OVERVIEW – WHAT’S IT ALL ABOUT?

The provision of social rental housing requires a strong co-operative arrangement between the Municipality and SHI(s) operating in a particular municipal area.

This is important as municipalities can help facilitate access to properly packaged land and help create the positive environment for the grant and loan financing of such housing stock. In doing so, the municipality will want to ensure that such projects contribute to the achievement of their developmental responsibilities as defined by the constitution and various legislation and policies.

On the other hand, the SHI’s have the responsibility for facilitating the development of social rental stock and, most importantly, its sustainable management in the long term.

In acting together both parties must aim to structure arrangements in such a way as to manage their respective risks within the existing policy framework.

This requires that the Municipalities properly structure their relationship and any land release linked to Social Housing to ensure that the government housing objectives are achieved.

This section outlines different approaches to structuring both the relationship between municipalities and Social Housing Institutions and forms of land transfer. It covers:

- Municipal roles, responsibilities and risk in Social Housing
- Structuring the long term relationship between municipality and SHI
- The forms of land transfer between municipality and SHI's

It then gives one example of how to do this linking the two through Programmatic Social Housing Partnerships underpinned by the transfer of municipal land on a leasehold basis to SHI’s for Social Housing. It also provides specimen documentation to assist in implementing this approach (see Appendices).
A. MUNICIPAL ROLES, RESPONSIBILITIES AND RISK IN SOCIAL HOUSING

In terms of the constitution, national legislation and policies, Municipalities have a primary responsibility for the realisation of development, particularly for people who were previously disadvantaged.

The municipality is expected to facilitate or drive programmes that ensure the achievement of the government’s developmental objectives. Part of this requires that the municipality have overall responsibility for the development and prioritising of key development initiatives within its area. It is also expected to maximise the efficient use of resources available to it to achieve its developmental responsibilities.

One critical programme is facilitating and ensuring the delivery of housing to previously disadvantaged within the context of integrated communities. The Municipality must therefore assess needs and demand; help in securing the resources to respond to these; and structure partnership arrangements with key stakeholders to ensure delivery.

In areas declared Provisional Restructuring Zones (PRZ’s) municipalities can ensure the availability of rental stock through the national Social Housing Programme. But it cannot do this without close co-operation with other key stakeholders, particularly Social Housing Institutions.

1. SOCIAL HOUSING FUNCTIONAL RESPONSIBILITIES – MUNICIPALITY AND SHI

In terms of existing social housing policy the following are the key determined functions of municipalities and SHI’s.

TABLE 1: Roles and Responsibilities – Municipalities and SHI

<table>
<thead>
<tr>
<th>Municipality</th>
<th>SHI</th>
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<tbody>
<tr>
<td>• Provide a policy and strategic framework for the delivery of social rental housing as part of its overall housing strategy in the area.</td>
<td>• Facilitate the development of social housing stock that makes social housing projects viable in the medium and longer term.</td>
</tr>
<tr>
<td>• Assist SHI’s to create the conditions in the sector that make it possible to obtain the necessary financing to undertake the development.</td>
<td>• To manage the stock and the tenancies linked to the</td>
</tr>
<tr>
<td>• Work together with the SHI’s to achieve approaches to allocation that ensure the Municipality meets its developmental objectives and the SHI its viability and sustainability.</td>
<td></td>
</tr>
<tr>
<td>• Assist in the accessing of well located land for the long term use for social rental housing.</td>
<td></td>
</tr>
</tbody>
</table>
It is difficult for sustainable social housing to happen without both the municipality and the SHI co-operating closely. It is therefore critical that the form of the relationship between the municipality and the SHI maximises each of their abilities to achieve their combined social housing objectives while ensuring that it uses its resources in a sustainable way to meet its developmental responsibilities.

2. MANAGING RISK IN SOCIAL HOUSING

The way the municipality and SHI structure their relationship and the way land is transferred must help to ameliorate critical risks in the social housing process including importantly:

a. Achieving government's developmental objectives while permitting SHI to function efficiently, effectively and responsively as an independent business

In order to carry out its mandate which will allow it to deliver on governmental objectives, the SHI must be free to carry out its business without direct political interference. At the same time the municipality must create conditions where it has oversight over the effective use of government resources by the SHI within the framework agreed between the government and the SHI.

b. Protection of the use of Land and Social housing Development for households on low Incomes in the longer term

The good location and quality of social housing units often means that the assets produced can have high market value. There is the danger, that without proper monitoring and control, the land and units could be placed within the private speculative property market making it inaccessible in the longer term to low income households for whom it was intended.

