

Namibia
Build Together
National Housing Program
IMPLEMENTATION GUIDELINES & PROCEDURES



MURD, March 2007

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Abbreviations & Acronyms

The abbreviations and technical terms defined here are used in this document.

BTC	- Build Together Committee
BTP	- Build Together Programme
CBO	- Community Based Organisation
CSF	- Critical Success Factor(s)
DBTP	- Decentralized Build Together Program
HHPTSC	- Housing, Habitat, Planning and Technical Services Coordination
HR	- Human Resource(s)
HRD	- Human Resource Development
HRDC	- Habitat Research and Development Centre
HRDP	- Human Resource Development Plan
HRM	- Human Resource Management
ICT	- Information and Communication Technology
KM	- Knowledge Management
LA	- Local Authority
MoF	- Ministry of Finance
MURD	- Ministry of Urban and Rural Development
MIS	- Management Information System
NDP	- National Development Plan
NHAG	- Namibia Housing Action Group
NHE	- National Housing Enterprise
NPA	- National Plan of Action
NGO	- Non-Governmental Organisation
O/M/A	- Office/Ministry/Agency
PM	- Project management
PMS	- Performance Management System
PIR	- Project Identification Report
RC	- Regional Council
RF	- Revolving Fund
SDFN	- Shack Dwellers Federation of Namibia
UNCHS	- United Nations Centre for Human Settlement
UNDP	- United Nations Development Programme
VC	- Village Council

ACKNOWLEDGMENTS

Appreciation is expressed to all individuals, organisations and institutions that assisted and contributed to making this document possible. All of you offered invaluable insights to develop this combined 'Implementation Guidelines & Procedures'.

Special thanks go to the following individuals that help with the logistical arrangements and data collection:

- The participants at the October Conference 2006.
- Deputy Permanent Secretary – Ms. E. Ndiyepa for opening the workshop; Mayor of Otjiwarongo – Mr. O. Ipinge for his welcome address; Councillor for Otjiwarongo Constituency – Mr. Kavetuna for closing the workshop.
- The management team of the MLRGHRD (Ms. U.K. Kamboua, Ms. E.K. Mate, Ms. F. Nauyala and Mr. P.D. Swart).
- The administrative team of MLRGHRD (Ms. A. Helao, Ms. V. Naingwedja, Ms. Naomi Simion, Mr. A. Sikume and Mr. Leon Coetzee).

Stratex Consulting (Anton Olivier and Gloria Izaks) is acknowledged for its professional role as facilitator and editor.

Note that this combined Book replaces the following three previous Booklets:

- *Blue Booklet: Implementation Guidelines, editions 1994, 1998 and 2003;*
- *White Book: Loan Administration Manual, 1998;*
- *Yellow Booklet: Loan Recovery Guidelines.*

FOREWORD

The implementation of the Build Together National Housing Programme commenced during the 1992-93 Financial Year. As could be expected of a new programme which is radically different from conventional forms of housing development, the Ministry faced many institutional and procedural bottle-necks. Many of these problems have been overcome but some remain to be solved. The first year was a learning process for all the actors. The beneficiary communities have learnt a lot and we in the Ministry have learnt a lot by listening to them.

The Build Together Programme has generated a "People's Process" of housing in Namibia. People organize, decide and carry out the construction according to each family's needs and affordability. In order to achieve Vision 2030 and Millennium Development Goals (MDG's) the Government of Namibia is committed to supporting this process by providing access to land, credit, and technical assistance. Some local authorities have taken the initiative to provide land for all their low-income families at affordable levels and are encouraging these families to improve their housing incrementally.

The blossoming of many innovative local initiatives is the novelty of the programme. It is a significant fact that over 49 percent of the beneficiaries of the programme are women headed households. As Namibians, we are all honoured for having been awarded the Habitat Scroll of Honour from the United Nations for the Build Together Programme in the first year of its implementation.

The launching of decentralization policy for Namibia has, necessitated the decentralisation of housing provision from the MURD at the Centre to Regional Councils and Local Authorities. This process will allow communities to make effective contribution to decisions that affect their lives.

The message of this Implementation Guideline is very clear. It provides a framework for you, the people suffering from the lack of adequate shelter to initiate action and come up with solutions. We wish you all the success.

.....
PERMANENT SECRETARY
MINISTRY OF REGIONAL AND LOCAL GOVERNMENT, HOUSING AND RURAL
DEVELOPMENT

INTRODUCTION

Soon after independence Government identified Housing as one of its four priority areas of development, along with Health, Education and Agriculture. Government commitment in the area led to the formulation of the National Housing Policy, which was approved by Cabinet in July 1991. The policy clearly states that the role of the government is to facilitate and promote the partnership between the public, private, local and regional institutions and individuals. Thus, the primary responsibility for the provision of housing is placed upon the head of each household.

Based on the policy a National Housing Programme was formulated with the assistance of the United Nations Centre for Human Settlements and United Nations Development Programme. The programme is called "Build Together", and its implementation commenced during the 1992/93 financial year, and as from 1998 the programme was decentralised to the Regional Councils and Local Authorities. The BTP targets both urban and rural low income groups. As a result, Build Together Committees are established all over the country to facilitate the identification of families who are in need of housing. This is seen as a way of allowing local communities to take part in and control of decision-making process on issues that are affecting their lives. The programme established revolving funds at both regional and local levels in order to sustain the programme over the long term, and to reduce the dependency on Central Government for housing finance. The programme not only provides for new housing construction, but also for upgrading services, community facilities and the production of building materials.

The Mission of the Housing Sector of the MURD is to provide support to RCs and LAs to ensure efficient, effective, adequate and affordable housing for all Namibians with particular emphasis on the low-income group of the population and to improve social and living conditions of the community within the concept of sustainable development.

The layout of this Book ('Implementation Guidelines & Procedures') is depicted in Figure 1, consisting of 4 main parts and Sections A to P with Annexures in Q.

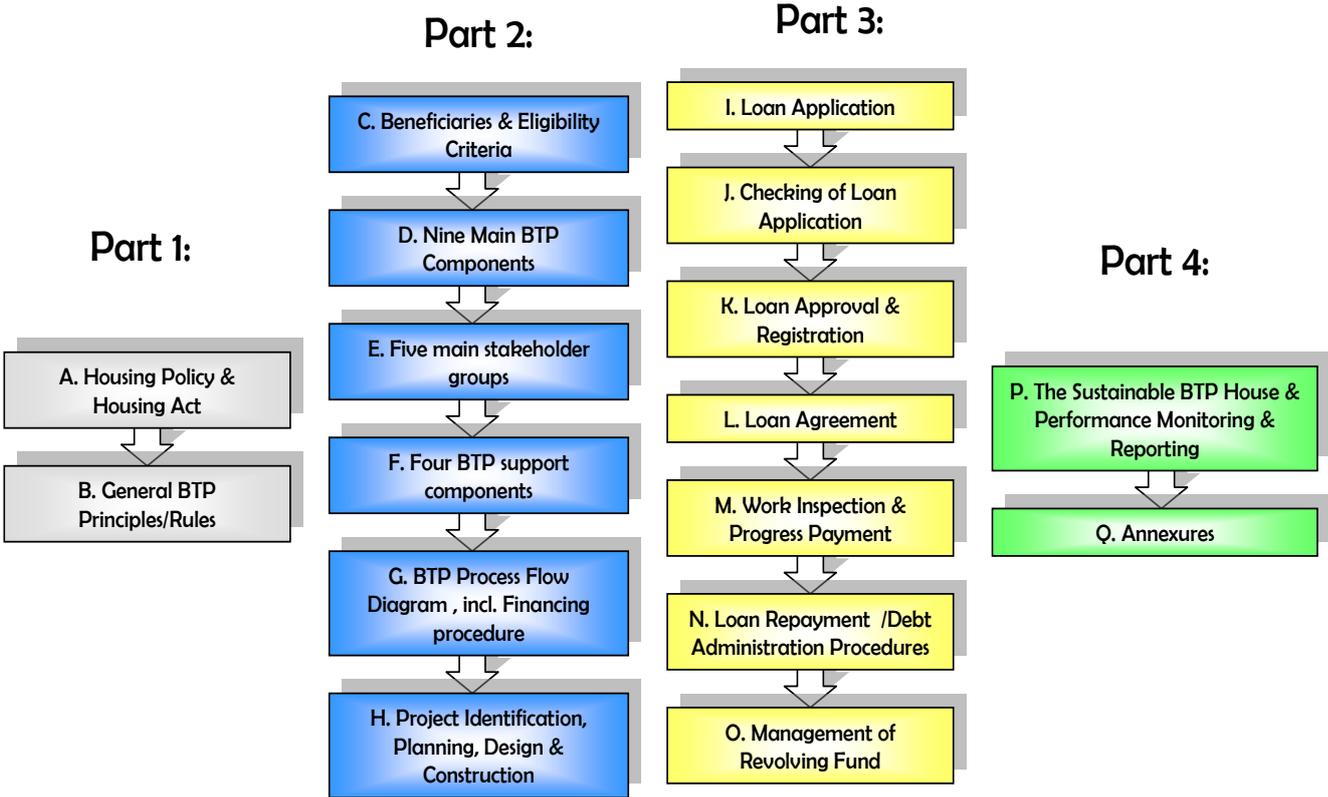


Figure 1: BTP Book layout

A. HOUSING POLICY & HOUSING ACT

A1 BACKGROUND OF THE NATIONAL HOUSING POLICY

The National Housing Policy, adopted by Cabinet in July 1991, guides all actions taken by the Directorate of Housing in the field of housing administration. Affordable housing has been established as one of the top four development priorities in the country, along with agriculture and rural development, education and training, and health care.

