

# Report of the South African Cities Network - Expanded Public Works Programme



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## 1. INTRODUCTION

The **SA Cities Network** [SACN] was established in 2002 by the South African Minister for Provincial and Local Government in collaboration with the Mayors of South Africa's largest cities and the South African Local Government Association [SALGA], as an independent Section 21 Company, with the mandate to:

- Promote good governance and management in South African cities
- Analyze strategic challenges facing South African cities, particularly in the context of global economic integration and national development challenges
- Collect, collate, analyze, assess, disseminate and apply the experience of large city government in a South African context
- Promote shared learning partnerships between different spheres of Government to support the management of South African cities

Towards achieving this mandate, the SACN produces the inclusive cities annual report that shares knowledge, information and trends on key areas that help understand and facilitate inclusive cities. In addition on a periodic basis, SACN produces a state of the cities report.

The SACN currently has as its core membership the nine largest cities in South Africa including Buffalo City, Cape Town, Ekurhuleni, eThekweni, Johannesburg, Mangaung, Msunduzi, Nelson Mandela and Tshwane. Whereas in the past the activities of the SACN focused on the nine members, it is beginning to promote and support urban development in general.

This report comprises an input into the inclusive cities annual report focusing on progress in implementing the **Expanded Public Works Programme** [EPWP] by the nine member cities of the SACN and other urban Municipalities.

The EPWP is a nation-wide government-led initiative aimed at drawing a significant number of unemployed South Africans into productive work in a manner that will enable them to gain skills and increase their capacity to earn income. The initiative is being implemented through established government structures and budgets. The EPWP is being implemented in four sectors [Infrastructure, Social, Economic and Environmental] and a specific Government Department has been designated to lead the implementation of the EPWP in each sector<sup>1</sup>. The implementation of the EPWP is being coordinated by the **Department of Public Works** (DPW) which has established a dedicated unit [the **EPWP Unit**] to perform this function.

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<sup>1</sup> The Sector Lead Departments include the Department of Social Development in the Social Sector; the Department of Public Works in the Infrastructure Sector; the Department of Environment and Tourism in the Environmental Sector, and the Department of Trade and Industry in the Economic Sector

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This report outlines general practice and progress by Municipalities in the implementation of the EPWP. Best practice examples are shown in boxes throughout the report.

This report includes:

- Methodology
- Background to the EPWP
- Organisational arrangements of the SACN Cities in respect of the EPWP
- Progress in implementation
- Challenges faced
- Conclusions

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## 2. METHODOLOGY

The methodology applied in developing this report included the following:

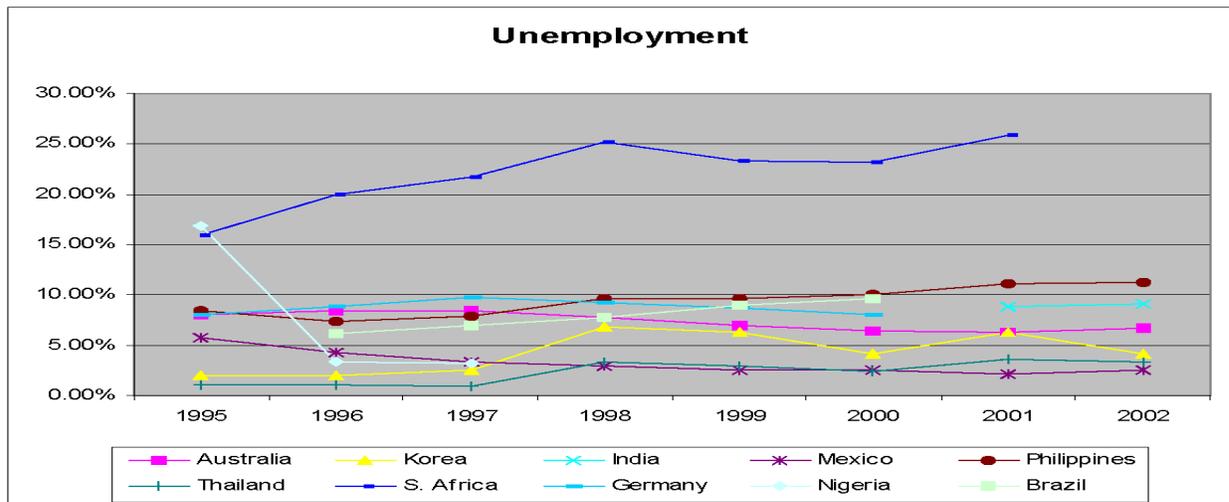
- **Desk top study:** Existing relevant documents were sourced from the nine member Cities using both the individual City's websites and the SACN website. The documents were reviewed and analyzed. In addition statistical data was obtained from three sources:
  - The **EPWP Quarterly Reports** available on the EPWP website. Data from these quarterly reports data was sourced from:
    - Annexure H which lists projects per district, metropolitan and local municipality and also separates the data by sector.
    - Annexure G which provides consolidated data per municipality including the total number of projects, job opportunities created and expenditure to date.
  - **Data for Quarterly Report Number 4 for the 2007/08 financial year.** This report has not yet been published but the raw data was supplied by the **Monitoring and Evaluation [M&E] Department** of the EPWP Unit. It must be noted that this data applies to the National Government financial year and not the Municipal Government financial year.
  - **Data from the Management Information System [MIS]** used by the **EPWP Unit National Technical Support Programme** which supports municipalities to implement and report on EPWP projects in the infrastructure sector [see section 3.3].
- **Telephone interview:** A telephone interview was held with a representative of the City. In most cases this was the individual representing the City on the EPWP Reference Group, which is a structure established by SACN for members cities to share best practice and learn from each other in respect of implementing the EPWP.
- **Individual city reports:** On the basis of the desk top study and the telephone interview an individual report was developed for each of the member Cities. This was sent to the individual interviewed for comment and further input.
- **Consolidated report:** A consolidated report was then developed for all Cities drawing on the individual city reports and other documents [see references].
- **Reference Group:** The consolidated report was presented at an SACN EPWP reference group meeting for validation and final feedback.

### 3. BACKGROUND TO THE EPWP

#### 3.1 Background

South Africa has one of the highest rates of unemployment [approximately 27%- official definition] as compared to other stable economies globally [see Figure 1 below]. **Reducing unemployment is one of South Africa's greatest socio-economic challenges.**

Figure 1: South Africa's unemployment compared to other countries



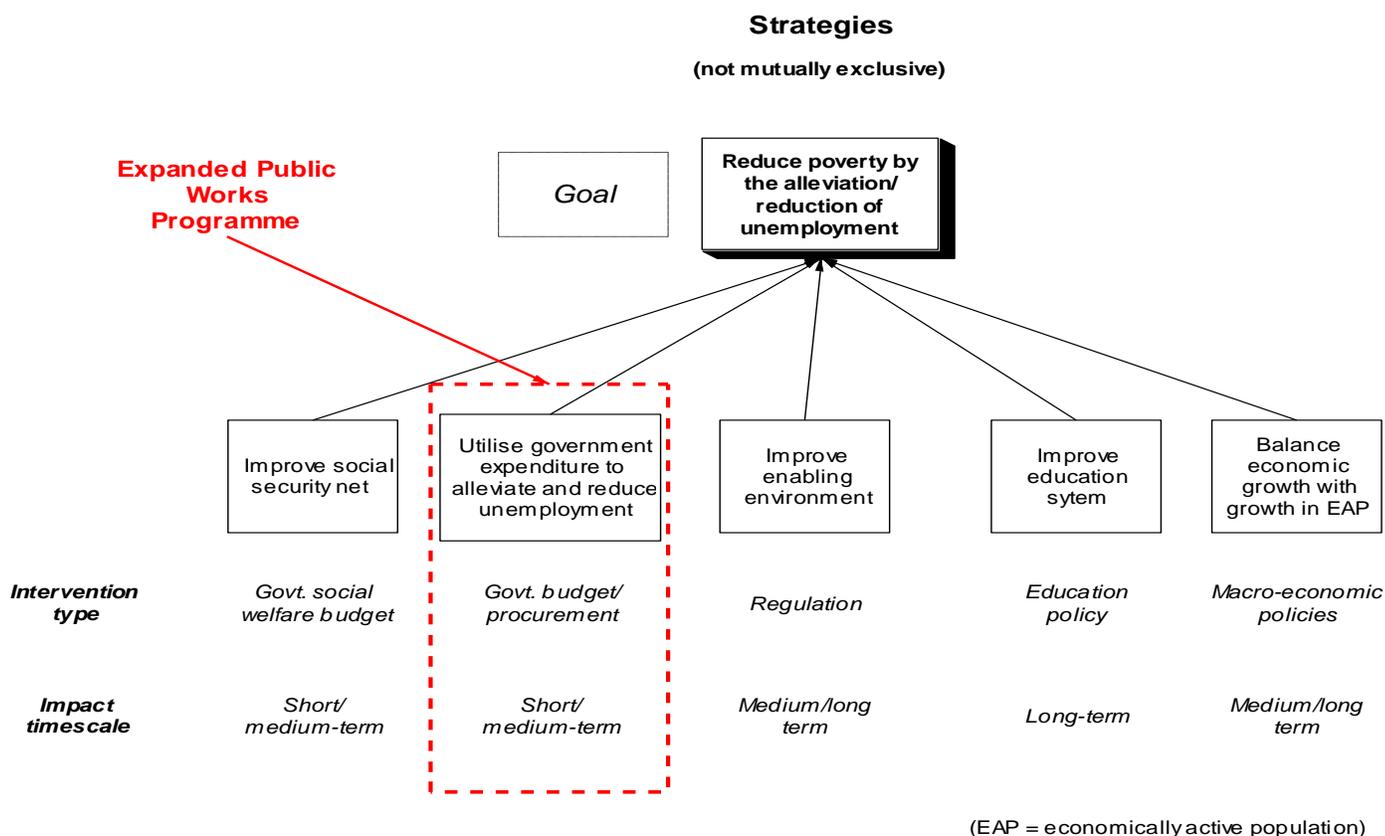
Source: Mid Term Review: HSRC: 2007

South Africa has a long history in the use of **public works programmes** to address poverty and unemployment. In 1994 the National Public Works Programme was implemented, emphasizing the use of labour intensive methods. In 2003 the need and potential for the expansion of this Programme was recognized. Accordingly, in that year, the Growth and Development Summit [GDS] agreed on establishing an **Expanded Public Works Programme [EPWP]**. The EPWP was officially launched in 2003 by President Mbeki in his State of Nation speech:

*.....the government has decided that we should launch an expanded public works programme. This will ensure that we draw significant numbers of the unemployed into productive work, and that these workers gain skills while they work, and thus take an important step to get out of the pool of those who are marginalized.*

The EPWP is one of a wide range of initiatives aimed at reducing poverty and vulnerability in South Africa [see Figure 2 below]. These projects seek to be “part of our collective efforts” to halve unemployment by 2014.

Figure 2: Strategies adopted to address poverty alleviation and reduction of unemployment in SA



Source: EPWP Unit

### 3.2 Key components of the EPWP

The target of the EPWP is to provide **temporary work and skills training to one million unskilled unemployed individuals over a five year period**, so as to assist them to move into full time work. The EPWP seeks to create such work opportunities by using public sector expenditure on goods and services. Projects employ workers on a temporary basis [either by government, contractors or other non-governmental organisations] under a code of good practice for Public Works Programmes or learnership employment conditions.

The EPWP is being implemented from the 2004/05 to the 2008/09 financial years. In order to create jobs in a short period of time, the approach is to expand both existing best practice public works programmes that are labour intensive and to introduce new labour intensive production techniques and programmes.

The EPWP is based on the requirements of the GDS agreement and has the following key principles:

- To allow for a wide diversity of existing programmes.
- To expand best practice of existing programmes

- To use existing budgets and replace special poverty relief or public works budgets
- To be sustainable, the EPWP must not be 'made work' but must be 'economically efficient'. The emphasis is on labour intensive delivery of cost effective quality services.
- The focus is on growing sectors of the economy to avoid displacement
- The design process attempts to maximise the involvement of local unemployed labour



The EPWP covers all spheres of government and State Owned Enterprises. Each public sector body<sup>2</sup> must formulate plans for utilising its budget to contribute to the implementation of the programme. The focus in the four sectors comprising the EPWP is as follows:

- **Infrastructure:** Increasing the labour intensity of specific government funded infrastructure projects in terms of specified Guidelines. This requirement is specified in the Division of Revenue Act [DORA] to be applied in respect of Provincial and Municipal Infrastructure Grants.
- **Environmental:** Creating work opportunities in public environmental programmes through expanding specific existing projects originally implemented through the Special Poverty Relief Allocation for example Working for Coast, Water etc.
- **Social:** Creating work opportunities in public social programmes particularly Home Community Based Care [HCBC] and Early Childhood Development [ECD]
- **Economic:** Utilizing general government expenditure on goods and services to provide work opportunities for small enterprise learnerships and incubation programmes particularly through Venture Learnerships.



The key components of an EPWP project are as follows:

- There is a deliberate attempt by the public sector body to use expenditure on goods and services to create additional work opportunities, coupled with training for unemployed individuals.

<sup>2</sup> A public sector body is defined as any Department or Unit in any of the three spheres of Government [Local, Provincial and National] or a State Owned Enterprise.

- Projects usually employ workers on a temporary basis (either by government, by contractors, or by other non-governmental organisations), under the code of good practice or learnership employment conditions.
- Public sector body attempt to define and facilitate exit strategies for workers when they leave the programme – to build bridges between the second economy and the first economy

In addition to the above, Public sector bodies are required to attempt to define and facilitate exit strategies for workers when leaving the programme, to build bridges between the second and first economy. The targets per sector are shown in Table 1 below.

**Table 1: EPWP targets by sector**

Sector	Work opportunities	Person years of work	Training days
Infrastructure	750,000	250,000	9,000,000
Environmental	200,000	200,000	2,005,000
Social	150,000	200,000	4,535,000
Economic	12,000	18,000	39,000
<b>Total</b>	<b>1,112,000</b>	<b>668,000</b>	<b>15,579,000</b>

Source: Consolidated Programme Overview and Logical Framework, Version 6, June 2004, EPWP Unit DPW

### 3.3 Progress in implementation

As shown in Table 2 below overall progress in the implementation of the EPWP has exceeded expectations and as at the 31 December 2007<sup>3</sup> the **target of 1 million work opportunities was achieved**. This is one year earlier than originally anticipated. At its current scale, the programme reaches approximately 300 000 people (7% of the unemployed) annually.

**Table 2: EPWP: Progress against targets: Work opportunities delivered: 1 April 2004-31 December 2007**

Sector	Targeted work opportunities [WO]	Overall		Municipal contribution	
		No	% of targeted WO	No	% of targeted WO
<b>Infrastructure</b>	750,000	564,394	75	251,387	34
<b>Environment<sup>4</sup></b>	200,000	347,583	174	6,949	4
<b>Social</b>	150,000	106,353	71	2,528	2
<b>Economic</b>	12,000	13,600	113	0	0
<b>Total</b>	<b>1,112,000</b>	<b>1,031,930</b>	<b>93</b>	<b>260,864</b>	<b>23</b>

Source:

- Targets: Consolidated Programme Overview and Logical Framework, Version 6, June 2004, EPWP Unit DPW
- Quarterly Reports: EPWP Unit

<sup>3</sup> Figures to end March 2008 are not yet available

<sup>4</sup> The Environment Sector is called the Environment and Culture Sector and has been shortened to Environment in this report for ease of reference

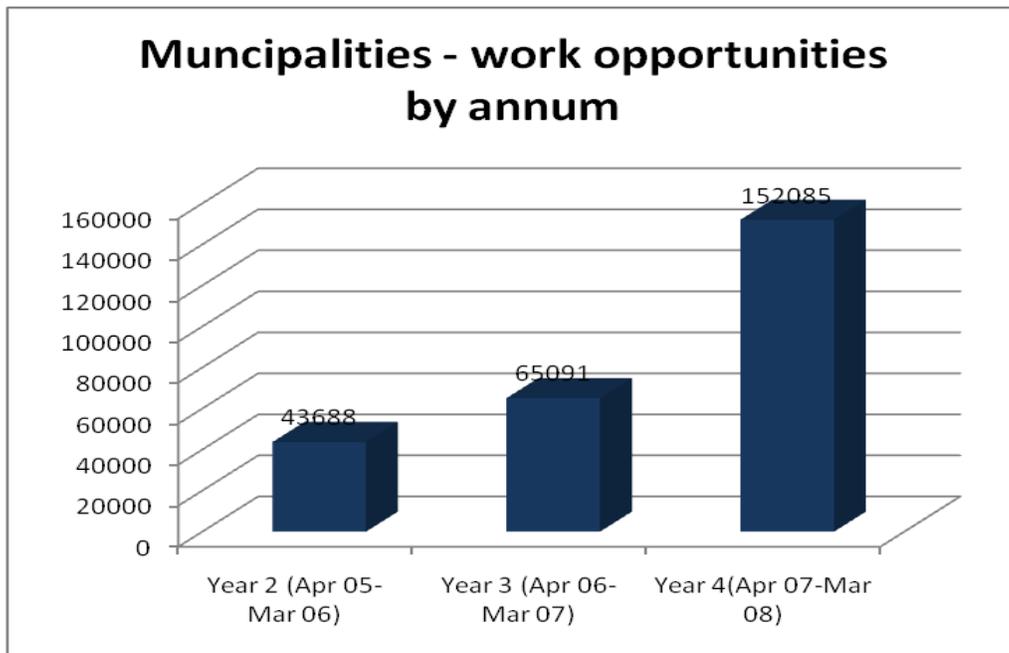
On the basis of the above table it is evident that the infrastructure sector is meeting its employment targets. The environmental sector has exceeded its target by a wide margin. The social sector started off very slowly but has grown considerably in the last two years of the EPWP. The economic sector is achieving its targets, but was always a very small sector compared to the other three.