It therefore requires a mechanism that allows transfer of assets at as low a cost as possible, on the basis that discounted cost is reflected in lower rentals and critically prevents the land and developed top structure from going into the speculative ownership housing market cutting out lower income households.

c. Pressure for Rent to Buy or Transfer to tenants

It is recognised that many tenants want to own and would therefore like to have this option in the future as their incomes improve. If this is permitted on the very well located land required for rental stock, then effectively this land is being moved into the speculative market. Future control is then lost to the municipality and it will not again benefit people on low incomes as they will never afford the sell on price.

The new social housing policy does make provision for selling of units after 15 years. This was never intended to apply to government supplied land or to create rent to buy schemes. It was introduced to encourage private companies to put their own land into the social housing programme on the basis that they could accrue the capital returns after 15 years by selling the units on the private market.
d. Ensuring that the land is provided to organisations that have the capacity to manage it sustainably in the medium to longer term

The highest risk to success of social housing is not in the development of the units. Rather it is in the longer term effective, efficient and responsive management of the stock and linked tenancies. However it is important also to manage the stock development process well for this will impact on the potential to manage it properly.

If the SHI chosen to carry out developments in a municipality is lacking in capacity, or does not have the opportunities to develop sufficient stock to make management viable, then the right land could still result in a failed project.

e. Increase the security to encourage external investment in the projects.

The Restructuring Grant and Institutional Subsidy are not sufficient to cover the capital cost of delivering the social housing. The SHI needs to obtain additional loan finance. This requires the lender to have confidence in the financial viability of both the project and the SHI managing it. The structuring of the arrangement round the release of land and the longer term relationship between the SHI and municipality can assist with this.

f. Return on Investment for SHI

The investing SHI wants to achieve a return on investment and in fact needs to in terms of the Social housing Policy in order to achieve sustainability. Any approach to land availability must ensure that this is possible otherwise the SHI will fail and with it the projects.

g. Monitoring and Regulating Long Term Use – Ultimate Sanction

An essential part of the agreement between the municipality and SHI delivering in the area is to ensure that the SHI manages the stock over the long term. Where the municipality provides resources e.g. land it needs to have mechanisms in place to ensure that it can deal with any non compliance on part of the SHI and ensure that the asset is used for its intended purpose.

h. Administrative Capacity to Manage Process

Contractual agreements between the municipality and a SHI in its area need proper monitoring and evaluating and management. If not Municipalities could lose the developmental objectives for which it has provided resources.

To manage the process the Municipality needs to have properly established capacity to set up contractual arrangements, deal with different forms of procurement within the law and to monitor and take action over the period of the life of the units. This applies whether the in leasehold or ownership.

i. Simplifying the Packaging and Management of land and the provision of the social Housing Service

The process for the transfer of land or the resources by the municipality for Social Housing has an impact on the cost and viability of social housing projects.

The municipality should keep the process as simple and as quick as possible while properly managing its risks and developmental responsibilities.

Sometimes the simplest route for transfer is not necessarily the best for risk protection and achieving the developmental objectives. As an example while
outright transfer of ownership is simpler to administer it does not provide the City with control over future use of its owned assets for its developmental objectives.

Leasehold is more complicated administratively but feasible and within the legal framework provides the scope for use of land as equity investment and justification for use in partnerships rather than in tendering project by project.
B. CO-OPERATION WITH SOCIAL HOUSING INSTITUTIONS

Since the national policy requires the development and management of social rental housing stock through established Social housing Institutions (SHI’s), municipalities wanting such stock in their areas must build a strong co-operative relationship with SHI’s.

In the past insufficient attention was given to the proper structuring of the relationship between the municipality and the SHI. This resulted in poor streaming and control of resources and often failed projects that did not meet the prioritised developmental objectives of the municipality.

Experience over the past 10 years has provided valuable positive lessons about the best forms and ingredients of successful co-operative relations.

1. APPROACHES TO STRUCTURING THE RELATIONSHIP – MUNICIPALITY AND SOCIAL HOUSING INSTITUTION

Three primary approaches have developed in structuring the co-operative relations between municipalities and SHI’s. What is best for a particular municipality is dependent upon the context of the municipality and the best way it can manage its risk while achieving the required developmental objectives.

The Table below highlights the different approaches and gives some of the pros and con’s for each.