Housing is recognised as an important investment sector for creating capital formation and generating income and employment. Benefits are measured in terms of improved social and political ability, as well as human effectiveness and education and reduction in crime and juvenile delinquency. It is recommended that the level of the relative share of national investment in housing should not be less than 5% of the Gross National Product and that at least 25% of this investment should be sourced from the national development budget and deployed through public sector delivery agents. Housing has too often been regarded as consumable good and not an investment.

The MURD views housing as an investment linked to land, building, materials, machinery, household appliances, furniture, skills training, employment creation and related economic activities. The Government strongly support the principle of home ownership as a means of providing security, stability and economic power to the family unit and creating a basis for the development of strong, motivated communities. Therefore, it is important that government should have clearly established rules on achieving a high recovery rate on its investment.

Since the parastatals concerned with housing, the National Housing Enterprise (NHE) has been the only long-term lending institution for low-income housing, the active participation of the MURD will make a major assault on the housing backlog, as long as public financial recourses are targeted at the lowest income groups.

In terms of basic principles, the housing policy clearly states that government funds will be used to seed, facilitate, subsidize in projects where private sector finance cannot be obtained. At the same time, the (NHE) will continue to provide mortgage finance to income groups whose financial standing is incompatible with private sector requirement [See NHP: Section. D. 5(c)(d)]. In case where houses cannot be sold, "renting arrangements will be undertaken through the offices of the local authorities". [Section V. A. 2(d)].

A2 NATIONAL HOUSING POLICY

In the light of the foregoing once loans are granted or if tenants are allocated rental housing, clear rules need to be established to enforce the section below as laid down in the National Housing Policy. Strict discipline in the repayment of rents and loans must be maintained at all cost if there is to be a realistic expectation that entrepreneurs with private sector capital will participate fully in the delivery of houses to all of the country's citizens.

Through the marketing and community development arms of the central regional and local government and the private sector, every effort will be made to ensure that all contracts relating to rental, mortgage and other loan repayments are clearly understood by the signatory. Given this the Ministry of Regional and Local Government, Housing and Rural Development will not tolerate any lack of discipline in meeting repayment obligations and will not interfere in the normal legal process.

The Government will not condone non-payment of rentals of mortgages except in recognized welfare cases or by prior agreement with the agency involved [Section IV. D. 15 (a)(b)(c)].

Derived from the authority established by the National Housing Policy, the purpose of this document is to develop working procedures, which will assist in taking action against defaulters in an unambiguous manner.

B. GENERAL BTP PRINCIPLES/RULES

B1 CENTRAL GOAL OF THE NATIONAL HOUSING POLICY

Goals

“To make resources available for the development of infrastructure and facilities so that every Namibian family will be given a fair opportunity to acquire land with water, energy and a waste disposal system, and to facilitate access to shelter in suitable locations at costs and standards which are affordable to the family on the one hand and to the nation on the other hand”.

Objectives

It is generally accepted that the housing schemes of MURD need to aim for full cost recovery on land, infrastructure, shelter, design & administration and interest on capital, except for pre-determined subsidy items.

The objective should be to generate sufficient funds into Central, Regional and Local Revenue to replicate on-going schemes in all parts of the country.

Straight-forward procedures need also to be laid down on easy collection of loan repayments. Beneficiaries as well as administrators should have sufficient information on what the rules are.

The objective of this document is therefore to make repayment rules more transparent for those concerned in order to enhance efficiency in the administration of loans.

B2 A GUIDELINE FOR WHOM

This is a guideline for all the actors of the National Housing Programme. These include beneficiary families, communities, NGOs, CBO's, Local Authorities, Regional Councils and Central Government agencies. The message of this Guideline is simple; interpret it and act accordingly.

B3 PROGRAMME PRINCIPLES

The following are the guiding principles of the Build Together Programme:

1. It should be responsive to the needs of all actors in BTP.
2. All BTP actors should be involved, and be in control of the whole process.
3. BTP actors should take decisions and initiate action.
4. Maximum choice must be offered through a wide range of affordable options.
5. Mobilisation and maximization of the use of local resources and material.
6. Affordability and cost effectiveness should always be pursued.
7. The role of the RC's/LA's is to implement the programme while the role of the beneficiaries is to decide on available options and take control of their housing needs.

8. The programme should be open to all interested parties including the Private Sector, NGO's, CBO's and People Living with Disabilities.
9. Emphasis should be on the process of housing rather than the product.
10. There should be no discrimination on basis of colour, creed, race, sex and religion.
11. The program should strive for sustainability, improved loan repayment and cost recovery.

These principles should be observed by all concerned in the implementation of the programme. All decisions and actions should be assessed against these principles for consistency.

B4 PROGRAMME FUNCTIONS

These rules will be applicable to the "Build Together Programme", but will also cover all project participants that were inherited by the Directorate of Housing – administered low-cost housing schemes.

Loans Administration staff and the Accounts Section will be assisted by these rules in identifying beneficiaries, signing contracts, collecting outstanding and due amounts, and to improve efficiency and quality of service delivery.

4.1 Do's and Don'ts

4.1.1 Information

Provide full information in advance to clients about project goals and implementation strategy and their obligations. Otherwise, they will be less likely to pay.

4.1.2 Expectations

Don't make false promises or create unfulfilled expectations in the minds of beneficiaries. If applicants are not happy about a service originally, they will use that particular dissatisfaction as a good reason for non-payment of instalments.

4.1.3 Delays

Following a workshop or information campaign a fully briefed local community can become frustrated, if agreed services are not provided or delayed beyond a reasonable period of time. Delays can lead to grievances and expensive projects that low-income groups cannot afford.

4.1.4 Maintenance

Inability of a local authority to repair broken sewerage systems, leaking pipes or blocked storm water drainage can disillusion clients. This can lead to rent or mortgage repayment boycotts or withholding future cooperation.

4.1.5 Discipline

Weak financial discipline in terms of cutting-off water and electricity can create an attitude of ignoring payment reminders.

4.1.6 Evictions

Ineffective and weak administration in carrying out evictions can be a cause for arrears and defaults. A consistent policy of eviction for persistent and serious defaulters can cause collection to rise.

4.1.7 Administration

The loan repayment collection administration in large-scale programmes must have efficient management, adequately trained staff and clearly worked out persistent follow-up methods on those clients in arrears.

4.1.8 Political Will

There must be political support for a policy of cost recovery from the Ministers, Permanent Secretary, Director, key project staff down to the beneficiaries themselves. During election campaigns, if voters are indirectly told by (irresponsible) politicians that there is no need to repay loans and recurrent service charges, the effect will be a serious decline on collection as well as encourage general antipathy towards the rule of law.

C. BENEFICIARIES & ELIGIBILITY CRITERIA

C1 BENEFICIARIES OF THE PROGRAMME

1.1 Low income families, i.e. families with a combined monthly income that does not exceed **N\$ 3,000.00**.

1.2 Low income communities living in disadvantaged and informal settlements such as squatter areas, shacks and backyard squatters.

1.3 Low-middle income families who do not have access to credit from banks, building societies and other financial institutions.

C2 ELIGIBILITY CRITERIA

2.1 Should be a Namibian citizen over 21 years of age.

2.2 Should be of a family within the categories of 1.1; 1.2 or 1.3 above.

2.3 If over 50 years of age, should apply with co-applicant whose monthly income should not exceed N\$ 3,000.00 per month.

2.4 Should be resident in the particular area for at least 2 years and should show willingness to settle down in the area.

2.5 Applicants who have already obtained loans from National Housing Enterprise, Building Societies or any other institution are not eligible for Build Together Loans.

2.6 Beneficiaries who have already received Build-Together loans are not entitled to another loan, unless they have settled their first loan.

C3 OPERATIONAL CRITERIA FOR TARGET GROUPS

In its activities to identify beneficiaries in programmes launched by the MURD, loans administrators will observe the eligibility criteria listed below.

The households, families or groups who are intended to be the primary beneficiaries of a particular housing solution or scheme must be clearly identified in order to ascertain whether objectives are being met.

In the National Housing Programme, the following basic rule-of-thumb will be applicable on public sector schemes to assist the majority of Namibians that cannot afford to purchase housing for rent or sale on the open market.

3.1 Low income

In 1993, when the BTP has started, approximately 5% of the population made up the high income group, 20% the middle income group, 70% the low income group and 5% the lowest income group.

3.2 Welfare cases

These will consist of all those at a poverty level in which the income is such that they cannot afford a minimum of basic goods and housing services. They will only benefit from the Social Housing Scheme.

