the Technical and General Guidelines of the National Housing Code.

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7 FUNDING ARRANGEMENTS

Four different funding streams are necessary. These are capital funding, capacity building funding, community contribution / equity funding and bridging finance.

7.1. Capital Funding

The capital funding required is as follows:

- 7.1.1. Housing subsidy: The standard housing subsidy amount for the top structure (increased annually in line with inflation). However if the municipality is not able to cover land and infrastructure costs then the full capital housing subsidy will apply. Importantly there is to be a dedicated subsidy for the EPHP programme.
- 7.1.2. Special conditions / enhancements to the capital subsidy: All enhancements would apply (such as the Geotech allowance or the disability allowance, etc).
- 7.1.3. Municipal Funding: Funding for infrastructure should be provided through the applicable grants if available or as a last resort accessed from the province. The municipality would be responsible for all land packaging and town planning / township establishment funding (including the undertaking of Environmental Impact assessments (EIAs) and rezoning) and could provide land purchase funding or donate land to communities. The municipality is also responsible for funding additional facilities and amenities.
- 7.1.4. Provinces would also be able to purchase and make available land for EPHP projects within the limits of their funding allocation.

7.2. Capacity Building Fund

To facilitate the EPHP processes of community engagement and leveraging resources capacity building fund is required. This capacity building funding relates to 6 different aspects of the housing process:

- 7.2.1 **Pre-project consumer education funding:** This relates to all aspects of housing delivery and is funded by the ND. It is however especially important for EPHP as the process is dependent on beneficiaries being informed and choosing this delivery method upfront. EPHP requires two kinds of consumer education funding. The first covers the broad general housing information provided by the ND in which beneficiaries will be alerted to the new EPHP programme and its

requirements. If selected as the preferred delivery option, EPHP will then require more intense community workshopping. This could be undertaken by the Province or a selected CRO. Only once communities have elected to go the EPHP route and selected a CRO to work with them will the capacity building support outlined in 7.2.2 become available.

7.2.2 **Project specific capacity building and facilitation funding:** This is broken into three phases and is to be funded through Provincial allocations. These grants will be paid to the selected EPHP Resource Organisation (CRO) on completion of work done and will need to be costed and measured by the CRO so that they can be monitored:

- a) **Pre-project:** This includes facilitating the community participation, setting up the community structures and providing organizational development support, setting up of savings groups, project enumeration, preparing the Project feasibility and Business Plan (templates included as an appendix to the implementation strategy) and submitting it for approval.
- b) **During the project:** This will include organizational development to set up the operating procedures and systems including systems to manage the finances for the project, to get the various different components of the project up and running and operating sustainably, technical support, skills transfer.
- c) **Project closure:** training on house maintenance, responsibilities of the owner, advice on additions and alterations and handover of the completed project to the community grouping.

7.2.3 Funding for building the physical structure to be used as the Housing Support Centre (HSC): One subsidy per project / area is to be allocated for use as a HSC according to agreed upon design standards. If further projects develop linked to this in the area then this will remain as a HSC. Alternatively it could be allocated to a housing beneficiary as a house or be used as a community facility. This is to be funded from the Provincial budget, unless an alternative source/s of funding can be identified through social amenities and facilities programmes available in an area.

7.2.4 Facilitation and Capacity building for the sector: This will include funding for sector networking and information sharing, best practice documentation, product development, training and research and

funding for facilitating partnerships with other government programmes for capacity building / training / support. Funding is also needed for some start-up capacity building manuals and training materials for the EPHP sector, designing and implementing the delivery chain, workshops for Local Authorities (LAs) and provincial staff. This is to be funded by the ND and Provinces.

- 7.2.5 Funding for unblocking blocked projects. Many Provinces have blocked or stalled PHP projects which require unblocking and resolution. It is important that these projects be resolved and concluded in order to facilitate the implementation of the EPHP programme. The process for addressing these projects is outlined in the growth and implementations strategy. Funding for this will primarily be obtained from the provincial budget depending on the nature of the blockage and issues that need to be resolved.

