GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

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MUNICIPAL ACCREDITATION GUIDELINES

Guidelines for the accreditation of municipalities to administer national housing programmes.

March 2006

Note: A separate document relates to the Framework for the Accreditation of Municipalities to Administer National Housing Programmes

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Abbreviations and Definitions

The following abbreviations and definitions are used within these guidelines.

ABP	Accreditation Business Plan
Accreditation	Accreditation is a concept within the Housing Act, 1997; Housing Code, 2000; and DORA, 2005. Accreditation as a concept relates to <u>entities</u> and their approval for a particular purpose in accordance with certain criteria.
Assignment	Assignment is a concept in the Constitution, and relates to the permanent transfer of functions (including the authority in respect thereof) to another sphere of government
BNG	Breaking New Ground: The New Housing Strategy for Sustainable Human Settlements, approved by Cabinet in September 2004
Delegation	Delegation is the authority to exercise powers of another sphere of government on a temporary basis.
DORA	Division of Revenue Act (Annual)
HSS	Housing Subsidy System
IDP	Integrated Development Plan, incorporating the municipality's housing plan
IT	Information Technology
IYM	In-Year Monitoring report of expenditure against budget and funds transferred required to be submitted before the 20th of every month in terms of DORA and Treasury requirements
KPA	Key Performance Indicator
Level	Level of accreditation applied for. There are three levels of accreditation.
MEC	Provincial Member of the Executive Council responsible for housing
MINMEC	Committee of the Housing Minister and nine housing MECs
MFMA	Municipal Finance Management Act
MHC	Municipal Housing Committee delegated responsibility for housing affairs by the municipal council
MIG	Municipal Infrastructure Grant
MTEF	Medium Term Expenditure Framework
NDoH	National Department of Housing
NHSDB	National Housing Subsidy Data Base
PHD	Provincial Housing Department
PFMA	Public Finance Management Act
SCM	Supply Chain Management
SCM	Supply Chain Management

2   Purpose

The purpose of the guidelines is to provide guidance for the accreditation of municipalities to carry out the housing functions and includes a programmatic approach to the implementation of accreditation within municipalities.

3   Accreditation Framework

These implementation guidelines are based on the associated accreditation framework and for context should be read in terms of the framework.

For context, salient components of the framework are summarised in these guidelines, however, for details refer to the framework.

4   Accreditation Objective

Municipalities are able to plan, manage and deliver efficiently and effectively sustainable and affordable housing within the area of jurisdiction which meets the needs of the communities they serve.

5   Levels Of Housing Accreditation

Given that the capacity of municipalities is not uniform, three levels of accreditation are defined. Municipalities will be entitled to determine to which level they wish to become accredited and the pace at which they wish to access accreditation for such levels. Their intentions will be supported by provincial departments of housing (PDOH), as well as national government, as part of a focused capacity building programme.

5.1   Defining Levels of Accreditation

Accreditation levels are both functionally and programmatically defined. All levels are meaningful in terms of how they respond to the principles of accreditation.

Progressive levels require a higher degree of capacity, which the municipality must demonstrate to an external auditor.

The three levels, and the functions they comprise, are set out in the following .

Table 1: Levels of Housing Accreditation

Level	Components and Definition
Level 1: Delegation	**Subsidy budget planning and allocation and priority programme management and administration**: This includes housing subsidy budgetary planning across programmes and projects; planning of subsidy/fund allocations, and project identification. It also includes programme management and administration functions for specific, prioritised programme(s) identified in consultation with the PHD. **As set out in the Housing Act, municipal responsibilities for local beneficiary management, local housing priorities and the management of public stock remain municipal responsibilities**. *Applicable to all national and provincial housing programmes, with the exception of the individual and relocation subsidy mechanisms, this remains the responsibility of the PHD.*

Level	Components and Definition
Level 2: Delegation	<u>**Programme management and administration**</u>: This includes project evaluation and approval, contract administration, subsidy registration, programme management including cash flow projection and management and technical (construction) quality assurance. *Applicable to all national and provincial housing programmes, with the exception of the individual and relocation subsidy mechanisms, this remains the responsibility of the PHD.*
Level 3: Assign-ment	<u>**Assignment and Financial administration**</u>: This includes subsidy payment disbursements, and financial reporting and reconciliation, as well as the assignment of all Level One and Level Two functions. *Applicable to all national and provincial housing programmes, with the exception of the individual and relocation subsidy mechanisms, this remains the responsibility of the PHD.*

5.2 Functions and Skills Required for Each Level of Accreditation

Level 1 Subsidy budget planning and allocation, and priority programme management and administration is the most significant step, both in terms of delegating responsibility and enabling integration and coordination to take place. This will include focused internal capacity to commission, produce and implement housing strategies, plans and budgets. Further, municipalities will be required to do the range of tasks associated with project identification and preliminary project assessments.

Priority programme management and administration includes the delegation of programme and project evaluation and approval functions for (a) specific priority programme(s); and for contract administration, subsidy registration (where agreed[1]), programme management including cash flow projection and management and technical (construction) quality assurance functions for that / those priority programme(s).

Level 2 Full Programme management and administration involves the additional delegation of responsibility for all programme management and administration. In order to undertake the functions associated with this level, municipalities will require the necessary capacity to commission, produce and implement project feasibility assessments, (which will be undertaken by professional engineers, town planners or certified project managers). With level two accreditation, subsidy registration via the HSS into the NHSDB is devolved to the municipality. Municipalities will also require programme administration skills and experience in line with the scale of activities planned for the municipality including project cash flow management and contract administration. Further, they will be required to install standardized programme management systems and a municipal HSS.

Municipalities with level 1 and 2 accreditation will not, however, undertake the financial management of their budgets. This will continue to be undertaken by provincial government, which has the capacity and systems necessary for that function to proceed efficiently. That said, legislative provisions in DORA will ensure that provincial departments will be obliged to allocate funding as prioritized and programmed by the accredited municipality, in a manner that is both effective and efficient and which does not delay the municipality's ability to operate within their sphere of responsibility.

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[1] Subsidy registration via the HSS into the NHSDB for the priority programme is delegated to the municipality where the capacity to undertake such a function already exists.

Level 3 Assignment and Financial administration involves the full assignment of Level 1 and Level 2 functions, and the additional assignment of responsibility for financial administration thus completing the full extent of the housing function and so completing the assignment of the housing function to a specific municipality. In order to undertake the functions associated with the financial administration, including subsidy payment disbursements and financial reporting and reconciliation, municipalities will require focused internal financial management and administrative capacity. In addition, the municipality will be required to have in place financial systems that are compliant with national specifications.

A municipality may seek accreditation in respect of each level on a consecutive basis, or concurrently, depending on its own capacity parameters and housing intentions. However, no municipality may seek accreditation in respect of level three without already being accredited or seeking accreditation for levels two and one. Similarly, municipalities seeking level two accreditation must already be accredited for level one, or seeking level one accreditation in the same application.

6   Procedure For Accessing Accreditation

All municipalities shall be entitled to apply for a particular level of accreditation, depending on their ability to meet certain capacity criteria. The process is set out in the table below.

Table 2: Procedure for Accessing Accreditation

Step	Description	Responsibility
Step 1	**Identification by MECs and Municipalities:** MECs and municipalities will identify from time to time specific municipalities in the province to be accredited. Municipalities may make their expectations known to the MEC in a letter of intent which must be considered by the MEC. The MEC must draft a formal response to this application, stating when such accreditation is likely to be granted and on what conditions.	MECs and Municipalities
Step 2	**Accreditation Application** – Municipalities indicate they want to be accredited in respect of a particular level of accreditation. To do so, they must already have their housing plan approved by their council after taking into account comments received from the PDOH. The municipality determines their pre-accreditation capacity needs in order to formulate an accreditation business plan (refer to pre-accreditation application template T01).	Municipality
Step 3	**Pre-Accreditation Capacitation** – On the basis of the municipality's stated accreditation intention and identified capacity needs in order to prepare and accreditation business plan, NDOH provides capacitation funding for the pre-accreditation phase through the PDOH in order to provide targeted technical assistance towards the development of the accreditation business plan (i.e. pre-accreditation capacitation funding)	PDOH

Step	Description	Responsibility
Step 4	**Accelerated Municipal Housing Delivery Plan** - The municipality prepares the accreditation business plan (see template T02) for the particular level (or levels) of accreditation that is being sought, with the technical support provided by PDOH, if necessary and submits the business plan to the province for review.	Municipality (supported by PDOH with capacitation funding from NDOH)
Step 5	**Endorsement of Accelerated Municipal Housing Delivery Plan** – The business plan is reviewed by the PDOH and provided it complies with the PDOH requirements is endorsed. Approval on the basis of the accreditation guidelines by the province and the MEC provides "conditional accreditation" to the municipality for the municipality to implement the business plan in pursuit of full accreditation for the level of accreditation applied for. The province provides capacity funding to enable the municipality to implement the capacity requirements of the business plan (hiring of staff, development of new systems etc.).	PDOH
Step 6	**Capacitation Funding** – On the basis of the conditional accreditation approval, the NDOH provides capacity funding through the PDOH to enable the municipality to implement the capacity requirements of the business plan (hiring of staff, staff training, development of new systems, etc.)	PDOH (capacitation funding from NDOH)
Step 7	**Implementation of Accreditation Business Plan** – On the basis of the plan approval by the MEC and capacitation funding provided by PDOH, the municipality implements the business plan and provides monthly progress reports to PDOH (see template T03)	Municipality
Step 8	**Compliance Certification** – Within the time frame specified in the business plan, the municipality implements the capacity requirements on the basis of which the municipality's auditors confirm compliance by issuing a "compliance certificate". This compliance certificate confirms that the municipality has fulfilled the capacity requirements in terms of the business plan and therefore meets the requirements to receive full accreditation for the level applied for. This compliance certificate is submitted to the PDOH. (see template T04)	Municipality's Auditors – initiated by the Municipality
Step 9a	**Full Accreditation Approval (Level 1 and 2)** – On the basis of the issued compliance certificate, the MEC delegates the functions relevant to the level of accreditation applied for	PHD (MEC)
Step 9b	**Full Accreditation Approval (Level 3): Complete Asignment** – On the basis of the issued compliance certificate, the MEC approves the Level 3 accreditation of	MEC and Premier

Step	Description	Responsibility
	the municipality and Premier issues a proclamation, assigning the municipality the full housing function (subject to the National Housing Act) and in line with Section 156(4) etc. of the Contitution	

7 Eligibility Criteria

Municipalities must meet specific criteria (including performance quality indicators) in order to be accredited for a particular level. These are summarized in the table below.

Table 3: Accreditation Eligibility Criteria by Level

FUNCTIONS	Criteria
Level One: Subsidy budget planning and allocation process & priority programme management / administration	
Housing subsidy budget Subsidy / fund allocations Project identification Priority programme management & administration: manage beneficiaries and manage stock / priority	• Approved housing strategy, plan and budget • Accreditation business plan – section for Level One • Necessary capacity to be enhanced, confirmed by an auditor, including: o Ability to draft a business plan for Level One accreditation. o Ability to produce and implement housing strategies, plans and budgets, or commission and manage such functions. o Ability to do project identification and assessment o Ability to produce and undertake project feasibility assessments (undertaken by professional engineers, town planners or certified project managers (in-house or contracted) for priority programme(s) o Programme administration skills / experience relevant to the priority programme(s) and in line with the scale of activities planned for the municipality.
Level Two: Full programme management / administration	
Project / Programme approval Contract administration Programme management Subsidy registration Technical (construction) quality assurance	• Approved housing strategy, plan and budget • Accreditation business plan – section for Level Two • HSS in place and ability to undertake subsidy registration function • Necessary capacity to be enhanced, including: o Ability to draft a business plan for Level Two accreditation o Ability to produce and undertake project feasibility assessments (undertaken by professional engineers, town planners or certified project managers (in-house or contracted) for all programmes. o Programme administration skills / experience in line with the scale of activities planned for the municipality.
Level Three: Assignment and Financial administration	
Subsidy disbursements Financial reporting and reconciliation	• Approved housing strategy, plan and budget • Accreditation business plan – section for Level Three • Necessary capacity to be enhanced, confirmed by an auditor, including: o Ability to prepare or commission a business plan for Level Three accreditation o Financial management with ability to review, report and manage subsidy disbursements and financial reporting and reconciliation.

8   Accredited Functions and HR Capacity Implications

Accredited municipalities must be able to carry out specific functions for the various accreditation levels and will thus require specific capacity and skills as well as systems to be able to carry out the accreditation functions. Municipalities may outsource some of the capacity requirements except for the core overall housing accredited functions if this provides a more efficient and economical solution.

8.1   Accredited Functions

Table below sets out the specific functions that municipalities will need to perform, and the key capacities that will be required for the various levels of accreditation.

Table 4: Accreditation Functions and HR capacity implications

FUNCTIONS	HR capacity implications
Policy and planning	
Housing strategy: (IDP)	No change – existing arrangements apply.
Housing plan and budget: (IDP)	
Housing policies: procurement, allocation, etc.	
Level 1: Subsidy budget planning and allocation process & priority programme management / admin	
Housing subsidy budget	• Ability to draft a business plan for Level One accreditation. • Ability to produce and implement housing strategies, plans and budgets, or commission and manage such functions. • Ability to do project identification and assessment
Subsidy / fund allocations	
Project identification	
Priority programme management / admin	• Ability to produce and undertake project feasibility assessments for the priority programme(s) • Programme administration skills/experience in line with the scale of activities planned for the municipality.
Level 2: Full programme management / administration	
Project / Programme approval	• Ability to draft a business plan for Level Two accreditation • Ability to produce and undertake project feasibility assessments (undertaken by professional engineers, town planners or certified project managers (in-house or contracted). • Programme administration skills / experience in line with the scale of activities planned for the municipality.
Contract administration	
Programme management	
Subsidy registration	
Technical (construction) quality assurance	
Level 3: Assignment & financial administration	
Subsidy disbursements	• Ability to prepare or commission a business plan for Level Three accreditation • Financial management with ability to review, report and manage subsidy disbursements and financial reporting and reconciliation.
Financial reporting and reconciliation	
Subsidy & property administration	
Eligibility check	No change: Existing arrangements apply.
Subsidy applications	

FUNCTIONS	HR capacity implications
Allocation of subsidy / house	
Transfer	
Project management	
Subsidy registration	
Approval of special applications	No change: Functions remain responsibility of PHD.

8.2 Key Capabilities

In order to carry out the accredited functions set down in section 4 above, municipalities will require to have in house the suitably qualified personnel (or achieve this through outsourcing) for key capabilities set down in table 5 below. In this context capability refers to the specific skills required - see the next section with respect to capacity i.e. the number of staff required to carry out the various functions:

Table 5: Key Accreditation Capabilities Required

Level 1 Subsidy Budget Planning and Allocation Process & Priority Programme Management / Administration
Housing Management – overall responsibility for the housing accreditation function, requiring good overall management and administration experience and expertise, as well as specific understanding of the housing programmes, accreditation process and housing subsidy administration **Housing Subsidy & Budget Planning** – requiring specific expertise in understanding of integrated planning to produce an IDP and housing plan, understanding of demographics, housing typologies and housing backlog determination, the national housing programmes and ability to prioritizes housing budgets against various housing programmes to best implement the housing plan with the available budget **Priority Programme Management & Administration** – requiring specific expertise as set out below, in respect of programme management, contractor administration, subsidy administration and quality control for the priority programme(s).
Level 2 Full Programme Management and Administration
Programme Management – requiring specific expertise to manage the housing programmes and carry out the contract management, including cash flow projection and management and programme monitoring, quality assurance of housing projects and reporting performance **Contractor Administration** – requiring specific skills in contract management and administration including performance and compliance monitoring, payment certification, contract expenditure and budget management **Subsidy Administration** – able to register and ensure compliance of individual beneficiary subsidy applications, thorough operational understanding of the HSS, ability to administrate the filling of individual subsidy applications **Quality Control** –requiring specific skills in housing quality and contract compliance planning, monitoring and reporting

Level 3 Assignment & Financial Administration
Financial Administration – requiring an overall and thorough understanding of the MFMA, DORA, the municipal accounting and financial management system, financial reporting requirements, housing subsidy reconciliation for the various housing programmes. Ability to administer the subsidy allocations, reconcile individual subsidies against project expenditures for each housing programme and project, able to provide monthly financial reports and operate the HSS.

8.3 Capacity Requirements

Dependent on the scale of the housing programmes to be administered within the municipality, the capacity (i.e. number of functionaries/staff) needed, within the above capabilities, will vary significantly from metropolitan to local municipalities. In the former significant capacity and support services will be needed given the scale, scope and complexity of the housing programmes to be managed, whereas in the later it may be feasible for these functions to be provided by one or two experienced and skilled housing experts i.e. multi-skilled personnel responsible for more than one function. Municipalities must indicate their capacity requirements and associated operational costs within their accreditation business plans drawn on the basis of their IDP.

8.4 System Requirements

In order to carry out the accreditation functions municipalities will require to have operational capacity in terms of various information and computer systems in order to manage and report. The system requirements for the various accreditation levels are set down in table below.

Table 6: Accreditation System Requirements

Level 1 Subsidy Budget Planning and Allocation Process & Priority Programme Management / Administration
Municipal accounting and financial management system – compliant with the MFMA and in which housing budgets and expenditure per individual project (and cost item within a project) can be tracked and in which the housing transfers and expenditures against the transfers are able to be individually tracked.
Spatial planning system - from various sources (such as plans, waiting lists, settlement head and house counts etc.) or preferably via a Geographic Information System (GIS) which provides demographic information and the spatial location of services, facilities, projects and house project data
Budget tracking system - which tracks the total and annual budget allocations from the (1) equi housing subsidy allocation and the (2) provincial subsidy supplement, as well as calculates data required in terms of accessing the delivery-based tariff for operational funding.
Document management system - which manages all electronic and physical documentation generated in terms of accreditation, including how and where documents are filed and archived. This should be enhanced and expanded as the municipality registers for each successive level of accreditation.
Accreditation reporting system - which accredited municipalities use to report to the provincial department on overall delivery progress and to provide financial summaries
Housing Subsidy System (HSS) – comprising the modules of the HSS appropriate to Level

1 functions including IT links to the province and national department

Priority Programme Management & Administration – requiring specific expertise as set out below, in respect of a project tracking system, procedures and operations manual, quality assurance system, housing subsidy system and document management system for the priority programme(s).

Level 2 Full Programme Management and Administration

Project tracking system - which tracks the status of all projects from application to close out, including cash flow projection and tracking actual expenditure against projection and budget and which provides project data on a regular basis

Procedures and operations manual - including all the policies, procedures, procedural steps and pro-forma documentation for the entire housing subsidy administration programme. The manual must be updateable and a regular system for updates must be implemented.

Quality assurance system - which links with the project tracking system

Housing Subsidy System (HSS) – comprising the modules of the HSS appropriate to level 2 functions including registration of individual beneficiary subsidy applications

Document management system (DMS) – expansion of the Level 1 DMS to cater for the Level 2 functions in particular the project data and individual subsidy application documentation.

Level 3 Assignment & Financial administration

Municipal accounting and financial management system – as for level 1.

Cash flow tracking system – as for level 2 which tracks cash flow expenditure against budget for each project and programme, also tracking administration costs.

