

PARK RIDGE/FONTAINBLEAU DISCUSSION PAPERS

The attached discussion papers were produced by James Upchurch, with the Co-operative Housing Foundation as part of technical assistance provided to the Zimbabwe Ministry of Housing and the Harare City Council. This work was performed under a contract funded by USAID. The contents of the papers represent the views of Mr Upchurch and have not been endorsed or rejected by USAID.

2 July 1982

M E M O R A N D U M

22 June 1982

TO: W P Beresford
Department of Community Services
City of Harare

and

G T de Kruijff
Housing Development Services Branch
Ministry of Housing

FROM: James Upchurch
USAID Housing Consultant

SUBJECT: DRAFT OF SUGGESTED POLICIES FOR MAKING BUILDING
MATERIAL LOANS TO PLOT HOLDERS IN PARK RIDGE/FONTAINBLEAU

The attached paper contains proposed recommendations for a revised building loan policy to be implemented by the Harare City Council in the Park Ridge/Fontainbleau development. This is a draft that is meant to be circulated for comments from interested parties.

SUGGESTED POLICIES FOR MAKING BUILDING LOANS TO PLOT HOLDERS IN
PARK RIDGE/FONTAINBLEAU

- 1.0 The Harare City Council currently makes both building materials and cash loans in the Glen View Project. The recommended policy for Park Ridge/Fountainbleau will be to provide cash loans and eliminate the programme for loans made in materials. While it is recognised that there are certain advantages to the building material loan approach, in the interest of administrative efficiency it is recommended that one solution be used. The cash loan will be modified in Park Ridge/Fountainbleau to accommodate the need for smaller, shorter term loans.
- 2.0 The building material sales programme at the Town Council Depot to be constructed in Park Ridge/Fountainbleau would be expanded to include more types of materials and offer better service. Proceeds from cash loans or other sources may be used to purchase materials from the Council Materials Depot. Commercial stands would be provided for private building supply entrepreneurs.
- 3.0 Each home owner will be free to decide what type of improvements he or she would make as long as these improvements are made on the permanent house and they comply with approved plans and specifications. Building demonstrators and/or building inspectors must approve all plans. Plans for houses larger than two rooms plus a toilet will not be approved until the plot holder has funds to complete a larger house. This is to prevent the plot holder from starting a large house that he is unable to complete. It is better for the plot holder to complete a few rooms and expand the house when additional funds are available. It is expected, therefore, that most loans will be used to build a "starter" two room house.

4.0 Eligibility for Cash Loans

4.1 General Information

The Park Ridge/Fontainbleau project has been designed to serve families in the 30th to 50th percental income range. This is approximately Z\$100,00 to Z\$150,00 monthly income. Assuming the following costs for a typical Park Ridge/Fontainbleau plot:

<u>Item</u>	<u>Monthly Charge</u>
Purchase of plot (\$1 298,00, 30 years, 9.5%)	\$11,00
Rates	\$ 4,65
Sewer Charge	\$ 2,00
Administrative Charge	\$ 2,60
Waste Management Charge	\$,70
Water	\$ 4,00
5 amp electricity	<u>\$ 6,40</u>
TOTAL	\$31,35

Then a plot holder should have:

$$\$31,35 \times 4 = \$125,40 \text{ monthly income}$$

To be able to pay for the plot and toilet (no loan) without expending more than 25% of family income for housing. It may be possible however, for a family with \$100,00 monthly income to afford a Park Ridge/Fontainbleau plot provided that:

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- a. They do not install or use electricity.
 - b. They have savings to build without incurring further debt.
- 4.2 Assuming that the entry level income will be approximately \$100,00 or more, any family qualifying for plot allocation will automatically qualify for a cash loan up to \$800,00. Loans above \$800,00 will require an application form from the applicant giving more detailed information to determine if the applicant can afford the larger loan. The formula will be as follows: The total housing expenses (as in 4.1 above) plus the monthly loan repayment charge shall not exceed 25% of family income.
- 4.3 In addition the loan applicant should be employed or adequately self employed and be up to date on all payments to the Municipality.
- 4.4 Existing loans may be extended but this practice will not be encouraged for administrative reasons. Construction technical assistance will be provided to help plot holders understand building costs and their need for finance. When qualified plot holders take an adequate loan at the outset, loan processing cost and accounting costs are reduced.