7.3. Community Contributions / Equity

For the project to qualify for the EPHP programme at least 4 or more of the following community contributions / equity are to be considered and need to be incorporated into the projects. These have to be contributed pre- and during the project and not post the project. These aspects will be monitored to ensure that the value added benefits of the programme are being met. Community contributions include:

- 7.3.1. Time / leadership / participation / ownership of the project by the community by participating in community meetings and setting up a project steering committee. *This is a compulsory contribution and as such has to be 1 of the 4.*
- 7.3.2. Agreeing on and selecting an accredited EPHP Resource Organisation (CRO) or agreeing to have a screened CRO work with them to achieve the desired outcomes. *This is a compulsory contribution and as such needs to be 1 of the 4.*
- 7.3.3. Land may be a contribution, whether it is collectively owned in a Communal Property Association (CPA) by the community, or purchased privately by the community (see 7.3.5.), or collectively owned in a co-operative or land that the community has got donated to them such as land donated to them by a FBO, municipality, private individual or company.
- 7.3.4. Savings contributions, managed and used in accordance with the decision taken by the community.

- 7.3.5. Top-up funding through various partnerships forged by the community with other stakeholders (private employers, FBOs, local industry or a corporate through their CSI contribution, etc).
- 7.3.6. Demonstrated knowledge / skills / expertise.
- 7.3.7. Labour, not necessarily free (payment would be decided on a project basis).
- 7.3.8. Materials contribution, through *inter alia* the setting up of brick-making yards, recycled material or through a donation from a supplier.
- 7.3.9. Special community initiatives related to and connected to the housing project / area such as *inter alia* community food gardens, community care, community based maintenance of the infrastructure, refuse collection, community gardens, maintaining public spaces and buildings etc.
- 7.3.10. Bringing in community volunteers or employers (this could include student internships / learnerships, employer volunteers through “builds” etc).

7.4 Bridging finance

Bridging finance may be necessary to ensure programme momentum and to reduce the risks for CROs. This facility will be project specific and will need to be mobilized and organized by the CRO and the community with assistance from the ND to attract donor funding for this or to encourage the banking sector to provide affordable funding for this. The Business Plan submitted to the province by the CRO for the project would need to indicate if bridging finance has been secured and is being utilized in the project in order to manage the various risks involved.

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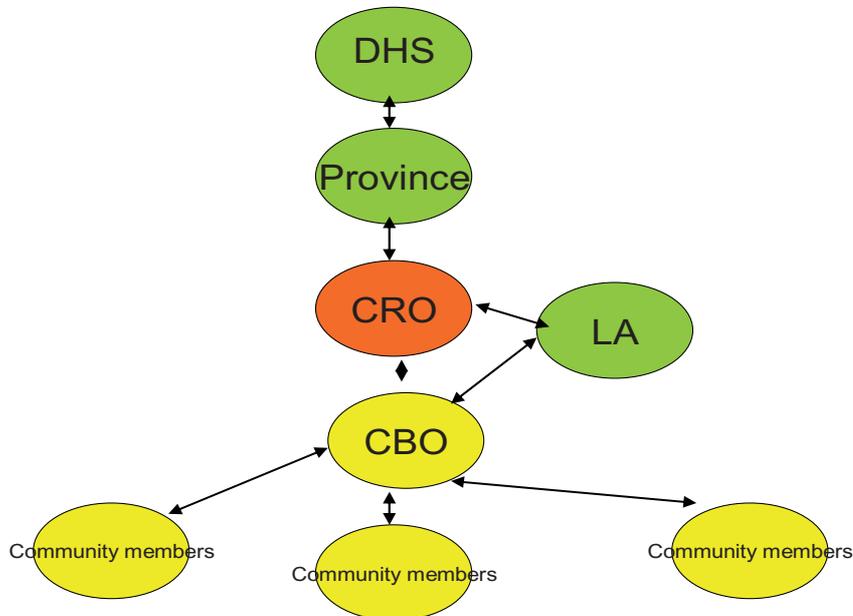


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8 INSTITUTIONAL ARRANGEMENTS

This section will outline the roles of the various key role players in the programme. The diagram illustrates the key contractual and accountability relationships between the provinces, municipalities, EPHP resource organisations and the community groups. The roles have been simplified and streamlined and kept in line with the core skills and capacities and responsibilities of the different role players.