Housing Subsidy System (HSS) – comprising the modules of the HSS appropriate to level 3 functions

DORA reporting - requirements in terms of Treasury requirements including monthly In Year Monitoring (IYM) of budget transfers and budget as well as quarterly reporting of financials and outputs.

9 Municipal Procedures once Functions have been Delegated

Once a municipality has been delegated the functions for a particular level of accreditation, the municipality will be required to perform the accredited functions applicable to that level. These functions are set down in the table below for the levels of accreditation.

Table 7: Municipal Accreditation-linked Procedures once Accredited

Level 1 Subsidy Budget Planning and Allocation Process & Priority Programme Management / Administration

Annual Municipal Housing Budget Planning – On an annual basis in advance of and to coincide with both the municipal annual financial year (July to June) and the provincial MTEF budgeting cycle (August of each year) the municipal housing accreditation manager is required to allocate the municipal housing budget to the various housing programmes and projects operational within the municipality (and include an indicative 3 year allocation in terms of the MTEF budget cycle) taking the following into account:

1) The housing priorities in terms of the municipal Housing Plan and provincial Housing priorities;

2) Performance and constraints in meeting the housing backlogs in the previous year;

3) Contractual commitments carried forward on projects & programmes from previous year;

4) The availability of MIG funding in support of the infrastructure needs of housing projects;

5) Availability of funding and planned implementation of social facilities associated with new housing projects such as schools and community facilities which could pose constraints ; and

6) Any other factors that will influence the budget allocation.

Action steps

The following are the typical action steps which will be involved:

a) Notification by PDOH of the annual housing budget allocated to the municipality including indicative MTEF 3 year budget allocation based on the budget allocation formula approved by MINMEC and the provincial priorities;

b) Preparation of the Annual Housing Budget Allocation Plan by the municipal Housing Unit and submission to the Municipal Housing Committee (MHC) for approval;

c) Review and approval by MHC;

d) Approval by Municipal Executive Council (if required by the council in terms of its delegation and governance requirements);

e) Submission of the approved Annual Municipal Housing Budget Allocation Plan to the PDOH;

f) Reservation by PDOH of the budget allocations to the housing priorities set down in the municipality's approved budget allocation.

Monthly Reporting - to the PDOH on any changes to allocations as well as the motivation/reasons for such changes.

For Priority Programme(s) – specific activities and procedures as set out below, in respect of an annual housing implementation plan, contract administration and quality control for the priority programme(s).

Level 2 Full Programme Management and Administration

2.1 Annual Housing Implementation Management Plan – On an annual basis in advance of both the municipal annual financial year (July to June) and the provincial MTEF budgeting cycle (August of each year) the municipal housing programme manager is required to prepare an annual housing implementation management plan in response to the municipalities annual housing plan and budget allocation plan indicating how the annual housing targets will be achieved and how the housing programmes will be managed for the year ahead. The plan must take the following into account:

1) The housing priorities in terms of the municipal multi-year Housing Plan, as reflected in the Annual Municipal Housing Budget Plan, from which the annual and MTEF housing targets will be derived;

2) Performance and constraints in meeting the housing backlogs in the previous year;

3) Contractual commitments carried forward on projects and programmes from the previous year;

4) The availability of MIG funding in support of the infrastructure needs of the housing projects;

5) The availability of funding and planned implementation of social facilities associated with

new housing projects such as schools and community facilities which could pose constraints;

6) Any other factors that will influence the annual housing implementation plan;

7) Resource requirements as well as the resources currently available to manage and implement the plan;

8) Analysis of risks and risk mitigation measures;

9) Time and milestones to be achieved within the year;

10) Key performance measures which will be monitored and reported;

11) Budget requirements (capital and operational) to manage and implement the plan;

12) Plan for managing quality in the implementation

Action Steps

The following are the typical action steps which will be involved:

a) Prepare Annual Housing Implementation Management Plan and submit to the Municipal Housing Committee (MHC) for approval;

b) Review and approval by MHC;

c) Approval by the Municipal Executive Council (if required by the council in terms of its delegation and governance requirements);

d) Implementation of the annual housing implementation management plan by the accreditation unit;

e) Monthly monitoring and reporting of progress and performance against the plan and ongoing planning for the remainder of the year by the housing programme manager.

2.2 Contract Administration – monthly administration of the programmes and projects comprising reviewing budgets, expenditure and variations against budget and cash flow and confirming performance against the contracts, payment certification of project payment claims, planning for the remainder of the year and reporting progress.

2.3 Quality Control – monthly verification of quality performance within each project and programme against quality standards set in the annual housing implementation management plan.

Reporting – monthly reporting of expenditure, progress, performance, constraints, risks and action plans to the municipal manager and PDOH.

Subsidy Administration – comprising the following key monthly activities:

1) Data capture of all individual beneficiary subsidy applications into the HSS;

2) Reconciliation of individual subsidies against projects for all project related subsidies (i.e. including not only project linked but also institutional, consolidation, hostels upgrading);

3) Confirming approval of the beneficiaries to receive subsidies including checks with the Deeds registry and Population Register via the HSS;

4) Filing of all subsidy related documentation both electronically and hard copies of beneficiary subsidy applications and supporting documentation within the subsidy application registry;

5) Monthly reporting from the HSS of beneficiary subsidy approvals;

6) Preparing motivations for beneficiary application exceptions to the PDOH for approval of exceptions by PDOH;

7) Monitoring decisions on exceptions from PDOH and responding with appropriate actions

Level 3 Assignment & Financial Administration
3.1 Financial administration – comprising the following key monthly activities: 1) Monthly reconciliation of expenditure against budget for all housing related items including operational costs on the municipal accounting & financial management system;   2) Updating the HSS with the expenditure reflected in the municipal financial accounting and management system;   3) Monthly reporting of expenditure against budget and cash flow for all housing related costs per programme and per project;   4) Preparation of monthly In Year Monitoring (IYM) reports (in terms of DORA) to NDOH for incorporation by the NDOH into the IYM report as well as quarterly DORA report;   5) Preparation of monthly report from the HSS to PDOH and NDOH in the prescribed format;   6) Final reconciliation and financial close out of completed projects   7) Closure and archiving of completed project files

10 Monitoring And Reporting

10.1 Performance Monitoring

Performance of the municipal housing programmes should be monitored by the PDOH in order to provide early warning of problems so that they can be timeously rectified. Monitoring of performance and reporting against performance should be focused on the key performance indicators (KPIs) set down in the table below.

Table 8: Key Performance Indicators for Performance Monitoring

Level 1 Subsidy Budget Planning and Allocation Process & Priority Programme Management / Administration
1) Annual municipal housing plan produced and approved by the municipality and submitted to PDOH.   2) Annual Municipal Housing Budget Allocation Plan prepared and approved by the municipal council and submitted to PDOH on time.   3) All municipal housing budget allocated to programmes and projects according to the time and projections set down in the budget allocation plan.   4) Monthly progress reports provided on time by the municipality.   5) Annual Housing Implementation Management Plan as set out below, for priority programme(s).

Level 2 Full Programme Management and Administration
1) Annual Housing Implementation Management Plan produced and approved by the municipality and submitted to PDOH on time.   2) Monthly and annual subsidy targets achieved.   3) Monthly and annual expenditure achieved.

4) Cash flow projections achieved.

5) Quality of housing products accep and to specification.

6) Monthly progress reports provided on time by the municipality.

7) Individual beneficiary subsidy applications correctly registered on the HSS with correct supporting documentation.

Level 3 Assignment & Financial Administration
1) Municipality received unqualified audit for housing function. 2) HSS monthly reporting provided on time and to quality requirements. 3) Monthly subsidy reconciliations provided on time and to quality requirements. 4) Monthly reports provided on time and to quality requirements. 5) Project completion reconciliations undertaken timeously.

10.2 Municipal Reporting

Accredited municipalities are required to report monthly, quarterly and annually regarding the performance and progress of the housing programmes and projects of the municipalities. The reporting focuses on financial and subsidy data. Reporting is required for the following purposes:

a) To PDOH in order to comply with NDOH requirements focused on housing and financial issues;

b) To PDOH in order to comply with DORA requirement focused on financial issues;

c) To the municipality for reporting of progress and performance.

As far as possible the reporting should be streamlined in order to reduce duplication. However, this cannot be totally avoided due to the need for different stakeholders to have the information in different formats to meet their specific needs.

The key reporting required is set down in the table below.

Table 9: Reporting from Accredited Municipalities

Level 1 Subsidy Budget Planning and Allocation Process & Priority Programme Management / Administration
1.1 Annual Municipal Housing Budget Allocation Report – progress during formulation to be provided on a monthly basis. **1.2 Monthly Reporting** – to the PDOH on any changes proposed to allocations as well as the motivation for such changes. 1.3 Annual Housing Implementation Plan for priority programme(s) 1.4 Monthly Implementation Report for priority programme(s)
Level 2 Full Programme Management and Administration
2.1 Annual Housing Implementation Management Plan - progress during formulation to be provided on a monthly basis. **2.2 Monthly Implementation Report** – of progress and performance against the plan,

> including progress, performance, constraints, risks and action plans to the municipal manager and PDOH.

Level 3 Assignment & Financial Administration
3.1 Monthly In Year Monitoring Report (IYM) reports by the latest 15th of each month in terms of DORA to the NDOH for incorporation by the NDOH into the IYM report – format prescribed by National Treasury.   **3.2 Quarterly DORA Report** – including both financials and outputs by 15th of the month after the end of the quarter in question – format prescribed by National Treasury. Quarters end in June, September, December and March of each year.   **3.3 HSS Monthly Report** – from the HSS to PDOH and NDOH by the 15th of each month – format prescribed by NDOH.   **3.4 Annual Housing Report** – from the HSS to PDOH and NDOH by the end of April of each year reflecting the annual March year end for provincial and national government – format prescribed by NDOH.   **3.5 Annual Municipal Report** – as prescribed by the municipal manager reflecting the years housing performance against the annual housing plan for the municipal June year end.

10.3 Provincial Monitoring and Reporting

On an annual basis, after the provincial year end the PDOH and NDOH should carry out an assessment of each of the accredited municipalities to verify compliance, effectiveness and impact of their housing programme. The assessments should be issued to the municipalities for their inputs and in order to share lessons learnt.

11 Municipal Operational costs

In order to ensure efficiency in the administration of accredited functions by municipalities, the operational costs payable to municipalities for them to perform the accredited functions will be performance based linked to the subsidy expenditure (and delivery) achieved.

The operational costs payable will be a percentage of the municipal housing allocation budget based on the projected operational cost set down in the business plan expressed as a percentage of the housing budget allocated to the municipality as set down below:

Accreditation Fee % = (Projected annual operational cost / Municipal housing budget) X100

Note the operational costs are for the accredited functions only and not for the other housing-related functions which form part of the municipality's normal responsibilities.

Calculation of the Accreditation Fee is given in the example below:

Example 1

Projected annual accreditation operation cost = R500,000

Municipal housing budget = R25,000,000

Accreditation Fee % = (a. / b.) X 100 = R500,000 / R25,000,000) X 100

Accreditation Fee % = 2% of Municipal housing budget.

The 2% Accreditation Fee in example 1 above is illustrative only and not the recommended quantum for the fee.

The opeational costs funding will be disbursed by the PDOH and/or the NDOH (in relation to level 3) to the municipality on a drawdown basis proportionate to the housing subsidy expenditure achieved by the municipality provided that:

The projected operational cost is approved by the PDOH and within a norm prescribed by NDOH, which will be based on a typical operational costs norm. This norm will be determined by NDOH and reviewed on the basis of experience gained in the roll out of the accreditation;

The municipality provides the monthly reports required i.e. on the principle of "no report no pay".

The calculation of the monthly operational costs payment is shown below in example 2.

Example 2

A = Municipal housing budget R25,000,000

B = Total Subsidy expenditure to date R10,000,000

C = Total previous subsidy expenditure R8,000,000

D = Total subsidy expenditure this month = (B – C) R2,000,000

E = Accreditation Fee % 2%

F = Accreditation Fee payable this month = D X E (i.e. R40,000)

12 Annual Funding Cycle

In order to ensure that the annual housing planning synchronizes within both the national / provincial and municipal annual fiscal cycles the planning dates set down in 10 need to be adhered to by both the accredited municipality and PDOH.

The municipal housing programme must run in terms of the national / provincial annual cycle (April to March) in order to fit within the DORA framework and therefore municipalities will have to do two reconciliations within the year for their housing programmes, in order to be able to report both in terms of the national / provincial financial year (April to March) as well as the municipal financial year (July to June). Likewise the quarterly reporting needs to be synchronized to the national / provincial quarters (1st Qtr April to June, 2nd Qtr July to September, 3rd Qtr October to December and 4th Qtr January to March).

Table 10: Annual Housing Accreditation Planning Cycle

Element	Date
1. National and Provincial financial year end	31 March
2. Municipal financial year end	30 June
3. Municipal annual housing plan approved by municipal council and	February

Element	Date
submitted to PDOH	
4. Municipal housing implementation plan prepared and approved by municipal council (linked to National / Provincial financial year)	March
5. Municipality commences annual housing programme aligned to national / provincial start of financial year	April
6. Municipality reconciles annual housing programme expenditure for period April to March to align with national / provincial annual financial year	April
7. Municipality reconciles annual housing programme expenditure for period July to June to align with municipal annual financial year	July

13 Templates

The following templates form a part of the housing accreditation guidelines:

Template Number	Template Name and Purpose
T01	**Pre-Accreditation Application**- prepared by the municipality to signal the municipality's intention to apply for accreditation, to indicate the proposed level/s of accreditation and to apply for pre-accreditation capacity support in order to assist the municipality to prepare an accreditation business plan
T02	**Accreditation Business Plan** – prepared by the municipality to set out the municipality's proposed plan of action to achieve accreditation, level of accreditation sought, transitional arrangements, capacity support requirements and operational costs
T03	**Accreditation Business Plan Progress Report** – prepared by the municipality to provide monthly progress reports to the PDOH during the implementation of the business plan
T04	**Accreditation Compliance Certificate** – prepared by the municipality's auditors to signal that the municipality has complied with the accreditation requirements set down in the accreditation business plan and is now eligible for full accreditation to the level applied for
T05	**Annual Municipal Housing Budget Allocation Report** – prepared by the municipality to determine the allocation of housing budget within the municipality to the various housing programmes and projects
T06	**Annual Housing Implementation Management Plan** – prepared by the municipality to set out the annual housing implementation targets and management plan for the implementation of the housing programmes
T07	**Monthly Progress Report** – prepared by the accreditation manager giving expenditure against budget and project cash flow, performance, constraints, risks and action plans

T01 Pre-Accreditation Application

Purpose : Pre-Accreditation Application – prepared by the municipality to signal the municipality's intention to apply for accreditation, to indicate the proposed level/s of accreditation and to apply for pre-accreditation capacity support in order to assist the municipality to prepare an accreditation business plan

Pre-Accreditation Application

Application made by

<mark>**Insert name of municipality**</mark>

Application to

<mark>**Insert name of Provincial Dept of Housing**</mark>

Status: <mark>insert current status of application e.g. Draft 1, Approved by Council, Approved by PDH</mark>

Version Control

Version No	Date	Revision Made

Approvals: This document requires the following approvals

Responsibility	Name	Signature	Date
Housing Manager			
Municipal Manager			
Chairperson of Municipal Housing Committee			
Municipal Mayor			
Head of Department			
MEC for Housing			

Prepared by: <mark>insert name</mark>

1. **Purpose**

The municipality wishes to be accredited to carry out the housing functions set down in this application.

In pursuit of this accreditation the municipality requests that the provincial department of housing provides capacity support for the municipality to prepare an accreditation business plan.

2. **Mandate**

Confirm the approval given to initiate the Accreditation Application e.g. date of the approval of the recommendation and who gave the approval

3. **Objectives**

The objectives of the municipality in making this application are:

a. To indicate its intentions to be accredited for the following level/s of accreditation: ==indicate level which the municipality is applying for==
Level 1 Accreditation - Subsidy Budget Planning and Allocation, and Priority Programme Management and Administration (delegation)
Level 2 Accreditation – Full Programme Management and Administration (delegation)
Level 3 Accreditation – Assignment and Financial Administration

b. To request capacity support from the provincial department of housing to assist the municipality in the preparation of an accreditation business plan.

4. **Capacity Support Requested**

State what level of capacity support is requested.

If financial support state the amount being requested and the budget make up (budget items, cost make up per item and amount).

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

1. **CONTRACT NO: 674-C-00-01-00051-00**

MTI Subcontract No.: 0159-0905-SUB-TA51

T02 Accelerated Municipal Housing Delivery Plan

March 2006

This report was produced for review by the United States Agency for International Development. It was prepared by <list authors and/or organizations involved in the preparation of the report>, under Mega-Tech, Inc.'s prime contract and addresses USAID/South Africa's Strategic Objective No. 6: Increased Access to Shelter and Environmentally Sound Municipal Services. The author's views expressed in this publication do not necessarily reflect the views of the U.S. Agency for International Development or the United States Government

MTI   Subcontract   No.   0167-0106-SUB-TA52

T02 Accelerated Municipal Housing Delivery Plan (Accreditation Business Plan)

Purpose : prepared by the municipality to set out the municipality's proposed plan of action to achieve accreditation, level of accreditation sought, transitional arrangements, capacity support requirements and operational costs

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Guidelines to Accelerated Municipal Housing Delivery Plan
Version <mark>X</mark>

1. INTRODUCTION

The Accelerated Municipal Housing Delivery Plan is focused on how the municipality plans to enhance its capacity in order to carry out the housing accreditation functions. The Plan defines a capacitation programme which the municipality commits to implement in order to improve its capacity to fulfil these functions. The number of resources needed to fulfil the functions is outlined and the Accreditation Business Plan focuses on skills development and training in order to enhance the skills of current staff and highlight where additional expertise is required.

2. KEY QUESTIONS TO BE ANSWERED

In essence the plan focuses on addressing the following key questions:

1. *What level of accreditation is the municipality applying for.*

2. *What is the NEED – i.e. the specific organisational capability (competencies/ expertise/experience/skills) and capacity (number of resources), individual skills, organisational systems and support services which the municipality requires to undertake the housing accreditation functions? This is derived from an analysis of the specific functions to be performed.*

3. *What is the SUPPLY – i.e. current organisational capability, capacity, individual skills, organisational systems and support services available?*

4. *What is the GAP – i.e. between the NEED (organisations capability, capacity, individual skills, organisational systems and support services) and the SUPPLY (appropriateness and availability).*

5. *What are the OPTIONS – i.e what alternatives and combinations of options have been considered to improve the specific organisational capability, capacity, individual skills, organisational systems and support services which the municipality requires to undertake the housing accreditation functions? (Typical options/combinations may include restructuring, re-skilling of individuals, mentoring, recruitment and skilling of new staff, outsourcing, transfer of staff from the provincial housing municipality, introducing new management systems etc.)*

6. *The CAPACITATION PROGRAMME defined within the Accreditation Business Plan answers the following key questions*

6.1 *What is the essential CAPACITY which will be provided - i.e. how does the municipality plan to enhance its capability and capacity in order to undertake*

the housing accreditation functions including organisational capacity, individual skills, organisational systems and support services? What options or combinations of the options will be implemented to provide the infrastructure planning and delivery management capacity?