**The contribution of Municipalities to achieving this target was lower than anticipated** amounting to 260,864 work opportunities. Against a target of 415,000 the municipalities have therefore contributed 63% and in terms of the overall target for EPWP, 23% can be attributed to municipalities. 251,387 of the reported work opportunities have been created in the Infrastructure Sector which is 34% of the target for this sector. The percentage contributions for the Environment, Social and Economic sectors are currently quite low.

Municipalities faced many challenges in implementing the EPWP. This was acknowledged in the SACN State of the Cities report of 2006 which indicated *'There is a realization...that a huge effort is still required to ensure that EPWP and its implications for implementation are well understood by all relevant Departments at city level'*.

Overall, Municipalities are **increasingly adopting the EPWP and as a result have progressively improved their performance in respect of its delivery** as detailed in Figure 3 below. The number of work opportunities created in Year 4 is more than double than those created in Year 3.

**Figure 3: Municipalities work opportunities per annum**



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The SACN has initiated an EPWP knowledge exchange Reference Group to provide a platform for its member cities to meet regularly and share their experiences and best practices on implementing the EPWP. The series of meetings under this initiative also identified common challenges that cities faced in implementing EPWP and jointly explored ways of addressing them. It also served as an opportunity for the EPWP Unit to meet cities to address challenges that required 'national' intervention. In addition other relevant national Departments were able to address cities at this forum.

In addition during the 2007/08 financial year the EPWP Unit established a programme to support Municipalities to implement the EPWP. A **National Technical Support Programme** was established to support the nine SACN cities and 43 additional Municipalities to implement the EPWP [52 in total]<sup>5</sup>. The EPWP Unit contracted a team of engineers to provide technical advice to municipalities. In addition a team of municipal training facilitation officers and an EPWP Infrastructure Management Information System is provided to radically increase municipal capacity to manage, implement and report on EPWP projects.

### **3.4 EPWP Phase 2**

As the first implementation period of the EPWP is coming to an end, the EPWP Unit has, in consultation with relevant national, provincial and local government departments and other stakeholders, started to prepare proposals for the next five years of the Programme. These proposals are based on findings from the ongoing monitoring and evaluation of the programme since inception, as well as an extensive strategic review undertaken during the 2007/08 financial year.<sup>6</sup>

The overall findings of the strategic review is that the EPWP is increasingly providing work opportunities for unskilled unemployed individuals and is delivering on its targets, but still faces a number of challenges including for example:

- The programme is not providing sufficient work opportunities, given the high levels of unemployed individuals that exist.
- There is no dedicated funding which can be mobilized to scale up the programme, in areas where it is performing.
- The programme is supply driven in that targets are set based on existing government budgets, rather than the need for EPWP type of work. In addition work is often not reaching the geographic areas where the unemployed are located.
- A non uniform wage structure raises operational difficulties.
- Making things more labour intensive is perceived by some Officials as higher risk [more expensive and time consuming] and they are therefore hesitant to risk their line function budgets.

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<sup>5</sup> Over time the number of cities participating in this programme has increased. Currently a total of 130 cities are participating in this programme

<sup>6</sup> This included a Mid Term Review, cross sectional and longitudinal studies, and a range of sector specific reviews

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- The training framework is currently not structured effectively, resulting in difficulties in providing sufficient and appropriate training for beneficiaries. Difficulties experienced include for example long delays in obtaining approvals for training and insufficient training service providers.

Due to the fact that the problem of unemployment in South Africa continues to persist there is an increasing view that the **EPWP should continue for a second phase and should in fact be scaled up**, for example President Mbeki has announced the need for the scaling up of the programme in his State of the Nation address for the past two years. On the 27 April 2007 he indicated the following during his address:

*'Together, government, business, traditional leaders, women, youth and workers should help the rural poor with simple yet critical programmes that would alleviate poverty and hunger..... It means that government's expanded public works programme should be accelerated .....*"

In 2008, he indicated the following during his address:

*"Over the past three years, the economy has created some one-and-half million jobs.....A small part of these are the....job opportunities created through the Expanded Public Works Programme. But there is no question that this programme can and must be ratcheted upwards quite significantly"*.

The Anti Poverty Strategy<sup>7</sup> recommends that the scale of the EPWP going forward needs to be increased massively, in order to reach a larger share of the target group defined as unskilled unemployed people who are willing to work but unable to find work, and who do not have access to the social security network – i.e. those who fall within the "social security gap"<sup>8</sup>.

The need for scaling up the programme is also confirmed by the scenarios for employment growth that were prepared by the Human Sciences Research Council (HSRC). These scenarios provide a useful framework for estimating the required scale of the EPWP, if it is to contribute to the government policy of halving unemployment by 2014<sup>9</sup>.

On the basis of this the EPWP Unit is proposing that the EPWP is expanded to provide 1,5 million work opportunities per annum. This represents five times the current scale of the EPWP. Of this it is proposed that **Municipalities generate 500,000 work opportunities per annum**. This equals double that generated by Municipalities over the last three years. It is further proposed that a fiscal mechanism is offered by National Government, that creates more accountability for public bodies to contribute to the EPWP, and also incentivises them to maximise this contribution.

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<sup>7</sup> The Anti-poverty Strategy is being developed by the Department of Social Development with the purpose of having a succinct national anti-poverty plan and a relatively detailed anti-poverty framework and ultimately an integrated anti-poverty and social cohesion programme for South Africa [Dr Zola Skweyiya, Minister of Social Development, at the opening of the Anti-poverty Conference, hosted by the National Development Agency (NDA) in Woodmead, Sandton, 16 October 2007

<sup>8</sup> Akhalawaya, EPWP Unit Slide presentation to the SACN, Reference Group, 5 and 6 June 2008

<sup>9</sup> Altman, M (2007) Employment scenarios to 2024, Human Sciences Research Council

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Initial proposals for a second phase of the EPWP have been submitted to Cabinet who made the following announcement in the Statement on the Cabinet meeting held on 25 June 2008:

*The Strategic review of the first phase and proposal for the second phase of the Expanded Public Works Programme (EPWP) was considered and approved by Cabinet. The meeting noted that the programme had successfully created up to 950 000 work opportunities during the period 2004 and 2007 and was on track to create 1.3 million opportunities by 2009. Of the 950 000 opportunities already created, 48% of the beneficiaries were women and 37 % were youth. During second phase (2009-2014), the EPWP has a target to reach 1,5 million beneficiaries per annum. The Ministers of Public Works and Labour, in consultation with other Ministries, will enhance and finalise the training framework to entrench training as an essential part of the programme.*

Should the proposals be approved there will be a **greater need for Municipalities to identify and implement EPWP projects**<sup>10</sup>. Despite whether these proposals are successful or not, the extent of unemployment in South Africa requires all Municipalities to implement the principles of the EPWP when delivering goods and services. This report focuses on reviewing the achievements of Municipalities in implementing the EPWP since the start of the programme and particularly in the last year, with a view to identifying successes and challenges and thereby assisting in improved implementation in the future.



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<sup>10</sup> | Akhalawaya, EPWP Unit Slide presentation to the SACN, Reference Group, 5 and 6 June 2008

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## 4. ORGANISATIONAL ARRANGEMENTS OF THE SACN CITIES IN RESPECT OF THE EPWP

This section focuses on understanding the way in which the SACN Cities have structured the EPWP within their organisations. Specifically this section looks at whether EPWP policies and targets have been developed and the extent to which capacity has been made available within the Cities to implement the EPWP.

### 4.1 Policy and targets

Of the nine SACN members cities two have an approved EPWP policy namely eThekweni and Johannesburg. The importance of having a policy is recognised and all other cities are either in the process of developing an EPWP policy or have incorporated the EPWP into their Integrated Development Plan.

The Msunduzi Local Municipality has used the eThekweni Policy [see box] as a reference for developing and adopting their own EPWP policy. Nelson Mandela Bay Metropolitan Municipality are also using the eThekweni Policy as a model for developing their policy document.

The development of an overall EPWP target for the City is less explicit. Only four Cities have set specific EPWP targets namely eThekweni, Cape Town, Johannesburg and Ekurhuleni. The remaining Cities do not seem to have set EPWP targets.

The National Technical Support Programme has gained a lot of experience through its support to municipalities. They are adamant that until an explicit work opportunity target is set and applied across infrastructure programmes, and all leaders are regularly required to report on progress, EPWP delivery will remain low.

#### eThekweni EPWP Policy

eThekweni released its EPWP policy in April 2007. It is approved and is currently being implemented across all sectors and clusters. The objective of the policy is to guide the implementation of a sustainable EPWP within the Municipality. The key objectives of the policy are to:

- Establish the eThekweni's EPWP as an approved socio-economic developmental and poverty alleviation program with sustainable exit strategies that maximize SMME development, employment creation and skills development.
- Entrench the EPWP methodology within the IDP using a methodology that expands the current service delivery model of goods and services to ensure shared economic growth.
- Ensure developmental integration across all sectors and re-engineer how projects and programmes are planned, designed and implemented within the existing municipal operational and capital budgets

The policy sets out:

- The EPWP programme objectives and funding
- Institutional arrangements
- How targeting is to be undertaken
- How EPWP projects are to be identified
- Procurement and compliance requirements for EPWP projects
- Monitoring and evaluation procedures

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A review of the EPWP policies that have been developed indicate that they contain the following key elements:

- EPWP delivery is aligned with key, relevant and strategic policy interventions such as the Integrated Development Plan of the City. Targets are set for the City as a whole.
- A budget/expenditure target is set and this is translated into work opportunities given the nature of the work and the Labour Intensive potential. Targets should be realistic and able to be achieved.
- The EPWP is incorporated into the Key Performance Indicators (KPI) of relevant Directors, Executive Directors and the City Manager
- EPWP is mainstreamed into line departments who are required to appoint EPWP staff, set targets, formulate plans, allocate budgets and report on implementation of the EPWP.

## **4.2 Institutional arrangements**

Five of the SACN Cities appear to have dedicated EPWP capacity in place and have structured institutional arrangements for the implementation of the EPWP. Examples of the way in which these cities have structured the institutional arrangements are as follows:

- **eThekweni:** The EPWP organisational structure for eThekweni consists of a TASK group that is made-up of a nominated champion for each cluster/sector. The TASK group also includes representatives from Treasury, Skills Development and Supply Chain Management. A nominated Councillor provides political support to the programme. EThekweni's task group provides the coordination of the EPWP programme across the city and is directly responsible for ensuring an integrated approach in terms of planning, coordination, monitoring and reporting of all EPWP related activities within each cluster.
- **The City of Johannesburg:** The CoJ established a dedicated unit to implement EPWP projects which initially sat in the Department of Development, Planning and Urban Management. In 2007 the EPWP Unit moved to the Department of Economic Development. The Unit head reports directly to the Executive Director of Economic Development. In addition there are sector co-coordinators that have been appointed by the City Manager for each of the four sectors who are responsible for liaising with the Sector Lead Departments at the National Level, keeping abreast of sector specific developments and represent the CoJ on all relevant provincial EPWP coordinating committees. Each sector co-coordinator is required to draft a sector plan and monitor, evaluate and report on sector specific KPIs. The EPWP also features in the City Manager's scorecard. A steering committee has been established which is responsible for the overall EPWP coordination within the CoJ. The steering committee is chaired by the Executive Director and representatives from all the City departments and entities attend a monthly meeting [for more details see box].
- **Mangaung:** The EPWP currently sits in the Office of the City Manager and is the responsibility of the Project Management Unit (PMU) headed up by a manager and a coordinator. The PMU concentrates on MIG and EPWP activities only. The PMU stands independently in the municipal structure and reports directly to the City Manager.

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Where there is dedicated capacity [in the form of an EPWP Coordinator] it is in most cases [four cities] located within the Programme Management Unit [PMU] which is a Unit that is established to implement projects receiving the Municipal Infrastructure Grant [MIG]. In two Cities no additional capacity is in place but the PMU itself is given the responsibility for implementing the EPWP.

For those Cities that have dedicated capacity and structured institutional arrangements in place the key basis on which this occurs is as follows:

- There is usually an over arching committee which comprises representatives from key Departments and a political champion. The purpose of the committee is to coordinate the implementation of the EPWP within the City
- Implementation of the EPWP is made the responsibility of line managers as part of their normal activities and is part of their key performance indicators.
- Sector specific champions are appointed to; assist line managers, represent the City on coordinating bodies and fulfill reporting requirements. The champions also often assist with the identification of EPWP projects.
- A training champion is in place to facilitate the provision of training on EPWP projects
- There is usually a stakeholder communication component where Ward Councilors and relevant communities are kept informed of progress.

#### **City of Joburg: Institutional arrangements**

The EPWP policy made way for the approval of 3 out of the 4 sector plans (Infrastructure, Social and Environment and Culture Sectors). The CoJ established a dedicated unit to implement EPWP projects which initially sat in the Department of Development, Planning and Urban Management. In 2007 the EPWP Unit moved to the Department of Economic Development. The Unit reports directly to the Executive Director of Economic Development. In addition there are sector co-coordinators that have been appointed by the City Manager for each of the four sectors who are responsible for liaising with the Sector Lead Departments at the National Level, keeping abreast of sector specific developments and represent the CoJ on all relevant provincial EPWP coordinating committees. Each sector co-coordinator is required to draft a sector plan and monitor, evaluate and report on sector specific KPIs. The EPWP also features in the City Manager's scorecard. A steering committee has been established which is responsible for the overall EPWP coordination within the CoJ. The steering committee is chaired by the Executive Director [Economic Development] and representatives from all the City departments and entities attend a monthly meeting. A Learnership coordinator has also been appointed and is responsible for the coordination and integration of projects suitable for learnership programmes across all four sectors.

Each Department has appointed a dedicated EPWP 'Champion' to assist the steering committee in selecting suitable projects for inclusion in the City's EPWP and learnership programmes. The Champions are also responsible for ensuring that the planning, design and contract administration of labour-intensive work is carried out by consultants who have completed the necessary skills training. Lastly the Champions must monitor and report on the implementation of EPWP projects.

Regional Directors have been appointed and are responsible for ensuring that information on the extent and impact of the EPWP in their region is communicated to all stakeholders including Ward Councilors. They are required to keep a record and provide information to a central database on emerging contractors, learner contractors and the availability of local labour in the region. The regional directors will also facilitate and arrange appropriate awareness campaigns among local communities to illustrate the benefits of labour-intensive infrastructure projects whilst at the same time dispelling any misconceptions on the quality of the works thus created.

Since the implementation of the revised institutional arrangement COJ has seen a significant improvement in the delivery of reported EPWP work opportunities. During the 2006/07 financial year 8,419 work opportunities were reported. In the 2007/08 financial year this increased to 50,067 work opportunities reported.

### 4.3 Conclusion

Table 3 below provides an overview of the SACN Cities indicating which have an EPWP policy, have set targets and established dedicated capacity within the Municipality. In addition the table shows the number of work opportunities that the City has provided. What is evident from the table is that those Municipalities that have fulfilled any of these activities are more successful in implementing the EPWP, than those who have not.

