



## **‘SMART PARTNERSHIP’ ARRANGEMENTS**

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### Introduction to Templates and Financial Tools

#### **1. BACKGROUND**

The **Social Housing Smart Partnership** contracting arrangement is a systems approach to establish strong mutually beneficial contractual arrangements between a Municipality and an accredited non-profit Social Housing Institution (SHI). The intention is to establish a solid basis on which a municipality can work with a SHI to use Social Housing delivery to achieve important municipal urban restructuring and socio-economic development objectives.

It helps a municipality to structure its relationship so that it can release assets and resources and help ensure that these are properly used for the intended socio-economic objectives. At the same time, it gives the basis for the SHI partner to run a more viable and sustainable SH business ensuring its longer- term ability to deliver on the municipality’s intent.

The approach and related documents are prepared in accordance with the national Social Housing policy and regulations and within the Framework of the MFMA. It also recognises that there is a strong national regulatory framework for monitoring performance of SHIs through the Social Housing Regulatory Authority (SHRA).

The approach structures a strong linkage between Social Housing pipeline management by the municipality, the release of land/buildings and other resources while protecting against misuse and achieving the conditions of the partnership.

This introduction and related templates and financial tools for the ‘Smart Partnership Approach’ are the intellectual property of the National Association of Social Housing Organisations (NASHO) in South Africa and Rooftops Canada. The documents were developed as part of the *Equal Spaces: Social Housing to End Spatial Apartheid Project 2016-2020* funded in part by the Government of Canada through Global Affairs Canada. Please see the “LEGAL NOTICE” below for further details on the allowable use of these documents.

#### **2. OVERVIEW OF STRUCTURING AND PROCESS OF PARTNERSHIP AND LAND RELEASE**

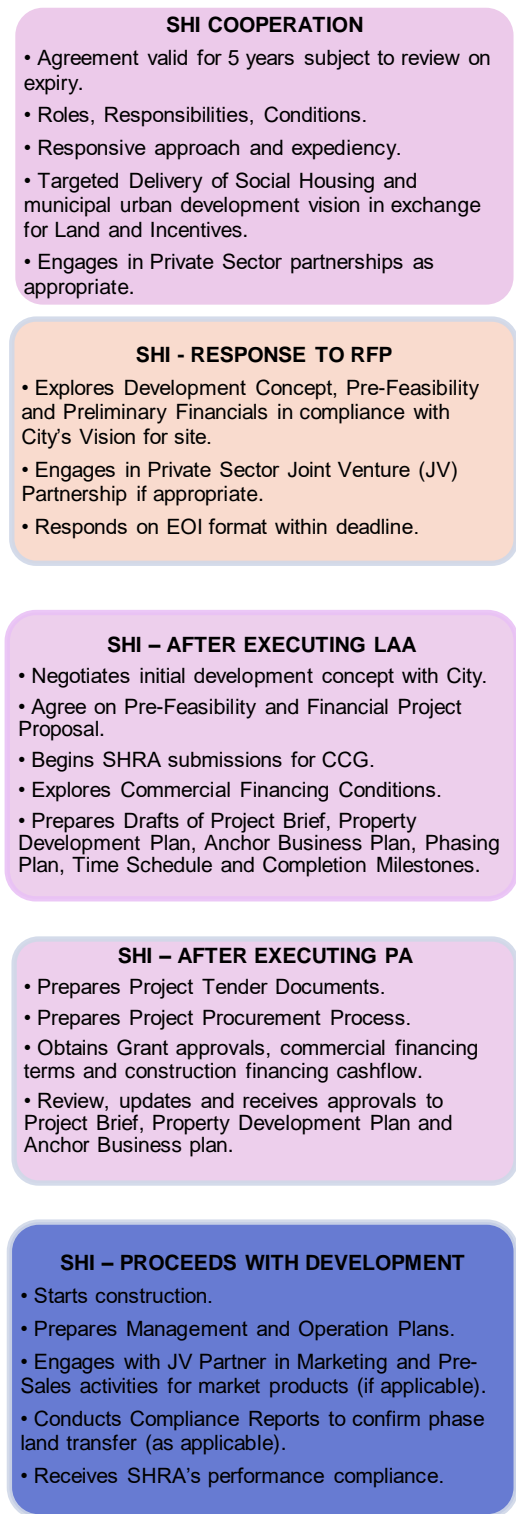
Diagram 1 below outlines the agreement structure with the specific intent of the different stages in the partnership agreement. Diagram 2 shows the process and relationships between the partnership, the land pipeline management and the land release process.