6.2 *What is the COST - i.e. how much will the capacitation cost over what period to achieve appropriate and sustainable organisational capability, capacity, individual skills, organisational systems and support services?*

6.3 *What is the TIMETABLE – i.e. what are the capacitation activities, linkages between activities and duration?*

6.4 *How will the Capacitation Programme defined in the Plan be MANAGED – i.e. what management structure will be put in place to manage the implementation of the capacitation programme defined in the Accreditation Business Plan with respect to scope, time, cost, quality, risk, communications etc.*

6.5 *How does the Accreditation Business Plan INTEGRATE with the municipality's Workplace Skills Development Plan?*

7. *What systems need to be put in place for the level of accreditation to be undertaken*

8. *What ROLE will external technical assistance perform in the capacitation process?*

3. FORMAT OF ACCREDITATION BUSINESS PLAN

The plan follows the format of a programme plan based to a large extent but not exclusively on the PMBOK (Project Management Body of Knowledge) which is one of the international best practices in use.

4. METHODOLOGY

The plan must be prepared involving extensive consultation within the municipality officials in order to achieve buy in and must be approved by the Municipal Manager and Council, as it commits the municipality to provide the resources needed to fulfil the plan.

5. ALIGNMENT WITH MUNICIPALITYAL SKILLS DEVELOPMENT WORKPLACE SKILLS PLAN (WSP)

Refer to the PSETA "Guideline Workplace Skills Plans"

It is essential that the Accreditation Business Plan is integrated with the WSP of the Municipality and not perceived as a stand alone process which can then be contested. Therefore, the Housing Manager will need to:

a. review the current municipal WSP and identify what skills development (if any) with respect to the housing functions is already planned for and over what timeframe;
b. how appropriate is the skills development proposed in relation to the skills set required;
c. what gaps are there between skills development planned and skills needed;
d. liaise with the Workplace Skills Facilitator and Workplace Skills Development Committee within the Municipality in order to:

- ensure that the relationship and distinction between the WSP and Accreditation Business Plan is understood;
- understand any constraints which will impact on the Accreditation Business Plan;
- achieve buy in from the WSF & WSDC; and
- identify and agree how the Accreditation Business Plan will compliment the WSP and vice versa.

6. SCOPE OF ACCELERATED HOUSNG DELIVERY PLAN

Note the Accelerated Housing Delivery Plan is broader than simply skills development in that it focuses on a combination of specific organisational capability, capacity, individual skills, organisational systems and support services which the municipality requires to undertake the housing accreditation functions. Therefore, distinction should be made to the stakeholders between these so that the Workplace Skills Plan of the municipality is not confused with the Accelerated Housing Delivery (Business) Plan.

Accreditation Business Plan

Application made by

<mark>**Insert name of municipality**</mark>

Application to

<mark>**Insert name of Provincial Municipality of Housing**</mark>

Status: <mark>insert current status of application e.g. Draft 1, Approved by Council, Approved by PDOH</mark>

Version Control

Version No	Date	Revision Made

Approvals: This document requires the following approvals

Responsibility	Name	Signature	Date
Housing Manager			
Municipal Manager			
Chairperson of Municipal Housing Committee			
Municipal Mayor			
Head of Municipality			
MEC for Housing			

Prepared by: <mark>insert name</mark>

CONTENTS

2. DEFINITIONS & ABBREVIATIONS

In order to provide clarity the following definitions are used within this document:

<mark>Insert additional definitions as appropriate</mark>

APM	Accreditation Project Manager within the municipality responsible for the overall management of the accreditation business plan
Capability	within the context of this plan means the specific competencies, expertise, experience and skills needed by individuals in order to fulfil the functions of their work
Capacity	within the context of this plan means the specific organisational capacity, , organisational systems and support services which the municipality requires to carry out the housing accreditation functions
PDOH	Provincial Department of Housing
PSETA	Public Services Sector Education and Training Authority
SDF	Skills Development Facilitator responsible for facilitating the formulation of the municipal WSP
WSDC	Workplace Skills Development Committee responsible for ensuring that the WSP is formulated and for feedback to individuals
WSP	Workplace Skills Plan developed by the Municipality to address its skills and training needs

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3. EXECUTIVE SUMMARY

2.1 **Strategic Objectives** - describe the strategic objectives of the municipality with respect to housing accreditation which the plan has been formulated to address (section 2.1)

2.2 **Accreditation Business Plan Objectives** - summaries the objectives of the plan (section 4.1)

2.3 **Functions Needed** - summaries the priority functions needed (immediate and future expertise), the current resources and the gap between these (need & supply) (section 4.2 1 to 3)

2.4 **Options** - for bridging the gap (e.g. skilling of existing staff if feasible, recruitment, transfers from provincial housing and/or out sourcing of specialist functions) (section 4.2.4)

2.5 **Solutions** - summarise the proposed solution/key initiatives (i.e. combination of options selected) to provide the key functions necessary (section 4.2 - 5)

2.6 **Systems Gaps** – summarise any system gaps which may also affect the housing accreditation functions and impact on the capacitation programme

2.7 **Targets & Deliverables** - summarise the capacitation phases, targets and key deliverables for the housing accreditation capacitation programme (Table 1)

2.8 **Cost** - summarise the cost of the capacitation including annual cashflow projection of costs (from Tables 3 & 4). From this determine the Accrediation fee as a % of the municipal housing budget allocation.

2.9 **Institutional Arrangements** - summarise the institutional arrangements for the capacitation programme and how it will be managed by whom, what structure (sections 6.1 to 6.3)

2.10 **Timetable** - provide a summary timetable of the capacitation programme (table 5 or summary of this in a smaller table)

2.11 **Reporting** - summarise the reporting process and KPIs (section 10)

2.12 **Risk Management** - summarise the key risks and the measures to manage those risks (section 11.1)

2.13 **Quality Management** - summarise the key quality management measures for the programme (section 11.2)

2.14 **Communications** - summarise the key communications for the programme (section 11.3)

2.15 **Impact and Sustainability** – assess the anticipated impact the capacitation programme will have and how sustainable will it be.

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4. BACKGROUND

1. Describe the strategic objectives of the municipality with respect to housing accreditation which the Accreditation Business Plan has been formulated to address. Note: the Accreditation Business Plan must be aligned to the delivery of the municipality's Housing Plan focusing primarily on enhancing the capacity with respect to housing accreditation functions and the high level management of the accreditation process within the municipality.

2. Describe the analytical and consultative process which has been followed to arrive at the Accreditation Business Plan.

3. Describe the current functions performed by the municipality and its agents (where applicable) with respect to the entire housing planning and delivery management process and any key constraints/problems/challenges arising out of the current institutional and contracting arrangements.

4. Describe the systemic issues which constrain the municipality from fulfilling its housing delivery mandate with respect to the delivery if infrastructure required. (For example an embargo on new software systems or ability in filling of key posts or inability to fill key posts

due to the low level of post available in relation to the high level of expertise required or unaccountability of implementation agent, etc.)

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5. ACCREDITATION BUSINESS PLAN OBJECTIVES AND OUTPUTS

Notes to draughters: Insert the objectives of the Accreditation Business Plan, which should be "SMART" (i.e. specific, measurable, approved, realistic and time bound) and which should focus on the enhancement of the municipalitys capacity to fulfil the key housing accreditation functions

4.1 Objectives

The objectives of the Accreditation Business Plan is to set out the capacitation plan which the municipality will undertake in order to undertake the level/s of housing accreditation set down in table 1 below. (delete levels not applied for and insert overall timeframe for achieving the capacity

Table 1 Level/s of Accreditation Applied for

Level	Components and Definition	Timeframe for Achieving Accreditation Level
Level 1	**Subsidy budget planning and allocation**: including housing subsidy budgetary planning across programmes and projects; planning of subsidy / fund allocations, and project identification. *Applicable to all national and provincial housing programmes, with the exception of individual and relocation subsidy programmes, which remain the responsibility of the province.*	
Level 2	**Programme management and administration**: including project evaluation and approval, contract administration, subsidy registration, programme management including cash flow projection and management and technical (construction) quality assurance. *Applicable to all national and provincial housing programmes, with the exception of individual and relocation subsidy programmes, which remain the responsibility of the province.*	
Level 3	**Financial administration**: including subsidy payment disbursements, and financial reporting and reconciliation. *Applicable to all national and provincial housing programmes, with the exception of individual and relocation subsidy programmes, which remain the responsibility of the province.*	

4.2 Analysis of Capacitation Requirements

The following key questions need to be answered in detail as the analysis of the capacity needs, availability, gap between need and availability, alternatives for meeting the capacity need, and planned interventions to enhance the capacity of the host municipality to plan the infrastructure needs and manage the delivery of the infrastructure.

1. What level of accreditation is the municipality applying for.

2. What is the capacity NEED to achieve the level/s of accreditation required (as set down in table 1 above)– i.e. the specific organisational capability (competencies/ expertise/experience/skills) and capacity (number of resources), individual skills, organisational systems and support services which the municipality requires to undertake the housing accreditation functions? This is derived from an analysis of the specific functions to be performed.

3. What is the SUPPLY – i.e. current organisational capability, capacity, individual skills, organisational systems and support services available?

4. What is the GAP – i.e. between the NEED (organisations capability, capacity, individual skills, organisational systems and support services) and the SUPPLY (appropriateness and availability).

5. What are the OPTIONS – i.e what alternatives and combinations of options have been considered to improve the specific organisational capability, capacity, individual skills, organisational systems and support services which the municipality requires to undertake the housing accreditation functions? (Typical options/combinations may include restructuring, re-skilling of individuals, mentoring, recruitment and skilling of new staff, outsourcing, transfer of staff from the provincial housing municipality, introducing new management systems etc.)

6. The CAPACITATION PROGRAMME defined within the Accreditation Business Plan answers the following key questions

    6.1. What is the essential CAPACITY which will be provided - i.e. how does the municipality plan to enhance its capability and capacity in order to undertake the housing accreditation functions including organisational capacity, individual skills, organisational systems and support services? What options or combinations of the options will be implemented to provide the infrastructure planning and delivery management capacity?

    6.2. What is the COST - i.e. how much will the capacitation cost over what period to achieve appropriate and sustainable organisational capability, capacity, individual skills, organisational systems and support services?

    6.3. What is the TIMETABLE – i.e. what are the capacitation activities, linkages between activities and duration?

    6.4. How will the Capacitation Programme defined in the Plan be MANAGED – i.e. what management structure will be put in place to manage the implementation of the capacitation programme defined in the Accreditation Business Plan with respect to scope, time, cost, quality, risk, communications etc.

    6.5. How does the Accreditation Business Plan INTEGRATE with the municipality's Workplace Skills Development Plan?

7. What systems need to be put in place for the level of accreditation to be undertaken

8. What ROLE will external technical assistance perform in the capacitation process?

4.3 Management System Requirements

The management system requirements including both hardware and software, communication linkages (e.g. high speed internet access) must be determined and costed, including any associated training costs foe the systems to be fully operational. The system requirements and costs should be included in table 2 below.

Table 2 Accreditation System Requirements

Level 1 Subsidy Budget Planning and Allocation	Hardware Requirements and Costs	Software Requirements and Costs	Communication Links Requirements and Costs	Training Requirements and Costs
1.1 Municipal financial management system				
1.2 Spatial planning system (i.e. GIS)				
1.3 Budget Allocation tracking system				
1.4 Document management system				
1.5 HSS (appropriate modules)				
Level 2 Programme Management and Administration				
2.1 Project tracking system				
2.2 HSS (appropriate modules)				
Level 3 Financial Administration				
3.1 Cash flow tracking system				
3.2 Housing Subsidy System (HSS) provided by NDOH				
3.3 Linkage to Deeds Register				
3.4 Linkage to the Department of Home Affairs Population Register				
3.5 DORA reporting system provided by National Treasury				

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6. TARGETS, DELIVERABLES AND KEY RESPONSIBILITIES

In order to fulfil the objectives of the Accreditation Business Plan the work components, targets and deliverables with respect to each Phase are summarised as per Table 3 below

Table 3: Capacitation Targets, Key Deliverables and Responsibilities

Capacitation Phase	No.	Work Component	Target Completion Date	Deliverables within each Work Component	Key Responsibilities
		e.g. Re-structuring, Re-skilling and training of existing staff, Recruitment and training of new recruits, transfer of provincial housing staff, Mentoring, Outsourcing, New Management Systems , Logistics Support etc.			

Detailed Activity Plan
The detailed activity plan to achieve the deliverables is attached as Annexure X
(Insert a detailed activity plan for each work component either in Microsoft Projects or in Excel which indicates the proposed phases, work comments and activities to achieve each deliverable, duration, start & finish, responsibility and linkages between activities.)

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7.   ACCREDITATION BUSINESS PLAN IMPLEMENTATION PROCESS

6.1 Institutional Framework

The institutional arrangements for the implementation of the Accreditation Business Plan are illustrated diagrammatically in Figure 1 below:

<mark>*Insert the applicable institutional arrangements including all key stakeholders and functionaries*</mark>

FIGURE 1 INSTITUTIONAL FRAMEWORK FOR THE ACCREDITATION BUSINESS PLAN
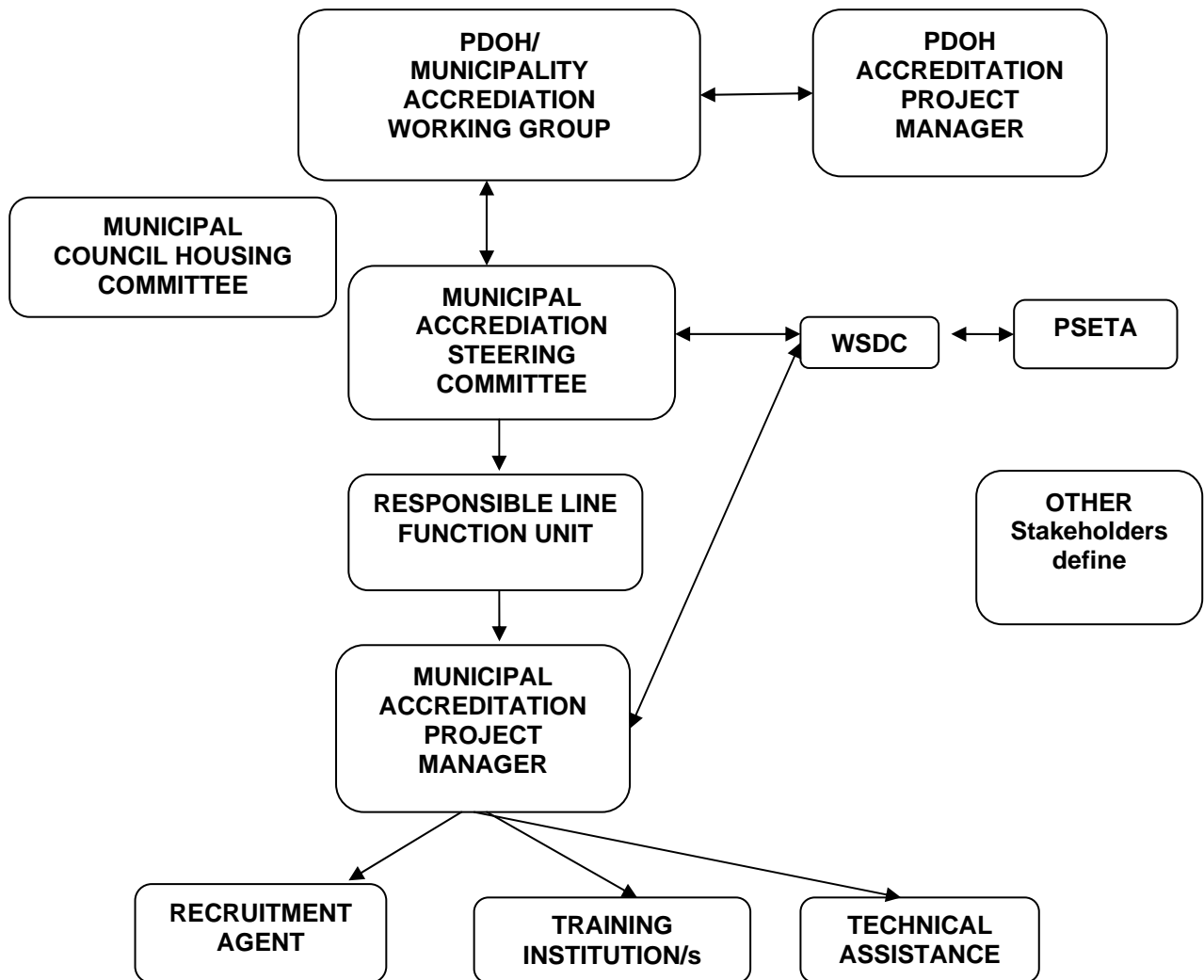
6.2 Roles and Responsibilities

<mark>*Describe in detail the roles and responsibilities of the stakeholders including coordinating forums set down in figure 1*</mark>

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The responsibilities of the various stakeholders and functionaries as reflected in Figure 1 are summarised in table 4 below.

Table 4 Roles and Responsibilities of Key Stakeholders and Functionaries

Stakeholder/Functionary	Key Roles and Responsibility
PDOH/Municipality Accreditation Working Group	
PDOH Accreditation Project Manager	
Municipal Council Housing Committee	
Municipal Accreditation Steering Committee	
Responsible Line Function Unit	
Municipal Accreditation Project Manager	
Recruitment Agent	
Training Institution/S	
Technical Assistance	

6.3 Contractual Arrangements

All agreements and contracts applicable to the implementation of the accreditation business plan must be identified and described in this section. The various agreements/contracts are contained in Annexure C of this document and are summarised in Table 5 below.

Table 5 Capacitation Contracting Arrangements

Contract/Agreement Name and Purpose	Parties to the Contract	Responsibility for Facilitating the Contract

Describe in detail any contracts/agreements between the stakeholders set down in figure 1 (e.g. service provision contracts with trainers, technical assistance etc. service level agreement with Implementation Agent (Public Works,) MOUs with stakeholders relevant to the Accreditation Business Plan) attach the agreements (or at least agreement outlines) in numbered order within Annexure C

8.   ACCREDITATION BUSINESS PLAN BUDGET ALLOCATIONS AND COSTINGS

7.1 Budget Allocations

The budget allocation for the capacitation programme within this business plan is summarised in Table 6 below:
Note this should relate to the work components set down in Table 1.Budget items should be linked to deliverables such as recruitment, skills development, outsourcing, equipment, system development etc.