**Table 3: Work opportunities and organizational arrangements**

	Buffalo City	Cape Town	Ekurhuleni	eThek-wini	Johannesburg	Mangaung	Msunduzi-	Nelson Mandela	Tshwane
Cumulative work opportunities	666	12,342	788	44,015	58,486	4,602	1,838	2,309	7,649
Whether city has EPWP policy	Developing one	Partial – in draft form	Partial – features in IDP	Yes	Yes	Policy in the process of being written	Policy in process of being written	Policy in process of being written	Partial – features in IDP
Whether city has EPWP targets	No	Yes	Partial- as part of Roads prog	Yes	Yes	No	No	No	No
Whether city has dedicated EPWP capacity	No – PMU only	Policy specifies basis for this	No	Yes	Yes	Yes – located in PMU	No – PMU only	Yes – in Strategic Prog Unit	Yes – part of PMU

#### **Mangaung : Venture Learnership Programme**

During 2005 Mangaung launched a learnership for emerging contractors in line with the EPWP Venture Learnership Programme. The programme was launched in Botshabelo on the 24th of March 2005. Sixty individuals have been through a 2 year training programme to train them to become contractors applying labour intensive methods. The individuals receive both training and contracts. The project emanated from interaction between the municipality and community members and 60 labour intensive projects are being provided as identified by the community.

The contractors selected were assisted to form registered enterprises and were therefore able to bid for the maintenance of low-volume roads, storm-water drains and for bucket eradication projects after the learnerships had been completed. The aim of the Labour Intensive Emerging Contractor Learnership was to provide work for the people within the municipality and also develop infrastructure in line with the provincial Infrastructure Development Plan (IDP).

## 5. PROGRESS IN IMPLEMENTATION

This section sets out progress by the SACN Cities in the implementation of the EPWP specifically outlining the sectors and type of projects being undertaken, work opportunities provided and training provided.

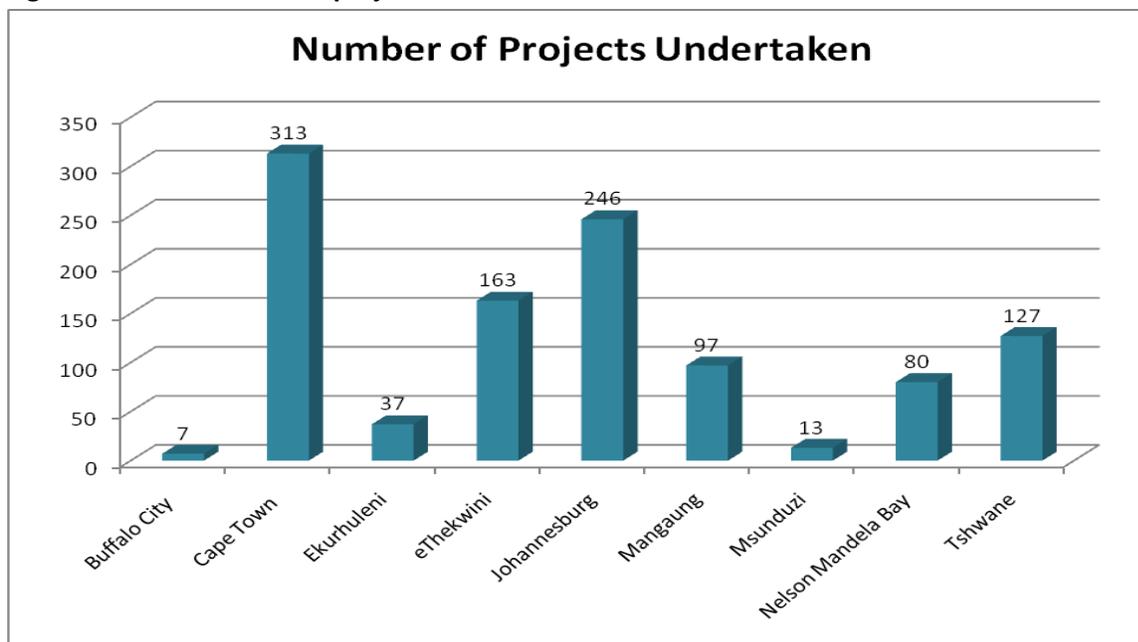
The data presented in this section is sourced either from the EPWP Quarterly Reports or the Management Information System of the EPWP Unit National Technical Support Programme. A consolidated summary of the data analysed in this section can be seen in Annexure A attached.

A city specific report was generated for each of the nine members cities of the SACN containing the data outlined in this section. Cities were given an opportunity to revise these reports which were amended accordingly. Copies of the individual reports prepared for each city can be seen in Annexure B attached.

### 5.1 Area of focus

Since the start of the EPWP the SACN cities have implemented a total of 1083 EPWP projects. As detailed in Figure 4 below Cape Town [313], Johannesburg [246] and eThekweni [163] have implemented the most projects in this regard.

Figure 4: Number of EPWP projects undertaken



Source: EPWP Quarterly Reports [2005/06 to 2007/08]

Table 4 below sets out the sectors in which the Cities are implementing projects. The most predominant sector is Infrastructure. However some are engaging in the other Sectors as well, Cape Town in particular is engaging in all sectors.

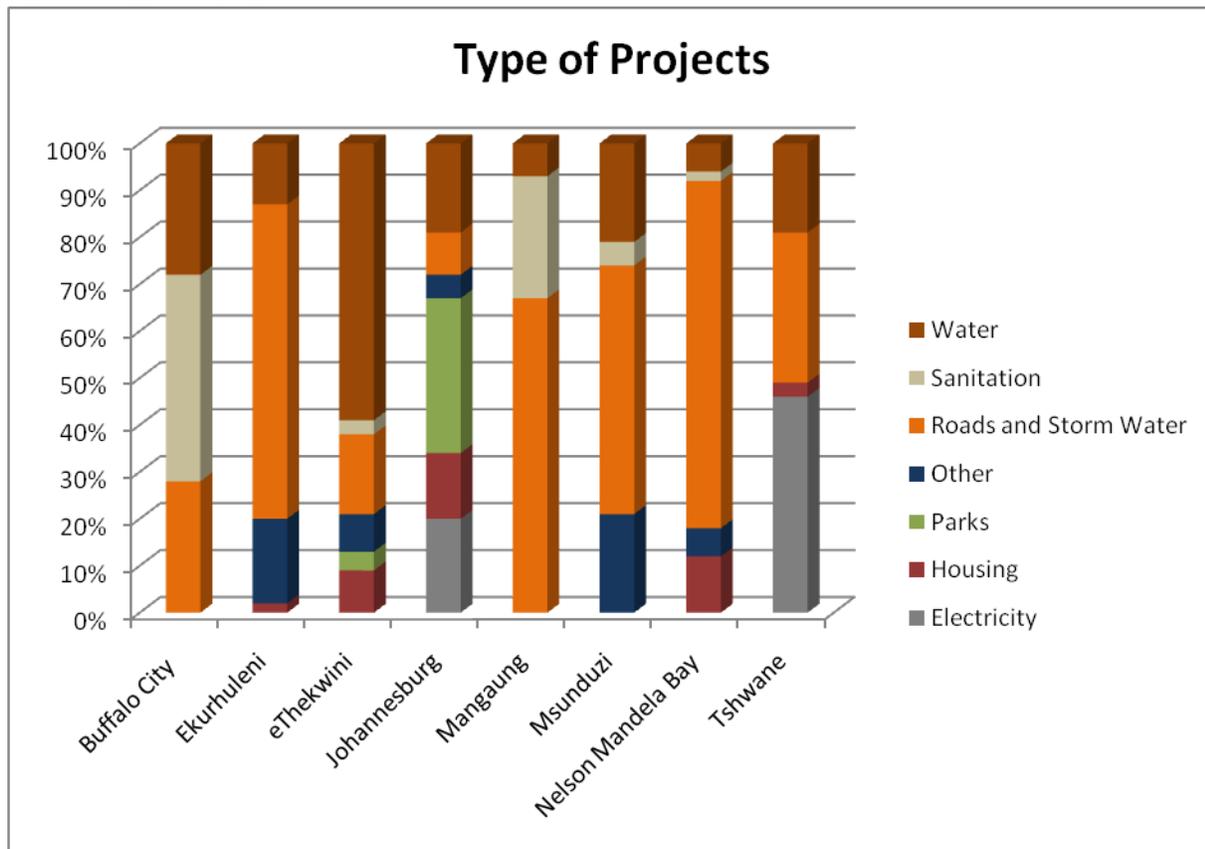
**Table 4: Sectors**

	Buffalo City	Cape Town	Ekurhuleni	eThek-wini	Johan-nesburg	Man-gaung	Msun-duzi	Nelson Mandela	Tshwan e
No of sectors where Mun is operational	1	4	1	2	3	1	1	3	1
Sectors in which Mun is active	Infra	Infra Social Environ Economic	Infra	Infra Environ-ment	Infra Social Environ	Infra	Infra	Infra Social Economic	Infra

Source: EPWP Quarterly Reports [2005/06 to 2007/08]

Figure 5 below shows the type of projects being undertaken. The most predominant are roads and water. Sanitation, parks, housing and electricity projects are also being undertaken but to a lesser extent.

**Figure 5: Type of projects**



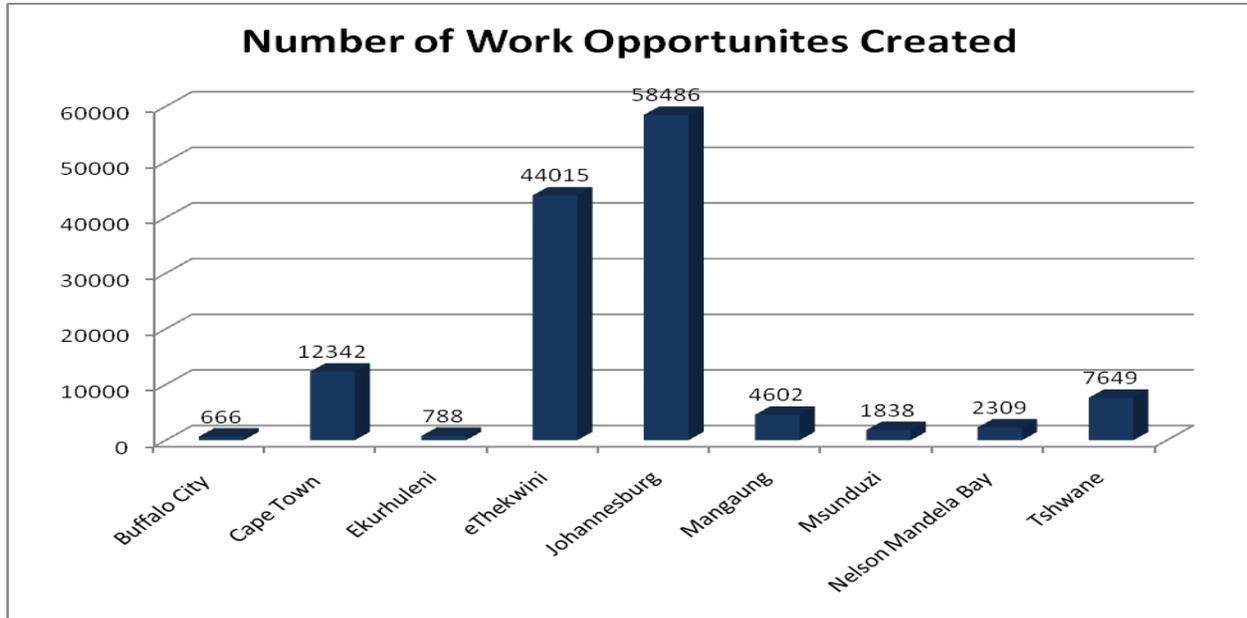
Source: MIS National Technical Support Programme [2008]

## 5.2 Employment created

The total number of work opportunities created by the SACN Cities since the inception of the EPWP is 132,695. This represents 51% of the work opportunities created by all Municipalities.

As detailed in Figure 6 below the Cities that have created the most work opportunities are Johannesburg [58,486], eThekweni [44,015] and Cape Town [12,342].

**Figure 6: Number of work opportunities created<sup>11</sup>**



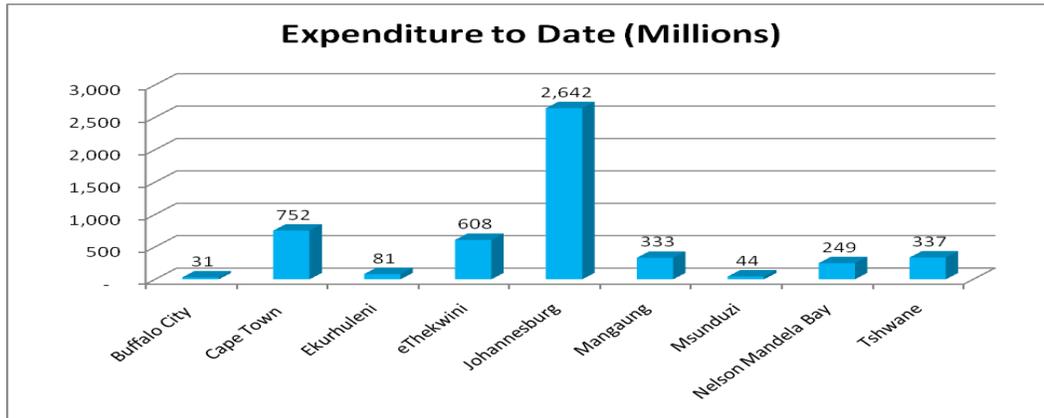
Source: EPWP Quarterly Reports [2005/06 to 2007/08]

The SACN Cities spent approximately R5,1 billion in undertaking these projects, which provided wages to unemployed individuals to the value of R417 million.

Figures 7 and 8 below show the amounts spent and wages paid by Cities. From these Figures it is evident that Johannesburg spent the most in undertaking projects [R2,642 million] and in wages paid [R188 million], followed by eThekweni who spent [R608 million] and provided wages of R119 million.

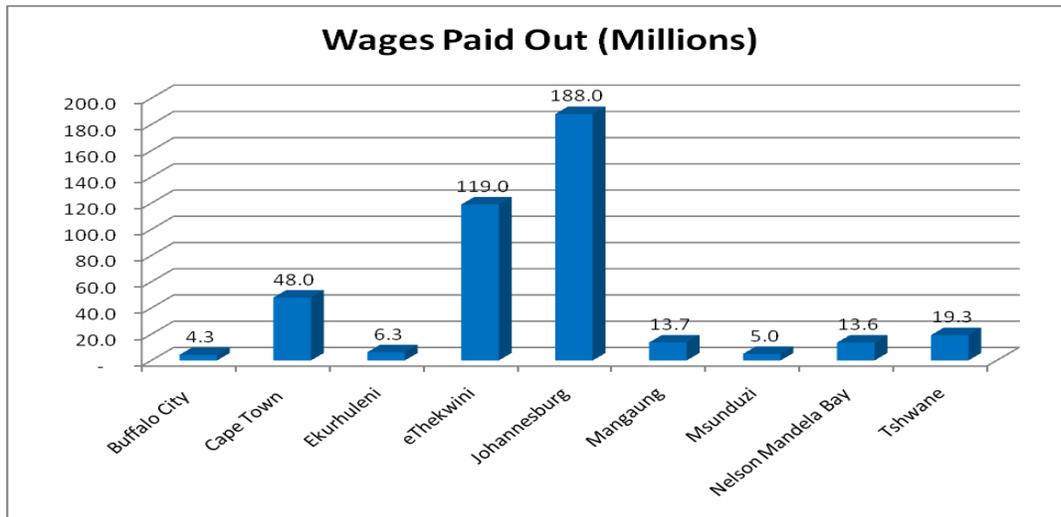
<sup>11</sup> Cape Town have indicated that they have provided significantly more work opportunities than reflected in the quarterly reports. These were not incorporated by the EPWP Unit.