5.0 Issuing Cash Loans

- 5.1 No down payment will be required
- 5.2 All loan money must be used in construction of the house
- 5.3 If the combined amount of the plot holders loan and personal savings are insufficient to construct a house greater than two room plus a toilet. (starter house) the loan proceeds must be used to complete construction of a starter house rather than used for construction of an incomplete larger
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plan. The main objective is for Council to assist a large number of families to construct minimum adequate shelter. Plot holders may build additional rooms without financial assistance from Council. Council loans are not meant to be used for houses larger than starter houses.

5.4 The amount of the loan may vary in a range of \$100,00 to \$2 000,00 in increments of \$100,00. Loans of \$100,00, \$200,00 and \$300,00 may be repaid in 5 years. Loans of \$400,00 or \$500,00 may be scheduled for repayment in 5 or 25 years. All loans of \$600,00 or more will be scheduled for payment over 25 years. All loans may be prepaid at any time without penalty.

Approximate monthly payments for 5 year loans are

<u>Loan amount</u>	<u>Monthly payment at 9.5% interest</u>
100	\$ 2,10
200	\$ 4,10
300	\$ 6,30
400	\$ 8,40
500	\$10,50

Approximate monthly payments for 25 year loans are

Loan amount	Monthly Payment at 9.5% interest
400	\$ 3.49
500	\$ 4.36
600	\$ 5.23
700	\$ 6.10
800	\$ 6.97
900	\$ 7.84
1 000	\$ 8.71
1 100	\$ 9.58
1 200	\$10.45
1 300	\$11.32
1 400	\$12.19
1 500	\$13.06
1 600	\$13.93
1 700	\$14.80
1 800	\$15.67
1 900	\$16.54
2 000	\$17.47

5.5 Loan disbursements will be made in amounts of \$500.00 or less. (Example: \$1 200 loan would be \$500.00, \$500.00 & \$200.00) Loans of \$400.00 or \$500.00 will be disbursed in two equal payments. Loans of \$300.00 or less will be disbursed in one lump sum.

5.6 Loans made to plot holders living on the plot will be disbursed in advance of construction. After the initial disbursement is made, subsequent advances will not be made until City staff have verified that the value of plot holder installed construction in place on the plot is equal to the accumulated amount of previously disbursements.

5.7 Loans made to plot holders not living on the plot will not be disbursed in advance. Non resident plot holders must install new improvements with their own resources before receiving loan disbursements. The proceeds of this type loan may not be used to pay for improvements made prior to a loan approval. At the time of loan approval, the value of plot holder installed improvements on the plot will be determined and recorded. Subsequent loans disbursements will be made when verified additional improvements are installed.

5.8 Each loan disbursement of \$500.00 or less must be spent for plot improvements within three months of the date of dispersment. This policy will be implemented independently of other policies concerning the length of time for plot development.

ADDITIONAL NOTES REGARDING ELIGIBILITY FOR CASH LOANS

29 June 1982

The figures used in Section 4.0 of my paper on proposed policies for making cash loans in Park Ridge/Fontainbleau were taken from the Project Delivery Plan by John Burrow and Partners. Using recent input by Council Staff, I have revised these figures as follows:

Purchase of Plot (1 109,52, 30 years, 9,5%)	9,33	Note 1
Rates (flat charge in lieu of rates)	4,00	
Administration Charge	<u>2,60</u>	
	6,60	Note 2
Sewer Charge	2,35	
Waste Management Charge	0,70	
Water	1,77	Note 3
Electricity	<u>-</u>	Note 4
TOTAL	20,75	

\$20,75 is 25% of a monthly income of \$83,00 Note 5
This suggests an entry level income of \$80,00.

NOTES

1. Reflects savings in roads, drainage from Burrow estimates.

2. Rates on a \$20 000 low density house = 59,79 per year. Combined rates and Administrative Charge on a site and service plot = 79,20/year. While this may be justified in the first high cost years of a site and service scheme, further review is needed. Should a \$5 000 home holder pay \$600 more than a \$20 000 householder over 30 years?

3. Assumes minimum charge

4. Assumes poorer families will not install electricity.

5. Discussions with General Manager of Beverley Building Society revealed that 25% is used and rates are included in costs. BES effective rate on the total family income is usually lower than 25% because only 50% of wife's income is included.

M E M O R A N D U M

24 June 1982

TO: W M P Beresford
Department of Community Services
City of Harare

and

G T de Kruijff
Housing Development Services Branch
Ministry of Housing

FROM: James Upchurch
U.S. AID Housing Consultant

SUBJECT: RECOMMENDATION FOR AN IMPROVED DESIGN OF THE PARK
RIDGE/FONTAINBLEAU MATERIALS DEPOT

1.0 The Housing Services Development Branch has issued a proposed construction plan for an administrative, training and materials depot block in the Park Ridge/Fontainbleau project. I have reviewed this plan and find that it needs modification in order to meet the needs of the expanded building materials programme Plan 4 of Park Ridge/Fontainbleau.