Table 6: Year: <mark>XXX</mark> Budget Allocation

								Budget Allocation		
Capacitation Phase	No.	Work Component	Target Completion Date	Deliverables within each Work Component	Budget Item	Budget Assumptions *Insert the key assumptions upon which the budget is based*	Total Budget Amount	Year XX	Year YY	Year ZZ

<mark>*If necessary include sub budget items or add a detailed budget in the annexures including sub-budget line items*</mark>

7.2 Cash Flow Requirements

The anticipated cash flow requirements for the programme is summarised in Table 7 overleaf:

<mark>*Note ensure that the budget items correspond to those in table 3*</mark>

Table 7: Anticipated cash flow requirements

No	Budget Item	Year XX Budget	April - XX	May- XX	Jun- XX	Jul- XX	Aug- XX	Sep- XX	Oct- XX	Nov- XX	Dec- XX	Jan- XX	Feb- XX	Mar- XX	Year YY	Year ZZ	Total (Rm)
	Total																

7.3 Ongoing Operational Costs and Accreditation Fee

The accreditation fee payable for the ongoing operational costs for carrying out the accreditation functions of the municipality once accredited will be a percentage of the municipal housing allocation budget based on the projected operational cost set down below in table 8 expressed as a percentage of the housing budget allocated to the municipality i.e.
Accreditation Fee % = (A. Total annual accreditation operational budget / B. Annual municipal housing budget) X 100

Table 8 Annual Accreditation Operational Budget and Accreditation Fee

Item Number	Operational Budget Item	Budget Assumptions	Amount
A. Total Annual Accreditation Operational Budget			
B. Annual Municipal Housing Budget Allocated to the Municipality			
C. Accreditation Fee % = (A/B) X 100			

9.   ACCREDIATION CAPACITATION PROGRAMME TIMETABLE AND MILESTONES

The summary timetable for the capacitation programme is set down in Table 9 overpage.
A detailed schedule is attached as Annexure D of this document.
Use the Excel Table (or a Microsoft Projects gant chart and insert below as shown

Table 9 Summary Accreditation Capacitation Programme Timetable

Department : XXX

Programme : XXX

Phase	Work Component	Activity	Duration	Target Completion Date	Responsi bility	YEAR																							
						200X									**200Y**													**200Z**		
						Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar

Key ➤ Planned

10. MONITORING AND REPORTING

9.1 Reports

The reporting within the accreditation capacitation programme is set down in figure 3 below and described thereafter.
Insert appropriate hierarchy of reports as agreed with the PDOH

Figure 3 Reporting within the Capacitation Programme

```
┌─────────────────────────────────────────────┐
│         PDOH Accreditation Manager          │
│  Summary Accreditation Report: 25th of month │
└─────────────────────────────────────────────┘
                      ⬆
┌─────────────────────────────────────────────┐
│            Municipal Management             │
│  Summary Accreditation Report: 20th of month │
└─────────────────────────────────────────────┘
                      ⬆
┌─────────────────────────────────────────────┐
│            Line Function Unit               │
│   Consolidated Accreditation Capacitation   │
│           Report : 15th of month            │
└─────────────────────────────────────────────┘
                      ⬆
┌─────────────────────────────────────────────┐
│        Accreditation Project Manager        │
│       Progress Report : 10th of month        │
└─────────────────────────────────────────────┘
                      ⬆
┌─────────────────────────────────────────────┐
│              Service Provider               │
│          Report : 5th of month               │
│      (e.g. recruitment, training, etc.)     │
└─────────────────────────────────────────────┘
```
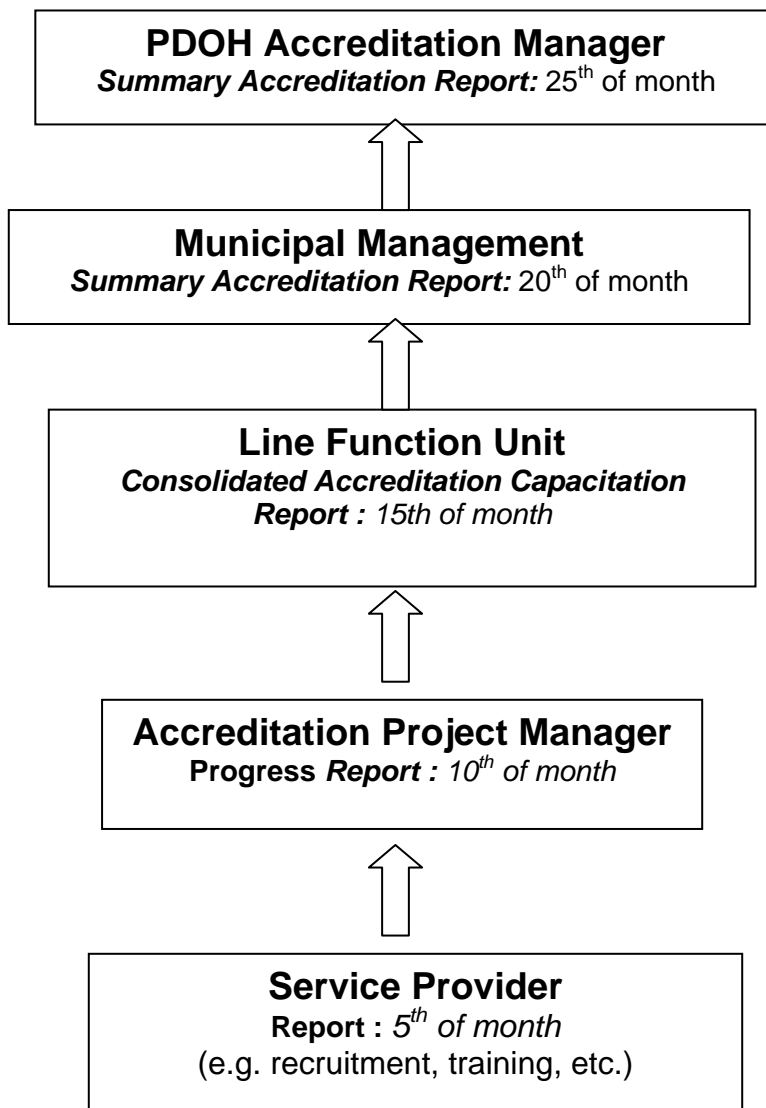
9.2 Key Performance Indicators

In order to monitor and evaluate the Accreditation Capacitation Programme in terms of its Objectives, Key Performance Indicators (KPI's) will be reported on throughout the implementation of the programme. These are summarised as follows in Table 10.
Insert appropriate KPIs

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Table 10: Key Performance Indicators

Key Performance Area	Key Performance Indicator
1. Skills Development of existing staff and new recruits	1.1 No. of people provided with skills development
	1.2 % of peopled skilled relative to number required
	1.3 Deliverables measured against job specifications
2. Recruitment of new staff	2.1 No. of suitably skilled people recruited
	2.2 % of peopled recruited relative to number required
3. Outsourcing	3.1 No. of suitably skilled people appointed
	3.2 % of peopled appointed relative to number required
	3.3 Deliverables measured against service provider terms of reference
4. Transfer of PDOH staff	4.1 No. of suitably skilled people transferred
	4.2 % of peopled appointed relative to number required
5. Management Systems	5.1 Housing budgets incorporated into municipal accounting/financial system
	5.2 HSS installed and fully operational
	5.3 Link to Deeds Registry installed and fully operational
	5.4 Link to Population Register installed and fully operational
6. Outputs	6.1 Accreditation Business Plan approved
	6.2 % of Housing Budget spent on delivery
	6.3 Annual municipal housing plan produced and approved by PDOH
	6.4 Annual Municipal Housing Budget Allocation prepared and approved by the municipal council and submitted to PDOH on time
	6.5 All municipal housing budget allocated to programmes and projects timeously with no budget left un-allocated
	6.6 Monthly progress reports provided on time by the municipality
	6.7 Annual housing implementation management plan produced on time by the municipality
	6.8 Municipality received unqualified audit for housing function
	6.9 HSS monthly reporting provided on time and to quality requirements
	6.10 Monthly subsidy reconciliations provided on time and to quality requirements
	6.11 Individual subsidies correctly administered and loaded onto the HSS

9.3 Monitoring and Evaluation

9.3.1 Progress and Performance Monitoring

The Accreditation Project Manager (APM) for the business plan and capacitation programme will have overall responsibility for quality assurance, scope, time and cost management. The PL will be required hold coordination meetings at least monthly or more frequently where circumstances demand with the stakeholders in order to coordinate efforts, assess progress and solve problems.

9.3.2 Evaluation

Evaluation comprises the process of reviewing what has been done, and identifying weaknesses on the basis of which improvements can be made within the programme. Evaluation provides a "feedback" loop to enable continuous improvements.

Within the Programme it is recommended that internal reviews/evaluations should be undertaken on at least a quarterly basis in order for the managers involved to take stock and formulate rapidly improvements.

An external independent evaluation should be undertaken by the PDOH within the last three months of the capacitation programme and should focus on problem areas, so that the impact on improvements is maximised. The evaluation should include a formal feedback loop to the managers within the programme both to clarify issues raised within the evaluations and to provide the managers with insight into proposed improvements. The evaluations (both internal and external) should always include formal appropriate and realistic recommendations for improvements. Senior management should be held accountable to seriously consider the recommendations, as part of performance review and implement approved recommendations timeously, so that the Programme can benefit from the improvements as soon as possible.

11. GUIDELINES

The Guidelines which support the capacitation programme comprise:
   a. Skills Assessment Tool – see annexure J
   b. PSETA Guideline Workplace Skills Development Plan

12. MANAGEMENT PLANS

11.1 Risk Management Plan

11.1.1 Methodology

The Risk Management Plan is contained in Annexure G of this Document. It identifies and addresses the following key risks which could impact the capacitation programme:
Insert the key risks identified in Annexure G
   - .

11.1.2 Risk Management Responsibility

It will be the responsibility of the APM to review and undertake risk management on the programme in terms of the Risk Management Plan and to ensure that the risks are minimised an adequately managed.

11.2 Quality Management Plan

11.2.1 Quality Checks

The Quality Management Plan is contained in Annexure H of this document and focuses on what are the quality checks which will be built into the programme in order indicate that an acceptable quality has resulted from the intervention. Quality checks for the programme comprise the following components:
Insert appropriate quality checks for the programme
   1. Appraisal of staff recruited within the probation period
   2. Monthly performance verification of service providers and trainers
   3. Programme on time and within budget
   4. Key performance indicators have been met

11.2.2 Quality Management Responsibility

The APM is responsible for managing the quality plan. Management of quality is to be reported monthly.

11.3 Communications Plan

11.3.1 Objectives

The Communications Plan has been compiled, together with budgeted cost, with the following objectives: *Insert appropriate guidelines for the programme*

1. To provide effective communication among the various key stakeholders with respect to the accreditation programme;
2. To provide a structured mechanism to convey to the target audiences all appropriate information necessary to ensure that they are kept informed of progress and involved in the development process;
3. To provide the necessary communication channels to ensure the effective implementation of the Programme;

11.3.2 Communications Costs

The Costs for the implementing of the Communications Plan must be incorporated into the accreditation capacitation programme budget as a budget line item.

The detailed Communications Plan for the programme is detailed in Annexure I.

11.3.4 Communication Responsibility

The APM is responsible for the management of the Communications Plan, with input from the Communications Officer as appropriate.

11.4.1 Management of the Capacitation Programme

The resource requirements to manage the accreditation capacitation programme (i.e. the management team) within the municipalaity are set down in Table 11 below.

Table 11: Accrediation Capacitation Programme Management Team

Position /Function	Grade	Total Number required	Key Responsibilities	Date required

ANNEXURE A: SKILLS DEVELOPMENT PROGRAMME

The re-skilling and skills enhancement of the current staff as well as training of newly recruited staff which will be undertaken as part of the accreditation capacitation programme with respect to infrastructure planning and management of delivery is set down in Table A1 below.

The proposed skills development must be integrated within the municipality's workplace skills development plan and must be approved by the municipal Workplace Skills Development Committee.

Table A1 Skills Development Plan for Accreditation

Name	Current Position /Function	Current Grade	Current Responsibilities	Proposed New Position / Function	Skills to be provided	Organisation to provide the skills	Position/Function after Skills Enhancement	New Key Responsibilities	Dates of training	Cost of Skills Development

ANNEXURE B: DETAILED CAPACITATION HUMAN RESOURCE PLAN

The human resources needed to fulfil the housing accreditation functions are set down below in Table B1. The gap between the functions needed and the current available source is indicated as well as how the shortfall in resource requirements will be accessed i.e. either by recruitment, skills enhancement of existing staff or by outsourcing.

Table B1: Human Resource requirements

Position /Function	Grade	Key Responsibilities	Total Required	Current Available	Shortfall	Date required	Option for providing the shortfall in Resources (Recruitment or Re-skilling or Outsourcing)

ANNEXURE C: AGREEMENTS

Insert the contracts and agreements to be utilized within the accreditation business plan implementation.

ANNEXURE C1: SERVICE PROVIDER CONTRACT & TERMS OF REFERENCE

ANNEXURE C2: PROJECT MANAGER TERMS OF REFERENCE

ANNEXURE C3:

ANNEXURE D: DETAILED CAPACIATION PROGRAMME TIMETABLE

Insert the detailed timetable for the Capacitation Programme either as an Excel or Microsoft Projects gant chart.

**ACCREDIATION CAPACITATION PROGRAMME
MONTHLY PROGRESS REPORT**

Municipality: *(insert name of client organisation)*
Province: *(insert province/s which report is applicable to)*
Report for Month ending: *(insert month for which information is provided)*
Reported by: *(INSERT name)*

1. **SUMMARY OF PROGRESS**

1.1 **Progress Against Milestones**

No	Milestone	Current Progress Against Milestone	% of Milestone Achieved
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			

1.2.3 **Financial Progress**

Budget Item	Budget	Expenditure	% Expenditure
TOTALS			

2. **PROBLEMS AND RESOLUTION ACTION**

Problem	Proposed Action to Resolve Problem	By When	By who
(describe the problem – what, where, why, how)	*(describe the action steps to resolve the problem and who is required to carry out the action, by when)*	*By when will the problem be solved*	*Who is responsible for each action*

3. **INFORMATION REQUIRED**

List any information required – *i.e. what information is required, from whom, by when*

5. **SUCCESS STORIES**

Provide DETAILS of success stories both with respect to:

Report Prepared By

Name   Signature   Capacity   Date

ANNEXURE F: GUIDELINES

The following guidelines are to be used in the implementation of this capacitation programme:
<mark>Insert or reference appropriate guidelines</mark>

ANNEXURE G: RISK MANAGEMENT PLAN

1. INTRODUCTION AND BACKGROUND

1. It must be noted that risk management is a periodic activity that is linked to the various stages of the capacitation programme. High priority risks should be monitored more often than low priority risks, due to their high potential to impact negatively on the achievement of the outputs and outcomes of the programme.
2. This document therefore highlights the risks associated with the programme that have been identified to date. It forms an Annexure to the Accreditation Business Plan, and its purpose is to provide a framework for a continual programme risk management process.
3. This document provides an analysis of potential risks that need to be managed. The strategy of management of highlighted risks is the responsibility of the Accreditation Project Manager (APM). It is essential that the APM assess the proposals, and translate them into actionable items with timeframes and responsibilities attached, and ensure that there is a direct relationship to the monitoring plan for the programme.

2. METHODOLOGY

The risk management proposal was developed through consultation with the stakeholders.
A risk assessment/analysis matrix was developed, which focused on the following key elements:
- Identification of current internal and external programme risks;
- Broad categorisation of risks in terms of the stages of the programme;
- Identification of the consequences of such risk events occurring;
- Ranking the risks based on their consequences, as either high, medium or low priority risk events;
- Identification of mechanisms for management, mitigation, or prevention of the risk events and their impacts.

3. RISK IDENTIFICATION

The categories of risk identified were:
insert risks identified e.g.
- Institutional arrangements;
  - Delayed decision making turnaround times
  - Inadequate consultation with stakeholders
  - Poorly defined relations between the various role players in the programme.
  - Inadequate monitoring and evaluation of training; and
  - Delays within implementing agents procurement process.
- Financial management;
  - Budget overruns
- Human resources;
  - Inadequate human resources to implement the programme.
  - Conflict with employees due to their expectations being raised and not being met
- Programme systems;
  - Inability to use the system on the part of programme office staff;
- Programme closure;
  - Poor documentation
  - Lost lessons
  - No proper closure
  - No evaluations

There is a high possibility of the majority of risks identified occurring; hence they were regarded as high priority.   It might be necessary that management of these high priority risks be further prioritized, to take into consideration current implementation dynamics, however, it would be inadvisable to remove some of them from the Accreditation Business Plan.

4. RISK ASSESSMENT MATRIX

A Risk Assessment Matrix with mechanisms to manage the Identified risks is indicated overleaf:
Insert risks appropriate to the programme
Key - Likelihood : Low or Moderate or High   Rank : 1, 2, 3 etc from 1 highest priority descending

Risk Categories	Identified Risks	Risk Analysis			
		Likelihood	Consequence	Rank	Proposed actions to mitigate risk

ANNEXURE H: QUALITY MANAGEMENT PLAN

1. PURPOSE

The purpose of the Quality Management Plan is to define what quality control processes should be undertaken

2. MANAGEMENT COMPONENTS

Procedures have been established, together with the necessary approvals and delegated responsibilities and authorities, for aspects such as:
- Procurement
- Payment processes
- Reporting
- Documentation
- Financial Control
- Scope management
- Outputs achieved

3. QUALITY CONTROL

1. Role Players and responsibilities

There are a number of role players with various responsibilities related to Quality Control. These are detailed as follows:

Designation	Organisation	Quality Control	Frequency	Communication Route
Line Function Manager		Monthly progress	Monthly	
Capacitation Programme Leader		Monthly performance of service providers		

2. Components of Quality Control Plan
Insert appropriate quality checks for the programme
    a. Appointment of service providers
    b. Appraisal of staff recruited within the probation period
    c. Monthly performance verification of service providers
    d. Programme on time and within budget
    e. Housing Plan is delivered on time and approved

ANNEXURE I: COMMUNICATIONS PLAN

1. OBJECTIVES

The Communications Plan has been compiled, together with budgeted cost, with the following objectives:

1. Provide effective communication among the various key stakeholders within the programme
2. Provide a structured mechanism to convey to the recipients all appropriate information necessary to ensure that they are kept informed of progress and involved in the development process
3. Provide the necessary communication channels to ensure the effective implementation of the programme

2. STRUCTURE OF COMMUNICATIONS PLAN

The Communications Plan is structured as follows:

1. Communication Element/Major Events - what are the communication elements and major events planned and key dates for specific communications
2. Target Audiences - who are the target audiences whom we are communicating with
3. Message - what message do we want to communicate to each target audience.
4. Medium - what medium/s should be used to communicate the message e.g. news print, reports, workshops etc
5. Frequency - how often should we communicate with the target audience e.g. monthly, quarterly ad hoc etc
6. Action Plan - what actions are required to achieve the communications with each target audience
7. Responsibility - who is responsible for the communications with the various target groups
8. Risk Assessment - what are the risks associated with the communication element, how can the risks be minimised and what are the Key Success Factors
9. Communication Cost - what is the cost of the communications elements and for the major events

3. COMMUNICATIONS PLAN SCHEDULE

The details of the Communications Plan are contained in the Communications Plan Schedule in below.

Communication Element/Major Events - *what are the communication programmes/activities and major events planned for the year and key dates for specific communications*	Target Audiences - *who are the target audiences whom we are communicating with*	Message - *what message do we want to communicate to each target audience*	Medium - *what medium/s should be used to communicate the message e.g. news print, advertorials , road shows, etc*	Frequency - *how often should we communicate with the target audience e.g. monthly, quarterly ad hoc etc*	Action Plan - *what actions are required to achieve the communications with each target audience*	Responsibility - who is responsible for the communications with the various target groups	Risk Assessment - *what are the risks involved, how can the risks be minimised and what are the Key Success Factors*	Communication Cost - what is the cost of the communications with each target audience and for the major events

ANNEXURE J: SKILLS ASSESSMENT GUIDELINE

J1 Purpose

The purpose of this guideline is to provide a framework for the assessment of INDIVIDUAL SKILLS needed within the Municipality, in order to carry out the key accreditation functions. It DOES NOT assess the number of resources needed (i.e. the capacity) which should be obtained from the overall capacity analysis (e.g. 4 number housing planners etc.).

