

Informal Settlement – Supply Side Interventions

Intervention Type	In-situ upgrades of informal settlements (with formal top structure) (informal)	Site and service (with formal top structure) (informal)	In-situ upgrades of informal settlements (with Incremental top structure) (informal)	Site and service (with Incremental top structure) (Informal)	Site and service (with Incremental top structure) (Informal) (infill)	Site and service (with Incremental top structure) (New HH) (periphery)	Site and service (with Incremental top structure) (New HH) (infill)	Site and service (with formal top structure) (New HH)	RDP Housing (Project linked subsidy) (Backyard)
Unit Price	129 707	140 910	139 367	142 465	152 790	142 465	152 790	140 910	140 910
State Contribution	129 707	140 910	31 531	34 481	44 314	34 481	44 314	140 910	140 910
<i>(State Contribution as % of Total Cost)</i>	100%	100%	23%	24%	29%	24%	29%	100%	100%
Household Contribution	-	-	107 837	107 984	108 476	107 984	108 476	-	-
	0%	0%	77%	76%	71%	76%	71%	0%	0%
Private Sector Contribution	-	-	-	-	-	-	-	-	-
	0%	0%	0%	0%	0%	0%	0%	0%	0%

Backyard Rental – Supply Side Interventions

Intervention Type	Upgrade of Backyard Rental (with incentive)	Subsidised Social Rental SHRA (Apartment) (New HH)
Unit Price	68 912	198 175
State Contribution <i>(State Contribution as % of Total Cost)</i>	25 631 <i>37%</i>	184 000 <i>93%</i>
Household Contribution	43 282 <i>63%</i>	- <i>0%</i>
Private Sector Contribution	- <i>0%</i>	14 175 <i>7%</i>

New Household Formation – Supply Side Interventions (Rental)

Intervention Type	Privately Developed Rental (Apartment) (New HH) (Infill)	Privately Developed Rental (Apartment) (New HH) (Inner City)	SHI Developer Delivered Subsidised Rental (Apartment)	Household Rental (Formal Apartment)	Privately Converted Industrial space to Residential Units
Unit Price	187 113	198 175	198 175	155 551	153 454
State Contribution	-	-	99 088	-	-
<i>(State Contribution as % of Total Cost)</i>	0%	0%	50%	0%	0%
Household Contribution	-	-	-	155 551	-
	0%	0%	0%	100%	0%
Private Sector Contribution	187 113	198 175	99 087	-	153 454
	100%	100%	50%	0%	100%

New Household Formation – Supply Side Interventions (Ownership)

Intervention Type	Developer Delivered Formal House for Ownership (New HH) (Infill)	Developer Delivered Formal House for Ownership (New HH) (Periphery)	Privately Developed Bonded 'RDP' House (savings 4b)	Sub-Divided Formal House for Ownership	Sub-Divided Formal House for Ownership
Unit Price	267 931	231 671	160 850	220 410	220 410
State Contribution	-	-	-	-	-
<i>(State Contribution as % of Total Cost)</i>	0%	0%	0%	0%	0%
Household Contribution	267 931	231 671	160 850	220 410	220 410
	100%	100%	100%	100%	100%
Private Sector Contribution	-	-	-	-	-
	0%	0%	0%	0%	0%

SCENARIO 1 – Historic Practice

Circumstance	Basis of Quantification			
	Intervention	Arena	Density Units/HA	Demand interventions
Informal settlements	60% into in situ upgrading with formal top structure (all income groups)	Ex t'ship Periphery	60	None
	40% relocated into site and service with formal top structure(all income groups)		40	None
Backyard rental	100% relocated to RDP house regardless of income (all income groups)	Periphery	40	None
New family formation	< R3,499:	Inner city Periphery	80	None
	50% into subsidised social rental SHRA		40	None
	50% into site and service with formal top structure			
	R3,500 – R6,999:			
	100% into subsidised social rental SHRA	Inner city	80	None
	R7,000 – R9,999:			
	100% into developer delivered formal house for ownership	Infill	30	FLISP(Original)
	R10,000 – R14,999:			
	100% into developer delivered formal house for ownership	Infill	30	FLISP(Original)
	> R15,000:			
20% into privately developed residential rental	Inner city Infill	80	None	
80% into developer delivered formal house for ownership		30	FLISP(Original)	
Formal owned & rented and traditional dwelling	100% of households who have a backlog of service connection receive basic service connections (water, sanitation, electricity)	Existing suburbs	N/A	None