3.3 Broad Allocation

The Housing Directorate allocates public sector resources at the following three levels:

3.3.1 Category one

In the first category broadly to disadvantaged civil servants in the middle income group (the 20% of 1993) in neglected areas of the country where NHE or financial institutions presume financial risks to be high.

3.3.2 Category two

Second category the majority of the low income groups (the 70% of 1993) as defined in the "Build-Together" Programme.

3.3.3 Category three

Third category of the lowest income group (the 5% of 1993) - generally in informal shacks or squatter areas with irregular incomes. Income-generation projects should be linked to these groups and efforts should be made to increase access to shelter and services to vulnerable women-headed households with children.

D. BTP COMPONENTS AND LOAN OPTIONS

Housing needs vary from family to family. The ability to do what including resources to solve the problem also varies from family to family. Therefore the programme components should meet the particular needs of the people of a given locality. To meet these particular needs, the BTP offers a variety of nine (9) main options. Each family or a group of families should decide on which option to select depending on their ability to repay. Reference should be made to the repayment chart which is attached as Annexure 1 to this Guideline.

It is not necessary to obtain a loan from whom to have access to some of the options. Option 1 is an example of one of the options where no loan is required to participate in the program.

Below are the nine (9) options, numbered 1.1 to 1.9 that is available for participation in the BTP program.

1.1 Leasing a Plot of Land (Erf)

The Need: Families that do not have any place to live, for example new migrants to the towns or evicted farm labourers, could lease a plot of land from the local authority until such time that they could purchase the plot and build a permanent house.

All local authorities will prepare such reception areas as required by the National Housing Policy. On these plots, families can build their houses incrementally with whatever local resources are available.

1.2 Services

The Need: To obtain basic services to an existing house this presently does not have them.

Revised Loan Option	Loan Amount	Monthly Repayment
1.2.1 Water connection	N\$6,000.00	N\$36.36
1.2.2 Rain water storage tank	N\$6,000.00	N\$36.36
1.2.3 Toilet improvement	N\$6,000.00	N\$36.36
1.2.4 Electricity	N\$6,000.00	N\$36.36

1.3 Loans for Saving Groups

The Need: A very low-income group, which has been saving together for a length of time, with a good track record of savings, may require additional fund for housing. Such an organization with the support of a local NGO could obtain a group loan for the purpose of housing through RC/LA.

1.4 Obtaining a Partly Serviced Site by a Community

The Need: An organized community that cannot afford to purchase serviced plots could form a Community Land Trust and lease or purchase a partly serviced site. A loan to purchase the site can be made available for the Community Land Trust. Services to the site can be built by the community incrementally.

1.5 Obtaining a Serviced Plot (Erf)

The Need: Families who do not own a house or an erf and presently living in backyard shacks or sharing with others could obtain a loan to purchase a serviced plot (erf.). The loan amount will depend on the cost of a serviced site in the particular town.

1.6 Obtaining a Serviced Erf and a Loan to Build a House/Upgrading/Construction of a New House

Families might have different needs for obtaining the loan and the following three categories of needs have been identified. The required monthly instalments for the different loan amounts, at interest rates varying between 4 - 7%, for all three categories are exactly the same and are indicated in Annexure A.

1.6.1. Category One: Families who do not own a house or an erf and presently living in backyard shacks or sharing with others could obtain a loan to purchase a service plot (erf) and a loan to build a house on it (max N\$40,000).

1.6.2. Category Two: To improve the structure of the house, build additional rooms, make internal alterations, and replace old materials with more lasting materials of an existing house. The applicant should have ownership to the house. The maximum amount of a loan in this category is N\$25,000.

1.6.3. Category Three: To build a house on a plot (erf) that you already own (max N\$40,000).

1.7 Building Material Grants

The Need: Families who do not have regular employment or an income may want to build a permanent shelter with freely available local resources like rocks and clay. When such family builds the walls of the house they will be provided with building materials such as roof sheets when such materials are available.

1.8 Completed Houses

The Need: Under this option, loans could be obtained to purchase completed old houses which are being sold by local authorities to tenants.

1.9 Community Facilities

The Need: An organized community could collectively build community facilities, e.g. day care centres, community resource centres etc. Such groups will be assisted with technical advice and building materials when available.

E. KEY BTP STAKEHOLDERS

The key DBTP stakeholders are depicted in Figure 2. The arrows show the main relationships. The Beneficiaries are the focus point and links strongly with the BTC and then the RC/LA, responsible for implementation. The RC/LA is supported by MURD, HRDC and others.

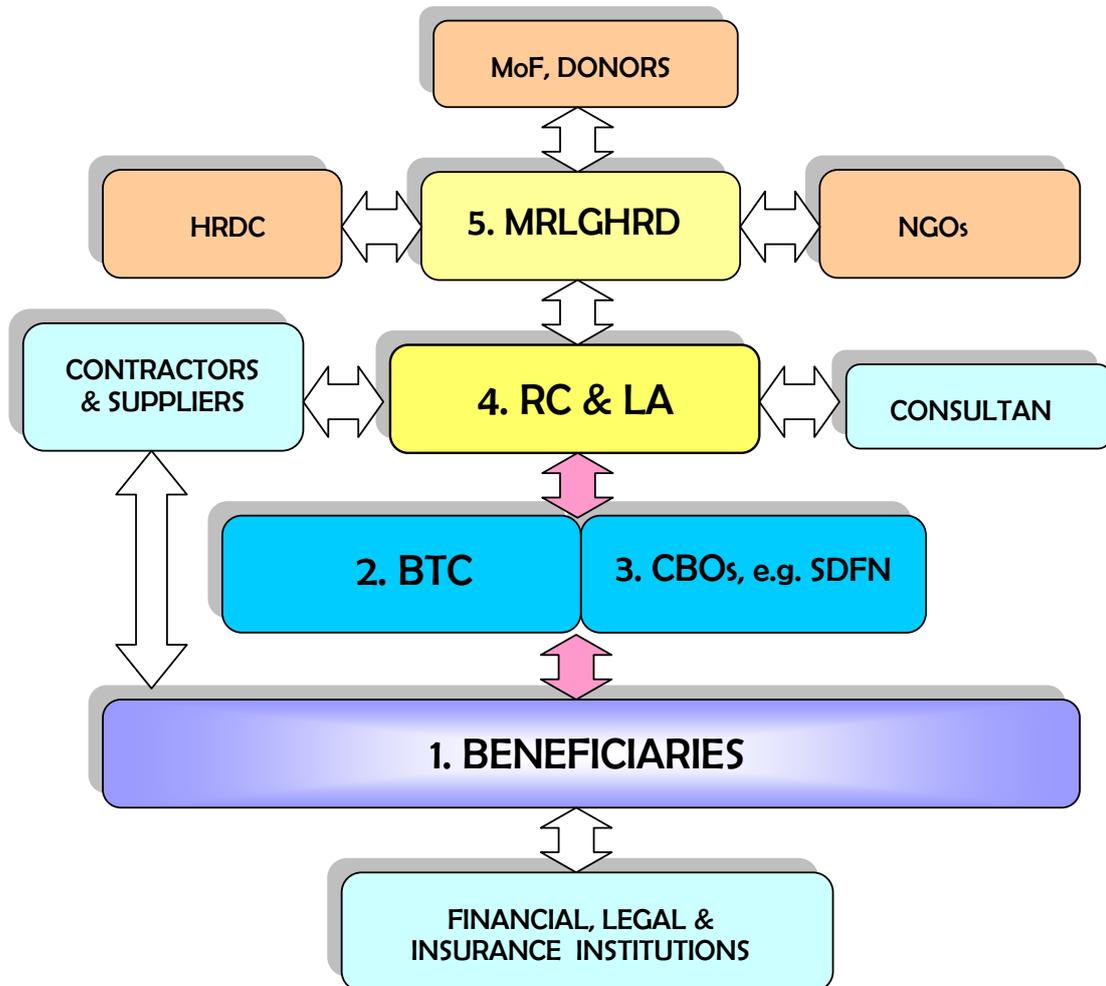


Figure 2: BTP Stakeholders

The roles and responsibilities of these stakeholders are described below. Also refer to Figure 4.

E1 Beneficiaries

- 1.1 He/she will be required to open an account at any bank of his/her choice.
- 1.2 He/she will be responsible for the repayment of the loan at any bank, the monthly amount being as agreed on the contract. When repayments are made, borrowers must indicate the loan reference number and the Build Together loan recovery account number of the designated bank on the payment slip.
- 1.3 He/she will clear the site and dig trenches in order the first progress payment to be released.
- 1.4 He/she will be requested to be in a possession of approved building plan.
- 1.5 He/she can participate in the construction process.

E2 Build Together Committee

- 2.1 It should identify communities and families in need of housing or housing improvement in their areas and forward their request to Regional or Local Authority Councils.
- 2.2 It should assess the particular problems of each community and have consultation with them on how the community proposes to solve their problems.
- 2.3 It should assist applicants in completing loan application forms.
- 2.4 It will receive application forms from applicants, scrutinize them and recommend for approval. Recommended loan forms should be passed over to the regional or local authority council for final approval.
- 2.5 It should prepare a Build Together Programme Plan in the form of a Project Identification Report within the financial allocation, and submit to the regional or local authority council.
- 2.6 It should inform successful and unsuccessful applicants on the decision of a regional or local authority council.
- 2.7 It should request/instruct successful applicants to start with construction of their houses.
- 2.8 It should monitor the construction progress of each individual beneficiary.
- 2.9 It should meet monthly to review the progress of implementation, and report to the local or regional council.
- 2.10 It should monitor the loan repayment every month and bring to task those who fall into arrears.
- 2.11 It should mobilise local resources.