J2 Overview of Process

The process for the skills assessment is to:
- Establish the skills needed (i.e. core functions needed and whether they are permanently required or needed as specific interventions at various times in the planning & delivery management process)
- Assess the current skills available within the core staff
- Assess the gap between the skills need and the existing skills of the core staff
- Assess what skills enhancement/training the core staff will require
- Assess additional specialist skills required and how the specialist skills will be provided (i.e. either by outsourcing or recruitment or a combination)

J3 Capabilities, Functions & Skills Required

The main capabilities required (dependant on the accreditation level applied for) within the municipality in this regard are set down in table J1 below.

Table J1 Key Accreditation Capabilities Required

Level 1 Subsidy Budget Allocation
Housing Accreditation Manager – assigned overall responsibility for the housing accreditation function, requiring good overall management and administration experience and expertise and well as specific understanding of the housing programmes, accreditation processes and housing subsidy administration.
Housing Subsidy & Budget Planner – requiring specific expertise in understanding of integrated planning to produce an IDP and housing plan, housing programmes and ability to prioritise housing budgets against various housing programmes to best implement the housing plan with the available budget.
Level 2 Programme Management and Administration
Programme Manager – requiring specific expertise to manage the housing programmes and carry out the contract management including cash flow projection and management and programme monitoring, quality assurance of housing projects and reporting performance.
Contractor Administrator – requiring specific skills in contract management and administration including performance and compliance monitoring, payment certification, contract expenditure and budget management.
Quality Controller – requiring specific skills in housing quality and contract compliance monitoring and reporting
Level 3 Financial Administration
Financial Administrator – requiring an overall and thorough understanding of the MFMA, DORA, municipal financial management system, financial reporting requirements and the housing programmes. Ability to administer the subsidy allocations, reconcile individual subsidies against project expenditures for each housing programme and project, able to provide monthly financial reports and operate the HSS.
Subsidy Administrator – able to register and ensure compliance of individual subsidy applications, thorough operational understanding of the HSS, ability to administrate the filling of individual subsidy applications

J4 Skills Assessment Process

J4.1 Assessment of Functions Required (Need)

The first step is to assess the actual functions needed within the municipality by reviewing the needs against table J1 and determining if there are other critical functions needed. If there are, these should be added to table J1 and repeated in the subsequent tables.

J4.2 Assessment of Time requirements for each function

It is essential to also determine whether the function needed is required permanently throughout the year or whether these are short term requirements to achieve a specific objective, which will not need permanent staff full time. For example specialist demographics skills will only be needed at specific points in time during the annual housing planning and budget allocation which happens once a year. It is also important to assess when within the annual cycle the functions are required, as they may peak at a particular time in the year and then not be required for the rest of the year whereas other functions are needed through the year (e.g. financial management etc.).
Use table J2 to determine the functions and time requirements. Modify the key if appropriate.

Table J2 Analysis of Time Requirements for Core Functions

Core Functions for each Level	Duration P-Permanently required I – Intermittently required	When Required within the Year if intermittent
Level 1 Subsidy Budget Allocation		
Housing Accreditation Manager – assigned overall responsibility for the housing accreditation function, requiring good overall management and administration experience and expertise and well as specific understanding of the housing programmes, accreditation processes and housing subsidy administration. **Housing Subsidy & Budget Planner** – requiring specific expertise in understanding of integrated planning to produce an IDP and housing plan, housing programmes and ability to prioritise housing budgets against various housing programmes to best implement the housing plan with the available budget.		
Level 2 Programme Management and Administration		
Programme Manager – requiring specific expertise to manage the housing programmes and carry out the contract management including cash flow projection and management and programme monitoring, quality assurance of housing projects and reporting performance. **Contractor Administrator** – requiring specific skills in contract management and administration including performance and compliance monitoring, payment certification, contract expenditure and budget management. **Quality Controller** – requiring specific skills in housing quality and contract compliance monitoring and reporting		
Level 3 Financial Administration		
Financial Administrator – requiring an overall and thorough understanding of the MFMA, DORA, municipal financial management system, financial reporting requirements and the housing programmes. Ability to administer the subsidy allocations, reconcile individual subsidies against project expenditures for each housing programme and project, able to provide monthly financial reports and operate the HSS. **Subsidy Administrator** – able to register and ensure compliance of individual subsidy applications, thorough operational understanding of the HSS, ability to		

4

administrate the filling of individual subsidy applications		

J4.3 Assessment of Current Skills against Functions Required (Supply)

On the basis of the analysis of the functions required the skills of the existing municipal staff can be assessed against the core functions needed. Table J3 should be used for the assessment of the current skills of the municipal staff against the functions which that staff member is required to perform.

Table J3 Analysis of Current Skills of Municipal Staff against Core Functions
 Key For Skills Level Assessment
  Level 1 – Weak (extensive skills development required);
  Level 2 – Moderate (moderate skills development required);
  Level 3 – Good (little or no skills development required)
  Note this is for the purpose of skills development
 Indicate which function/s the person is required to perform – insert Yes where applicable

Name & Function: *Insert name & function of staff member*			
Core Functions (insert)	**Duration of Function (P-Permanent I – Intermittent)**	**Is the person required to perform this function? (Yes or No)**	**Skills Level Assessment** *Insert assessed skills level e.g. 1,2 or 3*

J4.4 Assessment of Skills Development needed within Existing Staff

Having assessed the current level of skills of the existing staff (J4.3 Table J3) the gap in the skills development can then be assessed for each person to determine what skilling/training is needed for the person to adequately undertake the function. Alternatively it will highlight where additional expertise may need to be provided if the skills gap is to large or it is considered inappropriate to try and re-skill the person due to either the persons capability or time required to achieve the skills level required.

Table J4 should be used to determine and document the skills development of current staff. Note only deal with skills development for the functions the person is required to perform as indicated "yes" in Table 3.

Table J4 Analysis of Skills Development of Current Staff against Core Functions
Only assess for functions marked 'Yes"

Core Functions	Person Required to perform this function (Yes or No)	Skills Development/Training Required for this function to be adequately

J4.5 Assessment of additional/specialist skills needed to augment current staff

For all of the functions not covered by the assessment of personnel i.e. all functions marked "No" for any personnel, indicate in Table J5 below which functions need additional resources in order to fulfil these functions. Indicate which is the proposed option in order to fulfil the functions i.e. either recruitment for permanent functions to be performed or outsourcing for specialist functions.
.
Table J5 Analysis of Additional Resources Required to perform Core Functions

Indicate which function/s require additional resources i.e. all functions marked "No" as not being fulfilled by existing personnel

Core Functions	Duration of Function (P-Permanent I – Intermittent)	Functions not fulfilled by existing personnel	Indicate proposal for fulfilling the functions not covered (Recruitment or Outsourcing)

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

1. **CONTRACT NO: 674-C-00-01-00051-00**

MTI Subcontract No.: 0159-0905-SUB-TA51

T03 Accreditation Plan Progress Report

March 2006

This report was produced for review by the United States Agency for International Development. It was prepared by <list authors and/or organizations involved in the preparation of the report>, under Mega-Tech, Inc.'s prime contract and addresses USAID/South Africa's Strategic Objective No. 6: Increased Access to Shelter and Environmentally Sound Municipal Services. The author's views expressed in this publication do not necessarily reflect the views of the U.S. Agency for International Development or the United States Government

MTI   Subcontract   No.   0167-0106-SUB-TA52

T03 Business Plan Progress Report – prepared by the municipality to provide monthly progress reports to the PDH during the implementation of the business plan

ACCREDIATION BUSINESS PLAN
MONTHLY PROGRESS REPORT

Municipality: *(insert name of client organisation)*
Province: *(insert province/s which report is applicable to)*
Report for Month ending: (*insert month for which information is provided)*
Reported by: *(INSERT name)*

1.   **SUMMARY OF PROGRESS**

1.1   **Progress Against Milestones**

No	Milestone	Current Progress Against Milestone	% of Milestone Achieved
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			

1.2   Financial Progress

Budget Item	Budget	Expenditure	% Expenditure
TOTALS			

2. **PROBLEMS AND RESOLUTION ACTION**

Problem	Proposed Action to Resolve Problem	By When	By who
(describe the problem – what, where, why, how)	(describe the action steps to resolve the problem and who is required to carry out the action, by when)	By when will the problem be solved	Who is responsible for each action

3. **INFORMATION REQUIRED**

List any information required – *i.e. what information is required, from whom, by when*

5. **SUCCESS STORIES**

Provide DETAILS of success stories both with respect to:

Report Prepared By

Name   Signature   Capacity   Date

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)
Contract No: 674-C-00-01-00051-00
MTI Subcontract No.: 0159-0905-SUB-TA51

T04 Accreditation Compliance Certificate

March 2006

This report was produced for review by the United States Agency for International Development. It was prepared by <list authors and/or organizations involved in the preparation of the report>, under Mega-Tech, Inc.'s prime contract and addresses USAID/South Africa's Strategic Objective No. 6: Increased Access to Shelter and Environmentally Sound Municipal Services. The author's views expressed in this publication do not necessarily reflect the views of the U.S. Agency for International Development or the United States Government

MTI Subcontract No. 0167-0106-SUB-TA52

T04 Accreditation Compliance Certificate - prepared by the municipality's auditors to signal that the municipality has complied with the accreditation requirements set down in the accreditation business plan and is now eligible for full accreditation to the level applied for

Municipality: <mark>insert</mark>
Auditors : <mark>insert</mark>

Level of Accreditation Certified
<mark>(Insert applicable level/s)</mark>

Level 1 Accreditation - Subsidy Budget Planning and Allocation and Priority Programme Management and Administration (delegation)
Level 2 Accreditation – Full Programme Management and Administration (delegation)
Level 3 Accreditation – Assignment and Financial Administration

We hereby confirm that we have carried out an independent audit of the capacity of the above municipality to carry out the accreditation functions in terms of the National Department of Housing Accreditation Guidelines and the municipality's accreditation business plan and confirm that in our opinion the municipality has now achieved the capacity needed for the level of accreditation applied for in the municipality's accelerated municipal housing delivery plan.

Name:

Company:

Function:

Signature:

Date:

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-00051-00

MTI Subcontract No.: 0159-0905-SUB-TA51

T05 Annual Municipal Budget Allocation

March 2006

This report was produced for review by the United States Agency for International Development. It was prepared by <list authors and/or organizations involved in the preparation of the report>, under Mega-Tech, Inc.'s prime contract and addresses USAID/South Africa's Strategic Objective No. 6: Increased Access to Shelter and Environmentally Sound Municipal Services. The author's views expressed in this publication do not necessarily reflect the views of the U.S. Agency for International Development or the United States Government

T05 Annual Municipal Housing Budget Allocation

Purpose : - prepared by the municipality to determine the allocation of housing budget within the municipality to the various housing programmes and projects

Annual Municipal Housing Budget Allocation

Application made by

Insert name of municipality

Application to

Insert name of Provincial Dept of Housing

Financial Year : insert

Status: insert current status of application e.g. Draft 1, Approved by Council, Approved by PDOH

Version Control

Version No	Date	Revision Made

Approvals: This document requires the following approvals

Responsibility	Name	Signature	Date
Housing Manager			
Municipal Manager			
Chairperson of Municipal Housing Committee			
Municipal Mayor			
Head of Department			
MEC for Housing			

Prepared by: insert name

Proposes Housing Budget Allocation

1. Motivation
Provide a motivation in terms of the housing backlogs set down in the municipal housing plan indicating what the priorities are and how these fit within the provincial priorities. Provide information on the priorities for each housing programme and any special projects (such as slum clearance or an urban renewal project)

2. Proposed Annual Municipal Budget Allocation
Set down in table 1 is the proposed budget allocation to reflect the municipal housing priorities.

Table 1 Annual Municipal Budget Allocation

Annual Municipal Housing Budget (AMHB)		Insert budget
Budget Allocation of Housing Programmes	Percentage Allocation	Amount as proportion of AMHB
1. Project Linked		
2. Institutional		
3. Consolidation		
4. Hostels Upgrading		
5. Individual subsidies		
Allocation to specific priority projects		
6. insert project name		
7. insert project name		
Total		

T06 Annual Housing Implementation Management Plan prepared by the municipality to set out the annual housing implementation targets and management plan for the implementation of the housing programmes

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MUNICIPALITY: <mark>name</mark>

ANNAUAL HOUSING IMPLEMENTATION MANAGEMENT PLAN

YEAR : <mark>XXXX</mark>

Status: <mark>insert current status of application e.g. Draft 1, Approved by Council, Approved by PDH</mark>

Version Control

Version No	Date	Revision Made

Approvals: This document requires the following approvals

Responsibility	Name	Signature	Date
Housing Manager			
Municipal Manager			

Prepared by: <mark>insert name</mark>
Status: <mark>XXX</mark>

Version <mark>XXX</mark>

Date: <mark>XXX</mark>

CONTENTS

1. DEFINITIONS

In order to provide clarity the following definitions are used within this document:

PIA- Programme Implementation Agent

Programme – refers to the municipal housing programme

PS- Professional Services-Built Environment Professionals responsible for Design, Quality Assurance and Contract Administration

2. BACKGROUND

Summarise the housing plan and annual housing budget to be implemented

3. HOUSING PROGRAMME IMPLEMENTATION PLAN OBJECTIVES AND OUTPUTS

(Insert the objectives which should "SMART" (i.e. specific, measurable,approved,realistic and timebound)

Within the XXX year the overall objectives of the programme are to:
1. XXX
2. XXX

4. DEVELOPMENT OBJECTIVES

The Development Objectives of the Housing programme are the following:
- Insert what the objectives are to promote development of the area ;
- XXX.

5. TARGETS, DELIVERABLES AND KEY RESPONSIBILITIES

The anticipated activities, targets and deliverables with respect to each Housing subsidy Programme are summarised as per Table 1 below.

Table 1: Targets, Key Deliverables and Responsibilities

Housing Subsidy Programme	No.	Activity	Target Completion Date	Deliverable	Key Responsibilities

6. PROGRAMME/PROJECT CYCLE

The Programme/ Project Cycle is set down in Table 2 below: <mark>amend as necessary to suit the programme</mark>

Table 2: Programme/Project Cycle (note: the project cycle below is an example for the contracting strategy of "Design by employer" and will need to be modified for other cases e.g. "design & Construct" etc.

Stage 1 – Project Scope Confirmation
    1.0. Preliminary community consultations regarding community needs.
    1.1. Project feasibility evaluation to confirm need for the project, it's feasibility and scope of the project .
    1.2. Project scope defined and budgeted.
    1.3. Consultations with stakeholders.
    1.4. Project scope approval.
    1.5. Confirmation of procurement strategy and implementing arrangements .

    REQUIRED OUTCOME:
    a. **Project feasibility confirmed;**
    b. **Project scope approved; and**
    c. **Procurement strategy and implementing arrangements approved**

Stage 2 – Project Set-up
    2.1 Appointment of Professional Team (Project Manager, Designer, Quantity Surveyor etc).
    Note this step will be different if a design and construction strategy is adopted
    2.2 Establishment of Project Steering Committee.
    2.3 Empowerment of the PSC regarding roles and responsibilities.
    2.4 Scope of project reviewed and confirmed.

    REQUIRED OUTCOMES:
    a. **Professional Team appointed.**
    b. **Project Steering Committee established and empowered**
    c. **Scope of project confirmed**

Stage 3 – Project Planning and Design
    3.1 Confirmation of land availability.
    3.2 Project Design
    3.3 Obtaining authorizations and approval and licensing required
    3.4 Preparation of tender documents

    REQUIRED OUTCOME:
    a. **Project designed and designs approved**
    b. **Construction tender documents produced**

Stage 4 – Tender and Award
    4.1 Tender of project in terms of approved tender document and procurement procedures.
    4.2 Tender period
    4.3 Closing of tender
    4.4 Evaluation of tenders and preparation of tender evaluation report with recommended tenderer
    4.5 Review of tender evaluation report and approval of award of tender

4.6 Award of contract to the successful tenderer.

REQUIRED OUTCOME:
a. Contract awarded in terms of approved tender procedure.

Stage 5 – Construction
5.1 Contractor establishment on site
5.2 Project construction
5.3 Project handover by contractor to implementing agent
5.4 Handover of completed project to client

REQUIRED OUTCOME:
a. Properly constructed project to specification within budget and timeframe
b. Monthly reporting of progress

Stage 6 – Post Construction
6.2 As built documentation prepared, approved and archived
6.2 Operation and maintenance documentation issued
6.3 Defects attended to, final completion certified and final account issued at end of defects liability period

REQUIRED OUTCOME:
a. As built documentation issued, approved and archived
b. Operation and maintenance documentation issued
c. Contract signed off at end of defects liability period

7. IMPLEMENTATION PROCESS

7.1 Institutional Framework

The Program Institutional Arrangements are illustrated diagrammatically in Figure 1 below:
Insert the applicable institutional arrangements for the programme Note amend if PIA not involved
Figure 1

INSTITUTIONAL ARRANGEMENTS

6
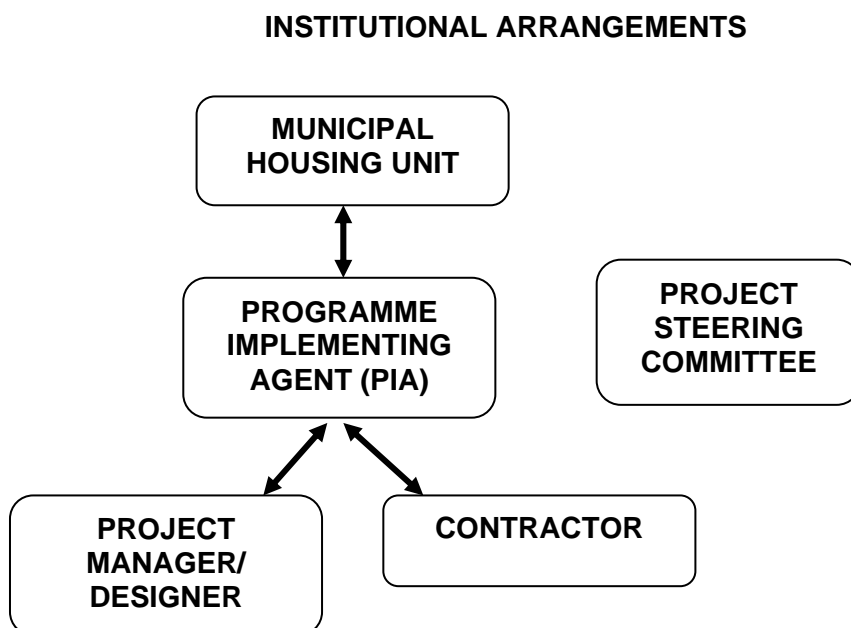
7.2 Programme Roles and Responsibilities

The responsibilities of the various Role Players as reflected in Figure 1 are summarised as follows:

7.2.1 Municipality

- Contract and monitor PIA;
- Provide policy regarding the programme;
- Prioritise and approve projects;
- Monitor the programme;
- Provide funding;
- Receive and sign off completed Housing;
- Monitor the programme and performance of the PIA;
- Approve payments to the PIA;

7.2.2 Programme Implementing Agent (PIA) (if used alternatively this will be replaced by the Programme Management Unit)

- Submit a Housing Programme Implementation Plan for approval by the Client ;
- Assume responsibilities for appointment and management of project managers;
- Assess all potential projects;
- Prioritise the projects;
- Appoint all professional service providers and contractors;
- Ensure all appropriate insurances are in place to cover all potential risks;
- Ensure that all professional service providers are covered by adequate professional indemnity insurances during the contract;
- Receive and analyse assessment reports;
- Receive and analyse cost reports and monitoring tools;
- Set up adequate monitoring tools and suitably qualified personnel;
- Monitor performance of contractors and service providers;
- Prepare and submit monthly reports to the Client in the prescribed format;
- Co ordinate, chair and minute programme coordination meetings and monitor progress;
- Ensure timely payment of professional service providers and contractors;

- Ensure compliance with Treasury requirements.