#### **Diagram 1: Different Stages in the Smart Partnership Agreement**

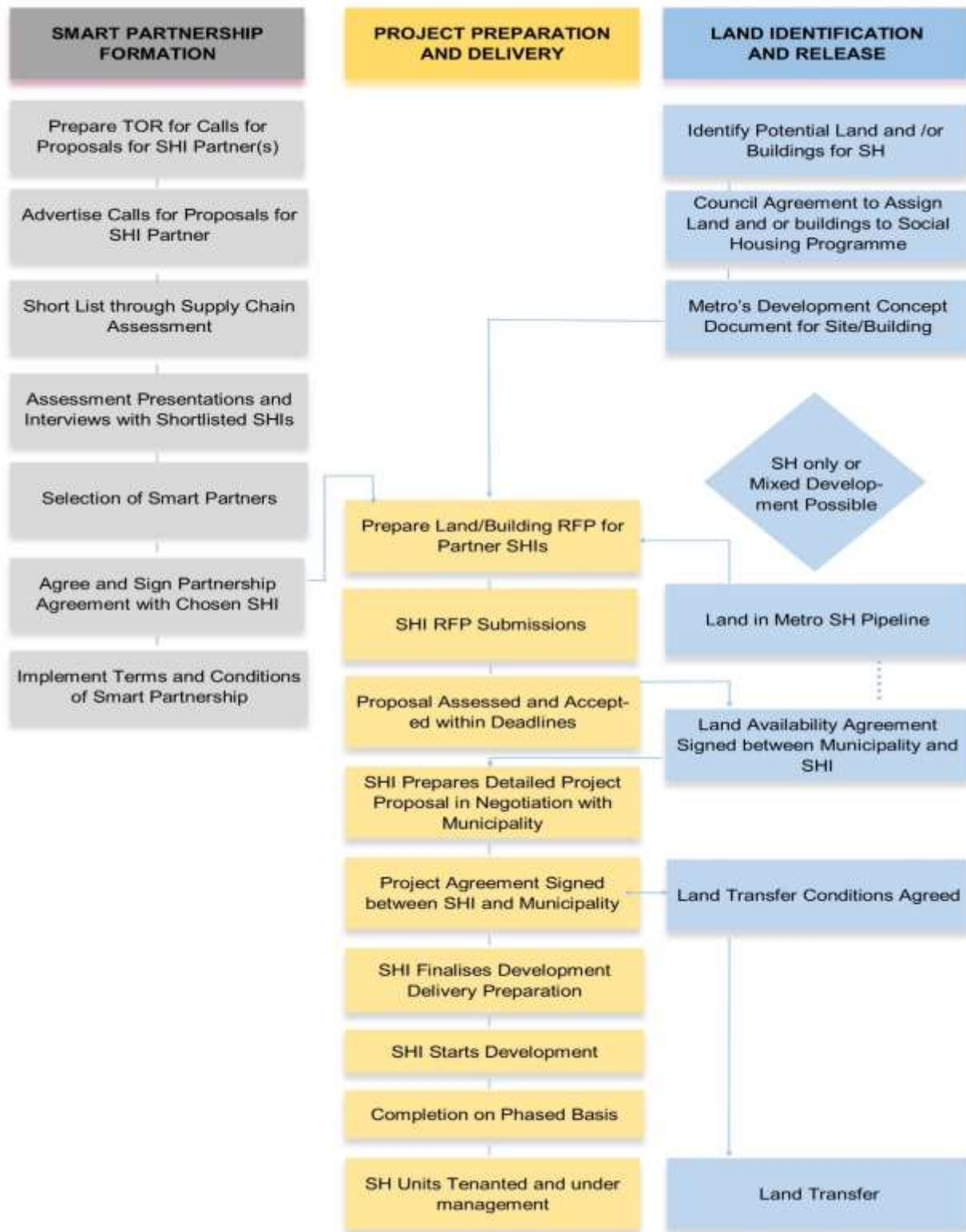
## FORMAL AGREEMENTS



## AGREEMENT CONTENT SUMMARY



**Diagram 2: Process and Relationships between the Smart Partnership, the Land Pipeline Management and the Land Release Process**