**Figure 7: Expenditure to date**



Source: EPWP Quarterly Reports [2005/06 to 2007/08]

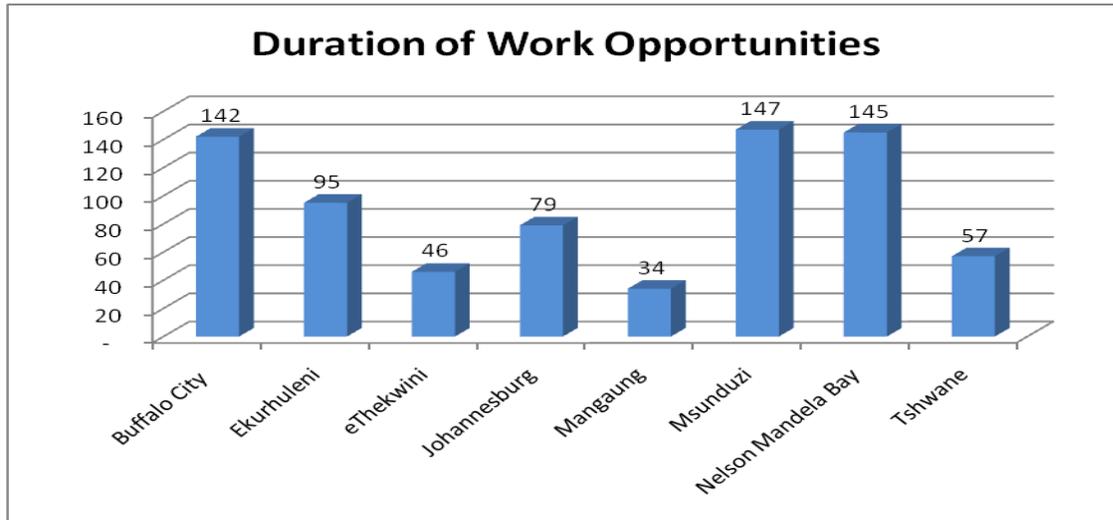
**Figure 8 : Wages paid out**



Source: EPWP Quarterly Reports [2005/06 to 2007/08]

As shown in Figure 9 below the duration of work opportunities provided varies considerably between Cities and ranges from 147 days in Msunduzi to 34 days in Mangaung. The average number of days provided by the SACN Cities is 130.

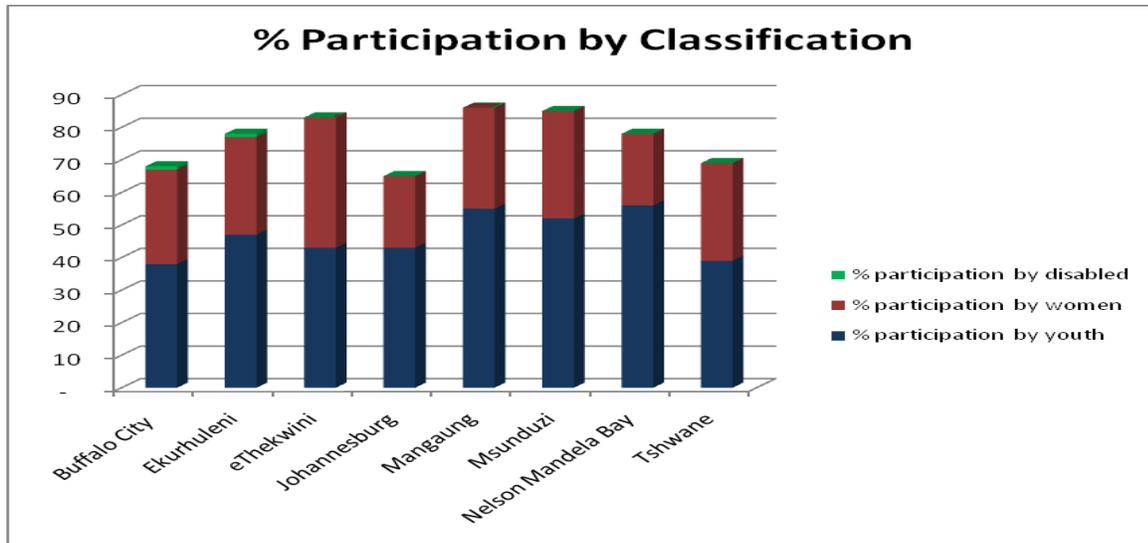
**Figure 9 : Duration of work opportunities**



Source: MIS National Technical Support Programme [2008]

Across all Cities youth and to a lesser extent women are benefiting the most from the work provided, in that as shown in Figure 10 below generally half of the individuals accessing work are youth and one third women. Very few work opportunities are being provided to disabled individuals.

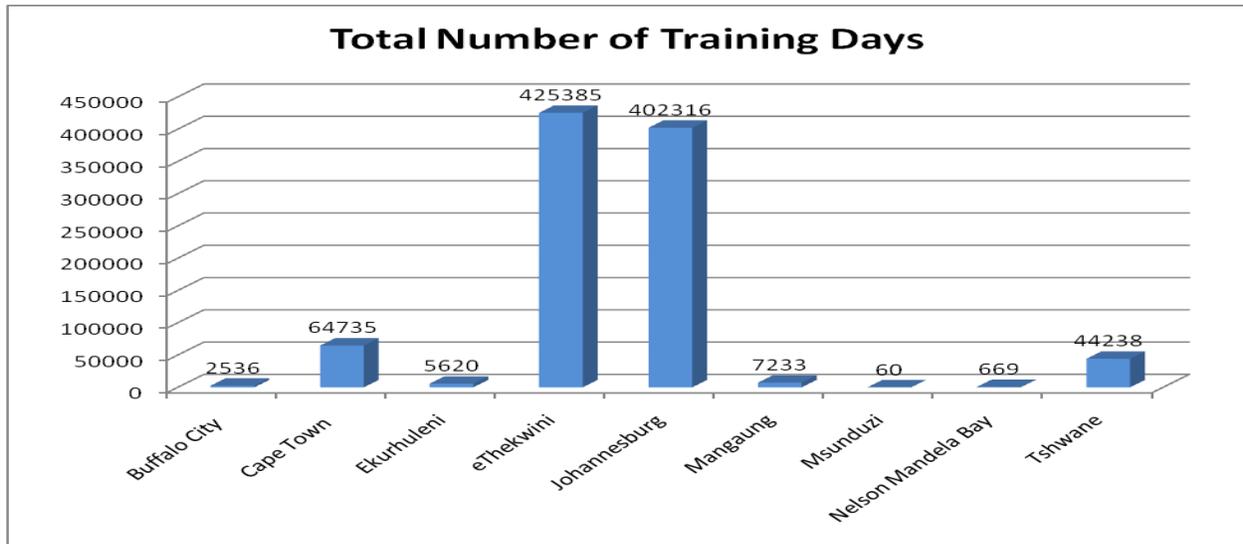
**Figure 10: Participation in work opportunities**



Source: MIS National Technical Support Programme [2008]

A total of 952,792 training days of work has been provided by all SACN Cities since the inception of the EPWP. As detailed in Figure 11 below, eThekweni [425,385], Johannesburg [402,316] and Cape Town [64,735] have provided the highest number of training days.

Figure 11: Total Number of Training Days



Source: EPWP Quarterly Reports [2005/06 to 2007/08]

#### City of Cape Town: Project Vuk'uhambe

Project Vuk'uhambe which means 'get up and go' was initiated by the City of Cape Town's Transport, Roads and Stormwater Directorate in May 2002. The objectives of the project are to provide sustainable employment, training and empowerment opportunities to historically disadvantaged individuals through the mechanism of road construction and maintenance using labour intensive construction techniques.

The road-building programme has employed 91 (previously unemployed) beneficiaries from the local area and centres around a contract model based on labour intensive construction methods ensuring the maximum utilisation of local labour and affirmative business enterprises. There is also a separate model to train local students in business and technical skills. The students are then mentored through a series of contracts until they have established their own construction enterprises, thus ensuring sustainability of the programme. The project currently employs four students and 91 residents, some of whom are working on the roads, while others work in a precast concrete manufacturing yard constructing the kerb and gutter units.

The City of Cape Town considered various areas where project Vuk'uhambe could be implemented and eventually chose an area in Gugulethu, one of the oldest townships in the Western Cape. Tambo Village was previously serviced by approximately 4km of gravel tracks that had become all but impassible in wet, winter months and flooding of the abutting properties was a regular occurrence. The village has 834 low-income households and a population of over 5000. The area has a high level of unemployment and it was felt that the community would derive great benefit from the project in their area. The City of Cape Town commissioned a team of officials, consultants and contractors in May 2002 to design and develop the project model with a view to its implementation in February 2003.

The upgrading of 4 km of residential roads in Tambo Village, Gugulethu, began in February 2003. The total project cost estimate is R9.5 million. Some 25% of the project costs - almost R2, 4 million - will be a direct benefit to the community in the form of salaries, wages and fees. The project's success has spurred other communities to motivate for similar projects. As a result R15 million has been approved for the rehabilitation of concrete roads in Gugulethu, and a further R15 million has been committed to constructing a cycle track in Khayelitsha and building pathways in Mitchells Plain.

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### 5.3 Achievement of other Cities

Table 4 below shows achievements of the 43 Municipalities<sup>12</sup> receiving support from the National Technical Support Programme against key variable. These figures exclude the nine SACN Cities which are shown separately below. It is noted that this data is slightly different from some of that detailed in the sections above, as it covers the infrastructure sector only since the inception of the National Technical Support Programme. Data for each of the 43 cities individually can be seen in Annexure A attached.

**Table 4: Achievements of Municipalities participating in the National Technical Support Programme**

	43 Municipalities	9 SACN Cities	Total
No of projects	607	536	1,143
No of work opportunities created	39,324	121,913	161,237
Value of wages paid [R million]	134,2	422,9	557,1

From the table it is evident that the 43 Municipalities have provided 39,324 work opportunities which is significantly less than those provided by the SACN Cities. In addition the value of wages paid is significantly less. Together however the 52 Cities that form part of the National Technical Support Programme have contributed 64% of all work opportunities created by Municipalities in the infrastructure sector to date.

### 5.4 Conclusion

Since the inception of the EPWP the nine SACN Cities have collectively provided 132,695 work opportunities to unemployed, unskilled individuals of which approximately half are youth and one third are women. The funds spent in this regard have amounted to R5,1 billion of which R557.1 million has been provided in wages. The main type of projects being undertaken are roads and water.

All Cities are actively engaging in the implementation of the EPWP although some have been more effective than others. eThekweni, Johannesburg and the City of Cape Town are noted in this regard.

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<sup>12</sup> Names can be seen in Annexure A

## Working on Waste

The EPWP Environment and Culture Sector has identified waste collection as a key opportunity due to the fact that there are currently 2,2 million un-serviced households in South Africa. It is an activity that is labour intensive and brings un-skilled labourers into the workforce making it an ideal mechanism for creating EPWP work opportunities.

There are currently two programmes that are being implemented, namely the food for waste programme and domestic waste collection programmes that uses SMMEs and labourers to collect domestic refuse from previously un-serviced areas.

The food for waste programme is currently being piloted in Hibiscus Coast and Msunduzi local municipalities in KZN. The programme involves selected beneficiaries from communities who collect waste in their residential areas and exchange the waste collected for a food parcel and fresh fruit and vegetables on a fortnightly basis. The programme is being implemented under the EPWP and to date 250 beneficiaries are participating. The programme also aims to grow community based small businesses by purchasing the food supplies and vegetables from community gardens and other local suppliers. The beneficiaries are receiving training in Hibiscus Coast and training is planned for Msunduzi municipality.

The community based waste collection programmes are not currently being reported as EPWP projects however an EPWP programme is being piloted by the National Department of Environment and Tourism with the intention that a best practice model will be rolled out across the country. There is also work underway through the EPWP Unit to make sure that the existing programmes comply and begin reporting on the jobs they are creating. Many of these programmes are within the cities of the SACN. eThekweni has a very large community based waste collection programme that is implemented using the SMME model. Nelson Mandela Bay is implementing a waste collection programme using co-operatives as the SMME equivalent and successfully creating jobs and sustainable co-operatives. The City of Cape Town is also implementing a community based waste collection programme and there is currently consultation underway with the Environment and Culture sector of the EPWP in order to address compliance issues that are being faced regarding training for beneficiaries.



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## 6. CHALLENGES FACED

On the basis of interviews with representatives of the SACN Cities and the analysis of existing documents the following were identified as challenges facing the Cities with respect to the implementation of the EPWP. Solutions are also noted.

Challenges	Solutions
Accessing Department of Labour support and funding in order to provide training to beneficiaries is time consuming with long delays.	A review of the basis by which funding for training is provided and training is undertaken is being undertaken, as part of the process of developing proposals for EPWP Phase 2
Lack of branding on successful EPWP projects.	A branding strategy has been circulated and the National Technical Team is actively monitoring compliance
Under reporting of EPWP projects. Difficulties include appointed consultants and contractors not capturing and providing the required monthly data and Officials lacking capacity or skills to capture the data and compile reports according to the required formats.	The National Technical Support Team provides cities with a management information system to input project data and ensure that it is compliant for incorporation into the quarterly report. Technical support is also provided to apply the MIS.
Lack of financial resources	Increased political support for the EPWP and the potential of a wage incentive to be provided as part of EPWP Phase 2.
Insufficient capacity in some Municipalities	EPWP to be made part of the key performance areas of line staff. In addition a coordinator to be appointed to assist with reporting and identification of projects
Lack of support and buy in to the EPWP principles from some Officials	EPWP to be made part of the key performance areas of line staff.

The above is supported in the findings of research undertaken as part of the Mid Term Review of the EPWP. In 2007 as part of the Mid Term Review, social research was undertaken to provide an objective, insightful and constructive understanding of the attitudes, knowledge and perceptions of Senior and Middle level Government officials towards the EPWP<sup>13</sup>. As part of the survey 116 Municipal Officials were interviewed, randomly selected from all Municipalities. Most interviews were with Municipalities with high to medium levels of implementation of the EPWP. The focus was across all four Sectors and Provinces.

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<sup>13</sup> Social Surveys, Mid Term Review, Social Field Research, July 2007

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The survey generally found that Officials understand and support the EPWP although this was higher in Municipalities that are actively implementing the programme, than in those who were not. In addition that such understanding and support was less amongst Municipal Officials, than Officials in National and Provincial Government. For example key findings from the survey were as follows:

- When asked on a scale of 1 to 5, where 1 is not at all clear and 5 is extremely clear whether the Official is clear about his/her specific role relating to the EPWP, Municipal Officials interviewed on average responded 3,7.
- On average 75% of Officials felt that there was sufficient political championship of the EPWP.
- On a scale of 1 to 5 where 1 is not at all positive and 5 is extremely positive, most Municipal Officials rated the attitude of key Officials as 3,8.
- 75% felt that they had adequate support for fulfilling their own role.

While the above findings indicated that generally Officials are supportive of the EPWP the findings also identified the following challenges being faced:

- Of the Municipal Officials interviewed in those Municipalities where implementation of the EPWP is low, 60% said that the reason why the Municipality was not more involved was that internal staff did not know how to implement the EPWP and 40% that there was not sufficient communication about the EPWP.
- Of all Municipal Officials interviewed only 40% felt that the EPWP was central to their role and part of the delivery of their core mandate.
- Approximately 50% felt that the impact of EPWP responsibilities was positive in respect of their core mandate.
- On a scale of 1 being not manageable and 5 being completely manageable, most Officials rated how manageable their work related to EPWP implementation as being 3,9.
- Only 35% of the Officials interviewed felt that there were sufficient budgetary resources allocated to the EPWP.
- Only 35% felt that appropriate capacity in the form of sufficient personnel was allocated to the EPWP.

#### **eThekwini Metropolitan Municipality: The Large Contractor Model:**

The eThekwini's Large Contractor Model was conceived by the PMU in an effort to accelerate contractor development within the City by encouraging major contractors to use emerging contractors as part of a formal Contractor Development Programme within the project whereby they would receive training and mentorship. The emerging contractors would receive assistance and training with contract administration, financial management, project management and plant management.

The current project (R150 million per year) is managed by Water Services department and involves the relaying of AC pipes across the City. There are currently 16 emerging contractors involved with this project who are all approximately 50% of the way through their first projects with them all progressing well.

Individual business plans have been prepared for each contractor to ensure that the project objectives are achieved. There are still some inputs outstanding but from the data received, since inception in November 2007 until March 2008 over 5,301 job opportunities have been created amounting to 274,888 labour days with over 600 persons being training in construction, supervision and administration. This is a significant achievement.

The PMU is currently packaging other types of projects (rural roads programme and housing delivery) that could be implemented as Large Contract projects so as to rake advantage of accelerated service delivery and contractor development.

- 
- 35% felt that they did not have sufficient budget to implement the EPWP.
  - On a scale of 1 being not at all effective and 5 extremely effective, in response to whether EPWP reporting systems are effective, most Officials responded 3.4

The above findings suggest that while most Officials understand and support the EPWP there are still challenges being faced particularly in respect of resources available to implement the programme.