2.0 The methodology used in determining the space requirements for the proposed warehouse is as follows:

2.1 Assumptions

2.1.1 60% of all materials used in the project will be purchased from the Council's Materials Depot.

2.1.2 4 135 plots will be allocated and the allocations will be evenly spread over a twelve month period. The peak construction activity should occur approximately 14 to 16 months after beginning plot allocations. During a peak month of activity the materials sold from the depot will equal the approximate volume of materials required to construct approximately 200 houses.

2.1.3 Inventory should be a one month supply.

2.1.4 The quantities per house are assumed to be 1,20% of the list of materials required to build a typical house to Phase 2 level of construction.

2.1.5 My proposed design standard for the depot would be to design space that will meet 75% of the peak months activities requirements. This means that the depot will be underutilised at the beginning and end of the construction period and during a few months at the peak of construction the depot may not be able to fully cope with demand

3.0 Based on the above assumptions, I estimate the maximum volume of materials that would be stored at any given time in the depot are to be as follows:

Packets of cement	3 000 packets
Cubic metres of sand	400 cubic metres
Cubic metres of stone aggregate	300 cubic metres
40 kg bags Cemwash	183 bags
25 kg bags Carbex	129 bags
D P C Strip	3 000 metres
Timber doors	350
Steel door frames	350
Steel windows	350
3mm Clear Glass	167 square metres
Prima paint	2 000 litres
Topcoat paint	4 000 litres
38 x 76 roof timbers	1 800 metres
38 x 115 roof timbers	1 000 metres
38 x 50 roof timbers	1 000 metres
Wire ties	1 800
2 400 Single Roof Sheets	750
1 800 Single Roof Sheets	900
Nails	500 kgs
Door Hardware sets	350
Air vents	1 500
Brick Force	700

4.0 To provide ample storage for this material the depot should include the following:

4.1 Sand & Stone Bins

Three sand and stone bins with a capacity of approximately 100 cubic metres each should be constructed with three reinforced masonry walls approximately 2,5 metres in height. A sloping concrete floor with weep holes should be installed. It may be necessary to reinforce the rear walls of the bins to counteract machine loading forces.

4.2 Timber Storage Sheds

Temporary timber storage sheds constructed of gum poles, timber and asbestos or iron sheet roofing. 5 or 6 different dimensions of timber will probably be stocked. The depth should be not less than 6 metres and the timber end surface area should be approximately 7 square metres.

4.3 Weatherproof Storage Warehouse

A weatherproof warehouse with an area of approximately 175 square metres will be required for the storage of cement, cemwash, carbex, timber doors, paint and other small items that should be stored under cover. Good vehicluar access should be available for hard to manoeuvre trailers to collect packets of cement. A stores office, a sales counter, (positioned to prevent the public from entering the warehouse) and an interior caged, lockable space for small expensive items will be required.

4.4 Exterior Storage Area

Certain items that can be stored outside such as asbestos roofing sheets, primed steel door frames, etc., should be stored in a caged area within the perimeter of the depot fencing. It is important to install adequate and easily moved wire fence doors that can be locked and/or opened widely for easy access to reduce handling costs.

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5.0 Organisation of the Depot

The entire area containing materials should be enclosed by security fence and a small guards house placed near the entrance as all materials leaving will be subject to checking. Careful attention should be given to the arrangement and spacing of the materials. Tractor and trailer transport will be used and this requires wide turning radii in some cases or careful design to access. Large delivery lorries must be accommodated simultaneous with loading of local deliveries. The plan for the warehouses and the fenced area should include a detailed floor plan showing exactly where every item is to be stored and allow for adequate access to all items. In other words no item should be placed in such a way that is necessary to move another item in order to have access to it for removal or inventory counting. Items like timber doors, roof timbers, etc., should be positioned in such a way that the end surfaces can be easily counted during inventory. The height of the warehouse should be approximately 6 or 7 metres. An effort should be made to fully utilise the total volume of the warehouse by building simple racks and bins to stack materials to the height appropriate for any given type of material. The 175 square metres in the warehouse will not be adequate unless careful organisation including utilisation of height is noted. The warehouse office should be equipped with a telephone and radio system that will enable contact with suppliers and delivery vehicles.