**TABLE 2: Forms of SHI Municipal Relationship**

<table>
<thead>
<tr>
<th>FORM</th>
<th>STRUCTURE</th>
<th>PROS</th>
<th>CONS</th>
</tr>
</thead>
</table>
| Municipal Entity | The Municipality sets up a SHI which although, functioning as an independent entity, is owned by the municipality and bound into its financing and management reporting systems. It is governed by the requirements of the Municipal Structures Act and the Municipal Finance Management Act | - Municipality continues to have direct control on all inputs.  
- Able to control the detail of the programme  
- Continues to own assets through the ownership of the Company.  
- Established and clear procedural processes for releasing assets to Municipal Entities | - Municipality must carry full risk.  
- Danger of “political” interference in Social Housing business  
- Day-to-day business can be adversely affected by the policy and procedures of the Municipality.  
- Could make difficult to obtain external loan finance without Municipal Guarantees |

The municipality enters into a partnership agreement with a SHI over a specified period of time. The two

- Pro active planning and cooperation over programme  
- SHI has certainty about longer term

- Requires long term commitment between SHI and municipality.  
- Requires
| Municipal and SHI Partnership | “partners” agree on respective functions, resource exchanges over the period of delivery of a number of projects. The Municipality does not control the Board or the overall investments of the SHI. The SHI’s performance in using Municipal assets is managed through strong contracts between the SHI and the Municipality. | and resourced co-operation that permits it to develop its business in a planned way. • SHI can function separately as “business” but municipality can ensure it uses its resources effectively though contracts. • Makes it easier to lease land to SHI within legislative parameters. | availability of municipal owned land committed to social housing. |
| Municipal and SHI - Ad Hoc Project Agreements | Municipality and SHI enter into ad hoc arrangements around projects when and if necessary. They may also have a MOU to define their co-operation but this does not have the same legal force as contractual arrangement. | Is simple to implement within existing policy framework. | No long term programme perspective • Little municipal control over resource flows to SHI’s • Makes transfer of land other than at market value difficult. |

A municipality needs to assess carefully its risks and its intended developmental objectives before choosing form these different options. It needs to do this carefully and then ensure the commitment to structuring and managing the form of the relationship if it intends to deliver a serious substantive and successful Social Housing Programme.
2. PROVIDING LAND FOR SOCIAL HOUSING

The success of social housing projects is dependent upon the availability of suitably located land at the right price to permit the development of a viable and sustainable project. While it is possible to acquire land and buildings through private purchase at existing market rates, this often makes it difficult to achieve financially viable projects.

Municipalities are therefore important suppliers of land for Social Housing Projects. In doing so Municipalities must:

- ensure that provision of such land is used for its developmental objectives over the longer term,
- that it is transferred at a price that makes the project viable,
- it adheres to the procurement policies and procedures defined in the MFMA and other government legislation and procedures.

THE MFMA AND LAND TRANSFER

The MFMA is key legislation that controls the overall financial management of municipalities and importantly deals with the conditions for the transfer of assets. In doing this it defines the following important points about the disposal of municipal assets:

14. 2 A municipality may transfer ownership or otherwise dispose of a capital asset other than one contemplated in subsection (1), but only after the municipal council, in a meeting open to the public-

(a) has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and

(b) has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset.

14 (5) Any transfer of ownership of a capital asset in terms of subsection (2) or (4) must be fair, equitable, transparent, competitive and consistent with the supply chain management policy which the municipality must have and maintain in terms of section 111.

The release of land for social housing is the release of a capital asset. But the municipality must be able to demonstrate that the transfer of asset will in the long term continue to be used for this purpose, and that the municipality can effectively control this.

Once the Municipality has identified its land for use for Social Housing, the next step is the allocation of the land to a Social Housing Institution (SHI) capable of facilitating the development and then undertaking the long term sustainable management of the stock.
3. FORMS OF POSSIBLE LAND TRANSFER

There are three broad forms of transfer that the municipality can use in releasing land to Social Housing Institutions:

**Outright Ownership (OO)**
Ownership of land is past to the SHI with no conditions registered in the deed of sale to land holding. Conditions must be contained in separate contract between the Municipality and Social Housing Institution and must be able to override the ownership right if contract not adhered to by SHI.

In this form control of the land rests with the Social Housing Institution that can choose to use the land for other purposes unless the contractual agreement on the land is strong enough to prevent it from doing so.

**Conditional Ownership (CO)**
Here ownership and conditions on long term disposal is linked to stated conditions registered on deeds.