#### **City of Johannesburg: The Gcinamanzi Water Project**

The Gcinamanzi Water project aims to address the problem of aging water and sewerage infrastructure in Soweto that is resulting in water leaks and burst pipes. The leaks are costing the CoJ a lot of money as billions of litres of water are being lost. The project commenced in July 2006 and is expected to be completed in September 2009. Its main objectives are to deliver a sustainable, affordable and cost effective service, create job opportunities through the application of labour intensive methods of construction, conduct leak detection of all existing mains that will not be upgraded and replace secondary water mains where necessary, including Zone Meters, rehabilitate private plumbing fixtures including taps, flow control valves on hot water systems, cisterns, pans, gullies and the provision of water troughs if necessary, build capacity through the development and training of beneficiaries, develop emerging contractors through training and subcontracting of work to local small contractors. The project aimed to develop 58km of bulk water supply, install 300kms of water mains and service 162 000 stands including house supply, installing of metres and fixing of plumbing problems

The progress on the project to date is substantial and in some respects has already achieved more than the objectives set with over a year remaining before the expected completion date. Key achievements include over 110 000 stands have been serviced, 60km of bulk supply has been piped, 260km of water mains reticulated, 3500 toilets installed, Water wastage has been reduced by as much as 70%, 11,379 jobs have been created, 477 plumbers and emerging contractors have been trained and contracted and 11 super blocks (15 townships) have been covered. In implementing the project R588 million has been spent and R265m worth of new contracts were awarded. In addition the project has provided exit opportunities to 248 beneficiaries

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## 7. CONCLUSIONS

Municipalities have experienced challenges in respect of identifying and structuring EPWP projects, as it requires significant revisions to operating, institutional and contracting procedures and systems. Despite these challenges, Municipalities in South Africa have since the start of the Expanded Public Works Programme created 260,864 work opportunities for unskilled unemployed individuals. While this is less than anticipated it has contributed to 23% of the 1 million target that was set for this programme in its first five years. Municipalities are improving in their delivery of work opportunities in respect of the EPWP on a year on year basis, doubling the number of jobs created in Year 4, from the previous year.

Of the overall number of work opportunities created by Municipalities, the nine members Cities of the SACN have contributed 132,695 comprising 51%. All of the Cities are delivering work opportunities and are undertaking measures to facilitate the implementation of the EPWP. It is generally recognised that for successful implementation to occur it is necessary that Cities has an EPWP policy in place, set targets, makes budget available and incorporate the achievement of the EPWP into the balance scorecards of the City Manager, Executive Directors and relevant Directors. It appears that all of the SACN Cities have either implemented this or are working towards doing so.

Funds spent to date by the SACN Cities in implementing the EPWP amounts to R5,1 billion of which R417 million has been provided in wages, primarily to youth and women. The main type of projects being undertaken are roads and water. Implementation of the EPWP within Municipalities continues to face a number of challenges of which the most significant are the ability to provide training, monitoring and reporting and a lack of capacity and funds.

Unemployment continues to be one of South Africa's greatest socio – economic challenges. Municipalities have the ability to contribute to addressing this challenge. In doing this the Municipalities themselves can realise meaningful developmental benefits particularly in terms of:



- 
- Providing short term employment to the unemployed within their areas and integrating them into the economy
  - Assisting in the provision of basic services, transport networks, social sector facilities and SME development



In the words of Thomas Calyle; *'A man willing to work, and unable to find work, is perhaps the saddest sight that fortune's inequality exhibits under this sun'.*

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## 9. ANNEXURE A: CONSOLIDATED SUMMARY OF DATA

### *Cumulative achievements as reported in EPWP Quarterly reports: SACN Cities*

	Buffalo City	Cape Town	Ekurhuleni	eThekwni	Joburg	Mangaung	Msunduzi	Nelson Mandela	Tshwane	Total
Sectors in which Muni is active	Infrastruc	Infrastruc Social Environ	Infrastru	Infrastruc Enviorn	Infrastruc Social Environ	Infrastruc	Infrastruc	Infrastruc Social Economic	Infrastruc	-
No of work oportutnies created	666	12,342	788	44,015	58,486	4602	1838	2,309	7,649	132,695
Number of projects undertaken	7	313	37	163	246	97	13	80	127	1,083
Total number of training days	2536	64,735	5620	425,385	402,316	7233	60	669	44,238	952,792
Expenditure to date	31	752	81	608	2,642	333	44	249	337	5,077
Wages paid out		48		182	188			13,6	19,3	417,2

**Achievements as reported in EPWP Infrastructure MIS [from National Technical Support Programme]:**

**SACN Cities**

	Buffalo City	Cape Town	Ekurhuleni	eThekweni	Joburg	Mangaung	Msunduzi	Nelson Mandela	Tshwane
Type of projects	Sanitation [44%] Water [29%] Roads [29%]	-	Roads [67%] Water [13%]	Water [59%] Roads [17%]	Parks [33%] Power [20%] Water [19%]	Roads & stormwater [18%]	Roads [53%] Water [21%]	Roads [74%] Housing [12%]	Elec [46%] Roads [32%] Water [19%]
% participation by youth	38	-	47	43	43	55	52	56	39
% participation by women	29	-	30	40	22	31	33	22	30
% participation by disabled	1	-	1	0	0	0	0	0	0
Value of wages paid	1,3	-	6,0	213	176	1,3	1,7	10,2	14
Duration of work opportunities	437	-	95	46	79	34	147	145	57
Actual labour intensity	3,5	-	7	38	10	3,5	6	7,2	7

**Achievements as reported in EPWP Infrastructure MIS [from National Technical Support Programme]:**

**Other municipalities than SACN**

Details	LOCAL AND DISTRICT MUNICIPALITIES														
	EC Amathole CM	EC Chris Hani	EC Ukhahlamba	FS Malutisa Phofung	FS Matjhabe ng LM	FS Thabo Mafutsanyane	GTG Emfuleni LM	GTG Westonia LM	KZN iLembe DM	KZN Zululand DM	KZN Uthungulu DM	KZN uThukela DM	KZN Umzinyathi DM	KZN Umkhanyakude	KZN Sisonke
<b>No. of Projects</b>	50	48	30	9	3	2	3	6	15	13	15	17	14	9	5
<b>No. of Work Opportunities</b>	3723	4678	1718	847	170	46	352	521	1804	598	770	1587	1487	1107	260
% Women	23%	63%	51%	47%	16%	65%	18%	18%	40%	57%	35%	41%	46%	47%	42%
% Youth	42%	25%	30%	53%	39%	74%	61%	60%	51%	54%	62%	51%	62%	53%	51%
% Disabled	0%	2%	1%	0%	0%	2%	0%	0%	0%	0%	0%	1%	3%	0%	0%
<b>Average Duration of Work Opportunities</b>	51.83	148.47	173.76	181.82	208.2	50.35	80.58	64.44	149.17	44.77	120.49	45.9	39.98	71	48.05
<b>% of Workers Trained</b>	4349%	28.97%	87.70%	3625%	3353%	52.17%	1.70%	10.36%	18.49%	0.00%	31.91%	13.16%	12.48%	15.09%	45.77%
<b>% Training</b>															
Accredited	12%	13%	73%	25%	100%	0%	0%	0%	41%	0%	24%	15%	100%	78%	43%
Non Accredited	48%	86%	16%	37%	0%	0%	0%	0%	56%	0%	42%	74%	0%	22%	26%
Life skills	40%	1%	11%	38%	0%	0%	0%	72%	4%	0%	34%	11%	0%	0%	31%
<b>Value of Wages Paid</b>	8,5	40,5	11,4	7,7	1,9	0,2	1,7	2,4	17,9	1,4	5,2	5,2	3,4	4,1	1,0
<b>LI</b>															
% Planned	10.18%	31.48%	24.82%	25.02%	30.11%	20.15%	14.77%	44.75%	4.29%	8.54%	37.33%	16.45%	6.22%	2.10%	72.76%
% Actual	4.80%	n/a	32.33%	17.99%	15.04%	6.11%	27.08%	38.81%	16.68%	7.56%	10.24%	8.09%	4.75%	5.02%	23.40%

**Achievements as reported in EPWP Infrastructure MIS [from National Technical Support Programme]:  
Other municipalities than SACN**

Details	LOCAL AND DISTRICT MUNICIPALITIES															
	LP Greater Sekhukhune DM	LP Mopani DM	LP Vhembe DM	LP Makhad o LM	LP Capri corn DM	MP Gert Sibande DM	MP Dr JS Moroka	MP Emalahleni LM	MP Govan Mbeki LM	MP Mbombela LM	MP Bushbuckridge LM	NW Central DM	NW Frances Baard	NW Kgalegadi DM	NW Bophirima	NW Rustenburg LM
<b>No. of Projects</b>	20	15	34	7	55	11	5	7	24	24	8	1	4	2	2	15
<b>No. of Work Opportunities</b>	1702	148	1108	90	3494	785	78	53	743	743	272	30	440	0	506	521
% Women	54%	61%	49%	50%	47%	45%	42%	19%	38%	38%	37%	23%	60%	0%	46%	32%
% Youth	41%	46%	46%	56%	44%	48%	35%	15%	57%	57%	66%	30%	35%	0%	40%	51%
% Disabled	0%	5%	1%	0%	0%	2%	0%	0%	1%	1%	0%	0%	2%	0%	0%	1%
<b>Average Duration of Work Opportunities</b>	119.3	83.29	69.96	67.5	58.94	37.57	10.11	19.96	44.8	72.3	96.58	15.4	128.01	0	59.15	55.71
<b>% of Workers Trained</b>	0.00%	24.79%	14.67%	0%	16.58%	40.4%	14.81%	0.00%	57.14%	22.33%	27.94%	100.0%	100.00%	0.0%	0%	22.0%
<b>% Training</b>																
Accredited	0%	50%	59%	0%	100%	81%	0%	0%	0%	41%	0%	100%	100%	0%	0%	63%
Non Accredited	0%	0%	41%	0%	0%	0%	100%	0%	0%	28%	100%	0%	0%	0%	0%	37%
Life skills	0%	50%	0%	0%	0%	19%	0%	0%	100%	32%	0%	0%	0%	0%	0%	0%
<b>Value of Wages Paid</b>	12,7	1,1	4,0	0,4	6,6	1,6	0,1	0,07	0,2	3,2	1,5	R 0.00	3,3	3,7	2,4	1,8
<b>LI</b>																
% Planned	14.79%	25.03%	18.84%	26.46%	3.27%	42.3%	52.73%	n/a	61.56%	40.08%	9.37%	3.27%	25.41%	21.36%	5.76%	20.4%
% Actual	6.95%	5.59%	11.85%	44.48%	7.57%	7.13%	3.47%	4.50%	9.25%	14.40%	9.90%	7.57%	26.83%	34.67%	41.56%	12.74%

**Achievements as reported in EPWP Infrastructure MIS [from National Technical Support Programme]:  
Other municipalities than SACN**

Details	LOCAL AND DISTRICT MUNICIPALITIES												
	NW Moses Kotane LM	NW Merafong LM	NW City of Matlosana LM	NC Pixley Ka Seme DM	NC Siyanda DM	NC Sol Plaatjie LM	NC Namakwa	WC Knysna LM	WC Mossel May LM	WC Oudtshoorn	WC Theewaterskloof LM	WC George LM	LM & DM TOTAL
<b>No. of Projects</b>	5	9	11	16	9	41	7	1	7	0	15	13	<b>607</b>
<b>No. of Work Opportunities</b>	231	166	936	1210	988	3677	1008	15	83	0	425	204	<b>39,324</b>
% Women	49%	36%	41%	60%	59%	57%	58%	40%	24%	0%	29%	19%	
% Youth	52%	58%	44%	50%	50%	22%	48%	40%	58%	0%	47%	51%	
% Disabled	0%	5%	1%	2%	2%	1%	2%	7%	0%	0%	2%	0%	
<b>Average Duration of Work Opportunities</b>	19.42	36.89	45.3	113.29	107.55	487.44	127.73	100	86.12	0	122.86	69.9	
<b>% of Workers Trained</b>	59.00%	28.00%	15.00%	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.00%	100.00%	100.00%	
<b>% Training</b>													
Accredited	100%	97%	26%	54%	100%	14%	75%	93%	0%	0%	93%	0%	
Non Accredited	0%	3%	74%	0%	0%	0%	24%	7%	0%	0%	0%	0%	
Life skills	0%	0%	0%	46%	0%	86%	0%	0%	0%	0%	7%	0%	
<b>Value of Wages Paid</b>	0,3	0,4	2,2	7,5	5,9	89,3	5,6	0,1	0,6	0,9	4,2	1,1	<b>134,2</b>
<b>LI</b>													
% Planned	4.65%	29.19%	37.37%	28.41%	24.87%	96.54%	26.04%	33.60%	58.40%	85.60%	56.79%	44.52%	
% Actual	4.65%	8.43%	7.84%	27.23%	25.83%	n/a	30.24%	10.50%	11.88%	30.81%	10.32%	11.43%	

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## 10. ANNEXURE B: INDIVIDUAL CITY REPORTS

### 10.1 *The City of Tshwane*

#### **Policy of the City in respect of the EPWP**

An EPWP policy was drafted for the City of Tshwane and approved by Council, but institutional arrangements have not yet been implemented in the way proposed. The City's Integrated Development Plan makes specific reference to an EPWP Policy and EPWP activities to be undertaken and is listed as a key strategic initiative.<sup>14</sup>

#### **Institutional arrangements in respect of the EPWP**

The EPWP was originally located within the Department of Economic Development, but will be centralised in the near future. A Project Management Unit (PMU) for the EPWP has not yet been established.

#### **Work undertaken to date**

The City of Tshwane is implementing EPWP projects mainly in the Infrastructure Sector. Projects being reported are mostly part of their very large Labour Based Construction Programme with others falling under the Vu'kophile programme.

There are 83 EPWP projects that are being undertaken in City of Tshwane but are being implemented by National or Provincial Departments. These projects have to date created 2,409 work opportunities. Although these projects are not being implemented by the City of Tshwane they are benefitting the city's population, services and infrastructure.<sup>15</sup> Projects include for example:

- The Department of Environment and Tourism is undertaking a number of projects including Sustainable Land Based Care and Working for Tourism
- Department of Social Development through their Home Based Community Care Programme
- Department of Health through a number of programmes.

#### **Achievements**

Table 1 below provides an overview of progress by the City of Tshwane in reporting on the EPWP. It is noted that this data only covers that submitted by the City to the M&E Department of the EPWP

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<sup>14</sup> <http://www.tshwane.gov.za/idp.cfm>

<sup>15</sup> Raw Data, M&E Report. Quarter 4 2007/08

Unit and accepted by the Department for inclusion in the Quarterly Report for year 2, 3 and 4 of the programme<sup>16</sup>.

As shown in the table, to the end of March 2008, Tshwane had created a cumulative total of 7,649 work opportunities. The total expenditure in creating these work opportunities up to March 08 was R337 million.<sup>17</sup> A total of 127 EPWP projects have been implemented and R19,3 million was paid in wages to previously unemployed individuals.

Table 1: City of Tshwane Progress in implementing the EPWP<sup>18</sup>

	2007/08				2007/08	2005/06	2006/07	Overall total
	Infras-structure	Environ-ment	Social	Econo-mic	Total	Total	Total	
<b>Number of work opportunities created</b>	2,882	0	0	0	2,882	809	3,958	<b>7,649</b>
<b>Number of projects</b>	65	0	0	0	65	13	49	<b>127</b>
<b>Person-days of training received</b>	26,765	0	0	0	26,765	<i>Figure Not available</i>	17473	<i>44,238 (excluding 05/06)</i>
<b>Expenditure to date [R million]</b>	211	0	0	0	211	39	87	<b>337</b>
<b>Wages Paid out to Employees on EPWP Projects [R million]</b>	8,6	0	0	0	8,6	4,1	6,6	<b>19,3</b>

Table 2 below provides details on the specific achievements of the city in respect of the Infrastructure Sector to March 2008. This data is taken from the management information system used by the National Technical Team and is different from that reflected in Table 1 above. The National Technical Team reports on projects that have been identified by the municipality for support and therefore there are fewer projects than those reported to the M&E Unit. The data is used as it provides more details than that provided in the Quarterly reports of the M&E Unit.

<sup>16</sup> The data from year 1 was not broken down to the municipal level and was therefore not used for this analysis.