It is noted that the warehouse will probably be used intensively during the first three years of construction activity but the need for the warehouse will diminish thereafter. It is recommended therefore that removable prefabricated buildings be investigated. Such buildings can be removed to new building sites in the future, thus reducing the overhead cost of providing new material supply depot to low income beneficiaries.

24 June 1982

M E M O R A N D U M

TO: W M P Beresford
Department of Community Services
City of Harare

and

G T de Kruijff
Housing Development Services Branch
Ministry of Housing

FROM James Upchurch
USAID Housing Consultant

SUBJECT: RECOMMENDATIONS REGARDING SALE OF BUILDING MATERIALS
IN PARK RIDGE/FONTAINBLEAU

1.0 Type of Materials to be Stocked

Successful self help housing schemes must provide plot holders with easy access to all building materials at reasonable prices. Plot holders seeking small quantities of building materials for inexpensive houses can experience difficulty obtaining small quantity deliveries or reasonable unit prices. Some projects, as in the case of Glen View have attempted to involve private entrepreneurs on the building site. The Glen View experience proves that the presence of small entrepreneurs can be extremely useful but the fact that only one firm responded in the initial stages indicates that the City Council must take the initiative to ensure that materials are available to all plot holders from the first day of plot allocations. Private entrepreneurs will be offered plots at Park Ridge /Fontainbleau but the Municipality's building materials sales scheme will be expanded to ensure that no plot holder is without adequate materials.

The current scheme at Glen View offers only a limited range of materials. It is recommended that the list of materials to be sold at Park Ridge/Fontainbleau be expanded to include the following:

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Cement
Sand
Stone Aggregate
Cem Wash
Car bex
D P C Strip
Timber Doors
Steel door frames
Steel Windows
Clear Glass
Paint
Roof timbers
Wire ties
Asb. Roof Sheets
Nails
Window panes
Mey sets
Air vents
Brick force

A special effort will be made to interest enterprenuers in setting up block and brick yards. If experience with block and brick enterprenuers is not satisfactory, it will be necessary for the depot to stock these items.

Plumbing tools and electrical materials will not be stocked unless private enterprenuers fail.

2.0 Powers of Materials Depot Operation

Since most plot holders in the Park Ridge/Fontainbleau scheme will be building their own house or acquiring materials for paid labour to construct for them, it follows that the material sales programme must be open for sales on weekends since most people involved in the programme will be employed during the regular work week. After the seven day per week operation becomes known to the public it is expected that Saturday and Sunday will be the most popular days for material sales. Resistance by Council staff to working weekends can be overcome by offering compensatory time off other days and offering a rotatory responsibility for weekend work.

3.0 Pricing of Building Materials

The current scheme at Glen View marks up the sales price of materials by approximately 15,5%. This is done in the following manner:

Tender Cost of Materials
plus 3% fees to Council Stores
plus 12,5% (on sub total) Administrative charges
= Total Sales Price

The 3% cost paid to Council Stores is a duplication of the administrative charge because the actual management of the Glen View Stores is done on site.

In the Park Ridge/Fontainbleau, it is recommended that the total administrative charges be reduced because of the additional volume.

A problem related to stores management is the need for delivery of small quantities of materials from the depot to the self help plot holders home site this could be a programme constraint in Park Ridge/Fontainbleau because of the difficulty in obtaining transport vehicles. It is

recommended therefore that Park Ridge/Fontainbleau operate on a dual pricing schedule for building materials. Materials which are purchased and delivered by Council transport should be priced at Council tender plus 10% for administrative charges and transport. When the plot holder provides his own transport and collects the materials at Councils depot, the price should be reduced to Tender price plus 5%. Encouraging the plot holder to find some means of transporting his own materials will not eliminate, but will lessen the burden for providing transport.

Reducing the mark-up from the current 15.5% to a maximum of 10% will offer an important benefit to low income plot holders.

4.0 Design of the Building Materials Depot

Unlike administrative buildings, the building materials depot is only used for the intensive construction period at the outset of the project. To be cost effective other uses must be anticipate for any permanent buildings or temporary buildings designed to be removed can be used. The layout of the depot must be carefully planned to enable efficient handling of materials. The first plan submitted by Housing Development Services Branch will require considerable revision.

5.0 Need for Plant Equipment

The Materials Depot at Parl Ridge/Fontainbleau will require the following equipment:

- 1 Tractor/Loader
- 2 Tractors
- 5 Trailers
- 1 7 ton Lorry
- 1 Gravity Conveyor

This does not include equipment used by staff working outside the depot such as a radio system, transport for building demonstrators, block making moulds to lend self to self builders and accounting machines.