SCENARIO 2 – Lowest Cost to State

Circumstance	Basis of Quantification			
	Supply interventions			Demand interventions
	Intervention	Arena	Density Units/HA	
Informal settlements	60% into in-situ upgrading with incremental top structure (<i>all income groups</i>)	<i>Existing township</i>	60	None
	40% relocated into site and service with incremental top structure (<i>all income groups</i>)	<i>Periphery</i>	60	None
Backyard rental	100% into upgrade of backyard rental with incentive (<i>all income groups</i>)	<i>Existing suburbs</i>	N/A	None
New family formation	< R3,499: 100% into site and service with incremental top structure	<i>Periphery</i>	60	None
	R3,500 – R9,999: 100% into SHI/Private developed rental and household rental (<i>all with incentive</i>)	<i>Infill</i>	80	None
	R10,000 – R14,999:			
	50% into privately developed residential rental	<i>Infill</i>	80	None
	50% into developer delivered formal house for ownership	<i>Periphery</i>	40	None
> R15,000:	20% into privately developed residential rental	<i>Infill</i>	80	None
	80% into developer delivered formal house for ownership	<i>Periphery</i>	40	None
Formal owned & rented and traditional dwelling	100% of households who have a backlog of service connection receive basic service connections (water, sanitation, electricity)	<i>Existing suburbs</i>	N/A	None

SCENARIO 3 – Formalisation of Informality

Circumstance	Basis of Quantification			Demand interventions
	Supply interventions			
	Intervention	Arena	Density Units/HA	
Informal settlements	60% into in-situ upgrading with incremental top structure (<i>all income groups</i>)	<i>Existing townships</i>	60	Housing Voucher
	40% relocated into site and service with incremental top structure (<i>all income groups</i>)	<i>Periphery</i>	60	Housing Voucher
Backyard rental	100% into upgrade of backyard rental with incentive (<i>all income groups</i>)	<i>Existing suburbs</i>	N/A	None
Formal owned & rented, traditional dwelling	100% of households who have a backlog of service connection receive basic service connections (water, sanitation, electricity)	<i>Existing suburbs</i>		None
New family formation	< R3,499: 100% into site and service with incremental top structure	<i>Periphery</i>	60	Housing voucher
	R3,500 – R6,999: 30% into subsidised social rental SHRA	<i>Inner city</i>	80	None
	30% into SHI/privately developed subsidised residential rental with incentive	<i>Inner city</i>	80	None
	40% into developer delivered RDP house for ownership with incentive	<i>Periphery</i>	40	FLISP (Revised)
	R7,000 – R9,999: 20% into privately developed residential rental with incentive	<i>Inner city</i>	80	None
	40% into developer delivered RDP house (with Bond) for ownership with incentive	<i>Periphery</i>	40	FLISP (Revised)
	40% into developer delivered formal house for ownership	<i>Periphery</i>	40	FLISP (Revised)
	R10,000 – R14,999: 40% into privately developed residential rental	<i>Infill</i>	80	None
60% developer delivered formal house for ownership	<i>Infill</i>	40	None	
> R15,000: 20% into privately developed residential rental	<i>Infill</i>	80	None	
80% developer delivered formal house for ownership	<i>Infill</i>	40	None	

Scenario 4: National Development Plan (Absorption and sustainability)

Basis of Quantification				
Circumstance	Supply interventions			Demand interventions
	Intervention	Arena	Density Units/HA	
Informal settlements	In urban areas that are experiencing growth: 100% of HH receive admin incorporation of informal settlements (all income groups) (and then access permanent housing opportunities as per new family formation)	Informal Settlements	N/A	None
	In urban areas not experiencing growth: 60% into in-situ upgrading with incremental top structure (all income groups)	Existing Informal Settlements	60	Housing Voucher
	40% relocated into site and service with incremental top structure (all income groups)	Infill	60	Housing Voucher
Backyard rental	100% into upgrade of backyard rental with incentive (all income groups)	Existing townships	N/A	None
Formal owned & rented, traditional dwelling	100% of households who have a backlog of service connection receive basic service connections (water, sanitation, electricity)	Existing suburbs & Townships	N/A	None

Scenario 4: National Development Plan (Absorption and sustainability)

Basis of Quantification				
Circumstance	Supply interventions			Demand interventions
	Intervention	Arena	Density Units/HA	
New family formation and Informal settlement (Admin Incorporation)	< R3,499:			
	50% into site and service with incremental top structure	Infill	60	Housing voucher
	50% into household rental with incentive (R 40 000)	Existing Suburbs	N/A	None
	R3,500 – R6,999:			
	25% respectively into SHI/ Privately developed subsidised residential rental with incentives, 15% household rental with incentives	Inner city Existing Suburbs	80	None
	60% into developer delivered RDP houses for ownership(with incentive)	Infill	60	Savings linked Interest rate subsidy (Option 4b)
	R7,000 – R9,999:			
	20% into sub-divided formal house for ownership with incentive	Infill	N/A	Savings linked Interest rate subsidy(Option 4b)
	15% SHI/ Privately developed subsidised residential rental wit incentives, 15% Household rental with incentives,	Infill Existing Suburbs	80	None
	50% into developer delivered formal RDP house for ownership (all with incentive)	Infill	60	Savings linked Interest rate subsidy(Option 4b)
	>R10,000			
	30% into privately developed residential rental or household rental	Infill	80	None
	70% into developer delivered formal house for ownership	Infill	40	None