<sup>17</sup> Annexure G2 EPWP 4<sup>th</sup> Quarter 2005/06, 2006/07 and 2007/08: Cumulative Data 1 April 2007 to 31 March 2008. Report: District Municipalities and Metros per Province

<sup>18</sup> Annexure G2 EPWP 4<sup>th</sup> Quarter 2005/06, 2006/07 and 2007/08: Cumulative Data 1 April 2007 to 31 March 2008. Report: District Municipalities and Metros per Province

Table 2: City of Tshwane Metro – EPWP Implementation in the Infrastructure Sector Cumulative to 31 March 2008		
<i>Number of project reported</i>		75
<i>Type of projects</i>	Electricity and Energy	46%
	Infrastructure Roads	32%
	Housing (for Province)	3%
	Water and Sanitation	19%
<i>Number of work opportunities created</i>		4,941
<i>% Participation by:</i>	- women,	30%
	- youth	39%
	- and disabled	0%
<i>Number of person days of work</i>		291,785
<i>Estimated value of wages paid to workers</i>		R14,052,852
<i>Duration of work opportunities</i>	Planned	42 days
	Actual	57 days
<i>Labour intensity [planned and actual]</i>	Planned	2%
	Actual	7%

### Successful projects undertaken

The City of Tshwane is currently implementing an EPWP Empowered Electrician Programme. The programme was necessitated by the declining number of qualified electricians in South Africa. The programme started in 2006 and was introduced by the Energy and Electricity Division of the City of Tshwane. The aim of the programme was to bridge the gap of the unskilled students in the townships – primarily Mamelodi, Atteridgeville and Soshanguve. The programme has created 296 work opportunities as at the end of February 2008 and 100 students have been trained.<sup>19</sup>

A Vuk'uphile Contractor Learnership Programme is also being implemented by the Roads and Stormwater Division of Tshwane, involving 12 Learner Contractors and 21 Learner Contract Supervisors. It also started in 2006, with duration of two years. The learners have completed their classroom training and are busy with their final practical construction projects.

### Key challenges faced

One of the key challenges being faced by the City in respect of its EPWP is around capacity. There is no dedicated person who is responsible for the EPWP.

The other challenge the City is experiencing is the provision of accredited training to its beneficiaries on EPWP projects.

<sup>19</sup> Submissions for 07/08 Kamoso Awards; Rewarding EPWP Excellence

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## **10.2 Msunduzi Local Municipality**

### **Policy of the municipality in respect of the EPWP**

Msunduzi Municipality does not currently have an EPWP policy. However there is a policy in draft format that has been work-shopped and a programme has been drawn up to filter it through the required municipal approval processes.

### **Institutional arrangements in respect of the EPWP**

The Msunduzi Municipality does not have a dedicated EPWP coordinator to date. There is a Project Management Unit [PMU] that is responsible for both MIG and EPWP projects. The Unit sits within the Infrastructure Services and Facilities Business Unit and at present is focused on infrastructure projects and programmes.

The Unit receives assistance from the Provincial Department of Transport on EPWP projects which does have a dedicated EPWP coordinator.

### **Work undertaken to date**

The Msunduzi Municipality is implementing EPWP projects in the Infrastructure and Environment and Culture Sectors.

Labour intensive methodologies are being used to build roads and storm-water drains. All relevant projects in the Infrastructure sector apply EPWP principles to the fullest extent possible.

There has been some expansion into the Environment Sector with the 'Siyazenzela' Food for Waste Programme however the reporting of this project to the M&E Department of the EPWP Unit has not been successful to date.

### **Achievements**

Table 1 below provides an overview of progress by Msunduzi Municipality in implementing the EPWP. It is noted that this data only covers that submitted by Msunduzi Municipality to the M&E Department of the EPWP Unit and accepted by the Department for inclusion in the Quarterly Report. The table only covers the 2007/08 financial year as no work opportunities were reported prior to this financial year by the City.

As shown in the table, to the end of March 2008, Msunduzi Municipality had created a cumulative total of 1,838 work opportunities. The total expenditure in creating these work opportunities up to

March 08 was R44 million.<sup>20</sup> A total of 13 EPWP projects have been implemented and 60 training days created.

Table 1: Msunduzi Municipality Progress in implementing the EPWP<sup>21</sup>

	Infrastructure	Environment and Culture	Social	Economic	TOTAL
<b>Number of work opp. created</b>	1,838	0	0	0	1,838
<b>Number of projects</b>	13	0	0	0	13
<b>Number of accredited training days</b>	30	0	0	0	60
<b>Number of non-accredited training days</b>	30				
<b>Expenditure to date [R million]</b>	44				44

Table 2 below provides details on the specific achievements of the city in respect of the Infrastructure Sector to 31 March 2008. This data is taken from the management information system used by the National Technical Team and is different from that reflected in Table 1 above. The National Technical Team reports on projects that have been identified by the municipality for support and therefore there are fewer projects than those reported to the M&E Unit. The data is used as it provides more details than that provided in the Quarterly reports of the M&E Unit.

Table 2: Msunduzi – EPWP Implementation in the Infrastructure Sector Cumulative to 31 March 2008		
<i>Number of projects reported</i>		17
<i>Type of projects</i>	Roads	53%
	Water Infrastructure Upgrade	21%
	Building upgrade	16%
	Sewer Upgrade	5%
	Water and Sanitation	5%
<i>Number of work opportunities created</i>		1,827
<i>% Participation by:</i>	<i>youth</i>	52%
	<i>women</i>	33%
	<i>and disabled</i>	0%
<i>Number of person days of work</i>		70,719
<i>Estimated value of wages paid to workers</i>		R1 687 500
<i>Duration of work opportunities</i>		147
<i>Labour intensity [planned and actual]</i>	Planned	18%
	Actual	6%

<sup>20</sup> Annexure G2 EPWP 4<sup>th</sup> Quarter 2007/08: Cumulative Data 1 April 2007 to 31 March 2008. Report: District Municipalities and Metros per Province

<sup>21</sup> Annexure G2 EPWP 4<sup>th</sup> Quarter 2007/08: Cumulative Data 1 April 2007 to 31 March 2008. Report: District Municipalities and Metros per Province

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On the basis of the above tables the following is evident:

- It appears as if there is under reporting of EPWP projects given the discrepancy between Tables 1 and 2
- Just over half of the EPWP projects undertaken by the Municipality are roads projects.
- Youth is benefiting the most from the work created, and to a lesser extent women.
- The average duration of work opportunities is 147 days
- The actual labour intensity of projects is much less than what is planned.
- It is estimated that R1,7 million was paid in wages to unemployed individuals.

### **Successful projects undertaken**

Some of the successful projects currently being implemented in Msunduzi are listed below<sup>22</sup>.

#### **Food for Waste Programme – Siyazenzela**

The Siyazenzela Food for Waste Programme is also being piloted in Hibiscus Coast and is based on a model from Curitiba, Brazil. Beneficiaries who collect 5 or more bags of waste can exchange it for a food parcel worth R200 and fresh fruit and vegetables worth R50. The waste is weighed and the food given as payment for work done. The project has resulted in a visible improvement in the area and the workers are benefitting from the food parcels.

Beneficiaries are selected with the help of community leaders who target unemployed households and not individuals. The aim was to select people who were living in households where no income was coming in, with a focus on youth and women. The municipality is putting plans in place to train the beneficiaries and is also looking to expand the programme. They are also investigating recycling opportunities and incorporating the waste into an existing recycling facility in Edendale. The programme is still considered a pilot and at present it will go on until the end of March 2009.

The municipality is experiencing challenges in reporting on this programme however it is branded as an EPWP programme and complies with its key principles.

#### **Access Road Project**

This is a successful, branded, EPWP project. It is funded through the MIG and budgeted to cost just over R5 million. To date R3.7 million has been spent. The consultants are hoping to deliver the project with some additional money to build a sidewalk to the nearby school. It has run very

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<sup>22</sup> These projects were visited during the most recent SACN reference group meeting held on 5 June 2008, the notes are therefore taken from the minutes of the meeting.

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smoothly so far due to extensive community consultation and a team effort between the contractors and the ward counselor. The workers were selected from the community and identified with the help of the community liaison officer. They are being paid R85 per day. The project currently employs 45 people comprising 4 women, 6 men, 13 female youth and 22 male youths. It is expected that by the end of the contract they will have reported 4000 person days worked.

The project is labour intensive (about 20%) and has been nominated for a Kamoso Award. Non-accredited training is provided. An application has been submitted to the Department of Labour (DOL) for funding so that additional training can be provided.

### **Key challenges faced**

Some of the key challenges faced by the municipality in respect of EPWP are around the reporting and monitoring of its projects. There are compliant projects being implemented but not reported to the EPWP M&E Unit. In addition the Municipality has a number of projects that are not compliant but could easily be reported on if they incorporated an element of training. Further the municipality has indicated it would also like to expand the programme into the other sectors. A key challenge in this regard is to get training done through the Department of Labour. These challenges could be due to capacity problems, as there is no dedicated coordinator for EPWP who would be responsible for reporting.

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### **10.3 Mangaung Local Municipality**

#### **Policy of the City in respect of the EPWP**

Mangaung does not have a policy in respect of the EPWP. A policy document is in the process of being written based on the eThekweni Implementation Framework.

#### **Institutional arrangements in respect of the EPWP**

The EPWP currently sits in the Office of the City Manager and is the responsibility of the Project Management Unit (PMU) headed up by a manager and a coordinator. The PMU concentrates on MIG and EPWP activities only. The PMU stands independently in the municipal structure and reports directly to the City Manager.

#### **Work undertaken to date**

Mangaung is implementing EPWP projects and programmes within the infrastructure sector only. Most of the projects fall within the Vuk'uphile programme. The municipality has been successful in integrating the EPWP into its infrastructure activities by ensuring that all projects are advertised according to the EPWP guidelines.<sup>23</sup>

During 2005, 20 Learnership contractors and 40 supervisors were appointed. Although challenging the necessary training and skills development was given to ensure the required quality of the learnership projects, which were implemented according to EPWP guidelines. The municipality has placed a large emphasis on training in accordance with EPWP and therefore a large number of beneficiaries and contractors received both accredited and non-accredited training during the 07/08 financial year.<sup>24</sup>

The Municipality has also successfully implemented a pedestrianisation of roads project that will go towards preparing the city for the 2010 FIFA World Cup. The projects involved are the pedestrianisation of Elizabeth Street and Selbourne Avenue. Elizabeth Street was completed during 2007 and the Selbourne Avenue pedestrianisation is still underway.<sup>25</sup>

#### **Achievements**

Table 1 below provides an overview of progress by Mangaung in implementing the EPWP. It is noted that this data only covers that submitted by Mangaung to the M&E Department of the EPWP

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<sup>23</sup> PMU Mid Term Report, December 2007

<sup>24</sup> MIG Annual Report, 2007: Mangaung Local Municipality

<sup>25</sup> Report on EPWP Vuk'uphile Learnership Programme and Exit Strategy(28 February 2008)

Unit and accepted by the Department for inclusion in the Quarterly Report. The table only covers the 2007/08 financial year.

As shown in the table, to the end of March 2008, Mangaung had created a cumulative total of 4,602 work opportunities. The total expenditure in creating these work opportunities up to March 08 was R333 million.<sup>26</sup> A total of 97 EPWP projects have been implemented and 7,233 training days created.

Table 1: Mangaung progress in implementing the EPWP<sup>27</sup>

	2007/08				Overall total
	Infrastructure	Environment and Culture	Social	Economic	
<b>Number of work opportunities created</b>	4,602	0	0	0	<b>4,602</b>
<b>Number of projects</b>	97	0	0	0	<b>97</b>
<b>Number of accredited training days</b>	4,643	0	0	0	<b>7,233</b>
<b>Number of non-accredited training days</b>	2,590				
<b>Expenditure to date [R million]</b>	333				<b>333</b>

Table 2 below provides details on the specific achievements of the city in respect of the Infrastructure Sector to 31 March 2008. This data is taken from the management information system used by the National Technical Team and is different from that reflected in Table 1 above. The National Technical Team reports on projects that have been identified by the municipality for support and therefore there are fewer projects than those reported to the M&E Unit. The data is used as it provides more details than that provided in the Quarterly reports of the M&E Unit.

Table 2: Mangaung – EPWP Implementation in the Infrastructure Sector Cumulative to 31 March 2008		
<i>Number of project reported</i>		27
<i>Type of projects</i>	Roads and Stormwater	18
	Water and Sanitation	7
	Water Infrastructure Upgrade	2
<i>Number of work opportunities created</i>		2,941

<sup>26</sup> Annexure G2 EPWP 4<sup>th</sup> Quarter 2007/08: Cumulative Data 1 April 2007 to 31 March 2008. Report: District Municipalities and Metros per Province

% Participation by:	- youth	55%
	- women	31%
	-	0%
	- disabled	
Number of person days of work		173,667
Estimated value of wages paid to workers		R1 268 250
Average Duration of work opportunities	Planned	17
	Actual	34
Labour intensity [planned and actual	Planned	13%
	Actual	3.5%

On the basis of the above tables the following is evident:

- Most of the EPWP projects reflected are roads and stormwater projects.
- Youth is benefiting the most from the work created, and to a lesser extent women.
- R1,3 million was paid in wages to workers.
- The average duration of work opportunities is 34 days, which is double than planned.
- The actual labour intensity of projects is much less than what is planned.

#### Successful projects undertaken

During 2005 Mangaung launched a learnership on emerging contractors in line with the EPWP. The programme was launched in Botshabelo on the 24<sup>th</sup> of March 2005. Sixty individuals have been through a 2 year training programme on labour intensive methods. The project emanated from interaction between the municipality and community members and 60 labour intensive projects are being provided as identified by the community.

The contractors selected were assisted to form registered enterprises and were therefore able to bid for the maintenance of low-volume roads, storm-water drains and for bucket eradication projects after the learnerships had been completed. The aim of the Labour Intensive Emerging Contractor Learnership was to provide work for the people within the municipality and also develop infrastructure in line with the provincial Infrastructure Development Plan (IDP).<sup>28</sup>

The number of local labourers employed during the learnership programme and the training they received are listed below:

<sup>28</sup>Mohlakela, M: *Community gains from EPWP*. 23 March 2005

Employment						Training			
Adult Men	Adult Women	Youth Men	Youth Women	Disabled Men	Disabled Women	Adult Men	Adult Women	Youth Men	Youth Women
390	255	791	464	5	2	42	43	70	72

### Key challenges faced

Mangaung is experiencing challenges in terms of the monitoring and reporting of EPWP projects. The Municipality has experienced blockages in motivating the appointed consultants and contractors to capture and provide the required monthly data. A management information system (MIS) is being utilised but with challenges on training the officials to capture the data and compile reports according to the required format.

The Municipality has also experienced some challenges in the establishment of the PMU, the creation of a platform to communicate with all the stakeholders and the activating of the MIS.<sup>29</sup>

In addition an Official from the Municipality has indicated the issue of capacity as a challenge and the lack of support from other departments. There is limited buy-in from other sector departments and therefore the PMU is left responsible for EPWP. This is one of the main reasons why programmes in the Social, Environment and Culture and Economic Sectors are not being undertaken.

<sup>29</sup> MIG Annual Report, 2007: Mangaung Local Municipality

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## **10.4 City of Joburg**

### **Policy of the City in respect of the EPWP**

The EPWP Policy of the CoJ was approved by the Mayoral Committee in October 2004. At this time the EPWP Unit was housed in the Department of Planning and Urban Management. The 4 sector coordinators that are executive directors in other departments were instrumental in the drafting of the policy.

The purpose of this policy document is to provide a framework for the implementation of the EPWP within the CoJ, which includes the operations of all the municipal entities. The policy framework seeks to create work opportunities for the unemployed using CoJ expenditure in the short-to medium term (next 5 years), in line with the EPWP.

The policy looks at the legal framework, institutional arrangements and implementation framework for EPWP in the CoJ and provides guidelines for implementing EPWP projects in the City. In addition the policy outlines the EPWP targets that the city is aiming to achieve in the Infrastructure, Environment and Culture, Social and Economic Sectors.

CoJ has set an overall target which is to create 120 000 work opportunities over the 5 year EPWP programme. This represents 12% of the targeted 1 million work opportunities for the country.

### **Institutional arrangements in respect of the EPWP**

The EPWP policy made way for the approval of 3 out of the 4 sector plans (Infrastructure, Social and Environment and Culture Sectors). The CoJ established a dedicated unit to implement EPWP projects which initially sat in the Department of Development, Planning and Urban Management. In 2007 the EPWP Unit moved to the Department of Economic Development. The Unit is headed up by a Deputy Director who reports directly to the Executive Director of Economic Development. In addition there are sector co-coordinators that have been appointed by the City Manager for each of the four sectors who are responsible for liaising with the Sector Lead Departments at the National Level, keeping abreast of sector specific developments and represent the CoJ on all relevant provincial EPWP coordinating committees. Each sector co-coordinator is required to draft a sector plan and monitor, evaluate and report on sector specific KPIs. The EPWP also features in the City Manager's scorecard.

A steering committee has been established which is responsible for the overall EPWP coordination within the CoJ. The steering committee is chaired by the Executive Director and representatives from all the City departments and entities attend a monthly meeting.

A Learnership coordinator has also been appointed and is responsible for the coordination and integration of projects suitable for learnership programmes across all four sectors.