M E M O R A N D U M

28 June 1982

TO: W M P Beresford
Department of Community Services
City of Harare

and

G T de Kruiff
Housing Development Services Branch
Ministry of Housing

FROM: James Upchurch
USAID Housing Consultant

SUBJECT: COMMENTS ABOUT ITEMS ON THE CHECK LIST

1.0 The City Council has produced a useful and comprehensive check list for planning development of the Park Ridge/Fontainbleau project. This paper contains a summary of miscellaneous comments and conclusions reached during meetings with groups of City officials and individual department heads. Some of the conclusions reached about important items relating to Park Ridge/Fontainbleau were not recorded in minutes or do not appear in any of the previously published papers, therefore, this paper will attempt to briefly summarise some of these conclusions or observations.

2.0 Type and Mix of Shelter.

This issue is under review by the Ministry. I suggest that the type of shelter be limited to service sites with toilets and service sites without toilets. The shelter solution should be directed toward three categories.

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- 2.1 Lower income families just above the minimum entry income criteria. The number of units in Phase I would be limited to approximately 200 to 400 units. The Brigades scheme currently under review would be designed to assist lower income families. The income range should be \$50 to \$105 monthly.
- 2.2 The normal programme modelled after Glen View. This programme would represent the majority of units (approximately 2 900) and would be directed at those families in the \$105 - \$150 income range. These units would be built on plots with toilets constructed by contract.
- 2.3 "Higher income" units. There is a report provided to the Ministry suggest that immediate income could be as high as \$273,00. This reflects the inclusion of all population groups. I suggest that the 400 sites planned for construction without toilets and an additional 400 plots at 300 square metres be allocated to the income range of \$150,00 up to the agreed upon new medium income figure. The higher income group would be better able to cope with the complexities of building a water borne toilet system. I would agree that the plots without toilets would normally go to lower income families in a project which emphasised lower standards. The high standard full service water borne sewerage system used in Zimbabwe does not lend it to the true self help concept and can often be constructed more economically by large scale contracts. It is also noted that the higher income families may be more likely to build more sophisticated and complex houses and that the flexibility of placing the toilet in a custom design would be more satisfactory for the higher income group. Limiting the allocations of the 400 planned sites without toilets would also prevent the project from being redirected toward the middle and upper income population groups.

3.0 Demonstration Houses

It has been agreed that after model plans are further analysed and discussed with the Council, demonstration houses of the popular plans will be built in a high traffic location

4.0 Model Plans

Eighteen model plans were drawn by the Housing Services Development Branch Architects. Meetings were held at the Town Council and at the Housing Services and Development Branch to discuss the suitability of these plans for self help housing schemes. Based on these meetings, we offered the following suggestions for the improvement of plans and requested that they be redrawn for further review:

- 4.1 Although I believe there is considerable merit to the concept of Zero plot lines, it is clear from discussion with Council staff in the Research and Planning Section that this is a concept that will remain unpopular until people have more experience with the constructed units. It may be that the initial opposition is caused by the fact that people have no frame of reference to judge this type of plan. Comments were made about the possibility of conflicts resulting from construction of the common wall and the possibility of disagreements with neighbours. Comments were also made about the fact that this type of construction does not lend itself to a sense of "what represents the house". People understand better what is theirs when it is not physically connected with any other dwelling. There are also complaints that it would be impossible to move from one side of the plot to another without actually going through the houses. I recommend that a small number, perhaps 100 or so, of contiguous Zero plot line plans be planned and the toilets positioned accordingly. This experiment will enable an assessment to be made about the future of Zero plot plans.

- 4.2 An attempt to economise in plumbing design resulted in plans with kitchens and toilets across from each other or doorways opening nearby. Research and planning staff indicated that this meets cultural resistance as beneficiaries do not appreciate having the toilet so close to the kitchen.
- 4.3 Most of the kitchens are designed along western utility concepts and are often smaller than other rooms. Council Staff observed that low income Zimbabwean families often regard the kitchen as much of a social room as a food preparation centre and suggested that the kitchen might be enlarged at the expense of other rooms.
- 4.4 The initial plans submitted by Housing Development Services Branch showed the complete house on the floor plan. At my request these plans were represented by both a starter house of approximately two rooms and a toilet and the completed house in order that there be a clear understanding from the outset that houses can be built on an expandable basis not. This should continue on all future plans.
- 4.5 Council discovered that the Type 12/6 plan from the Glen View project proved to be very popular. It was recommended that this plan be adapted in some way for the set of plans proposed for Park Ridge/Fontainbleau.
- 4.6 Plans like House Type No. 14 appear to be the most popular with beneficiaries.
- 4.7 There was considerable discussion over the role of the lodger. Housing Development Services Branch architects felt that providing for the lodger in the plan would only encourage exploitation of lodgers. I support the view of the Council that the problem of lodgers results from fundamental inadequacies in planning large scale