E3 Community Based Organisations

At the community level all beneficiary families are encouraged to organise themselves into a Community Based Organisation. Within a settlement, all the families may become members of this organization and they may elect a committee to represent them. The Committee may speak, take decisions and act on behalf of the community. The Committee could consist of a Chairperson, a Vice Chairperson, a Secretary, a Treasurer and 5 to 10 committee members. Only members from the families living in the settlement may become office bearers. Outsiders can be co-opted to the committee as advisors. It may negotiate with the Build Together Committee of their area and work out a development plan for their settlement.

The Role of Community Based Organisations is described as follows:

- 3.1 May initiate development of their settlements and housing.
- 3.2 May hold regular meetings of the members and discuss, confront and generate solutions to their own problems.
- 3.3 May establish a small membership fee to cover operational costs and as the need arises to finance communal items in agreement with the membership.
- 3.4 Should assess the capacity of each family to borrow and repay a loan to build the house.
- 3.5 Should establish a management system and cost recovery system for communal facilities.

- 3.6 If any community or family feels that they were not considered as a beneficiary due to unjustifiable reasons, they could appeal to the Regional and Local Authority Councils, where upon an investigation of the matter will be made.

E4 Regional or Local Authority Council

- 4.1 Do housing needs assessment per housing spectrum or category; All RCs and LAs should to do this exercise annually. An example is shown in Figure 3 below.

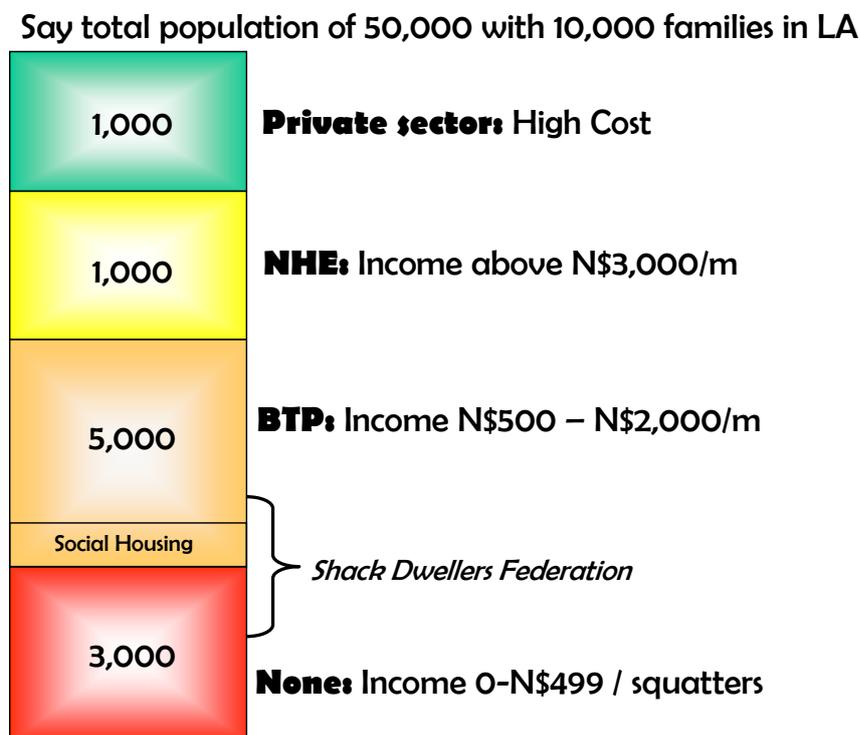


Figure 3: Housing needs assessment

- 4.2 In consultation with Build Together Committee, CBO's and regional or local council should develop land for housing.
- 4.3 Should develop plots at a cost affordable by the low-income people through cross subsidies, community work and appropriate standards.
- 4.4 Should establish reception areas within maximum services as envisaged in the National Housing Policy for those who cannot afford to purchase serviced plots. People should be allowed to build their houses with any locally available material. These areas would consolidate over time and people will build their houses incrementally.
- 4.5 Should forward the approved Project Identification Reports to the Ministry of Regional Local Government, Housing and Regional Development.
- 4.6 Create a waiting list for all housing segments
- 4.7 Should inform Build Together Committees the decision of the council about Project Identification Reports.
- 4.8 Responsible for the disbursement of funds and recovering of loans.
- 4.9 Responsible for drawing up of building plans and inspection of houses.
- 4.10 Should ensure the Registration of Bonds.
- 4.11 Investigate housing complaints from Build Together Committees and individuals.

- 4.12 Facilitate the upgrading of informal settlements, single quarters and identify social welfare cases.
- 4.13 The designated bank will transfer the funds collected as repayments to regional or local council on monthly basis and send statements of repayment and disbursement to the RA/LC to submit 6 monthly reports to the MURD.
- 4.14 The Regional or Local council will provide each borrower monthly with a monthly statement.
- 4.15 In case of default that the Build Together Committee cannot resolve, the Regional or Local council will take legal action on the basis of agreement entered into by the borrower.

E5 MURD

- 5.1 The MURD will check and certify the Project Identification Report and submit it to the Ministry of Finance as a request for loans in a particular area along with the list of names and loan amounts of the beneficiaries.
- 5.2 It will forward all approved PIR's to the Ministry of Finance.
- 5.3 The MURD will assist regional and local councils, Build Together Committee and communities in planning, design of houses etc.
- 5.4 It will monitor, evaluate and review the implementation process.
- 5.5 It will assist in capacity building for regional and local councillors and officers.
- 5.6 It will investigate housing complaints from regional and local councils, Build Together Committee, communities and individuals.

F. FOUR BTP SUPPORT COMPONENTS

The Build-Together Programme will provide several Programme Support Components to assist families, communities, Regional and Local Authorities, beneficiaries and NGO's to solve their housing problems. These are:

F1 Technical Assistance Support Service

Local Authorities/Regional Councils and the HHPTSC are geared to provide technical assistance to all the actors of the programme. Assistance for communities to plan their settlements and to design their houses will be provided on request. Since all Local Authorities and Regional Councils have to establish reception areas for incremental development of housing, the Ministry can help the Local Authorities and Regional Councils to block out plots and organize community installation of infrastructure. On-site planning and blocking out of informal settlements can be carried out with minimum disruption to the existing settlements can be carried out with minimum disruption to the existing settlements. The Local Authorities and Regional Councils should encourage the use of local appropriate technologies, materials and provide advice and guidance on these.

F2 Community Resource Centres and Skills Development Centres

The Community Resource Centres should be established at the initiative of the local BTC or a Local Authority or Regional Council. These Resources Centres will have all the information required for communities and families to decide on how to go about building or improving their housing conditions. In addition to the information procedures, forms etc. on obtaining a loan, they will have information on different low-cost technologies, income-generating opportunities, family health care, literacy etc.

F3 Building Skills Training

People are encouraged to acquire skills through the process of building their own houses. In this regard assistance from public and private sector organizations will be sought and encouraged.

F4 Learning-Together Exchange Programmes

The MURD will assist Local Authorities and Regional Councils to facilitate exchange programmes for Build Together Committees across the country to learn from each other. The horizontal transfer of experience and skills is a rich form of learning and it has to be encouraged by all the actors. Lastly, the implementation programme should try to reach as many families as possible with basic housing within the financial allocation.

as possible in their area. Through a process of consultation with local communities and interest groups the BTC should prepare a programme which will be termed Programme Identification Report (PIR). This report will identify the types of projects, the numbers of loans of each type, and how they are to be implemented. The Local Authority/Regional Council will assist the BTC in preparing the programme and the PIR. The PIR will be prepared in a standard format provided by the MURD and it will also form an application for funding.

2.3 The BTC will scrutinize the loan application forms from families and recommend them for approval. Approved applications will be passed over to the Local Authority/Regional Council for approval. At this stage the beneficiaries should enter into a contract with the Local Authority/Regional Council. The beneficiaries could guarantee the loan in any one of the following options:

- a) Personal guarantee
- b) Community guarantee
- c) House to be constructed

A form for the above guarantees will be made available. Each beneficiary will be notified of the approval of the loan and they will be requested to open an account in any bank. Each beneficiary should open a bank account and inform the Local Authority or Regional Council.

H. PROJECT IDENTIFICATION, PLANNING, DESIGN & CONSTRUCTION

H1 Project Cycle

The total development process to enable successful BTP is summarised in this section. Figure 5 illustrates the process of BTP housing delivery. It shows a cycle starting on top and going anti-clockwise. All stages are required and should be understood by all stakeholders.