7.2.3 Project Steering Committee (PSC) –
- The PSC is responsible for identifying the community needs;
- endorsing the proposed project;
- identifying the community workforce;
- assisting with community liaison and conflict resolution;
- review of construction progress.

The PSC comprises <mark>XXX insert who chairs the PSC and the composition</mark>

7.2.4 Project Managers
- Manage, design and implement all projects within the cluster of projects;
- Act as Principal Agent of the PIA with regard to the construction contract;
- Prepare reports as necessary;
- Manage activities of construction contractors;
- Coordinate and manage activities of all design professionals and social facilitators on each project;
- Monitor and report project progress.
- Design and document all technical aspects related to the project;
- Prepare contract documentation for construction tender purposes;
- Monitor all quality aspects during the construction phase;
- Approve and sign off specific quality control checks;
- Prepare and submit payment certificate for approval by the PIA;
- Report as required.

7.2.5 Contractor

- Construct the facility to specification on time and within budget;
- Submit reports as required;
- Employ local labour ;
- Provide "on the job" construction training to local community workers.

7.3 Programme Management Unit Structure

The Programme Management Unit is set out in Figure 2 overleaf, and the roles of each functionary with respect to the housing programme are summarised thereafter:

```
                        ┌─────────────┐
                        │   Housing   │
                        │  Programme  │
                        │   Manager   │
                        └──────┬──────┘
            ┌──────────────────┼──────────────────┐
            ▼                  ▼                  ▼
    ┌──────────────┐   ┌──────────────┐   ┌──────────────┐
    │  Assistant   │   │  Financial   │   │Administration│
    │  Programme   │   │  Controller  │   │  Assistant   │
    │   Manager    │   │              │   │              │
    └──────────────┘   └──────────────┘   └──────────────┘
```
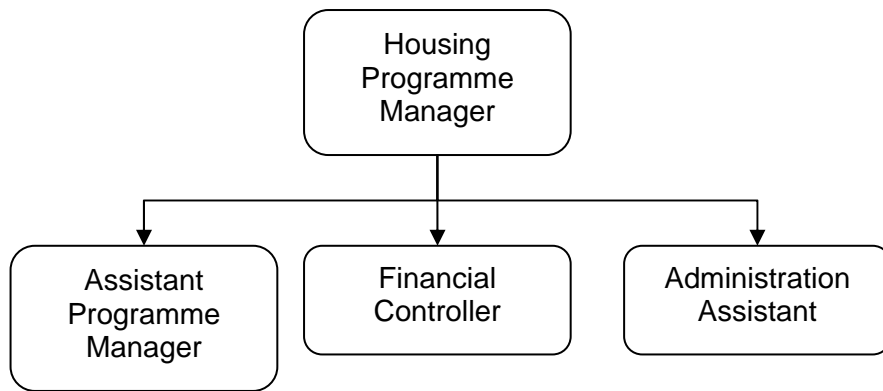
The responsibilities of the Programme Management Unitas outline in Figure 2 are summarised as follows: ==detail the roles & responsibilities as appropriate for the programme==

7.3.1 Housing Programme Manager

- Carry overall responsibility for implementation of the Programme;
- Facilitate Planning of the Programme;
- Manage procurement of the professional teams;
- Manage procurement of contractors;
- Manage programme management costs;
- Review and report on capital cash flow requirements;
- Manage Programme implementation specifically in terms of scope, time, quality and cost management;
- Check and approve payment certificates;
- Chair coordination meetings;
- Review reports as submitted by project managers;
- Manage progress through cash-flows;
- Ensure targets are met;
- Prepare and present adequate and accurate reports to the client;
- Ensure programme close-out;
- Manage the activities of the Project Managers;

7.3.2 Financial Controller

- Monitor overall performance of Programme with respect to cash flows and targets;
- Prepare financial reports summarising project and Programme progress;
- Manage financial aspects of scope changes;
- Manage the Programme Schedule;
- Monitor programme management costs.
- Reconcile programme payments;
- Administer project payment protocol;
- Administer programme filing system;
- Provide Financial reports for the Programme Manager;
- Administer Programme Finances.

7.3.3 Programme Administration Assistant

- Capture project data;
- Capture and process payment certificates of contractors and Project Managers;
- File correspondence between Project Managers, Programme Managers;
- Respond to queries from Project Managers and contractors regarding payments, meeting dates, venues and times;

7.4 Contractual Arrangements

The various agreements/contracts are contained in Appendix C of this document and are summarised as follows.

7.4.1 PIA Agreement *(only if a PIA is used if internally managed then this will be replaced by appropriate performance contracts for the PMU)*

A PIA agreement will be signed between the PIA and the Client.
It details specific client requirements regarding the following

- Scope and global budgets;
- Lists of projects;
- Parties and communication;
- Roles and Responsibilities;

- Appointment of Professional Service Providers and Fees Scales;
- Design Guidelines (Refer to Section 10 of this document);
- Training;
- Assessments;
- Approval Processes;
- Contracts and Documentation;
- Tendering;
- Awarding of Contracts;
- Site Handovers;
- Contract Administration;
- PIA Claims;
- Reports;
- Meetings;
- Completion Procedures;
- Public Statements;

The PIA Brief is included as Appendix D of this document.

7.4.2 Project Manager Agreements

The Project Managers' agreement specifies payment against deliverables, as well as specific definitions of scope of work for the Project Manager, professional team and social facilitator to be appointed by the Project Manager. The agreement is attached as Appendix C1 of this document. The Project Manager in turn will be required to appoint design professionals (if the Project Manager is not taking responsibility for the design and contract administration) and social facilitator, and conclude appropriate sub consultant agreements with them.

7.4.3 Contractor Agreements

The *XXspecify which construction contract will be used e.g. JBCC, NEC, FIDIC or GCC etcXX* contract will be used as a basis for the construction contracts. *Note the contracts used should be in terms of the CIDB Best Practice Guidelines for procurement*

8. PROGRAMME BUDGET ALLOCATIONS AND COSTINGS

8.1 Budget Allocations

The budget allocation for the programme is summarised in Table 3 below:

Table 3: Year: XXX Budget Allocation

No	Budget Item	Budget Allocation

8.2 Cash Flow Requirements

The anticipated cash flow requirements for the programme is summarised in Table 4 overleaf:

Table 4: Anticipated cash flow requirements

Item	Year XX Budget	April - XX	May-XX	Jun-XX	Jul-XX	Aug-XX	Sep-XX	Oct-XX	Nov-XX	Dec-XX	Jan-XX	Feb-XX	Mar-XX	Year YY	Year ZZ	Total (Rm)
	Year XX															
Total																

9. PROGRAMME TIMELINES AND MILESTONES

The Summary Programme for the programme is set down in Table 5 overleaf.
A detailed schedule is attached as Appendix D of this document.

MILESTONE & SUB-MILESTONE	TARGET DATE
1 Annual Housing Programme Implementation Plan established 1.1 Budget allocation confirmed 1.2 Projects selected (including identification, prioritisation, assessment and approval) 1.3 Programme Plan prepared 1.4 Programme Plan approved **REQUIRED OUTCOMES** **a. Housing Programme Implementation Plan approved (including budget allocation and project approval)**	
2 Housing Programme Mobilized 2.1 Programme management unit established and capacitated (required at the start of the programme and capacitation regarding any changes to the programme on the basis of policy changes and improvements based on the evaluation of the previous programme 2.2 Implementing agents appointed (if agents are to be used) 2.3 Projects assigned to implementing agents 2.4 Forward planning defined (as required to effectively mobilize the projects to be implemented in future years) **REQUIRED OUTCOMES** **a. Programme management in place and capacitated** *b.* **Programme implementing agent agreements in place** *(if used)* **c. Projects assigned to implementing agents** **d. Forward planning for future years defined**	
3 Project Delivery – see table 4.2 for details of the project cycle 3.1 Scope of all projects confirmed 3.2 All projects set up (i.e. professional team appointed and project steering committee formed and empowered) 3.3 All projects planned, designed and tendered 3.4 All projects awarded 3.5 All projects constructed 3.6 All projects handed over for use 3.7 All projects completed (i.e. project documentation completed and construction contracts closed out) 3.8 Forward planning for following year completed (only if planning and design is to be carried out in the current year in order to accelerate project delivery within the next year) **REQUIRED OUTCOMES** **a. All projects completed to specification within budget and agreed timeframe** **b. Forward planning completed**	
4 Housing Programme Completion	

MILESTONE & SUB-MILESTONE	TARGET DATE
1.1 Programme evaluated (including evaluation of a sample of projects) 1.2 Programme completion report prepared 1.3 Programme completion report reviewed and approved 1.4 Recommendations implemented for following year's programme **REQUIRED OUTCOMES** **a. Housing Programme evaluated** **b. Programme completion report approved** **c. Recommendations for improvements implemented**	

Organisation : XXX
Programme : XXX

Summary Programme Timeframe

Activity	Duration	Responsibility	Planned	Actual	Status	200X (Apr–Dec)	200Y (Jan–Dec)	200Z (Jan–Jul)
1. Budget Allocation		Dept	Apr-02			Apr		
2. Project Identification		Implementing Agent				May–Jun		
3. Project Prioritisation		Prog Manager				Aug		
4. Project Evaluation		Prog Manager				Sep		
5. Project Review		Dept				Oct		
6. Project Approval		Dept				Oct		
7. Negotiations with PIA,s		Prog Manager				Nov–Dec		
8. Project Planning		Implementing Agent					Jan–Feb	
9. Project Business Plan Approval		Prog Manager					Mar	
10. Tender and contract award		Implementing Agent					Apr	
11. Construction		Contractor					May–Dec	
12. Handover to Community		Implementing Agent						Mar

Key			
	▶ (solid blue)	Planned	
	▷ (outline)	Actual	

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10. MONITORING AND REPORTING

10.1 Reports

The reporting within the programme is set down in figure 3 below and described thereafter.

Figure 3 Reporting within the Programme

```
┌─────────────────────────────────────────────────┐
│                    Client                        │
│  Consolidated Organisation Projects Report: 25th │
│                    of month                      │
└─────────────────────────────────────────────────┘
                        ▲
┌─────────────────────────────────────────────────┐
│       Implementing Agent Programme               │
│            Manager (or PMU)                       │
│     IA Consolidated Report : 15th of month       │
└─────────────────────────────────────────────────┘
                        ▲
┌─────────────────────────────────────────────────┐
│                Principal Agent                   │
│          Project Report : 10th of month          │
└─────────────────────────────────────────────────┘
                        ▲
┌─────────────────────────────────────────────────┐
│                  Contractor                      │
│   Monthly Employment Report : 5th of month       │
└─────────────────────────────────────────────────┘
```

Reporting Hierarchy

The flow of reporting and hierarchy of reporting up to the summary management report is set down below in Figure 4. <mark>insert the reporting appropriate to the programme</mark>

FIGURE 4 REPORTING FLOW & HIERARCHY
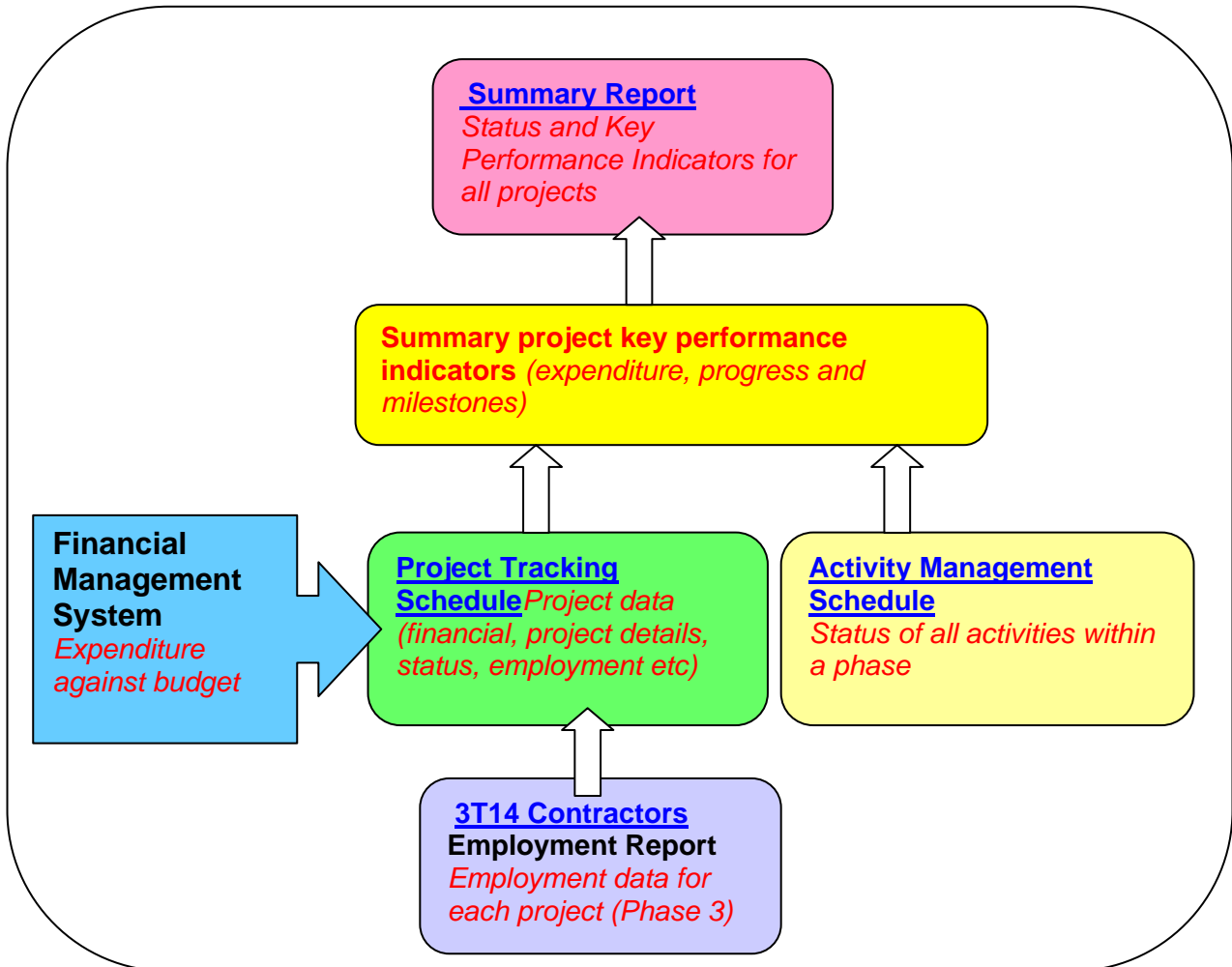
10.2 Key Performance Indicators

In order to monitor and evaluate the Programme in terms of its Objectives, Key Performance Indicators (KPI's) will be reported on throughout the implementation of the programme. These are summarised as follows in Table 6

Table 6: Key Performance Indicators

Key Performance Area	Key Performance Indicator
1. Project Implementation Indicators	1.1 Total No. of Projects
	1.2 No. of projects: Project Manager & team appointed
	1.3 No. of projects planned (design & tender documents

	complete)
	1.4 No. of projects tendered
	1.5 No. of contracts awarded
	1.6 No. of projects complete
	1.7 No. of projects handed over
	1.8 No. of projects with close out report issued
2. Social Impact indicators	2.1 No. of local people employed
	2.2 No. of local youth employed
	2.3 No. of Person days of employment
	2.4 No. of women employed
	2.5 No. of disabled people employed
	2.6 Total payments to local communities
	2.7 Total payments to local materials suppliers
	2.8 Total No. of PDI Contractors
3. Capacitation	3.1 No. of SGB members provided with School management training
	3.2 No. of community workers provided with construction skills training
	3.3 No. of people provided with HIV/AIDS awareness training
	3.4 No. of students with experiential training

10.3 Monitoring and Evaluation

10.3.1 Progress and Performance Monitoring

The Project Managers will have overall responsibility for quality assurance, scope, time and cost management. They will be required to visit and hold site meetings at least monthly or more frequently where circumstances demand. The meetings will have two components in terms of matters handled. One component will attend to technical matters and will be attended by the Project Manager, the PIA PIM where necessary and the Contractor. The Project Manager will carry out an evaluation of work done and prepare a payment certificate. The second component will address social issues and will be attended by the Project Manager and the Project Steering Committee.

10.3.2 External Evaluation

Evaluation comprises the process of reviewing what has been done, and identifying weaknesses on the basis of which improvements can be made both to the way the Programme is implemented as well as individual projects. Evaluation provides a "feedback" loop to enable continuous improvements.

Distinction needs to be made between **internal** evaluations i.e. by the various levels of management within the Programme and **external** evaluations which are independent assessments of the effectiveness of the Programme. Both types of evaluation are important. Furthermore, evaluations can be either very focused e.g. evaluation of quality or of employment or can be very broad covering the entire scope of development as well as resultant impact.

The internal evaluations provide an opportunity for those involved in the Programme to pause and take stock by evaluating honestly the work and formulate improvements. Those involved in the Programme have first-hand experience and are often acutely aware of the weaknesses, and therefore can identify them quickly.

External evaluations should be carefully planned in order for them to be effective. They are not without their problems as well. In some instances because the evaluator does not fully understand

the work undertaken or circumstances he/she can make biased value judgements not based on all the correct information.

Within the Programme it is recommended that internal evaluations should be undertaken on at least a 6-monthly basis in order for the managers involved to take stock and formulate rapidly improvements.

External independent evaluations should be undertaken at least annually and should focus on problem areas so that the impact on improvements is maximised. They should include a formal feedback loop to the managers within the Programme both to clarify issues raised within the evaluations and to provide the managers with insight into proposed improvements. The evaluations (both internal and external) should always include formal appropriate and realistic recommendations for improvements. Senior management should be held accountable to seriously consider the recommendations, as part of performance review and implement approved recommendations timeously, so that the Programme can benefit from the improvements as soon as possible.

11. DESIGN GUIDELINES

The Design Guidelines for projects within the programme are contained in Appendix F of this document. The Guidelines provide the Programme requirements in terms of: *insert appropriate guidelines for the programme*
1. Objectives and Broad Principles
2. Space Norms
3. Natural Lighting
4. Ventilation
5. Water Supply and Sanitation
6. Electricity Supply
7. Plumbing and Drainage
8. External Works and Stormwater Management
9. Safety and Security
10. Branding and Marketing
11. Renovations and redecoration
12. Basic Building Techniques, Materials and Fittings

12. MANAGEMENT PLANS

12.1 Risk Management Plan

The Risk Management Plan is contained in Appendix G of this Document. It identifies and addresses issues on the following basis:
- Risk Categorisation;
  - Institutional
  - Procurement
  - Financial Management
  - Human Resources
  - Programme Systems
  - Environmental
  - Beneficiary management
  - Political
  - Programme Closure

- Risk Identification and categorisation;
- Likelihood and consequence;
- Ranking;
- Proposed mitigation including responsibilities.