projects for all income groups in Harare and that until this situation is corrected current projects such as Park Ridge/Fountainbleau should take in to consideration the reality that virtually all houses (as substantiated by a recent Council survey showing large numbers of lodgers) will have one more lodger. Several of the plans including the Zero plot line plans make it impossible for lodgers to reach the toilet without passing through "family" rooms. This was considered to be unsatisfactory by beneficiaries and further thought should be given to adding outside doors or relocating the toilet in such a way as to accommodate lodgers.

- 4.8 I suggested to Housing Services Development Branch that some thought be given to designing a simplified plan that may lend itself to "true self help" and enable the poorest families to construct houses.

5.0 Building Standards

It is my recommendation that building standards should not be increased.

- 6.0 It is my recommendation that the minimum building requirement be 2 rooms and a toilet within the development period. While it is expected that the majority of plots will be under construction for some time and much larger houses would be built, there should not be a requirement that families must build larger houses.

7.0 Development Period

The current development period in Glen View is three years. It is my recommendation that this be changed to one year with possibilities for extensions for those families demonstrating that they are attempting to develop their plots. Several hundred plots in Glen View remain undeveloped after three years. It is noted that more technical assistance and building materials will be available to plot holders in Park Ridge/Fountainbleau.

Larger loans will enable them to build quicker. The general principle should be that only families interested in getting underway with a serious construction programme should enter the self help process otherwise serviced land, a valuable commodity to developing countries, will be used for years. Under the current 3 year policy, there may be no legal way to recover the land and reallocate it to people who are waiting patiently to build houses. The one year period with an opportunity for extension puts greater pressure on the plot holder to build. The proper strategy for City Council should be to get in and out of projects as quickly as possible. The cost to the Council is much greater where the initial development phase is extended.

8.0 Temporary Buildings

Allowing temporary building, keeps families on the plot, avoids "double rent" and supports self help goals. It is noted, however, that temporary buildings can present problems when beneficiaries fail to remove them after construction of their permanent dwellings. It is recommended that the practice of permitting temporary buildings be continued because it is essential to the self help process to have beneficiaries on the plot as early as possible. A temporary occupancy permit or a clause in the agreement should become part of the Council's official documents to give the City enforcement authority to remove buildings. This is another area where education of the beneficiary is critical to gain compliance at a later time.

9.0 Plan Approval and Inspection

The current system used in Glen View involves a complex and time consuming process for approving plans and inspecting construction. It is my recommendation that these inspections continue because the standards in Zimbabwe are quite high and the houses have several rather sophisticated elements such as electricity and plumbing that will require detailed and technical inspections. Providing building demonstrators and inspectors may no longer be economically feasible when large number of houses are constructed. A dual approach also presents a problem when the building demonstrator may give advice which differs from the building inspectors. I suggest that building inspectors/building demonstrators be re-educated and developed into one position.

that will combine these efforts in order to prevent unnecessary trips to the same plot and thus reduce the City Council overhead costs. The primary objective should be to get minimum adequate shelter constructed and excessive reliance on western-type inspections can lead to inappropriate higher standards.

M E M O R A N D U M

30 June 1982

TO: W M P Beresford
Department of Community Services
City of Harare

AND

G T de Kruiff
Housing Development Services Branch
Ministry of Housing

FROM: James Upchurch
USAID Housing Consultant

SUBJECT: DEVELOPMENT OF A "COMMUNICATION UNIT" IN THE COMMUNITY SERVICE DIVISION, HARARE CITY COUNCIL

1.0 Need for Effective Communication

Self help housing programmes are very different from conventional construction schemes. While both self help housing and conventional construction share the construction of housing as a common goal, the implementation of such schemes differ. Plot holder builders in self help housing programmes are not employees. They can't be ordered to build housing. They must be motivated and helped to understand that certain policies and actions are to their advantage. Staff charged with responsibility for oversight of self help programmes must reach a consensus with the beneficiaries about implementation activities.