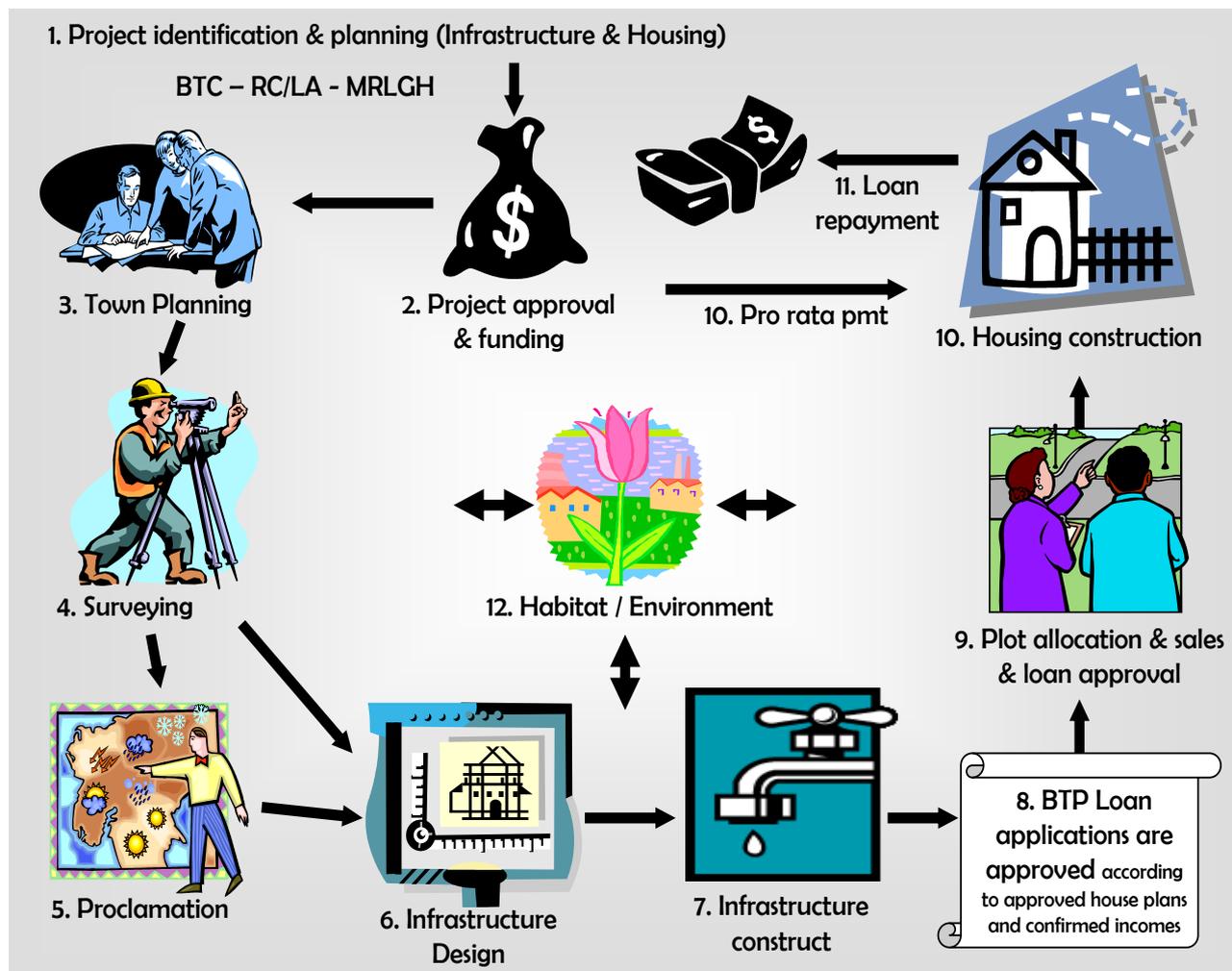


Figure 5: BTP Project Cycle

The stages in the project cycle are:

1. Project identification and planning: It is a bottom-up approach starting with the Beneficiary, moving up to the BTC, the RC/LA and then MURD.
2. MURD approves the project and funding and the RC/LA open accounts to establish a revolving fund.
3. Town planning is required for all new plot developments.
4. Surveying follows the town planning where plot are demarcated.
5. Proclamation is required for all new development areas.
6. Appropriate and affordable infrastructure (e.g. roads, water, electricity, sanitation, storm water) are designed.
7. The infrastructure is then constructed (after tender process) to offer serviced plots.

8. DBTP loan applications can be made with approved house plans and confirmed incomes.
9. Plots are allocated to applicants and sold after loan approval.
10. House construction takes place as funds are incrementally made available based on actual progress.
11. Immediately after construction completion, monthly loan repayments commence.
12. Habitat / environmental concerns are central to the whole development process.

Each stage has a time and cost implication. An indication of durations and costs are shown in the following table. Note that it is only an example, based on the development of **350 plots in 2006**.

Activity:	Duration:	Estimated cost (2006):
Project planning and approval	1 month	N\$ 0
Town planning	3-6 months	N\$ 300,000
Surveying	3-6 months	N\$ 300,000
Surveyor-General approval	12-36 months	N\$ 0
Design of infrastructure	1-4 months	N\$ 300,000
Tendering	1-4 months	N\$ 0
Construction of infrastructure	6-18 months	N\$ 14,000,000
Housing construction	4-12 months	N\$ 35,000 per house

I. SUBMISSION OF LOAN APPLICATIONS

I1 Loan Application

- 1.1 The Loan Application Form, MURD BT1, (Green Form), gives you a profile of the applicant, what he/she is planning to do, and whether the loan applied for, is affordable. It should therefore be filled up properly, legibly and completely. If the information sought is not available or not applicable it should be stated so.
- 1.2 In the case of a Joint-application, the Co-applicant's column has to be completed with all the requested information and both applicants must sign the application form. Remember that in joint application both applicants are responsible and accountable for the repayment of their loans.
- 1.3 It shall be the responsibility of the Build-Together Committee and Local Authorities/ Regional Councils to check the background of each and every applicant to support the authenticity of the information being provided by the applicant.

I2 Loan Folder

The Loan Application Form should be accompanied by the following:

- 2.1 Income Certificate (Pink Form MURD BT 3) duly completed and certified by the employer of the applicant and if self employed, the Commissioner of Oath. In the case of a joint application, both applicants should provide completed BT3 and their respective income statements duly certified.
- 2.2 Loan Guarantee Form (Yellow Form MURD
- 2.3 , BT 4) duly completed and signed by the Guarantor. A guarantor should be a person or an organization (e.g. a Community Based Organisation) which has the capacity to urge debtor to make arrangements and / or assume the liabilities if he/she fails to do so. It is therefore desirable that the guarantor also submits a photocopy of the ID. Applicants can also guarantee themselves with their plots and houses which are to be built/upgraded. In such a case the applicant must provide proof of income, i.e. a bank statement or salary slip for a period of 1 (one) year.
- 2.4 A certified copy of the Permission to Occupy or any proof of ownership or rights over erf and / or the house, if the application is for any of the options 1,2,3,4,5,6,7,8,9,10 and 11 as per Build—Together Guideline/Booklet.
- 2.5 A photocopy of the applicant's identity document.
- 2.6 A photocopy of the house plan if the applicant wishes to build his/her own type of house. The Technical staff of Regional Councils/Local Authorities should be satisfied that the house could be built with the loan applied for. Others can select from the manual of standard plans and the Technical Report should be completed but it need not delay the loan approval process.

J. CHECKING OF LOAN APPLICATIONS

J1 Checking of Loan Applications

All loan applications should be checked by Local Authorities and Regional Councils. Omissions or mistakes that can be corrected should be done so straight away. If the information is not adequate to approve the loan it should be sent back to the BTC.

The following points should be carefully checked in the application form:

- a.1 Loan option and the amount have to be correctly stated. The erf that the house is to be built on should be serviced and developable.
- a.2 Loan amount applied for, and the income and affordability should be checked carefully. The loan amount should be determined considering a repayment of 25% of monthly income and referring to the table provided in Implementation Guideline. It is important to note that the total household income should be considered in the computation.
- a.3 The proposed house plan should match the loan amount available. Each area must do its own cost on standard plans.
- a.4 Income should be properly certified by the employer. If the applicant is in formal employment the pay slip should be attached. If the applicant is self-employed a bank statement indicating the monthly income for the past 6 Months/ 1 year? Must be included and certified by a Commissioner of Oath should attached.
- a.5 The Loan Guarantee Form (MRGH-BT4) should be properly completed and signed by the Guarantor. In the case of personal guarantees, a photocopy of the Guarantors ID should be attached.

K. LOAN APPROVAL & REGISTRATION

K1 Loan Register

A Loan Register should be opened immediately as soon as the beneficiary has completed the application forms (on paper as well as on computer) according to the regions and towns. It should contain the information listed below for each town.

Please use the letterhead of the authority you are representing, e.g. Oshana Regional Council, Gobabis Town Council or Bethanie Village Council.