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Each Department has appointed a dedicated EPWP 'Champion' to assist the steering committee in selecting suitable projects for inclusion in the City's EPWP and learnership programmes. The Champions are also responsible for ensuring that the planning, design and contract administration of labour-intensive work is carried out by consultants who have completed the necessary skills training. Lastly the Champions must monitor and report on the implementation of EPWP projects.

Regional Directors have been appointed and are responsible for ensuring that information on the extent and impact of the EPWP in their region is communicated to all stakeholders including Ward Councilors. They are required to keep a record and provide information to a central database on emerging contractors, learner contractors and the availability of local labour in the region. The regional directors will also facilitate and arrange appropriate awareness campaigns among local communities to illustrate the benefits of labour-intensive infrastructure projects whilst at the same time dispelling any misconceptions on the quality of the works thus created.<sup>30</sup>

### **Work undertaken to date**

The CoJ is implementing EPWP projects in the Social, Infrastructure and Environment and Culture Sectors.

The Department of Health has, to date, been one of the key contributors to the CoJs' job targets in the social sector, providing 10 500 jobs through its measles and polio immunisation campaigns. Johannesburg Roads Agency (JRA), Joburg Water and City Power also contributed to the EPWP Infrastructure programme, running a number of infrastructure upgrading projects. These include the tarring gravel roads, installing water and sanitation facilities in informal settlements, laying electrical cables and landscaping.

Johannesburg City Parks has aligned its tender documents to the EPWP and created 929 jobs within the Environment and Culture Sector of the EPWP. Projects include landscaping and planting trees and creating pathways in parks around the city.

JRA and Joburg Water have appointed permanent champions to run their EPWP projects. In the 2006-07 financial year, JRA had 26 EPWP projects, creating 862 jobs.

In addition to the above, there are 154 EPWP projects that are being undertaken in the City of Joburg but are being implemented by National or Provincial Departments. These projects have to date created 1591 work opportunities. Although these projects are not being implemented by the City of Joburg they are benefitting the city's population, services and infrastructure.

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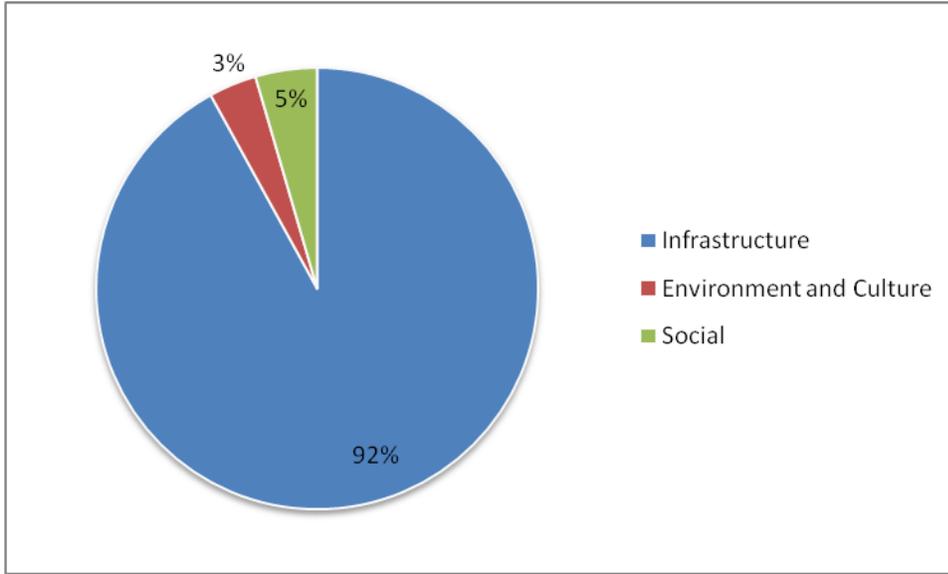
<sup>30</sup> City of Joburg: Expanded Public Works Programme Policy and Implementation Framework, 2004

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## Achievements

To the end of March 2008, the COJ has created a cumulative total of 58,486 work opportunities, the total expenditure in creating these work opportunities up to March 08 was R2,64 billion.<sup>31</sup> A total of 246 EPWP projects have been implemented.

The pie graph below shows the breakdown of work opportunities by sector.



From the graph above it is evident that COJ is undertaking most of its activities in respect of the Infrastructure Sector. Minimal activity has been undertaken in respect of the Environment and Culture and Social Sectors and no activity is recorded in respect of the Economic Sector. It is noted that 11 of the infrastructure projects fall under the Vuk'uphile programme which focuses on the creation of small and medium enterprises; however they are not yet being reported as part of the Economic Sector.

Table 1 below provides an overview of progress by COJ in implementing the EPWP. It is noted that this data only covers that submitted by Cape Town to the M&E Department of the EPWP Unit and accepted by the Department for inclusion in the Quarterly Report.

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<sup>31</sup> Annexure G2 EPWP 4<sup>th</sup> Quarter 2005/06, 2006/07 and 2007/08: Cumulative Data 1 April 2007 to 31 March 2008. Report: District Municipalities and Metros per Province

Table 1: COJ Progress in implementing the EPWP

	2007/08				2007/08	2005/06	2006/07	Overall total
	Infrastruct ure	Environ- ment and Culture	Social	Econo mic	Total	Total	Total	
<b>Number of work opportunities created</b>	46,059	1749	2259	0	50,067	<i>Nothing Reported</i>	8,419	<b>58,486</b>
<b>Number of projects</b>	187	21	5	0	213	<i>Nothing Reported</i>	33	<b>246</b>
<b>Person-days of training received</b>	20,567	12,029	8045	0	40,641	<i>Nothing Reported</i>	361,675	<b>402,316</b>
<b>Expenditure to date [R million]</b>	2,203	65	5,2	0	2,273	<i>Nothing Reported</i>	369	<b>2,642</b>
<b>Wages Paid out to Employees on EPWP Projects [R million]</b>	158	<i>Figure Not available</i>	<i>Figure Not available</i>	0	158 ( <i>for infrastructure only</i> )	<i>Nothing Reported</i>	30	<b>188</b>

Table 2 below provides details on the specific achievements of the city in respect of the Infrastructure Sector to March 2008. This data is taken from the management information system used by the National Technical Team and is different from that reflected in Table 1 above. The National Technical Team reports on projects that have been identified by the municipality for support and therefore there are fewer projects than those reported to the M&E Unit. The data is used as it provides more details than that provided in the Quarterly reports of the M&E Unit.

Table 2: City of Johannesburg – EPWP Implementation in the Infrastructure Sector Cumulative to 31 March 2008		
<i>Number of project</i>		188
<i>Type of projects</i>	City Parks	33%
	City Power	20%
	Joburg Water	19%
	Jhb Roads Agency	9%
	Housing	6%
	Joshco (Social Housing)	6%
	Jhb Dev Agency	2%
	Social Services (Stadium Dev)	2%
	Development and Planning	1%
	Pikitup (Waste)	1%
<i>Number of work opportunities created</i>		35 770

<i>% Participation by:</i>	<ul style="list-style-type: none"> <li>• youth</li> <li>• women</li> <li>• disabled</li> </ul>	43% 22% 0%
<i>Number of person days of work</i>		2,996,839
<i>Estimated value of wages paid to workers</i>		R175,565,192
<i>Average Duration of work opportunities</i>	Planned Actual	94 days 79 days
<i>Labour intensity [planned and actual</i>	Planned Actual	7% 10%
<i>Number of people who have received accredited Training</i>		3088
<i>Number of people who have received non-accredited Training</i>		2851 <sup>32</sup>

On the basis of the above tables the following is evident:

- City Parks, City Power and Joburg Water are the most active in delivering EPWP projects
- Accredited and non – accredited training is being provided.
- The estimated value of wages paid to workers is R175 million
- The duration of work opportunities is 79 days

It is noted that the data reflected in this section only covers that submitted by COJ to the M&E Department of the EPWP Unit and accepted by the Department for inclusion in the Quarterly Report.

Data that was submitted but not approved for inclusion includes seven projects in the fourth quarter. These projects did not have the correct information regarding budget and expenditure and therefore did not pass through the valuation criteria. They are projects that fall within the Environment and Culture Sector involving the City Parks Department. These projects will add over 400 jobs once they are compliant.<sup>33</sup>

### **Successful projects undertaken**

Some of the successful EPWP projects undertaken by COJ include the following:

#### **The Gcinamanzi Water Project**

The Gcinamanzi Water project aims to address the problem of aging water and sewerage infrastructure in Soweto that is resulting in water leaks and burst pipes. The leaks are costing the CoJ a lot of money as billions of litres of water are being lost. The project commenced in July 2006 and is expected to be completed in September 2009. Its main objectives are as follows:

<sup>32</sup> The training figures for the infrastructure sector were obtained from the raw data used to compile the 4<sup>th</sup> quarter report

<sup>33</sup> Quarter 4 2007/08 raw data, EPWP M&E Unit

- 
- To deliver a sustainable, affordable and cost effective service
  - Upgrade services in low-income areas
  - Create job opportunities through the application of labour intensive methods of construction
  - Conduct leak detection of all existing mains that will not be upgraded and replace secondary water mains where necessary, including Zone Meters
  - Rehabilitate private plumbing fixtures including taps, flow control valves on hot water systems, cisterns, pans, gullies and the provision of water troughs if necessary
  - Build capacity through the development and training of beneficiaries
  - Improve protection of the environment
  - Develop emerging contractors through training and subcontracting of work to local small contractors
  - Reticulate 58km of bulk water supply
  - Reticulate 300kms of water mains
  - Service 162 000 stands including house supply, installing of metres and fixing of plumbing problems

The progress on the project to date is substantial and in some respects has already achieved more than the objectives set with over a year remaining before the expected completion date:

- Over 110 000 stands have been serviced
- 60km of bulk supply has been reticulated
- 260km of water mains reticulated
- 3500 toilets installed
- Water wastage has been reduced by as much as 70%
- 11,379 jobs have been created
- 477 plumbers and emerging contractors have been trained and contracted
- 11 super blocks (15 townships) have been covered
- R588 million has been spent and R265m worth of new contracts were awarded
- The project has provided exit opportunities to 248 beneficiaries<sup>34</sup>

### **Vuk'uphile Learnership**

The CoJ runs a contractor/entrepreneur development programme called Vuk'uphile Learnership. It aims to increase people's ability to earn a living once they have completed training. Training for the programme lasts two years and consists of structured classroom learning and workplace experience. After successfully completing the training, learners are fully fledged contractors.

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<sup>34</sup> Komoso Awards 2008: Nomination/Application Form submitted on 30 April 2008 by Sibusiso Mkhize on behalf of the CoJ

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Currently the CoJ has 16 infrastructure learnership contractors involved in training, of which 12 are engaged in projects in Bryanston and Morningside involving water upgrades, construction of gabions at Delta Park and construction of footways in Soweto and at Alexandra cemetery.

These projects employed an additional 202 unemployed people, who received five days of life skills training through the Department of Labour. The CoJ hopes to extend the learnership programmes to the other sectors.<sup>35</sup>

### **Johannesburg City Parks**

Approximately 90% of Johannesburg City Parks (JCP) Capital and MIG projects are in line with EPWP guidelines. The JCP programme has deployed a substantial amount of its overall annual budget allocation towards implementation of its EPWP and is an excellent example of how an existing department or entity is able to contribute towards EPWP without having to change its core business.

The JCP EPWP programme seeks to achieve the following objectives:

1. To create jobs for the unemployed within local communities through the implementation of labour-intensive projects
2. To develop skills within communities through on-the-job training and/or accredited training of workers and contractors with the aim to develop sustainable capacity within communities
3. To capacitate SMMEs and emerging contractors within local communities by facilitating the transfer of sustainable technical, managerial and financial skills through an appropriate Learnership Programme
4. To maximize the percentage of JCPs annual budget spent and retained within local communities by promoting the procurement of goods and services from local manufacturers and service providers
5. To become an accredited training provider for specialist training in local government green industry

The JCP implements a large variety of projects, some of the main activities include:

1. Development, landscaping and building of parks and botanical gardens
2. Stormwater management
3. Cemetery landscape development
4. Grass cutting

Through these projects during the period between July 2004 and March 2008, JCP has created job opportunities and provided training to beneficiaries. The JCP set a target of 1000 jobs over the 5

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<sup>35</sup> Declaring war on unemployment, August 2007, Emily Visser - [www.joburgnews.co.za/2007/aug/aug22\\_jobs.stm](http://www.joburgnews.co.za/2007/aug/aug22_jobs.stm)

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years of the EPWP programme and have already over-achieved on the expected figure. They have also over-achieved on their targets set for person days worked and training.<sup>36</sup>

### **Key challenges faced**

Key challenges identified by COJ in respect of implementing the EPWP include the following:

A large amount of underreporting takes place because of champions [within departments and entities] changing continuously. Job creation and training initiatives are in place in all City departments and entities but proper reporting still needs attention.

Training also continues to be a challenge as access to DOL funding is difficult and time consuming. The tight time-lines on some projects means that accredited training cannot always take place. Instead, workers receive unaccredited training on the job.<sup>37</sup>

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<sup>36</sup> Environment Sector Award; Submission for 2008 Komoso Award; Prepared by the JCP for the category best municipality

<sup>37</sup> Emily Visser: Programme targets unemployment-27 August 2007; [http://www.sacities.net/2007/aug27\\_jobs.stm](http://www.sacities.net/2007/aug27_jobs.stm)

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## **10.5 Buffalo City Municipality**

### **Policy of the City in respect of the EPWP**

Buffalo City as drafted a policy on Labour Intensive Construction Methods. The aim of the policy is to provide procedures whereby all housing, building and infrastructure construction projects can significantly contribute to expanding employment opportunities in the Municipality in terms of the Construction Industry Development Board Act, 2000 (Act 38 of 2000) as amended and the associated Board Notice No 93 of 2004 Gazetted on 1 October 2004 and in terms of the official launch of the Expanded Public Works Programme (EPWP) on 18 May 2004.<sup>38</sup> The City is also currently undertaking a business planning process which is 70% complete<sup>39</sup>. The business plan will look at all sectors of the EPWP.

### **Institutional arrangements in respect of the EPWP**

In Buffalo City all of the EPWP projects taking place in the city [with a particular emphasis on infrastructure projects] are managed by a Project Management Unit [PMU].

### **Work undertaken to date**

Buffalo City is currently implementing EPWP projects in the Infrastructure Sector only. The type of projects being undertaken include for example:

- Water supply to Ward 18 and Newlands which is underway and has created 52 job opportunities thus far and provided accredited training to 47 people.
- Sanitation projects in Mdantsane and Chalumna which has created 151 job opportunities to date and provided accredited training to 36 people.
- School pedestrian facilities in Mdantsane which is one of the largest projects for the year creating 150 work opportunities and providing 150 people with accredited training. The project budget is R15 million and is going to be constructed by the city's 10 Vuku'phile learnership companies.<sup>40</sup>

In addition to the above, there are 339 EPWP projects that are being undertaken in the Buffalo City but are being implemented by National or Provincial Departments. These projects have to date created 3375 work opportunities. Although these projects are not being implemented by Buffalo City they are benefitting the city's population, services and infrastructure.

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<sup>38</sup> Draft policy Labour Intensive Construction Methods in BCM, 24/04/2008

<sup>39</sup> SACN reference group meeting, 5 June 2008,

<sup>40</sup> Public Works in the Public Eye, Nangamso Mabindla September 2007. ([http://www.buffalocity.gov.za/news2007/sept/sept13\\_works.stm](http://www.buffalocity.gov.za/news2007/sept/sept13_works.stm))

## Achievements

Table 1 below provides an overview of progress by Buffalo City in implementing and reporting on the EPWP. It is noted that this data only covers that submitted by Buffalo City to the M&E Department of the EPWP Unit and accepted by the Department for inclusion in the Quarterly Report. The table only covers the 2007/08 financial year as no work opportunities were reported prior to this financial year by the City.

As shown in the table to the end of March 2008, Buffalo City has created a cumulative total of 666 work opportunities. The total expenditure in creating these work opportunities up to March 08 was R31 million<sup>41</sup>. A total of 7 EPWP projects have been implemented and 2,536 training days created.

Table 1: Buffalo City Progress in implementing and reporting on the EPWP<sup>42</sup>

	2007/08				Overall total
	Infrastructure	Environment and Culture	Social	Economic	
<b>Number of work opportunities created</b>	666	0	0	0	<b>666</b>
<b>Number of projects</b>	7	0	0	0	<b>7</b>
<b>Number of accredited training days</b>	1,720	0	0	0	<b>2,536</b>
<b>Number of non-accredited training days</b>	816				
<b>Expenditure to date</b>	R31 million				<b>R31 million</b>

Data that was submitted by Buffalo City to the M&E Department but not approved for inclusion includes seven projects in the fourth quarter. These projects did not have the correct information regarding budget and expenditure and therefore did not pass through the valuation criteria. The projects fall under the Vuk'uphile programme but have been excluded due to a discrepancy on the calculated wages. These projects will add close to 200 jobs once they are compliant.<sup>43</sup>

Table 2 below provides details on the specific achievements of the city in respect of the Infrastructure Sector to 31 March 2008. This data is taken from the management information system used by the National Technical Team and is different from that reflected in Table 1 above.