To accomplish these objectives the City Council or the responsible implementing organisation must be well organised to engage in two-way communication with the beneficiaries. Indeed, the failures in self help housing schemes around the world can often be traced to a lack of communication with beneficiaries.

Developing effective communication tools is not cost free, but where beneficiaries can be encouraged to build faster, repay loans or support community projects, the net cost to City Councils because of savings in staff time may be minimal. Effective communication units can save money when properly utilised.

2.0 Communication Unit Staff Requirement and Roles

The role of a communication unit is often to support and assist other field staff. The communication unit seeks to institutionalise the process of communicating with beneficiaries. Good communication can be put aside or inconsistently carried out when staff attention is diverted to construction or other passing activities. The existence of a communication unit to focus on the problem daily to institutionalise the process and ensure that proper priority is given to this important aspect of the programme.

In some cases, field staff will identify a communication problem and they will know that they can call upon their communication unit specialist to produce audio, visual, printed solutions. A wide range of techniques should be employed. This can range from an audio/visual programme at the time of orientation for new plot allottees to production of a "Comic book" document.

How many staff are required for Communication Units?

The answer depends to some degree on the size of the projects. Given the importance of good communication it has been said that it is impossible to have "over kill" when trying to communicating with self help beneficiaries. In practice, a large number of staff are often not needed. Instead it is more important to utilise existing staff as the implementors of communication efforts

and to have a very small number of well trained specialists to produce communications tools.

3.0 Equipping a Communication Unit

A communication Unit should have in house capacity. In some cases, the capacity may already exist in City Council departments, but it is often necessary to add certain technical and audio-visual equipment.

4.0 Need for Further Review in Harare.

Housing programmes in developing countries in Africa, Latin America and the Far East now have considerable experience with improved communication techniques. The first step in developing a communication unit in the Harare City Council should be to review experience elsewhere and learn by the mistakes and successes of others.

M E M O R A N D U M

30 June 1982

TO: W M P Beresford
Department of Community Services
City Harare

and

G T de Kruiff
Housing Development Services Branch
Ministry of Housing

and

City Treasurer
City of Harare

FROM: James Upchurch
USAID Housing Consultant

SUBJECT: FINANCE AND ADMINISTRATIVE ISSUES IN THE PARK RIDGE/
FONTAINBLEAU IMPLEMENTATION PLAN

1.0 Issuing Cash Loans

The current method of disbursing building material loans in Glen View is as follows:

After verification that work is in place, forms are completed at the Glen View site to request a cheque from the City Treasurers City Centre Office. When the cheque arrives, several days later, the plot holder is located and given the cheque. In most cases the plot holder does not have a chequing account so the tellers collecting charges and loan repayments often cash the cheque. The entire process takes some time and creates considerable paper work for the City Council staff.

The goal of a successful self help scheme should be to remove all possible administrative road-blocks to early completion

of houses. This allows the plot holders to devote their time to assembling materials and getting their house constructed without. The process of having cheques issued from down town seems to be very cumbersome and offers little additional protection to the City of Harare. It is my recommendation that the disbursement of funds be handled entirely from the field office. This could be done in one of two ways:

1.1 First Method

Disbursements could be made in cash from the after field officer completion of necessary forms. Forms should be counter-signed for authorisation by technical and administrative staff.

1.2 Second Method

Someone at the field office could be authorised to sign cheques and the cheques given to plot holder who cash them at the administration teller's office or arrangements could be made with the City Council's Bank to provide a mobile banking service on-site.

Disbursement of funds should continue through the weekends because this is the most important time for employed plot holders to conduct their business. The goal should be to streamline the process with sufficient financial safe guards to permit a plot holder who has met agreed upon standards to request and obtain a draw on his construction loan within one hour and be able to leave the premises with cash in hand to purchase his materials. Successful implementation of the alternatives described above may require changes in the number and type of staff and new security policies.

2.0 Automation of Accounting and Data Processing.

In general I found the manual systems currently employed in Glen View to be efficiently administrated. It should be noted however that the relatively large concentration of plots for one administrative office leads to opportunities for greater efficiency through automation. The introduction of small computer systems on site could offer improvements.

- 2.1 Current administrative tasks can be handled more efficiently thus freeing staff for other areas like construction technical assistants where more attention may be needed. For example, systems can be acquired that will automatically generate collection notices currently prepared by hand.
- 2.2 Additional debt management information can be gathered from common accounting activities. The Harare programme does not currently suffer from high arrears or default rates however, it is reported that the number of over due accounts is increasing and could be a problem in the future. It would be useful for management to have up to date monthly reports on the percentages of over accounts as a first step in improving debt management. This is not done at this time but could be easily implemented on a computerised system.