The required loan registration details are:

- 1 Reference no.
- 2 Surname and First name
- 3 Address: Postal Address
- 4 Residential Address
- 5 Telephone numbers – Home, Work and Cell
- 6 Date of Birth/ID number/Drivers license/Passport Number
- 7 Name of employer and monthly income
- 8 Loan Amount
- 9 Loan Option
- 10 Monthly Instalments
- 11 Name of Bank and Bank Branch Code/Number
- 12 Account Number
- 13 Type of Account
- 14 Name of Co-applicant
- 15 Relationship with Co-applicant
- 16 Address of Co-applicant
- 17 Loan Approval
- 18 Loan Advice

K2 RC/LA Reference Number

It is important that in all correspondence and transactions the Reference Number for the specific city, municipality, town or village is correctly assigned. The first two digits of the Reference Number identify the Region; the second two the town; and the last six the borrower.

The assigned numbers are given in **Annexure B**.

Examples:

The region (first two digits) followed by the LA (second two digits), followed by the borrower (last 6 digits):

- The first loan in Omaruru (Erongo Region) will have the Reference Number of 08[Region] 06[Town] 000001 [Borrower] = 0806000001
- The 25th loan in Gobabis will have the Reference No. of 10[Region] 01[Town] 000025 [Borrower] = 1001000025

K3 Loan Approval Advice

Once the RC/LA is satisfied with an application, the following have to be done:

- 3.1 Register the loan in the register and assign the reference number
- 3.2 Open a file for the applicant (both paper and computer)
- 3.3 Prepare the "Loan Approval Advice", MURD - BT 11
- 3.4 Prepare the "Loan Agreement Form", MURD - BT 8
- 3.5 Send the Loan Approval Advice along with two copies of the Loan
- 3.6 Option 1:
 - a) Negotiate with local contractors
 - b) Tenders out
 - c) After completion of houses give keys to beneficiaries
- 3.7 Option 2:
 - a) Buy materials for beneficiaries as they reach the specific stages
 - b) Beneficiaries seek for own contractors?
- 3.8 Signing of the Agreement Forms by the applicant and two witnesses.
- 3.9 A copy of the Loan Approval Advice remains in the file of the borrower.

The Loan Approval Advice will state the amount approved, the monthly repayment, instructions-that is when to start work on the site, for example site clearing, foundation work. The original Loan Agreement Form signed by the borrower also has to come back to the file in the Regional Councils/Local Authorities offices.

An example of the Loan Approval Form **BT 11** (for Maltahöhe Village Council) is shown on the next page.

BUILD TOGETHER PROGRAMME - BT 11: LOAN APPROVAL FORM

Dear Sir/Madam,

Reference Number: _____

The Maltehöhe Village Council is please to inform you that the following loan has been approved for you under the Decentralized Build Together Programme.

- a) Loan option: _____
- b) Loan amount: _____
- c) Interest rate: _____
- d) Period of repayment: _____
- e) Monthly repayment: _____

If you are happy to accept this offer sign the enclosed Loan Agreement Form (Form BT8), initial all the pages and return the original to the Village Council and keep the copy for your records.

Please open a bank account in a bank operating in your area and complete the attached slip at the end of this letter, with the endorsement of the bank and return it to the RC/LA.

Please take note that no building/ construction work should be started until further instructions are received from this office.

In all your further correspondence do not forget to enter the Reference number as it appears at the top.

Wishing you success in building your house.

Yours faithfully,

SIGNATURE OF VILLAGE SECRETARY

DATE

To:
The Village Secretary
Maltahöhe Village Secretary
P. O. Box _____
Maltahöhe

Reference number: _____
Surname: _____ First Names: _____

Postal Address: _____

Namibian Id number: _____ Erf number: _____
Name of Bank: _____ Branch: _____
Account number: _____ Type of account: _____
Signature: _____

We certify that the above named person hold the stated account in our branch of the bank.

BANK MANAGER

DATE STAMP

K4 Loan Repayment Methods

The loan repayment methods are:

- Stop Orders
- Salary Deductions
- Cash Payments
- Debit orders
- Electronic payments

L. LOAN AGREEMENT

L1 Loan Agreement

- 1.1 The Loan Agreement Form (MURD -BT 8) is the most important legal document. It should be filled in legibly and completely in black ink. All information requested should be provided and where the information is not applicable it should be stated so.
- 1.2 All pages of the contract should be initialled by both parties (the debtor and the creditor) and the witnesses. In the case of joint applications, both names and identity numbers should be stated and both should sign on the last page of the contract and initial all the pages.
- 1.3 Before signing the contract it is important to inform the debtor, the obligations and the rights as a debtor, and the penalties that would be imposed in case of breach of contract.
- 1.4 Once the contract is signed by the beneficiary and on behalf of the RC/LA (the Creditor) the original should be placed in the safe, a photocopy in the file and a copy should be sent to the beneficiary. The original contract should not be punched.
- 1.5 A loan cannot be disbursed without both parties (the Creditor and the Debtor) signing the Loan Agreement.

The Loan Agreement Form (MURD -**BT 8**) is given on the following page.

BUILD TOGETHER PROGRAMME - BTs: LOAN AGREEMENT FORM

MEMORANDUM OF AGREEMENT ENTERED INTO AND BETWEEN MALTAHOHE VILLAGE COUNCIL HEREIN REPRESENTED BY THE VILLAGE SECRETARY (HEREAFTER CALLED "THE CREDITOR")

AND

Main Applicant / Debtor	Co-Applicant
Full Names:	Full Names:
Identification Number:	Identification Number:
Postal Address:	Postal Address:
Marital Status:	Marital Status:

(HEREAFTER CALLED "THE DEBTOR")

1. BUILDING LOAN

THE CREDITOR hereby lends and advances to the Debtor, subject to the implementation guidelines, who shall erect/upgrade/purchase (*Delete which is not applicable) a building (s) on

Certain Erf No: (which is registered in his/ her own name)

Situated at:

Measuring:m²

(HEREAFTER CALLED "THE PROPERTY")

All correspondence must be addressed to the Village Secretary.

2. LOAN OPTION

- 2.1. **THE CREDITOR** hereby lends and advances to the Debtor an amount of N\$.....(loan amount) for the purpose of erecting/upgrading/purchasing building on Erf:according to the plans attached hereto as ANNEXURE "A"
- 2.2. **THE DEBTOR** hereby is truly and lawfully indebted to and on behalf of the Creditor in the sum of(loan option) from the loan lent and advance by the Creditor as specified in the Technical Report {Form MURD BT2}
- 2.3. **THE DEBTOR** shall repay the loan over a period of twenty (20) years starting from.....as calculated by the Creditor in monthly instalment of N\$.....as set out in ANNEXUTURE "B" until the full amount together with interest thereon is repaid.
- 2.4. This loan shall carry an interest rate of% p.a. calculated on the monthly balance due under this loan.
- 2.5. **THE CREDITOR** has the right to:-
 - a) Adjust interest rate mentioned in paragraph 2.4. to the extent that interest rate increase or decrease on this loan after giving one (1) month notice in writing to the Debtor.
 - b) Demand the repayment of the loan from the Debtor, whether the erection of the building is completed or not, after the expiration of 12 month period from the date of the signing of this contract
- 2.6. Where the right of ownership can be obtained by the Debtor, a bond must be registered over the property to secure this loan in the sum of t he loan continuing covering of security for money lent and advanced.

- 2.7. Where the right of ownership cannot be obtained by the Debtor at the time of entering into this agreement, the property will remain registered in the name of the Creditor until the full amount is paid.
- 2.8. The Debtor shall punctually pay all rates and taxes, cost of registration of the bond and any charges of whatever nature in respect of the said property to the relevant authority who is supplying services and shall lodge with such authority such deposit, if any, which it may require in this regard.

3. VARIATIONS:

- 3.1 This agreement contains the whole of the agreement between the parties and any other terms , provisions and conditions whether express or implies are excluded here from and any variation, alterations or additions to this agreement shall not be in any force or effect unless reduced to writing and signed by the Creditor and Debtor.
- 3.2 Nothing contained in this agreement shall preclude the Debtor to effect larger payments than those agreed upon in this agreement.

4 INSURANCE:

- 4.1 The property which is or may hereafter be erected shall be insured at an insurance company, to be selected by the Creditor at any time during the continuation of this loan against risk of loss or damage by fire and or any other perils as the Creditor may require.
- 4.2 The policy of such insurance shall effect in the name of the Debtor or Co-debtor, if any and the Creditor for their respective rights and interest.
- 4.3 The Debtor shall as and when premiums fall due punctually pay the amounts to the Creditor who will transfer it to the insurer.
- 4.4 The Creditor shall have the right and be entitled to adjust, settle, compromise and or submit to arbitration all claims, payments, disputes and matters arising from and under such insurance referred to this property and institute action in respect thereof.

5 CERTIFICATE

- 5.1 The Debtor accepts that the amount which is certified by the person who is concerned with financial control or Chief Accounts Officer of the Creditor, is prima facia due to overdue by the Debtor and that such certificate can be used as the basis for legal steps against the Debtor for the repayment of any amount in arrears due or to obtain judgement.