### 3. DOCUMENTS AND TOOLS PROVIDED

You can find the following Templates and Financial Tools on the NASHO website:

**Templates:** These are different documents related to the three main phases of the 'Smart Partnership' process. As explained in the LEGAL NOTICE below, the documents must be adapted for use in different municipalities and with different sites. South African Municipalities and SHIs can obtain modifiable MSWord versions of the documents by contacting NASHO at [info@nasho.org.za](mailto:info@nasho.org.za) or +27 11 492 1237. Any others wishing to use these documents and the financial tools should also contact NASHO.

**Financial Tools:** These are excel spreadsheets intended to help Municipalities and SHIs to develop and assess the financial viability of proposals on sites intended either solely for Social Housing Development and/or for sites intended for 'Mixed Market Development'.

### 4. TEMPLATES:

SP DOC 1: Introduction to Templates and Financial Tools (this document)

SP DOC 2: Municipal – SHI Smart Partnership Agreement Template (SPA)

(<https://www.nasho.org.za/wp-content/uploads/SP-DOC-2-Municipal-SHI-Smart-Partnership-Agreement-Template-jgfnl-3-bpFNL.pdf>)

SP DOC 3: RFP for Social Housing on Municipal Land or Building(s) Template

(<https://www.nasho.org.za/wp-content/uploads/SP-DOC-3-RFP-FOR-SOCIAL-HOUSING-ON-MUNICIPAL-LAND-TEMPLATE-JG6bpFNL.pdf>)

SP DOC 4a: Land Availability Agreement - Freehold Template

(<https://www.nasho.org.za/wp-content/uploads/SP-DOC-4a-LAA-Freehold-Template-JGBGFnl-BPFNL.pdf>)

SP DOC 4b: Land Availability Agreement - Long Term Lease Template

(<https://www.nasho.org.za/wp-content/uploads/SP-DOC-4b-LAA-Long-Term-Lease-Template-jg4bpFNL.pdf>)

SP DOC 5: Project Agreement Template (<https://www.nasho.org.za/wp-content/uploads/SP-DOC-5-Project-Agreement-Template-PA-jg5bpFNL.pdf>)

### 5. FINANCIAL TOOLS:

SP Tool 1: SH – RFP Simplified Financial Template

SP Tool 2: SH – Site Yield Calculator Social Housing Only

SP Tool 3: Mixed Use Simplified Financial Template

SP Tool 4: Bid Evaluation Matrix Template

### 6. QUERIES

If you have any queries about the approach or the Smart Partnership documents, please contact NASHO at [info@nasho.org](mailto:info@nasho.org) or +27 11 492 1237



## LEGAL NOTICE

This introduction and related templates and tools, referred to as “the document(s)”, for the ‘Smart Partnership Approach’ are the intellectual property of the National Association of Social Housing Organisations in South Africa (NASHO) and Rooftops Canada Foundation Inc. The documents were developed as part of the *Equal Spaces: Social Housing to End Spatial Apartheid Project 2016-2020* funded in part by the Government of Canada through Global Affairs Canada. NASHO and Rooftops Canada are solely responsible for the contents of the documents.

The ‘Smart Partnership Approach’ was developed to help South African municipalities structure their social housing programmes for effective and efficient delivery in line with their socioeconomic and spatial development mandates. The ‘Smart Partnership’ documents are intended for use by South African municipalities, and as appropriate by accredited South Africa SHIs, to guide the preparation of their own smart partnership arrangements.

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