

SUMMARY OF GUIDELINES FOR A TRIPARTITE AGREEMENT

BACKGROUND

In terms of the bilateral agreement system the municipality appointed the Implementing Agent (IA). The IA or the municipality appointed professionals such as engineers, geotechnical engineers to undertake specific work on the project. These appointments were made prior to project approval by the MEC. An agreement was entered into between the municipality and the respective IA or professionals. After project approval, an agreement was entered into between the Department of Housing (DOH) and the municipality. This created a problem because it often happened that the agreement between the municipality and the IA was in conflict with the agreement between the department and the municipality. The department's role was to fund projects and it played a minimal role in the appointment of IA's and professionals and in project implementation.

THE POLICY INTENTION

The tripartite arrangement will define the roles and responsibilities of each party to the agreement. The responsibilities of the respective parties will be monitored in terms of strict time frames and as a result the problems associated with blocked projects will be alleviated. It will also serve to strengthen capacity at a municipal level. Guidance, advise and skills transfer will be provided by the project management component where required during project implementation. Project funding will be used effectively and ensure value for money will be ensured. The procurement of Implementing Agents(IA) or project managers and professionals will ensure that the principles of BBBEE are achieved.

THE TRIPARTITE ARRANGEMENT

In terms of the tripartite system the three role players will be the Department of Housing, the municipality and the IA or project manager. All three parties will be required to sign the project agreement in order for the project to be managed effectively and for funds to be paid to the municipality.

The appointment of Implementing Agents or project managers and professionals will be undertaken jointly by the DOH and the municipality. All appointments will be made from a provincial housing database. The DOH together with the municipality and in certain cases with the IA or project manager will monitor the performance of professionals. All payments will be made to the municipality on value of work done. The municipality will make payment to the Implementing Agent or project manager and professionals.

N.B. A copy of the policy can be obtained from the website: www.kznhousing.gov.za