6 DOMICILIUM

- 6.1 For the purpose of this agreement and for the purpose of the serviced delivery of any notice under this agreement or any legal proceedings the Debtor and Creditor chooses the domicilium citandi et executandi as follows :-

The Debtor:

Erf no:

Street name:

Town/Village/Settlement:

Region:

The Creditor:

Erf no:

Street name:

Town/Village/Settlement:

Region:

7 JURISDICTIONS:

The Debtor hereby agrees that the Creditor to take any legal proceedings under this agreements at the Creditor’s option either in the High Court or the Magistrate Court of competent jurisdiction in relation the Debtor and the Debtor consents to one of the abovementioned court having jurisdiction in relation to the matter of claim of the agreement.

8 BREACH OF CONTRACT

Should the Debtor commit a breach of any conditions of this agreement or fail to make any payment to the Creditor on due date, or fail to carry out any obligations incumbent on him/her under this agreement on due date, the Creditor shall have the following rights, without prejudice to any other rights to which the Creditor may be entitled in law or under this agreement, namely:-

- a) To enforce performance of the Debtor’s obligations including payment of the full balance of the loan with interest therein.
- b) To cancel this agreement and retake possession of the property.
- c) Without any notice to the Debtor to take legal proceedings to correct the debts from the Debtors as well as any damages or cost involved which the Creditor may have suffered as a result of breach of this agreement.

Signed at: on thisday of
by or on behalf of the Debtor in the presence of the undersigned.

AS WITNESS:

1.....

2.....

.....

DEBTOR

.....

CO-APPLICANT

AS WITNESS:

1.....

2.....

.....

CREDITOR

M. Work Inspection & Progress Payment

M1 Work Inspection & Progress Payment

- 1.1 The beneficiaries should select the type of house to be built which matches the loan from the type of plans available at the Regional Councils or Local Authorities. If a beneficiary wishes to build according to his/her own plan, a copy of it should be attached to the application. A standard Technical Report, MURD **BT2** will be prepared at the offices of Regional Councils or Local Authorities based on the house plan and the loan amount. One copy of the Technical Report should be in the file, one with the beneficiary, one with the Build Together Committee.
- 1.2 Inspectors from Local Authorities or Regional Councils will visit the sites with a photocopy of the Technical Report and make an assessment of the value of work done on site.
- 1.3 The Inspectors will certify the value of work done and materials on site and prepare a payment recommendation (standard form) and pass it over to the Support Team.
- 1.4 Based on the Payment Recommendation, the Finance and Administration Team prepares the Payment Instructions to the Bank to credit the recommended amounts to beneficiary's individual accounts. No progress payment will be recommended if the house is not built up to the required level of the construction.

The progress payment authorisation (**BT 13**) is shown on the following page.

BUILD TOGETHER PROGRAMME – BT 13: PROGRESS PAYMENT AUTHORISATION

PAYMENT NO: _____

REFERENCE NUMBER: _____

BANK DETAILS: _____

LOAN APPROVED: N\$ _____ - _____ N\$ _____

NAME: _____

DATE: _____

ADDRESS: _____

ERF NO: _____

TOWN/VILLAGE/SETTLEMENT: _____

GROSS AMOUNT OF WORK EXECUTED TO DATE: N\$ _____

LESS PREVIOUS PAYMENT AS FOLLOWS:

PAYMENT TO MUNICIPALITY/VILLAGE: 1) _____ N\$ _____

PROGRESS PAYMENT: 2) _____

PROGRESS PAYMENT: 3) _____

PROGRESS PAYMENT: 4) _____

PROGRESS PAYMENT: 5) _____ N\$ _____

PROGRESS PAYMENT: 6) _____

PROGRESS PAYMENT: 7) _____

PROGRESS PAYMENT: 8) _____

PROGRESS PAYMENT: 9) _____

PROGRESS PAYMENT: 10) _____

CURRENT PAYMENT AUTHORIZED: _____ **N\$** _____

PREPARED BY: _____
NAME & SIGNATURE DATE

CHECKED BY: _____
NAME & SIGNATURE DATE

APPROVED BY: _____
NAME & SIGNATURE DATE

N. LOAN REPAYMENTS & DEBT ADMINISTRATION PROCEDURES

N1 Loan Administration

This function is supervised by the General Services Department at regional councils and the Finance and Administration Departments at local authorities. Field Teams submit completed documents in files for inspection and final approval for those eligible.

The **Field Team functions** are:

- a.6 The Supervisor must exercise credit control within the authority limitations as explained under arrears follow-up steps.
- a.7 Must check and verify whether unit cost calculations for loans and housing units had been determined correctly for various schemes. In case where need be, documentation must be prepared on schemes for approval.
- a.8 Must keep records and files on all beneficiaries and determine the date of the first instalment once contracts are signed.
- a.9 Inform employers about obligations of a beneficiary and ensure that debit orders reach them, if need be.
- a.10 Ensure that all relevant loan approval requirements are met by applicants.

N2 Debt Administrative Procedure

The Directorate of Housing must make every effort in computerizing its housing loan record-keeping system. In situations where no debit orders apply, repayment offices under local authorities should be accessible to the beneficiaries with due consideration to appropriate office hours.

The **Accounts Section functions** are:

- 2.1 To receive statements on all disbursements and deposits and to process the individual accounts on the computer within a week that the information has been received.
- 2.2 Information on all stop orders signed must be provided to this section. As many clients as possible must be encouraged to take up this facility. Deductions can be arranged at source of employment or through accounts held at banks, building societies or the office. A register must be kept/ printed of all stop orders. Any debit order outstanding for a month must be reported immediately to the Loans Administration unit for credit control purposes.
- 2.3 To keep all accounts within an arrear limit of 60 days by providing up to date accounting.

N3 Credit Control Measures

- 3.1 The BTC is the link between the RC/LA and the beneficiaries in the DBTP. The beneficiaries should be treated with respect and patience at all times.
- 3.2 If beneficiaries fall into arrears, it is important that personal visits to them be maintained. They should not regard the BTC as an enemy neither should they be let to feel that the RC/LA, is not interested in their circumstances and only wishes to put them in trouble.
- 3.3 The objective should be to reduce the perception that once in arrears they have problems with both the BTC and the RC/LA rather the feeling should be that these institutions are there to help them help themselves.
- 3.4 Visits will also assist in ascertaining if a client is still living in the house and if not, those occupying the house would assist in tracing the client. The debtors should be visited personally so that the 30 days notice can be served when due. Those charged with the

updating of the address list could also be better advised, should circumstances change at the current address.

- 3.5 Ideally, all the BTC's as well as those groups which would be directly involved with rent/instalment collection should have a crash course in the implementation of the instruments of loan administration i.e. acknowledgement of debts, voluntary surrender, eviction and related collection matters.

N4 Debt Action Authority Levels

- 4.1 For debt outstanding up to three months, the Deputy Director/Head of Finance in the loans administration unit must be informed in order to take action.
- 4.2 Arrears over 6 months, cases of legal action and bond cancellations must be referred to management, (Chief Regional Officer at RC; OR Chief Executive Officer at LA's); for recommendation to the Council.
- 4.3 All debt rescheduling cases must be referred to a Management Committee.

O. MANAGEMENT OF REVOLVING FUND

The 'Administration of Housing Revolving Funds' are described in Parts III to V of the National Housing Development Act (Act No. 26, 2000).

As stated, the purpose of the Housing RF is to:

- a) grant loans to persons for constructing or acquiring low cost residential accommodation, or for the purpose of acquiring land, in geographical areas;
- b) acquire land or materials for the purpose of constructing low cost residential accommodation in geographical areas, to construct such accommodation and to let or sell such accommodation to any person;
- c) grant loans to persons for the purpose of constructing low cost residential accommodation in geographical areas on behalf of other persons.

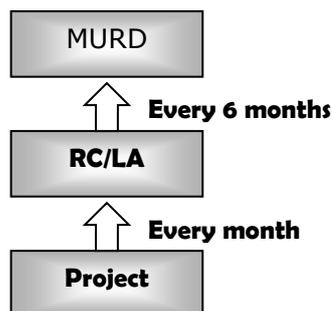
Every RC and LA shall control and manage, subject to the other provisions of the Act, the Housing RF established by it in the region or LA area concerned. An official has to be appointed as accounting officer for the Housing RF in each RC/LA. The duties of the accounting officer include the making of payments, entering into agreements, keeping of proper records of all financial transactions and the preparation and submission of monthly management reports to management committee.

It should be noted that in the absence of financial institutions, beneficiaries can make their payments at the RC/LA offices.

Within a period of six months after the end of each financial year of the Fund, the Auditor-General shall audit the books of the Housing RF in respect of the financial year concerned.

P. PERFORMANCE MONITORING & REPORTING

It is required from each RC and LA to report on the BTP progress. The two levels of progress reporting are described below.