The computerised system could also be employed in other critical areas of the housing programme. There is a need to computerise the list of tenants and plot allocations. Such a list could be quickly scanned on an automated basis for duplications in plot allocations.

The cost of automating may not be significantly higher than the current cost of equipment used. The City Council uses electronic receipting machines that have a relatively high cost when compared to their limited capacity. Other fully integrated systems might be more cost effective in the long run.

It is recommended that an in depth study be conducted in the future to determine the feasibility of automating some of the administrative and accounting functions at Park Ridge/Fountainbleau.

3.0 Variable Interest Rates

The building material loans made at Glen View are made on a fixed interest basis as follows:

<u>Term</u>	<u>Interest Rate</u>
1 year	4%
2 years	6%
3 years	8%

This is done in a simple interest basis and annuities are not used. The Park Ridge/Fountainbleau loans will be made on an annuity basis. This presents a problem because of the city's policy of changing the interest rate.

Current city policy is to pool interest charges. When new loans are received by the city, they are factored into the city wide pool and all loans, old and new, are charged a new interest rate reflecting the change caused by a new pool mix. This usually means that older loans were made at lower interest rates and recent loans are at higher interest rates, therefore, the interest pooled rate is increasing. This may not be a serious problem when there are few changes. During the past few years when interest rates have changed abruptly, there have been more changes in plot holder interest rates. The administrative problem for the City is that annuity loans require determining the remaining unpaid principal and recalculating the

loans each time that a new interest rate is introduced. This produces a serious problem for the City because of the additional administrative work load and because plot holders may be more reluctant to take loans when the payment cannot be specified to them over the term of the loan.

To reduce these problems it is recommended that the City investigate the possibility of introducing a policy of guaranteeing that loans in Park Ridge/Pontainbleau not be increased more often than 3 years and that a limitation be placed on the maximum amount of increase or decrease of interest rate. This would reduce the administrative load in recalculating payments and offer more assurance.

M E M O R A N D U M

2 July 1982

TO: W M P Beresford
Department of Community Services
City of Harare

and

G T de Kruiff
Housing Development Services Branch
Ministry of Housing

FROM: James Upchurch
USAID Housing Consultant

SUBJECT: IMPLEMENTATION PLAN BARGRAFT

I have listed below headings for a bargraft that you may find useful in developing an implementation schedule after decisions are made concerning housing standards mix and the brigades.

POLICY DEVELOPMENT

Approval of Loan Policies.
Approval of Material Sales Policy.
Approval of Plot Allocation Procedures.
Approval of Plot Development Requirements.
Approval of Policy Regarding Repossessions.
Decision Regarding School Funding.

INFRASTRUCTURE/OFFICE/EQUIPMENT

Allocate Private Sector Materials Production/Sales Plots.
Construct and Equip Office Block and Materials Depot.
Purchase "Foreign Content" Transport and Accounting Equipment.
Bill Demonstration Houses.
Purchase Local Transport & Equipment.
Install Field Telephone and Radios.

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STAFF RECRUITMENT AND TRAINING

- Define Staff Requirements/Job Descriptions.
- Council Approval of New Posts.
- Appoint Senior Staff at Park Ridge/Fontainbleau.
- Prepare Training Manuals.
- Begin Formal Staff Training.
- Begin In-service Staff Training.

PLOT ALLOCATIONS

- Prepare orientation material and audio-visual presentations.
- Advertise Waiting List.
- Add Names to Waiting List.
- Screen Applicants.
- Orientation of Applicants.
- Allocation of Plots.

BUILDING MATERIALS SALES

- Prepare Written Material Explaining Material Sales Scheme.
- Set up Accounting and Management Control Books/Forms/Reports.
- Install Racks, Bins, Equipment, etc.
- Order Initial Material Stocks.
- Begin Material Sales.

BUILDING MATERIAL LOANS

- Prepare Materials Explaining Terms, Procedures of Loan Scheme
- Prepare Counting System, Forms, Agreements.
- Organise to Issue Loans in Cash.
- Approve Loans.
- Issue Loan Dispersments.

BRIGADES

- Short Term Technical Assistance on Brigades and Co-Operative Building.
- Prepare Orientation Material.
- Select Participants.
- Organise Groups.
- Begin Brigades Construction.

CONSTRUCTION TECHNICAL ASSISTANCE/INSPECTION

CONSTRUCTION OF HOUSES

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