It would usually also involve a further contract on the conditions and use of the land by the SHI. Legally the SHI can go to court to have conditions in deed suspended or altered. This would usually but not necessarily involve the consent of the municipality.

**Long Term Leasehold (LTL)**
In this form the Municipality enters into a leasehold agreement that permits the SHI to develop and manage stock on the site over a specified period. However the municipality retains ownership of the land or any assets built upon it. The municipality can also terminate the lease because of non adherence to the conditions of the contract on the land.

Land should be is leased to the SHI on basis that ensures a return for SHI that makes the project and the SHI sustainable.

Which form to use depends upon the context of the municipality, its area and the SHI operating within it. Choice by the municipality should be governed by the form that best ensures that the asset is used effectively efficiently and sustainably for the longer term developmental objectives for which is intended.

The Table below looks at each one of these approaches and assesses its potential contribution and constraints to managing developmental objectives and associated risks.
### TABLE 3: Forms of Transfer and Risk Protection

<table>
<thead>
<tr>
<th>PRINCIPLES AND ISSUES</th>
<th>OUTRIGHT OWNERSHIP</th>
<th>CONDITIONAL OWNERSHIP</th>
<th>LONG TERM LEASEHOLD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Protection of land from Moving into Speculative Market</td>
<td>Very little protection or recourse as dependent upon contractual agreements that are generally weaker and more difficult to enforce than land rights.</td>
<td>Provides protection that prevents selling except under conditions or with explicit agreement of the Municipality.</td>
<td>Prevents selling at all without the express agreement of the City.</td>
</tr>
<tr>
<td>Rent to Buy</td>
<td>No protection for the city against decision by SHI to revert to this.</td>
<td>Could only revert if agreement with the City.</td>
<td>Could only revert if agreement with the City</td>
</tr>
<tr>
<td>Effect on Transfer Cost of Land</td>
<td>Would require market related sale as cannot protect the future use of asset.</td>
<td>Gives some basis for arguing “community benefit” in setting price lower than market but this needs proper legal advice.</td>
<td>Can permit consideration of community benefit as asset remains in long term ownership of municipality. Possible therefore to transfer at less than market cost and also use land as municipal equity investment.</td>
</tr>
<tr>
<td>Availability of Bank Loan Finance</td>
<td>Provides bank with simple mechanism for “bonding” but does not necessarily cover the other important risk factors.</td>
<td>Could inhibit willingness to finance if Lending institution assesses that conditions in sales deed lessen its value in case of default.</td>
<td>Does not protect the bank without additional back to back arrangement with Municipality as otherwise Municipality could veto the banks on sale to recoup any losses.</td>
</tr>
<tr>
<td>Return on Investment for SHI and SHI</td>
<td>Places full capital accumulation and return on investment with SHI who could maximize this to</td>
<td>Places full capital accumulation and return on investment with SHI who could use as chooses and not</td>
<td>Allows City to accrue a share of the long term asset accumulation rather than only a one off raw land</td>
</tr>
<tr>
<td>Monitoring and Regulating Long Term Use – Ultimate Sanction</td>
<td>Detriment of developmental objectives or choose to use in a way that does not further developmental objectives.</td>
<td>Direct to City objectives unless possible to write some conditions into deed.</td>
<td>Properly structured makes possible for SHI to make return and to build reserves. If Partnership is successful possible to renew lease or even consider selling to stabilised institution within stabilised environments.</td>
</tr>
<tr>
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</tr>
<tr>
<td>Administrative Capacity To Manage Process</td>
<td>Weaker for City as no ultimate sanction that can permit city to take back land and top structure where partner not performing.</td>
<td>Difficult to include performance agreement as part of conditions on deeds which govern principally use and future disposal. Therefore municipality cannot use to deal with non - or poor service performance by SHI.</td>
<td>Possible to use ceasing of leasehold and reversion to Municipality in conditions where SHI not complying.</td>
</tr>
<tr>
<td>Simplifying the Packaging and Management of land and the provision of the social Housing</td>
<td>Simplifies the release of land but leaves no control for Council in longer term use of land nor adherence to conditions.</td>
<td>More complicated release of land but does give some control over rights to dispose Not able to properly support monitoring and regulation of good social rental service in medium term.</td>
<td>More complicated but still feasible release system. Provides more directed use of land asset by municipality and closer control of quality of provision by SHI - where proper contract management.</td>
</tr>
<tr>
<td>Service</td>
<td>system in place within municipality.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
C. BRINGING IT ALL TOGETHER - AN EXAMPLE
FORMAL SOCIAL HOUSING PARTNERSHIPS AND LEASED LAND

Each municipality must make its own assessment of how to structure its relationship with Social Housing Institutions and what form it uses to deal with land transfers for social housing. In doing so it must be mindful of its constitutional and legislative responsibility to provide developmental governance.