P1 Monitoring & Reporting from BTP Team to RC/LA CRO/CEO

The BTP Team should report on project progress to the LA/RC on a monthly basis, as required by the Act. The report should include:

- 1.1 General progress per project, including problems, based on the monitoring and evaluation during the whole construction process, from excavation stage
- 1.2 Whether feasibility studies were carried out before constructions, incl. availability of suitable land/plots
- 1.3 Inclusion of weekly site visits reports
- 1.4 Records of payments made to contractors/suppliers
- 1.5 Proof of insurance of houses before loan repayments; insurance amounts to be equal to loan amounts, from start of construction (RF to be used to pay insurance while houses are under construction)
- 1.6 Record of houses handed over to Beneficiaries after completion
- 1.7 Report on retention amounts applied (to be released 12 months after completion if no defects)
- 1.8 Proof of housing valuations every 5 years (updated valuation roll)
- 1.9 Registration of local builders (RC/LA should have the power to fire contractors if construction is not according to agreed standards/quality/specifications)
- 1.10 Proof that house construction started within 3 months after funds were released

P2 Reports from RC/LA to MURD

Each RC/LA should submit a progress report in the standard format to MURD every six months. The report consists of two main components, namely:

- 2.1 The housing statistics on the prescribed tables (see **Annexure C**)
- 2.2 The questionnaire linked to the "Sustainable BTP House", assessing the condition of each building block in the 6 main components (H R O T C F) of the House (See **Annexure D**).
- 2.3 Both reports (as shown in Annexures C and D) should be submitted to MURD at the **end of March and end of September of every year.**

ANNEXURE A: MONTHLY LOAN REPAYMENTS

The required **monthly repayment** over **20 years** for a specific loan amount is indicated in the table below. Interest rates of between 4 and 7% apply. The maximum loan size is N\$40,000. Refer to the nine main options in chapter D.

LOAN AMOUNT [N\$]	4%	4.5%	5%	5.5%	6%	6.5%	7%
3,000	18.18						
4,000	24.24						
5,000	30.30						
6,000	36.36						
7,000	42.42						
8,000	48.48						
9,000	54.54						
10,000	60.60						
11,000	66.66						
12,000	72.72						
13,000	78.78						
14,000	84.84						
15,000	90.90						
16,000	96.96						
17,000	103.02						
18,000	109.08						
19,000	115.14						
20,000	121.20						
21,000	127.26						
22,000	133.32						
23,000	139.38						
24,000	145.44						
25,000	151.50						
26,000	157.55						
27,000	163.61						
28,000	169.67						
29,000	175.73						
30,000	181.79						
31,000	187.85						
32,000	193.91						
33,000	199.97						
34,000	206.03						
35,000		221.43					
36,000			237.58				
37,000				254.52			
38,000					272.24		
39,000						290.77	
40,000							310.12

ANNEXURE B: RC/LA REFERENCE NUMBERS

It is important that in all correspondence and transactions the Reference Number for the specific city, municipality, town or village is correctly assigned. The first two digits of the Reference Number identify the Region; the second two the town; and the last six the borrower. Refer to Section K2 for an example.

REGION <i>(FIRST 2 DIGITS)</i>	LA <i>(SECOND 2 DIGITS)</i>
01 Kunene	01 Khorixas 02 Outjo 03 Opuwo 05 Kamanjab 06 Fransfontein 07 Sesfontein 08 Okangwati
02 Omusati	01 Uutapi 02 Tsandi 03 Nakayale 04 Okahao 05 Oshikuku 06 Onesi 07 Elim 08 Ogongo 09 Okalongo 10 Anamulenge 11 Ruacana
03 Oshana	01 Evululuko-Oshakati 02 Oneshila-Oshakati 03 Ondangwa 04 Oshoopala-Oshakati 05 Uupindi-Oshakati 06 Ongwediva 07 Oshakati West 08 Twahangana-Oshakati 09 Ompumbu-Oshakati 10 Kandjengedi-Oshakati
04 Ohangwena	01 Eenhana 02 Helao Nafidi (incl. Oshikango & Omafo-Engela) 03 Omundaungilo 04 Omungwelume 05 Ongenga 06 Okongo 07 Endola 8 Ondobe 9 Epembe 10 Ongha

05 Oshikoto	01 Tsumeb 02 Oshivelo 03 Omuntele 04 Okankolo 05 Onayena 06 Onethindi-Oniipa 07 Olukonda 08 Oshigambo 09 Okatope 10 Guinas 11 Engodi 12 Omuthiya-wiipundi 13 Onyaanya 14 Tsumeb SDFN
06 Okavango	01 Rundu 02 Nkurenkuru 03 Mpungu 04 Mashari 05 Mupini 06 Kahenge 07 Kapako 08 Divundu 09 Ndiyona 10 Rundu SDFN
07 Caprivi	01 Kaima Mulilo 02 Linyangi 03 Bagani 04 Mukwe 05 Bukalo 06 Kongola 07 Sibinda 08 Kabbe 09 Chichimane
08 Erongo	01 Swakopmund 02 Walvis Bay 03 Henties Bay 04 Usakos 05 Karibib 06 Omaruru 07 Otjimbingwe 08 Okombahe 09 Omatjete 10 Uis 11 Arandis 12 Usakos SDFN 13 Endela Pamwe Nethimbo- Walvis Bay 14 Hadamo /Hoa –Swakopmund 15 Huidare SDFN-Swakopmund 16 Wana Nashoye SDFN-Walvis Bay

09 Otjozondjupa	01 Otjiwarongo 02 Okahandja 03 Otavi 04 Kalkveld 05 Grootfontein 06 Okakarara 07 Okamatapati 08 Okondjatu 09 Tsumkwe 10 Okatjorou 11 Coblenz 12 Otjiwarongo SDFN 13 Otavi SDFN
10 Omaheke	01 Gobabis 02 Otjinene 03 Corridor No.13 04 Leonardville 05 Witvlei 06 Tallismanus 07 Epukiro 08 Aminuis 09 Gobabis SDFN
11 Khomas	01 Ombili 02 Saamstaan Housing Group 03 Dordabis 04 Groot Aub 05 Khomasdal 06 Single-Quarters-Katutura 07 Individual Loans in Katutura 08 People's Force Housing Group 09 Habitat II Saving Group 10 Homeless 11 Ipelegeng Bomma Group 12 Nguundja 13 Ounongo Woye 14 Yambidhidha 15 Self Services 16 Penduka 17 Eagles Community Group 18 Dibasen 19 Limbandungila 20 Barcelona 21 New Life 22 Huidare 23 Ngatukondje 24 Dreamland Group 25 Roofless 26 Goodland 27 Bethesda Housing Group 28 Longa Shoye 29 Dantago 30 Ehi roruyano Housing Group 31 Sunshine 32 Endileni 33 Tutala 34 Twahangana 35 Rehoboth Housing Group 36 Promise land 37 Ikemeleng Saving Group

12 Hardap	01 Mariental 02 Khara Tsasib – Mariental 03 Gibeon 04 Stampriet 05 Gochas 06 Aranos 07 Kalkrand 08 Maltahohe 09 Rehoboth 10 Hoachanas
13 Karas	01 Karasburg 02 Warmbad 03 Luderitz 04 Tses 05 Bethanie 06 Keetmanshoop 07 Berseba 08 Aroab 09 Ariamsvlei 10 Grunau 11 Koes 12 Aus 13 Noordoewer 14 Haida Omo≠ Hau Group (Keetmanshoop)

ANNEXURE C: REPORTING FORMAT OF STATISTICS

For each of the four BTP components, each RC/LA should report bi-annually to MURD their BTP Progress in the following formats.

ANNEXURE D: QUESTIONNAIRE ON THE BTP SUSTAINABLE HOUSE

Based on the workshops held in 2005 and 2006, various problems/challenges in the BTP have been identified and categorised in six broad areas. These six areas, called strategic focus areas, were used to build the so-called "Sustainable BTP House", depicting a successful and sustainable BTP as a house. The model for the BTP tells us that to be successful with the BTP and to be sustainable, we need to focus on these six components or focus areas. This 'House' needs to be built from the bottom up. The components/strategic focus areas are:

H: Habitat & Community as the foundation for the house – a conducive environment on which the BTP can be built;

R: Resources and capacity (the floor) including physical/natural, monetary and human resources;

O: Organisational management (the walls) – the internal organisational processes to enable technical service delivery;

T: Technical management (the walls) – the technical processes of service delivery;

C: Customer care (lower roof) - maintaining good relations and ensuring customer satisfaction;

F: Financial performance (upper roof) - results of the lower components ensuring financial sustainability. The revolving fund ensures that housing delivery is sustainable, as indicated by the arrow back to Resources & Capacity.

All the challenges and possible solutions identified at the various workshops were grouped into one of these strategic focus areas. Challenges were converted to essential building blocks towards success and sustainability in the BTP. These essential building blocks in each area can be regarded as objectives towards the overall BTP vision. Like a puzzle, all building blocks have to be included in the BTP 'House' to ensure the complete picture of the BTP.

In the following figure the BTP model is shown with its six strategic focus areas and 31 essential building blocks. Note that this model should be regarded as a hypothesis that needs to be tested. It will be used as the basis for reporting BTP progress in each RC and LA.

The questionnaire is available at MURD and guides you through the 'House'. It helps you to assess the condition of each of these 31 essential building blocks. We need to determine the health of this 'House' in each RC and LA. We do this by assessing the presence or health of each building block. As with any house construction, all essential building blocks are needed, otherwise the house will collapse. We need to identify the weak spots in our 'House' to take remedial action. We are also going to compare our 'House' with the "Houses" of the other RCs and LAs to learn from each other and to apply best practices.

"The Sustainable BTP House"



Vision 2030, NDP, Habitat II Agenda