8.1. The Role of Communities and Individuals

It has been emphasised earlier that the control, leadership and choice of EPHP by communities is central to successful EPHP projects. The role of individuals / communities should be to:

- Pro-actively take ownership for ePHP at an individual / community level;
- Set up the appropriate community groupings to accommodate individuals and leadership structure / Community Based Organisation (CBO) (Voluntary Association, Community Trust, Co-operative or Section 21 company) to facilitate working with the CRO and dealing with the project complexities;
- Access, mobilize and adhere to the required community contributions (outlined in section 7)

8.2. The Role of Community Based Organisations (CBOs)

In order to scale up delivery and for community empowerment to occur, competent, recognised and effective CBOs need to be set up. Once set up their role is the following:

- To keep individuals / communities informed of the choices available to them and to assist individuals / communities to make appropriate choices through regular communication and feedback;
- Facilitate access to, mobilize and adhere to the required community contributions (outlined in section 7)
- With the CRO set up and management of the Housing Support Centre if required;
- To set out roles and responsibilities with the CRO and to fulfill the roles;
- To set up administrative systems with the CRO and then to maintain them.
- To work with the CROs to set up the value added components for the process.

8.3. The Role of Community Resource Organisations (CROs)

CROs play a vital role in the capacitation of CBOs to implement EPHP and ensure the realization of such projects. Their role is extensive but should diminish as the CBOs become more capacitated and the projects reach conclusion. CROs can include NGOs, FBOs and/or a consortium of different stakeholders to make up the skills required.

CROs are responsible for the following key roles:

- Building the appropriate capacity to support EPHP implementation and project delivery at community level. This includes capacitating the CBO with the skills needed for daily management of the project. This includes *inter alia* training on basic financial management, project management, general management and payment processes.
- Organizational development to set up the operating procedures and systems, to get the various different components of the project up and running and operating sustainable.
- Facilitating community participation, project enumeration, preparing the Project Business Plan and submitting it for approval, as well as addressing any issues relating to approval
- Setting up the contractual and accountability relationship with Province and the Local Authority for the community;
- Ongoing technical support to the projects and technical compliance as well as dealing with matters relating to the NHBRC;
- Ensuring cash flow and administering payments as well as accounting for subsidy funding per project;
- Preparing progress reports in line with provincial requirements; and
- Monitoring and evaluating progress of the CBOs and projects.

8.4. The Role of Local Government

Local government has an important facilitative role to play in encouraging and supporting EPHP. The role of local government should be to assist positively in the creation of an enabling environment for EPHP at a local level. This role would involve the following:

- Carry out area based planning to inform IDPs and spatial development frameworks and to incorporate EPHP projects where appropriate;
- Ensure that IDPs and funding frameworks accommodate demand for ePHP;
- Facilitate land availability to support EPHP including providing land purchase funding for communities or donating municipal land for projects where possible;
- Provide physical services and infrastructure for the project where possible;
- Provide town planning services and township establishment funding (including the undertaking of Environmental Impact assessments (EIAs) and rezoning).
- The municipality must provide for and fund additional facilities and amenities required by the community.

8.5. The Role of Provincial Departments

The provincial department has a key role to play in ensuring the efficient and effective administration of EPHP initiatives. The role of provincial departments would be to:

- Ensure provincial planning frameworks pro-actively support demand for EPHP;
- Set targets for EPHP to support budget allocation;
- Build capacity for EPHP in the province.
- Ring fence and allocate subsidies and grants for EPHP;
- Prepare and manage contracts with the CROs.
- Approval of EPHP projects and timely disbursement of project and capacity building funding to the CROs
- Monitor the CROs.

8.6. The Role of National Department

The National Department plays a critical role in the creation of an enabling environment conducive to the efficient and effective implementation of EPHP. The role of the National Department should be to:

- Advocate, promote and support the implementation of EPHP nationally mobilising support, additional funding and technical support for the sector and ensuring the sharing of EPHP information to the sector.
- Set up standards and screening procedure for EPHP Resource Organisations (CROs) and maintain a database of accredited CROs for Provinces to access.
- Align Departmental structures and programmes to support and leverage EPHP implementation.
- Ensure broad consumer education and awareness about EPHP

9 IMPLEMENTATION TIMEFRAMES

- 9.1 The EPHP Programme took effect on 1 April 2009. A growth plan to support the implementation of EPHP has also been developed to begin to assist in the implementation and roll-out of the programme at scale.
- 9.2 The September 2005 PHP policy and programme will end on 31 March 2009.