Taking into account the responsibilities and the risk involved, one model that can maximize the potential, and provides high levels of risk protection, is through Programmatic Social Housing Partnerships using land provided by government on a leasehold basis.

1. THE PROGRAMMATIC PARTNERSHIP AND LAND LEASEHOLD APPROACH

This involves interlinking contractual arrangements that:
- shares risk between municipality and Partner(s)
- makes it easier for City to provide land as equity investment – keep down cost of rentals
- allows municipality to hold the future value of the land in a one off capital gain but keeps an investment in the future value of the land and top structures
- provides conditions for long term financial viability for the SHI
- controls efficient use of government owned land /buildings for development priorities
- protects the asset for long term use of low income households
- provides an environment conducive to lending
- gives SHI freedom to act as an independent business within normal contractual agreements

The approach involves the Municipality entering into 5 – 10 year partnership arrangement with one or more SHI’s.

Within this partnership the Municipality agrees to the release of land resources and support with subsidy and necessary land preparation. The SHI undertakes to facilitate the development and then manage the rental housing stock on a sustainable basis guided by the municipality’s developmental objectives and strategy.

The Diagram below summarises the elements in this approach.

DIAGRAM 1: Structuring Partnerships for Social Housing
The table below explains in more detail about these different institutional elements under the headings:

- How Organised
- Purposes and Content
- Risk Reduction
### TABLE 2: Elements of Partnership

<table>
<thead>
<tr>
<th>ELEMENT</th>
<th>HOW ORGANISED</th>
<th>PURPOSES AND CONTENT</th>
<th>RISK REDUCTION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PARTNERSHIP AGREEMENT</strong>&lt;br&gt;Municipality with SHI</td>
<td>• 5 -10 year partnerships between Municipality and SHI(s)&lt;br&gt;  o Partnerships set up through open procurement process&lt;br&gt;  o Applicants assessed on ability to facilitate the development of the stock and their ability manage the completed stock&lt;br&gt;  o Municipality provides leasehold land/buildings and helps SHI access subsidies&lt;br&gt;  SHI’s facilitate the development and management the rental stock&lt;br&gt;  SHI’s sets up financial packaging with City support</td>
<td><strong>Purposes</strong>&lt;br&gt;  • Defines resource exchange for period&lt;br&gt;  • Defines roles and responsibilities of partners&lt;br&gt;  • Provide SHI with commitment on which to base business planning&lt;br&gt; <strong>Contents</strong>&lt;br&gt;  • Roles and responsibilities of Municipality and SHI&lt;br&gt;  • Resource allocation within partnership&lt;br&gt;  • City commits to leasehold land and support in accessing subsidies&lt;br&gt;  • for 5 year period&lt;br&gt;  • SH partner undertakes the development and management&lt;br&gt;  • of stock on sites over 30 years</td>
<td>• Ensures that chosen partner(s) able to undertake the development of stock and then manage it sustainably thus reducing risk to municipality of project failure.&lt;br&gt; • Provides opportunity for SHI to develop and manage enough stock to make SHI more sustainable&lt;br&gt; • Helps the SHI plan beyond a single project.&lt;br&gt; • Gives greater security in raising loan finance.</td>
</tr>
<tr>
<td><strong>PROJECT AGREEMENT</strong>&lt;br&gt;Municipality with SHI</td>
<td>• Signed Project agreement for each piece of land or building leased to SHI.&lt;br&gt; • Defines the use of the specific land or building by the SHI within the general conditions in Partnership agreement.&lt;br&gt; • Provides opportunity for municipality to suspend partnership if SHI does not keep to conditions of Project agreement</td>
<td><strong>Purposes</strong>&lt;br&gt;  • Define site for use by partner&lt;br&gt;  • Define the details of the outputs proposed for site&lt;br&gt;  • Define any special conditions&lt;br&gt; <strong>Contents</strong>&lt;br&gt;  • the number and type of unit&lt;br&gt;  • quality of unit&lt;br&gt;  • rental ranges&lt;br&gt;  • targeted income range&lt;br&gt;  • any allocation conditions on units&lt;br&gt;  • conditions for dealing with disputes&lt;br&gt;  • Linked to SH Partners business plan and financing arrangements for site</td>
<td>• Ensures development is linked to prioritized needs in municipality.&lt;br&gt; • Can provide variations between different pieces of land/buildings.&lt;br&gt; • Provides opportunity to terminate Partnership if SHI not performing.</td>
</tr>
<tr>
<td><strong>LEASE AGREEMENT</strong>&lt;br&gt;Municipality with SHI</td>
<td>• This is a land lease agreement relevant to a particular piece of land or building.&lt;br&gt; • Plugged into the Project Agreement with its conditions&lt;br&gt; • It leaves the ownership with municipality but gives a long term lease to the SHI permitting it to cover its risk and make the required returns on investment.&lt;br&gt; • Provides the conditions for municipality to terminate lease and take back ownership of the development if SHI transgresses critical conditions in lease and or project agreement.&lt;br&gt; • Preference for partner in lease extension on conditions the SHI has fulfilled project agreement responsibilities and conditions exist for continuation of social housing on site.</td>
<td><strong>Purposes</strong>&lt;br&gt;  • To legally define the use of site an linked conditions&lt;br&gt;  • To provide the SH partner with scope to develop in sustainable manner but not alienate for other purposes&lt;br&gt;  • Define long term ownership and use of land&lt;br&gt;  • Mechanism for Municipality to invest land as equity with nominal annual lease charge.&lt;br&gt; <strong>Contents</strong>&lt;br&gt;  • Identification of land and building&lt;br&gt;  • Conditions for use of land/building – link to project agreement&lt;br&gt;  • Leasing charge&lt;br&gt;  • Tackling non adherence to lease</td>
<td>• Protect the long term use by low income households&lt;br&gt; • Protect units as social rental&lt;br&gt; • Ensures that there is a firm contractual and financing base for SHI to access loan finance</td>
</tr>
</tbody>
</table>
2. REQUIREMENTS TO IMPLEMENT