Responsibility:
It will be the responsibility of the l Programme Manager to review and undertake risk management on the programme in terms of the Risk Management Plan and to ensure that the risks are minimised an adequately managed.

12.2 Quality Management Plan

The Quality Management Plan is contained in Appendix H of this Document. Quality issues are addressed on the following components:
- Programme components;
- Project construction quality control.

Insert appropriate guidelines for the programme

Responsibility:
The Project Managers are responsible for managing the quality plan at a project level and the PIA Programme Manager is responsible for management of the programme components. Management of quality is to be reported monthly by the Project Manager and PIA PM respectively.

12.3 Communications Plan

12.3.1 Objectives

The Communications Plan has been compiled, together with budgeted cost, with the following objectives: *Insert appropriate guidelines for the programme*

1. To provide effective communication among the various key stakeholders on the Programme.
2. To provide a structured mechanism to convey to the recipient communities all appropriate information necessary to ensure that they are kept informed of progress and involved in the development process.
3. To provide the necessary communication channels at the district/regional level to ensure the effective implementation of the Programme.
4. To provide a mechanism to ensure that the PIA's client is kept informed on the Programme progress at all times.
5. To provide for the PIA internal communications mechanism.

12.3.2 Communications Plan Structure

The Communications Plan is structured as follows:

1. Communication element/major events - what are the communication projects/activities and major events planned for the year and key dates for specific communications.
2. Target audiences - who are the target audiences whom we are communicating with.
3. Message - what message needs to be communicated to each target audience.
4. Medium - what medium/s should be used to communicate the message e.g. news print, advertorials, road shows, etc.
5. Frequency - how often should communication be made with the target audience e.g. monthly, quarterly ad hoc, etc.
6. Action Plan - what actions are required to achieve the communications with each target audience.

7. Responsibility - who is responsible for the communications with the various target groups.
8. Risk Assessment - what are the risks involved, how can the risks be minimised and what are the Key Success Factors.
9. Communication cost - what is the cost of the communications with each target audience and for the major events.

The Costs for the implementing of the Communications Plan have been incorporated into the Financial Plan.

The detailed Communications Plan for Phase 3 of the Programme is detailed in Appendix I.

Responsibility:
The Programme Manager is responsible for the management of the Communications Plan, with input from the Communications Officer.

12.4 Human Resources Plan

The resource requirements to manage the programme are detailed in Table 7 below.

Table 7: Human Resource requirements

Position /Resource	Total required	Comment	Date required

12.5 Financial Plan

12.5.1 Summary

The summary programme management costs is set down in table 8 below, with the detailed Financial Plan contained in Appendix J1

Table 8: Summary Costs

DESCRIPTION	PROJECTED TOTAL AMOUNT REQUIRED	APPROVED BUDGET

TOTAL PROGRAMME MANAGEMENT COSTS		

12.5.2 Forward Planning

It is recommended that forward planning take place within the XX Financial year, with the objective of accelerating the delivery process in the following year. The forward planning activities will include all activities leading up to and including the preparation of tender documents for each approved project. This will enable tenders to be called for immediately on commencement of the YY financial year. The costs are summarised in Table 9 below, with the detailed Financial Plan contained in Appendix J2:

Table 9: Forward Planning Summary Costs

DESCRIPTION	PROJECTED TOTAL AMOUNT REQUIRED	APPROVED BUDGET
PROJECT ASSESSMENTS		R 0.00
PROJECT DESIGN PROFESSIONAL FEES		R 0.00
TOTAL FORWARD PLANNING COSTS		**R 0.00**

13. PROGRAMME MANAGEMENT WORKFLOWS AND PROCESSES

Work flows and processes will be formulated and included the following:

- Project Identification and Prioritisation;
- Procurement Processes;
- Contract Management;
- Payment Processes;
- Scope Change Management;
- Reporting.

1.

APPENDIX A: LIST OF APPROVED PROJECTS

APPENDIX B: LIST OF PROPOSED PROJECTS FOR THE FOLLOWING YEAR

APPENDIX C: AGREEMENTS

APPENDIX C1: PIA AGREEMENT

APPENDIX C2: PROJECT MANAGER AGREEMENT

APPENDIX D: PHASE 3 TIMELINES

APPENDIX E: SUMMARY REPORTS

APPENDIX F: DESIGN GUIDELINES

APPENDIX G: RISK MANAGEMENT PLAN

CONTENTS

1. INTRODUCTION AND BACKGROUND

1. The risk assessment is carried with the following documentation which serve as back ground to the assessment;
   - Programme Implementation Plan;
   - Programme Implementation Agreement;
2. It must be noted, however, that risk management is a periodic activity that is linked to the various stages of the programme/project cycle. High priority risks should be monitored more often than low priority risks, due to their high potential to impact negatively on the achievement of the outputs and outcomes of the programme.
3. This document therefore highlights the risks associated with the programme that have been identified to date.It forms an Appendix to the Programme Implementation Plan, and its purpose is to provide a framework for a continual programme risk management process.
4. This document provides an analysis of potential risks that need to be managed. The strategy of management of highlighted risks is the responsibility of the Regional Programme Manager. It is essential that the RPM assess the proposals, and translate them into actionable items with timeframes and responsibilities attached, and ensure that there is a direct relationship to the monitoring plan for the programme.

2. METHODOLOGY

The risk management proposal was developed through consultation with the programme managers, the cost accountants and desk-top research within the XX. The consultation did not directly involve the intended beneficiaries of the programme.
A risk assessment/analysis matrix was developed, which focused on the following key elements:
   - Identification of current internal and external programme risks;
   - Broad categorisation of risks in terms of the stages of the Development Management Cycle;
   - Identification of the consequences of such risk events occurring;
   - Ranking the risks based on their consequences, as either high, medium or low priority risk events;(this prioritisation is purely from the Housing cluster point of view)
   - Identification of mechanisms for management, mitigation, or prevention of the risk events and their impacts.

3. RISK IDENTIFICATION

Almost all the risks identified relate to the implementation stage of the programme. The primary perspective in this analysis looks at the risk in not meeting contractual obligations, the risk to the organisation as a result of not meeting the contractual obligations and the possible risk to client relations.
The categories of risk identified were:
   - Institutional arrangements;

- o Delay in transfer of funds from the Client
  - o Delayed decision making turnaround times
  - o Inadequate preparation of community and consultants
  - o Poorly defined relations between the various role players in the programme.
- Project procurement;
  - o Poor project designs
  - o Poor project specifications
  - o :Poor budgeting
  - o Poor quality of work by PDI's involved
  - o Quality of performance of consultants
  - o Material supplies and costs
  - o Lack of a system for affirmative project procurement;
  - o Building operations hampered by lack of site inputs such as water and power
  - o Inadequate monitoring and evaluation of cluster management; and
  - o Delays within PIA's procurement process.
- Financial management;
  - o cash flow arrangements with consultants and contractors
  - o cession arrangements
  - o fraud
- Human resources;
  - o Inadequate human resources of programme.
  - o Employment of personnel in programme
  - o Labour conflicts
  - o Training as development value add
  - o PIA inability to fast track appointment of service providers and key staff;
- Programme systems;
  - o Delays in payment process
  - o Communications/network failure or inefficiency;
  - o Inability to use the system on the part of project office staff;
  - o high volumes of documentation and contractual documents that require signature
  - o Hardware or software failure;
  - o Incompatibility of system to government systems on hand-over.
  - o Inadequate data security
- Environmental;
  - o Inclement weather (rains etc)
  - o Adverse site conditions

- o Access to site i.e. poor roads
  - o Theft and robbery on and off site
- Beneficiary management;
  - o Community involvement
  - o Employment within communities
  - o Disruption of school calendar
- Political.
  - o Political conflicts between community members
  - o Changing briefs and site selection and identification.
  - o Client applies political pressure to take on additional work (scope creep) within current budget and timeframes
  - o Dissatisfaction with political players due to poor delivery
- Programme closure;
  - o Poor documentation
  - o Lost lessons
  - o No proper closure
  - o No evaluations

There is a high possibility of the majority of risks identified occurring; hence they were regarded as high priority. It might be necessary that management of these high priority risks be further prioritized, to take into consideration current implementation dynamics, however, it would be inadvisable to remove some of them from the Programme Implementation Plan.

4. RISK ASSESSMENT MATRIX

A Risk Assessment Matrix with mechanisms to manage the Identified risks is indicated overleaf:

Insert risks appropriate to the programme

Risk Categories	Identified Risks	Risk Analysis			
		Likelihood	Consequence	Rank	Proposed actions to mitigate risk

Risk Categories	Identified Risks	Risk Analysis			
		Likelihood	Consequence	Rank	Proposed actions to mitigate risk
Implementation: Institutional arrangements	**1. Institutional** 1.1 Delays in transfers of funds by client;	High	• Delayed programme commencement. • Cash flow projections are disrupted across the programme implementers	High	1. Adequate Lead-time be built into initial contract negotiations. 2. Compile Programme cash Flow 3. Negotiate and Maintain strong relations with client to ensure priority and fast tracking of PIA programme requirements. 4. Develop schedule of transfers agreed to by client and the PIA each party is able to plan accordingly. 5. Submit monthly payment requests
	1.2Delays in Decision making by client and PIA management.	High	• Delays in programme activities and subsequent down stream decisions.	High	6. Identify key decision that require the client's attention. 7. Identify when decisions are required and who needs to make them 8. Adequate lead-time should be built into planning and execution.
	1.3Inadequate preparation of Community and Community consultants.	Low	Community involvement and participation is compromised.	Low	9. Community Facilitation should be made on up front process and deliverables in terms of actions and results of facilitation need to be built into programme. 10. Clearly defined monitoring framework is put in place and is consistently verified and monitored.
	1.4Poorly defined institutional arrangements for management of programme. 1.5 Non Streamlined Communication		• Programme objectives and outcomes are compromised. • Loosely defined relationships and blurred accountability between Stakeholders. Poor communications Inefficient operation of Programme		11. Institutional arrangements have to be agreed upfront and built into PIP. 12. Conduct a workshop for processes and procedures in the programme Ensure that programme Communications Plan is implemented and adhered to
					28

Risk Categories	Identified Risks	Risk Analysis			
		Likelihood	Consequence	Rank	Proposed actions to mitigate risk
Project implementation: Programme procurement	**2. Procurement:** • Incorrect or non-existent planning; • Lack of a system for project procurement; • Inadequate monitoring and evaluation of cluster management; and • Delays within PIA's procurement process. • Lack of Affirmative Procurement System • Lack of Quality Management	High	• Project implementation is delayed; • Extra materials create storage problems; • Project manager loses support of internal PIA staff with regard to project procurement. • Cluster managers utilize their own suppliers that do not meet PIA criteria; • Shrinkage of project supplies; i.e. all materials do not reach destination; • Beneficiaries are idle; and • Beneficiaries protest non-payment of subsistence for idle days. • Poor Final Product	High	This is a project risk: can be corrected by contracting responsibilities to the support units in PIA (procurement), and the project implementation team: 13. Develop a concise project procurement system and plan which identifies type of material required per project, quantities required per week, delivery mechanisms, storage facilities and mechanisms, transportation and distribution procedures with clear responsibilities. 14. Implement Consistent Affirmative Procurement Policy as Per PIA internal and Client 15. Ensure PIA's Procurement Process is responsive to Programme requirements 16. Ensure Implementation of PIP Quality Management Plan

Risk Categories	Identified Risks	Risk Analysis			
		Likelihood	Consequence	Rank	Proposed actions to mitigate risk

Implementation: environmental	3. Contravention of municipal by-laws with regard to project waste management practices.	High	• Environmental hazard (health and aesthetic)
			• Client dissatisfaction with PIA
			• Media damage to PIA reputation
			• Political pressure from client
			• Lobby groups exert pressure
				High	Project risk: manage by contracting out to the cluster manager:
					• Identify municipal requirements with regard to disposal of different types of waste.
					• Develop an environmental waste management plan for the programme. The plan must identify actions to be undertaken, materials to be utilized, bodies responsible for waste disposal, budget and source of budget.
					• Examine the following options in developing the plan.
					   • Possibility of linking the waste management processes to the recycling project,
					   • Linkage to the clean and green programme of the PIA.
					   • Waste management as a sub-project of the programme to further develop entrepreneurship of beneficiaries.
					• Ensure cluster managers monitor performance of contractor, through contractual arrangements and regular monitoring of activities.

Risk Categories	Identified Risks	Risk Analysis			
		Likelihood	Consequence	Rank	Proposed actions to mitigate risk
Implementation: Programme Closure	4. Project office does not function effectively once PIA withdraws at the end of the contracted period, due to insufficient planning and preparation on the part of PIA.	Medium	• PIA contract period extended; • PIA expected to provided ad-hoc ongoing support without a contractual agreement and no project management authority; • Reputation of PIA as an organization that can build capacity is damaged.	Med.	This is an PIA risk and can be managed by contracting responsibilities to the various units of the PIA, as well as reaching an understanding with the client. • Clarify the requirements of the client with regard to the project office, especially with regard to systems; • Agree on the responsibilities of PIA and that of the client in terms of the clarified requirements (establish pre-requisites on the part of the client); • Develop an PIA exit strategy from the programme (should also take into consideration information on the programme, and what happens to it once PIA withdraws) • Amend the contract where necessary; • Develop contracts within PIA for the various relevant units on the project team to deliver key agreed upon requirements. • Monitor implementation of the contracts and the exit strategy on a quarterly basis. • Formally communicate with the client in terms of progress, bottlenecks etc in phasing out PIA.

Risk Categories	Identified Risks	Risk Analysis			
		Likelihood	Consequence	Rank	Proposed actions to mitigate risk

Implementation: Programme systems	5. PIA programme data management system fails; due to:
	• Communications/network failure or inefficiency;
	• Inability to use the system on the part of project office staff;
	• Sending high volumes of information to the PIA system through the internet;
	• Hardware or soft ware failure;
	• A disaster at the PIA such as fire, theft, flooding etc, with no current disaster recovery system;
	• A disaster at the project office such as fire, theft, flooding etc; and
	• Incompatibility of system to government systems on hand-over.
		High	• Payments to beneficiaries are halted or slowed down dramatically;
			• Crucial information lost is irretrievable;
			• Information is corrupted/ stolen;
				High	Although this is an overall programme risk, the bulk of it lies with the PIA as PIA expected to set up the programme system, and can be managed by implementing the following:
					• A contractual agreement between IT and the Project manager (PIA) to:
					  • Provide data1 back-up immediately whenever a high volume transaction is about to take place,
					  • Provide specific programme back-up before the programme closes for a month;
					  • Re-assess the 24 hr data recovery process in order to shorten the time for this programme;
					  • Put in place a disaster recovery system immediately for this programme, with regard to PIA head-office.
					  • Provide materials to the project office for their daily back-up such as a CD writer.
					  • Assist project office with training on systems.
					  • Investigate and implement another means of transfer of information from project office to PIA, other than the internet
					  • Assess the current fire-wall of PIA and monitor attempts to hack into the system;
					  • Assist project office in interacting with the client on clarifying their disaster recovery systems, and the establishment of a system for the project office.

Risk Categories	Identified Risks	Risk Analysis			
		Likelihood	Consequence	Rank	Proposed actions to mitigate risk
			•		
Implementation: Human Resources	6Considerable delays in programme delivery as a result of: • PIA inability to fast track appointment of service providers; • Number of existing project staff too few to implement tasks in planned timeframes; • Imposition of service providers that are not cooperative; •	High	• Key tasks not done prior to implementation, and gaps in controls; • Delays in data capture and beneficiary payments; • Client dissatisfied due to delayed projects. •	High	This is a Regional Office risk; and should be managed through: • Immediate identification of skills/resource gaps in project office, and finalise contracting within two weeks. (e.g. of gaps are project finance, administration, procurement) • Finalise contracts with service providers that were imposed in order to manage them more effectively; • Manage Programme cash flow correctly • Checklist of PIA payment requirements to be given to service providers and suppliers
Implementation: Financial management	7Substantial portion of programme budget negatively impacted on by VAT expenditure and tax.	High	• Insufficient budget for materials. • Targets not achieved in terms of projects and beneficiaries. • PIA forced to supplement materials budget.	High	This is an PIA risk, and should be managed by: • As part of the contractual delivery to the programme, the finance unit discusses with the client and pursues the registration of the programme as a VAT vendor within the next month. • The aspect of tax should be investigated and if necessary an exemption for the SARS to be obtained in advance • Budget for VAT.
	8Fraud as a result of manipulation of project systems.	High	• False/ghost beneficiaries receive	High	This is an overall programme risk which has political ramifications for the client and the PIA: Manage by contracting responsibilities to:

Risk Categories	Identified Risks	Risk Analysis			
		Likelihood	Consequence	Rank	Proposed actions to mitigate risk
			project funds • Project operates beyond budget. • Reputation of PIA and client is compromised.		• With assistance of legal unit compile a fraud prevention plan • Project office staff and service providers with regard to checks and balances , including the design of an appropriate system; • Finance with regard to early warning system on budgets and payments; and • IT in designing a system that allows for periodic checks, audits and cross-referencing. 17. External contracts should be addenda to the contract. 18. Audit every two months. 19. Random spot-checks on sites. 20. Finalise, and manage implementation of fraud prevention plan for the programme.
Implementation: Financial management	9Fluctuating currency values negatively impact on delivery of the programme.	High	• Rising materials costs due to SIFSA escalations.	High	This is an overall programme risk that will impact on the client and the PIA as PIA. Suggestions to manage the impact down may be found in the section on procurement above. • Allow for escalation

Risk Categories	Identified Risks	Risk Analysis			
		Likelihood	Consequence	Rank	Proposed actions to mitigate risk
Implementation: Financial management	10 Service providers claim for work done prior to PIA appointment.	High	• Claims exceed budgeted amounts.	High	This is a programme risk and may be managed in the following manner: • Finalise all contracts that are still outstanding; • Ensure that contract includes any work that may have been done previously, and that client verifies that this falls within PIA designed terms of reference. • Adjust future work such that contract does not exceed budgeted amounts for services provided. • Manage all service providers very tightly. • Ensure mechanisms in place to verify and cross check all claims (include Internal audit in the design of the mechanisms)
Implementation: Financial management	11 Non – or late payment of Service Providers and contractors		• Non delivery of goods and services • Dissatisfaction on part of service providers • Negative image created of PIA		• Institute and maintain rigorous system of payment procedures and tracking

Risk Categories	Identified Risks	Risk Analysis			
		Likelihood	Consequence	Rank	Proposed actions to mitigate risk
Political	12 Client applies political pressure to take on additional work (scope creep) within current budget and timeframes; through: • Media announcements; • High level discussions with CEO; • Making demands on project office.	High	• PIA human resources strained; • Quality of project delivery diminishes; • Programme and project resources strained; • PIA finances strained.	High	This is a high level PIA risk and it is proposed that: • The project office via the team leader keep the CEO informed of key issues on the programme weekly; • Any demands on the project office are reported directly to the Director and CEO such that strategic decisions may be taken with the most available information; • There are regular meetings at a strategic level outside of the normal structure of meetings between the CEO MEC of the department/Premier to prevent surprise announcements in the media. • PIA ensure there are funds available for surprise announcements that could not be managed away, such that the programme budget is not directly impacted.
	13 Service providers who have a direct relationship with client at the political level sabotage PIA.	High	• PIA programme management interfered with. • Scope creep. • Budget eaten up through unplanned activities • Dissatisfied client.	High	This is a high level PIA risk and it is proposed that: • Client contact does not remain at the project level, and that there is direct and regular contact between the CEO and the MEC on the programme. • Project staff not attempt to deal with any such events/rumours of such events by themselves. • The project office at all times maintain tight management of the programme through managing contracts that have penalty clauses.
	14 Vandalism and sabotage at a project level.	High	• Safety of project beneficiaries and PIA staff impacted on; • Materials shrinkage; • Budget over-extended.	High	This is a programme risk and should be managed by: • Ensuring local political involvement in the project processes, such as in recruitment. (community involvement) • Ensure that cluster managers are insured such that they remain

Risk Categories	Identified Risks	Risk Analysis			
		Likelihood	Consequence	Rank	Proposed actions to mitigate risk
					accountable for cluster project delivery.
					• Monitor the climate in communities weekly to identify brewing unrest.
					• Ensure that departments that own the community facilities have security measures.
Legal	15 Terminations and litigation by Contractors and Consultants		•		• Ensure Contracts comprehensive • Develop comprehensive early warning system • Seek Legal Unit advice
Legal	16 Poor contractual relationships between cluster managers and their sub consultants		•		• Ensure contractual issues comprehensively dealt with in terms of standard agreements • Provide mediation only when unavoidable
Legal	17 Non standard Contract documents		•		• Prepare standardized and integrated set of contract documents
Legal	18 Insurance Risks		•		• Ensure compliance with insurance requirements at outset of Contracts • Standard Insurance requirements in Contract documentation
Legal	19 Non standard Cessions and sureties		•		• Ensure compliance with cession and surety requirements at outset of Contracts • Standard Insurance requirements in Contract documentation
Legal	20 Non compliance of Contractors with Labour Regulations		•		• Ensure compliance with legislative requirements at outset of Contracts • Monitor compliance
			•		

CONCLUSION

It is critical that the monitoring and evaluation plan for the programme take into consideration the recommendations of this document, such that the monitoring exercise not only helps identify any new risks that may emerge, but also actively monitors management of the identified current risks as outlined in the proposals.