The following are important requirements to ensure that this system works for a municipality in reducing risks and providing an efficient system for delivery:

- Availability of appropriate land and other resources for municipality to invest in programme.
- Open procurement system that encourages SHI’s with capacity to apply.
- Assessment of SHI’s on basis of their ability to facilitate the development but importantly their ability to manage the stock on a sustainable basis in accordance with project agreements
- Properly prepared and contractually sound partnership, project and lease agreements negotiated with SHI and signed by both parties.
- Identified and trained capacity within the municipality to contract manage the partnership and its linked contracts.
- Ability of the municipality to support its SHI(s) partners in achieving shared objectives but to take necessary action if SHI is in default.

4. PROCESS FOR IMPLEMENTING

The Diagram below illustrates the process to implement this approach.
SH PROGRAMME MANAGEMENT
- Programme preparation
- Managing the setting up of contractual agreements
  - Partnership
  - Project
  - Land Lease

Programme Management
- SHI Contract management
- Project delivery contract management

LAND IDENTIFICATION AND RELEASE
- Identify Potential land and/or Buildings for SH
- Council Agreement to Assign Land and/or Buildings to Social Housing Programme
- Pre-Feasibility on Land

SH not Possible
- Return to Asset Register for Alternative Use

SH Possible
- Prepare Draft Project Plan and Lease Agreement on Chosen Site
- Formal Council Approval Project & Lease Agreement

SH PARTNERSHIP FORMATION
- Prepare TOR for Calls for Proposals for SHI partner(s)
- Advertise
- Short List through Supply Chain
- Receive Presentation and More Details from Short Listed SHI's
- Assess Against Agreed Criteria Through Supply Change
- Endorsement through Supply Chain and full Council
- Negotiate Partnership Contract with Chosen SHI
- Agree and Sign Partnership Contract with Chosen SHI
- Agree and Sign First Project and Lease Contract with SHI

SHI Partner
- Proceeds with Implementing 1st Project
APPENDICES

APPENDIX 1: TERMS OF REFERENCE FOR CALLS FOR EXPRESSIONS OF INTEREST FROM SHI FOR PARTNERSHIP

APPENDIX 2: CRITERIA FOR ASSESSING CALLS FOR PROPOSAL

APPENDIX 3: SPECIMEN PROGRAMME AGREEMENT

APPENDIX 4: SPECIMEN PROJECT AGREEMENT

APPENDIX 5: SPECIMEN LAND LEASE AGREEMENT