The Risk Management Plan should be reviewed on quarterly basis and updated thereafter.

The Regional Programme Manager should be given the responsibility for overseeing the implementation of the risk management plan.

APPENDIX H: QUALITY MANAGEMENT PLAN

CONTENTS

1. PURPOSE

The purpose of the Quality Management Plan is to define what quality control processes should be undertaken for two aspects:

- The Programme Management Components in terms of adhering to the principles of the Project Management Body of Knowledge in Terms of Cost, Quality and Time parameters;
- Within each project, what should be inspected, by whom, when and what is the measure that the quality has been achieved.

2. PROGRAMME MANAGEMENT COMPONENTS

Procedures have been established, together with the necessary approvals and delegated responsibilities and authorities, for aspects such as:
- Procurement
- Payment processes
- Reporting
- Documentation
- Financial Control
- Scope management

3. PROJECT CONSTRUCTION QUALITY CONTROL

1. Role Players and responsibilities

There are a number of role players with various responsibilities related to site Quality Control. These are detailed as follows:

Designation	Organisation	Function	Frequency	Communication Route
Programme Manager	PIA	Quality Checks	Random	Via PM
Project Manager	Consultant	Quality Assurance	As per plan below	Line
Site Agent	Contractor	Quality Control	Continuous	N/A

2. Components of Quality Control Plan

The components of the quality control planning comprise:

3. Defining the components of the work to be quality controlled e.g.

- Site survey
- Site earthworks

- Foundations
- Walling
- Structural components (e.g. load bearing bases, columns, suspended floors etc.
- Roofing
- External finishes
- Internal finishes
- Mechanical & electrical
- Plumbing
- External works (sewer, water and storm water lines, parking and landscaping etc)
- Service connections (water, electricity, sewer)
- Access
- Other

4. **Defining where within the layout the work component occurs**

5. **Defining what quality control should be undertaken for each component of the works,**

6. **How often should the quality control checks be carried out i.e. frequency of inspections.**

7. **Defining who is responsible for quality control both internally within the contractor and externally by the client's representative**

8. **Establishing a quality control schedule which will be used to document and monitor the progress of quality control within the project.**

9. **Quality Control Schedule**

A typical format for the quality control schedule is attached. This should be modified to include all of the work components within a particular project, as well as the locations.

Note the attached schedule is indicative only and does not include all of the work components. Specialist inspections should also be identified and stipulated within the work programme. For example specialist inspection of proprietary water proofing or paint applications, specific structural inspections etc.

Insert quality control checks appropriate to the programme

No.	Work Component	Location of Works within the Project Layout	Quality Control Inspections to be carried out	Frequency	Responsibility for Quality Control Check	Certification of Quality Achieved
1.	Site survey (cadastral)		1.1 Inspection of boundary pegs	1.1.1 At site handover to contractor	Land surveyor	Land surveyors certificate
				1.1.2 At handover by contractor	Land surveyor	Land surveyors certificate
2.	Site Earthworks		2.1 Setting out of works	Prior to commencement of site earthworks	Site Earthworks foreman	Survey print out agreeing with site setting out survey
			2.2 Compaction of fill embankments	As stipulated in the works specifications	Site Earthworks foreman	Soil Laboratory test results within specification
					Spot checks weekly by Civil Engineer	Written approval by CE
			2.3 Cut & Fill banks to correct batter	At completion of work component	Civil Engineer	Written approval by CE
			2.4 Grassing of banks – minimum ground cover as stipulated in the contract specifications	At completion of work component	Civil Engineer	Written approval by CE
3	Foundations		3.1 Foundation excavations	Prior to casting	Struct Engineer	Written approval by SE
			3.2 Foundation concrete casting	During and after casting	Concrete foreman	Certification by Concrete foreman
			3.3 Foundation concrete quality	As stipulated in concrete specifications	Struct Engineer	Satisfactory concrete strength laboratory test results
4.	Load bearing structure		4.1 Inspection of steel reinforcing	Prior to casting	Struct Engineer	Written approval by SE
			4.2 Concrete casting	During and after casting	Concrete foreman	Certification by Concrete foreman

No.	Work Component	Location of Works within the Project Layout	Quality Control Inspections to be carried out	Frequency	Responsibility for Quality Control Check	Certification of Quality Achieved
			4.3 Concrete quality	As stipulated in concrete specifications	Struct Engineer	Satisfactory concrete strength laboratory test results
			4.4 Load bearing brickwork	4.4.1 During construction	Building foreman	Certification by building foreman
				4.4.2 At completion of component	Struct Engineer	Written approval by SE
5.	Brickwork		5.1 Inspection of quality during construction	5.1.1 Daily inspection	Building foreman	Certification by building foreman
				5.1.2 At completion of component	Architect/ Building Inspector	Written approval by BI
6.	Doors and windows		6.1 Inspection of quality during construction	6.1.1 Daily inspection	Building foreman	Certification by building foreman
				6.1.2 At completion of component	Architect/ Building Inspector	Written approval by BI
7	Roof		7.1 Inspection of quality during construction	7.1.1 Daily inspection	Building foreman	Certification by building foreman
				7.1.2 At completion of component	Architect/ Building Inspector	Written approval by BI
8.	External works		8.1 Inspection of quality during construction	8.1.1 Daily inspection	Building foreman	Certification by building foreman
				8.1.2 At completion of component	Architect/ Building Inspector	Written approval by BI
9.	External finishes		9.1 Inspection of quality during construction	9.1.1 Daily inspection	Building foreman	Certification by building foreman
				9.1.2 At completion	Architect/ Building	Written approval by BI

No.	Work Component	Location of Works within the Project Layout	Quality Control Inspections to be carried out	Frequency	Responsibility for Quality Control Check	Certification of Quality Achieved
				of component	Inspector	
10.	Internal finishes		10.1.Inspection of quality during construction	10.1.1 Daily inspection	Building foreman	Certification by building foreman
				10.1.2At completion of component	Architect/ Building Inspector	Written approval by BI
11	Mechanical Installations		11.1 Inspection of quality during installation	11.1.1Daily inspection	Mechanical Foreman	Certification by Mechanical foreman
				11.1.2At completion of component	Mechanical Engineer	Written approval by ME
12	Electrical Installation		12.1 Inspection of quality during installation	12.1.1Daily inspection	Electrical Foreman	Certification by Electrical foreman
				12.1.2 At completion of component	Electrical Engineer	Written approval by ME
13.	Plumbing works		13.1Inspection during construction	13.1.1Daily inspection	Building foreman	Certification by building foreman
				13.1.2 At completion of component	Architect/ Building Inspector	Written approval by BI
14	Water connection		Inspection of quality during construction	Daily inspection	Building foreman	Certification by building foreman
				At completion of component	Architect/ Building Inspector	Written approval by BI
15	Sewer Connection		Inspection of quality during construction	Daily inspection	Building foreman	Certification by building foreman
				At completion of component	Architect/ Building Inspector	Written approval by BI
16	Storm water connection		Inspection of quality during construction	Daily inspection	Building foreman	Certification by building foreman

No.	Work Component	Location of Works within the Project Layout	Quality Control Inspections to be carried out	Frequency	Responsibility for Quality Control Check	Certification of Quality Achieved
				At completion of component	Architect/ Building Inspector	Written approval by BI
17	Electricity supply connection		Inspection of quality during construction	Daily inspection	Building foreman	Certification by building foreman
				At completion of component	Architect/ Building Inspector	Written approval by BI

APPENDIX I: COMMUNICATIONS PLAN

CONTENTS

1. OJECTIVES

The communications Plan has been compiled, together with budgeted cost, with the following objectives:

1. Provide Effective Communication among the various Key Stakeholders on the Programme
2. Provide a structured mechanism to convey to the recipient communities all appropriate information necessary to ensure that they are kept informed of progress and involved in the Development process
3. Provide the necessary communication Channels at the District/regional level to ensure the effective implementation of the Programme
4. Provide a mechanism to ensure that the PIA's Client is kept informed on the Programme Progress at all times
5. Provide for the PIA Internal Communications mechanism.

2. STRUCTURE OF COMMUNICATIONS PLAN

The Communications Plan is structured as follows:

1. Communication Element/Major Events - what are the communication projects/activities and major events planned for the year and key dates for specific communications
2. Target Audiences - who are the target audiences whom we are communicating with
3. Message - what message do we want to communicate to each target audience.
4. Medium - what medium/s should be used to communicate the message e.g. news print, advertorials, road shows, etc
5. Frequency - how often should we communicate with the target audience e.g. monthly, quarterly ad hoc etc
6. Action Plan - what actions are required to achieve the communications with each target audience
7. Responsibility - who is responsible for the communications with the various target groups
8. Risk Assessment - what are the risks involved, how can the risks be minimised and what are the Key Success Factors
9. Communication Cost - what is the cost of the communications with each target audience and for the major events

3. COMMUNICATIONS PLAN SCHEDULE

The Details of the Communications Plan for Phase 3 are contained in the Communications Plan Schedule in Section 3 below.

Communication Element/Major Events - *what are the communication projects/activities and major events planned for the year and key dates for specific communications*	Target Audiences - *who are the target audiences whom we are communicating with*	Message - *what message do we want to communicate to each target audience*	Medium - *what medium/s should be used to communicate the message e.g. news print, advertorials, road shows, etc*	Frequency - *how often should we communicate with the target audience e.g. monthly, quarterly ad hoc etc*	Action Plan - *what actions are required to achieve the communications with each target audience*	Responsibility - *who is responsible for the communications with the various target groups*	Risk Assessment - *what are the risks involved, how can the risks be minimised and what are the Key Success Factors*	Communication Cost - *what is the cost of the communications with each target audience and for the major events*
1. Project Level	Local community and school committee	Government is delivering and providing for the people and families/learner are benefiting	Address to Project Steering Committee - at the start and handover of each project	Start and handover of each project	Plan attendance of Project Steering Committee at start and at handover of project.	PM's	1. Projects not delivered on time or are poor quality. Ensure projects are completed on time to acceptable quality. 2. Community expectations not met - communicate clearly via Project Steering Committee what will be done and as importantly what will not be included in the project. Performance meets community expectations	nil in programme management operational costs
2. Political leadership	Political leaders for the programme	PIA is delivering on time to budget and quality and the social impact of the programme	High level executive summary report with key statistics and pictures (1 page PowerPoint)- progress, social impact, challenges)	Quarterly	Prepare high level executive summary PowerPoint report	Programme Manager	1. Projects not delivered on time or are poor quality. Ensure projects are completed on time to acceptable quality. 2. Key information not available - ensure that key info is available monthly	Nil-in programme management operational costs

Communication Element/Major Events - *what are the communication projects/activities and major events planned for the year and key dates for specific communications*	Target Audiences - *who are the target audiences whom we are communicating with*	Message - *what message do we want to communicate to each target audience*	Medium - *what medium/s should be used to communicate the message e.g. news print, advertorials, road shows, etc*	Frequency - *how often should we communicate with the target audience e.g. monthly, quarterly ad hoc etc*	Action Plan - *what actions are required to achieve the communications with each target audience*	Responsibility - *who is responsible for the communications with the various target groups*	Risk Assessment - *what are the risks involved, how can the risks be minimised and what are the Key Success Factors*	Communication Cost - *what is the cost of the communications with each target audience and for the major events*
3. Client Level	3. Senior Management within the client organisation	PIA is delivering on time to budget and quality and the social impact of the programme	Monthly management reports (Client Report) as well as High level Exec Summary	Monthly	Prepare monthly progress report and high level executive summary written)	Programme Manager	1. Projects not delivered on time or are poor quality. Ensure projects are completed on time to acceptable quality. 2. Key information not available - ensure that key info is available monthly	Nil-in programme management operational costs
4. PIA Management Reports	CEO	PIA is delivering effectively with proper financial controls	Monthly management reports as well as High level Exec Summary	Monthly	monthly progress report, PIA management reports and high level executive summary PowerPoint report	Programme Manager	1. Projects not delivered on time and expenditure behind cash flow project 2. Key information not available - ensure that key info is available monthly	Nil-in programme management operational costs
5. Project Signboards	Local community	Government is delivering and providing for the people and families/learners are benefiting	At start of construction project signboard (NOTE not contractors signboard) erected	One off at start of construction	a. Signboard layout and details provided to contractor b. Signboard manufactured and erected	Contractor	1. Signboard erected late or with wrong details - ensure correct information supplied and signboard erected timeously	R3000 per project signboard incorporated into the project P&G costs.

Communication Element/Major Events - *what are the communication projects/activities and major events planned for the year and key dates for specific communications*	Target Audiences - *who are the target audiences whom we are communicating with*	Message - *what message do we want to communicate to each target audience*	Medium - *what medium/s should be used to communicate the message e.g. news print, advertorials, road shows, etc*	Frequency - *how often should we communicate with the target audience e.g. monthly, quarterly ad hoc etc*	Action Plan - *what actions are required to achieve the communications with each target audience*	Responsibility - *who is responsible for the communications with the various target groups*	Risk Assessment - *what are the risks involved, how can the risks be minimised and what are the Key Success Factors*	Communication Cost - *what is the cost of the communications with each target audience and for the major events*
6. Programme Launch	Government and public at large	Government is delivering and providing for the people and families/learners are benefiting	Launch ceremony		Coordinate launch activities and message with provincial departments	Communication Officer	1. Clash of dates and non-availability of key stakeholders (MEC's & PIA CEO). Confirm suitable date 2. Ceremony poorly organised and poorly run - plan and management thoroughly	R 30,000
7. Regional Handovers	Local community and public at large	Government is delivering and providing for the people and families/learners are benefiting	Handover ceremony within each region X 5	Staggered through the year:	Coordinate handover ceremony activities and message with provincial departments	Communication Officer	1. Projects not completed on time or poor quality - select appropriate projects 2. Clash of dates and non-availability of key stakeholders. Confirm suitable date 3. Ceremony poorly organised and poorly run - plan and management thoroughly	5 X R15,000 R75,000
8. Radio Talk Shows	Local community and public at large	Government is delivering and providing for the people and families/learners are benefiting	Radio talk show/interviews - Umhobo Wenene, Algoa FM, Unitra	Every 3 months - May 03 August 03 Nov 03 March 04	Set up radio talk show dates and interviewee and message	Communication Officer	1. Poor communication without adequate impressive facts - ensure right people are interviewed	4X R15,000 R60,000

Communication Element/Major Events - *what are the communication projects/activities and major events planned for the year and key dates for specific communications*	Target Audiences - *who are the target audiences whom we are communicating with*	Message - *what message do we want to communicate to each target audience*	Medium - *what medium/s should be used to communicate the message e.g. news print, advertorials, road shows, etc*	Frequency - *how often should we communicate with the target audience e.g. monthly, quarterly ad hoc etc*	Action Plan - *what actions are required to achieve the communications with each target audience*	Responsibility - *who is responsible for the communications with the various target groups*	Risk Assessment - *what are the risks involved, how can the risks be minimised and what are the Key Success Factors*	Communication Cost - *what is the cost of the communications with each target audience and for the major events*
9. Advertorials	Local community and public at large	Government is delivering and providing for the people and families/learners are benefiting	Advertorials in local newspapers	Every 3 months - June 03 Sept 03 Dec03 March 04	a. Prepare advertorials b. Negotiate and place advertorials c. Monitor impact	Communication Officer	1. Poor communication information without adequate impressive facts - ensure correct information and message content achieved	4xR7,500 R30,000

APPENDIX J: FINANCIAL PLANS

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

1. CONTRACT NO: 674-C-00-01-00051-00

MTI Subcontract No.: 0159-0905-SUB-TA51

T07 Monthly Progress Report

March 2006

This report was produced for review by the United States Agency for International Development. It was prepared by <list authors and/or organizations involved in the preparation of the report>, under Mega-Tech, Inc.'s prime contract and addresses USAID/South Africa's Strategic Objective No. 6: Increased Access to Shelter and Environmentally Sound Municipal Services. The author's views expressed in this publication do not necessarily reflect the views of the U.S. Agency for International Development or the United States Government

MTI   Subcontract   No.   0167-0106-SUB-TA52

T07 Monthly Progress Report – prepared by the accreditation manager giving expenditure against budget and projected cash flow, performance, constraints, risks and action plans

MONTHLY PROGRESS REPORT

Municipality: *(insert name of client organisation)*
Province: *(insert province/s which report is applicable to)*
Report for Month ending: *(insert month for which information is provided)*
Reported by: *(INSERT name)*

1.   **SUMMARY OF PROGRESS**

1.1   **Progress Against Housing Programmes**

No	Housing Programme and Special Projects	Current Progress Against Milestone	% of Milestone Achieved
1	Project Linked		
2	Institutional		
3	Consolidation		
4	Hostels Upgrading		
5	Individual subsidies		
6			
7			

1.2   Financial Progress

Budget Item	Budget	Expenditure	% Expenditure
TOTALS			

2.   **PROBLEMS AND RESOLUTION ACTION**

Problem	Proposed Action to Resolve Problem	By When	By who
(describe the problem – what, where, why, how)	*(describe the action steps to resolve the problem and who is required to carry out the action, by when)*	*By when will the problem be solved*	*Who is responsible for each action*

3.   **INFORMATION REQUIRED**

List any information required – *i.e. what information is required, from whom, by when*

5.   **SUCCESS STORIES**

Provide DETAILS of success stories both with respect to:

Report Prepared By

Name   Signature   Capacity   Date