<sup>41</sup> Annexure G2 EPWP 4<sup>th</sup> Quarter 2007/08: Cumulative Data 1 April 2007 to 31 March 2008. Report: District Municipalities and Metros per Province

<sup>42</sup> Annexure G2 EPWP 4<sup>th</sup> Quarter 2007/08: Cumulative Data 1 April 2007 to 31 March 2008. Report: District Municipalities and Metros per Province

<sup>43</sup> Quarter 4 raw data, EPWP M&E Unit March 2008

The National Technical Team reports on projects that have been identified by the municipality for support and therefore there are fewer projects than those reported to the M&E Unit. The data is used as it provides more details than that provided in the Quarterly reports of the M&E Unit.

Table 2: Buffalo City – EPWP Implementation in the Infrastructure Sector Cumulative to 31 March 2008		
<i>Number of project reported</i>		7
<i>Type of projects</i>	Sanitation	44%
	Water	29%
	Roads	29%
<i>Number of work opportunities created</i>		665
<i>% Participation by:</i>	- youth	38%
	- women	29%
	- disabled	1%
<i>Number of person days of work</i>		74,253
<i>Estimated value of wages paid to workers</i>		R1 268 250
<i>Duration of work opportunities</i>	Planned	437
	Actual	112
<i>Labour intensity [planned and actual]</i>		13%
		3.5%

On the basis of the above tables the following is evident:

- Just under half of the EPWP projects undertaken by the Municipality are sanitation projects.
- Youth is benefiting the most from the work created, and to a lesser extent women.
- The average duration of work opportunities is 112 days, this is less than planned.
- The actual labour intensity of projects is much less than what is planned.
- The estimated value of wages paid to workers is R1,3 million

### **Successful projects undertaken**

#### **Mdantsane School Pedestrian Facilities**

This project is being implemented by Buffalo City's Infrastructure and Roads Department. The total approved budget for the construction of pedestrian facilities at 70 schools in the area is over R17 million. The project commenced in August 2005 and will be completed in July 2008. The project has created 29 645 person days of work and trained a total of 108 people. The total number of people employed on the project is 227 of which 62% are youth and 37% are women.<sup>44</sup>

<sup>44</sup> Progress reports on the management information system used by the National Technical Support Team.

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## 10.6 eThekweni Metropolitan Municipality

### Policy of the City in respect of the EPWP

eThekweni released their EPWP policy in April 2007. It was approved and is currently being implemented across all sectors and clusters. The objectives of the eThekweni's EPWP policy are to:

- Establish the eThekweni's EPWP as an approved socio-economic developmental and poverty alleviation program with sustainable exit strategies that maximize SMME development, employment creation and skills development.
- Entrench the EPWP methodology within the Integrated Development Plan using a methodology that expands the current service delivery model of goods and services to ensure shared economic growth.
- Ensure developmental integration across all sectors and re-engineer how projects and programmes are planned, designed and implemented within the existing municipal operational and capital budgets<sup>45</sup>

Each cluster is required to develop and be responsible for implementing their individual sector plans and ensure EPWP compliance in terms of the respective national sector EPWP guidelines. Each cluster plan must include; identified projects, associated budgets, training requirements, resource requirements, monitoring and evaluation methodologies and deliverables against timeframes.

The policy lays out guidelines regarding funding, institutional arrangements, targets and the monitoring and evaluation of EPWP for the municipality. The intention is to establish the current baseline employment opportunities that are being created annually within the EMA and develop an integrated plan to increase and convert them into sustainable jobs through the creation of an enabling environment and appropriate skills transfer.<sup>46</sup>

### Institutional arrangements in respect of the EPWP

In line with National Government EPWP institutional arrangements, the EPWP organisational structure for eThekweni consists of a TASK group that is made-up of a nominated champion for each cluster/sector. The TASK group also includes representatives from Treasury, Skills Development and Supply Chain Management. A nominated Councillor provides political support to the programme. EThekweni's task group provides the coordination of the EPWP programme across the city and is directly responsible for ensuring an integrated approach in terms of planning, coordination, monitoring and reporting of all EPWP related activities within each cluster.

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<sup>45</sup> eThekweni Municipality Progress Report to the Infrastructure Committee:22/04/2008

<sup>46</sup> EThekweni EPWP Policy: April 2007. Prepared by eThekweni EPWP Task Group

The group meets on a quarterly basis and is chaired by the head of the Project Management Unit. It comprises the required nominated sector specific champions for each cluster.

The task group facilitates integration of the programme and each champion is supported by a core working group made up of programme implementers/drivers within their respective clusters. eThekwini also has an EPWP training coordinator who represents the Skills Development Unit and is a part of the task group. The coordinator implements 'appropriate' training in terms of eThekwini's Department Of Labour Linkages Model for on-the-job/project training, for EPWP workers and potential SMMEs. The Linkages Model includes technical skills as well as livelihood unit standards. The training needs vary from project to project; therefore, project stakeholders are expected to make their submissions through the Skills Development Unit EPWP cluster champions for consideration.

The activities of the task group, working group and the EPWP training coordinator are listed in table 1 below.

Table 1: Activities undertaken as part of the EPWP<sup>47</sup>

<b>Task Group</b>	<b>Working Group</b>	<b>Training Coordinator</b>
Guide and monitor the outputs of the EPWP work groups	Assist the cluster champion in compiling EPWP sectors plans	Coordinates EPWP learnership programmes across all 4 sectors
Identify EPWP projects/programmes; set targets and performance standards	Assist the Cluster champions in setting Cluster EPWP targets	Liaises with relevant SETAs and DOL and applies for funding and training
Plan sector training and capacity building and identify training needs for each sector	EPWP Project identification and budget allocation	Facilitates training for the relevant EPWP NQF sector training for officials
Identification of exit strategies within each sector	Implement eThekwini EPWP sectors / cluster plans and related initiatives	Evaluates the relevance of training and exit opportunities;
Establish an effective monitoring and evaluation system and submit regular sector reports to the national EPWP Unit	Review Unit plans for EPWP opportunities and align them accordingly	Monitors and reports on the overall status EPWP training
Facilitate the development of a database of Labour Intensive Task rates across all sectors as determined by the different line departments	Provide a baseline for progress measurement and programme control	
	The overall monitoring, evaluation and reporting	

<sup>47</sup> EThekwini EPWP Policy: April 2007. Prepared by eThekwini EPWP Task Group

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## Objectives of eThekwini's EPWP

The objectives of the programme are essentially about the reorientation of line function budgets (capital and maintenance) so that for every unit of expenditure the municipality will focus on:

- Maximising employment opportunities from each Cluster's business plan
- Developing skills within communities through EPWP training programs run by accredited training providers aimed at developing sustainable skills and capacity within communities
- Developing sustainable emerging enterprises through accredited learnerships
- Maximising the percentage of the total annual budget spent and retained within local communities in the form of wages etc. (This KPI will be monitored)
- Adopt and align cluster / departmental annual business plans to EPWP objectives and deliverables.
- Monitor, evaluate and report all EPWP initiatives within eThekwini Municipality.

## Current Activities

eThekwini is implementing EPWP projects in the Social, Infrastructure and Environment and Culture Sectors although they are currently only reporting on Infrastructure sector projects to the EPWP M&E Unit. The social sector EPWP report gets submitted to the Health, Safety & Social Services Committee.<sup>48</sup>

eThekwini is very active in the implementation of its EPWP and has piloted the large contractor and linkages programmes which are explained in more detail under 'successful projects'. They were the first of the 9 cities in the SACN to develop an EPWP Policy and ensure that the EPWP methodology is entrenched in the municipalities IDP.

In addition to the above, there are 81 EPWP projects that are being undertaken in eThekwini but are being implemented by National or Provincial Departments. These projects have to date created 1466 work opportunities. Although these projects are not being implemented by the City they are benefitting the city's population, services and infrastructure.<sup>49</sup>

## Achievements Reported on to date

Table 1 below provides an overview of progress by eThekwini in reporting on the EPWP. It is noted that this data only covers that submitted by the City to the M&E Department of the EPWP Unit and accepted by the Department for inclusion in the Quarterly Report for year 2, 3 and 4 of the programme<sup>50</sup>.

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<sup>48</sup> EPWP Progress Report to Infrastructure Committee, 22 April 2008

<sup>49</sup> Quarter 4 raw data, EPWP M&E Unit March 2008

<sup>50</sup> The data from year 1 was not broken down to the municipal level and was therefore not used for this analysis.

As shown in the table, to the end of March 2008, eThekweni had created a cumulative total of 44,015 work opportunities. The total expenditure in creating these work opportunities up to March 08 was R608 million.<sup>51</sup> A total of 163 EPWP projects have been implemented and R182 million was paid in wages to previously unemployed individuals.

Table 1: eThekweni Metro progress in reporting on the EPWP<sup>52</sup>

	2007/08				2007/08	2006/07	2005/06	Overall total
	Infrastruct ure	Environ- ment and Culture	Social	Econo mic	Total	Total	Total	
<b>Number of work opportunities created</b>	14,816	0	0	0	14,816	22,080	9,119	<b>44,015</b>
<b>Number of projects</b>	55	0	0	0	55	65	43	<b>163</b>
<b>Person-days of training received</b>	318,734	0	0	0	318,734	<i>Figure Not available</i>	106,651	<b>425,385</b> <i>(excluding 05/06)</i>
<b>Expenditure to date [R million]</b>	305	0	0	0	305	71	232	<b>608</b>
<b>Wages Paid out to Employees on EPWP Projects [R million]</b>	63	0	0	0	63	20	36	<b>119</b>

It must be noted that the drop in number of work opportunities from 22,080 in 2006/07 to 14,816 for 2007/08 was attributed to changes in the way that labour were employed within the rural water and sanitation programme. Previously jobs were rotated on a monthly basis to fairly distribute income to different families, however in terms of being able to provide meaningful training and personal safety equipment, the rotation was changed to every three months, effectively reducing the total number of employment opportunities by one third. Had the previous method continued to be adopted the total number of job opportunities would have been approximately 32,000 for 07/08.

Table 2 below provides details on the specific achievements of the city in respect of the Infrastructure Sector to 31 March 2008. This data is taken from the management information system used by the National Technical Team and is different from that reflected in Table 1 above. The National Technical Team reports on projects that have been identified by the municipality for

<sup>51</sup> Annexure G2 EPWP 4<sup>th</sup> Quarter 2005/06; 2006/07 and 2007/08: Cumulative Data 1 April 2007 to 31 March 2008. Report: District Municipalities and Metros per Province

<sup>52</sup> Annexure G2 EPWP 4<sup>th</sup> Quarter 2005/06; 2006/07 and 2007/08: Cumulative Data 1 April 2007 to 31 March 2008. Report: District Municipalities and Metros per Province

support and are different projects than those reported to the M&E Unit. The data is used as it provides more details than that provided in the Quarterly reports of the M&E Unit.

Table 2: eThekweni Metro – EPWP Implementation in the Infrastructure Sector Cumulative to 31 March 2008		
<i>Number of project reported</i>		131
<i>Type of projects</i>	Water Services	59%
	Infrastructure Roads	17%
	Housing	9%
	Architect	4%
	Engineering	4%
	Parks	4%
	Water and Sanitation	3%
	Solid Waste	0%
<i>Number of work opportunities created</i>		74,101
<i>% Participation by:</i>	women,	43%
	youth	40%
	and disabled	0%
<i>Number of person days of work</i>		3 265 297
<i>Estimated value of wages paid to workers</i>		R212,808,578.00
<i>Duration of work opportunities</i>	Planned	25.07
	Actual	45.82
<i>Labour intensity [planned and actual]</i>	Planned	17%
	Actual	38%

On the basis of the above tables the following is evident:

- Just over half of the EPWP projects undertaken during the year by the Municipality were water services projects and just under a fifth roads.
- Women and youth are benefiting from the work created
- The estimated value of wages paid to workers during the year is R213 million
- The average duration of work opportunities is 46 days, this is less than planned.
- The actual labour intensity of projects is more than what was planned.

#### **Some Successful projects undertaken**

The following are just some of the successful projects and initiatives undertaken in eThekweni with regard to EPWP.<sup>53</sup>

<sup>53</sup> EPWP Progress Report to Infrastructure Committee, 22 April 2008

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### **Vuk'uphile EPWP Construction Learnership:**

The eThekweni Vuk'uphile Programme was a two year learnership aimed at developing sustainable emerging contractors needed to support the basic service delivery challenges that the city faces. The learnership was launched by the Project Management Unit in November 2004 with 24 emerging contracting entities made up of one contractor and two supervisors. Each contractor was trained to NQF level 2 and each supervisor to NQF4 in labour intensive construction principles. The learnership ended in August 2007 and the contractors are now in various stages of being exited from the programme dependent upon their individual exit strategy requirements.

The Programme has been characterised by some significant successes as illustrated by the following achievements:

- 97 of 105 projects have been completed in time, to specification and quality within budget, thus ensuring profitability for the contractor.
- Only 5 of 105 projects (less than 5%) posted losses (which were recovered in all cases on subsequent projects) and in most cases performance and profitability exceeded expectations.
- Municipal Infrastructure assets worth nearly R 70 million (R 66.4m) have been constructed by the learner contracting companies.
- R19 million was paid in wages to over 3,000 workers, most of them among the city's most marginalised individuals.
- A total value of R 8 million in construction vehicles and plant was purchased (largely through asset finance) and
- Working capital of over R 30 million was borrowed from and repaid to ABSA with zero bad debt, a remarkable achievement!

Not only has the programme provided a boost to the city's construction capacity, but it has also realised significant professional growth of the contractors and their supervisors. These contracting companies are now in a position to tender for projects requiring a CIDB grading of 2-4 CE. Many lessons have been learned, placing the city in a position that will bode well for future developmental programmes especially in terms of the next Vuk'uphile intake.

Contractors bought into the spirit of the EPWP by renovating a crèche in Langalibalele (Inanda) at their own cost.

As part of a sustainable exit strategy, the PMU is now in the process of evaluating the various independent assessments done of the contracting entities so as to exit them into appropriate major infrastructure projects or programmes where they will receive further mentorship in areas of weakness like financial management and contract administration.

Final assessments per contractor have been done and gaps identified.

- 10 Contractors have been exited into the SEDA / eThekweni Incubator programme with projects.

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- 4 Contractors have been exited into the Large Contract Project (R500million project) where there is in-house mentorship from the managing contractor.
  - The remaining contractors are being exited into especially packaged water & sanitation and housing development projects which will have the benefit of the following:
    - NURCHA to provide bridging finance – The PMU has negotiated this on behalf of the City.
    - Also within the scope of these projects TUSK will be providing onsite/ classroom mentorship and training.
    - The PMU is currently establishing procedures for ongoing monitoring of these contractors as they finally exit the programme to ensure their sustainability and participation in the City's capital delivery and asset management plans. This is being developed in conjunction with line departments

The PMU is currently facilitating the 2nd Vuk'uphile learnership intake of approximately 50 contracting companies which is scheduled to commence mid 2008.

#### **The Large Contractor Model:**

The eThekweni's Large Contractor Model was conceived by the PMU in an effort to accelerate contractor development within the City by encouraging major contractors to use emerging contractors as part of a formal Contractor Development Programme within the project whereby they would receive training and mentorship. The emerging contractors would receive assistance and training with contract administration, financial management, project management and plant management.

The current project (R150 million per year) is managed by Water Services department and involves the relaying of AC pipes across the City. There are currently 16 emerging contractors involved with this project who are all approximately 50% of the way through their first projects with them all progressing well.

Individual business plans have been prepared for each contractor to ensure that the project objectives are achieved. There are still some inputs outstanding but from the data received, since inception in November 2007 until March 2008 over 5,301 job opportunities have been created amounting to 274,888 labour days with over 600 persons being training in construction, supervision and administration. This is a significant achievement.

The PMU is currently packaging other types of projects (rural roads programme and housing delivery) that could be implemented as Large Contract projects so as to rake advantage of accelerated service delivery and contractor development.

#### **DOL Linkages Pilot Project: (Infrastructure Focus)**

The Linkages Pilot Project was established by the PMU to ensure that the workers on Expanded Public Works Projects (EPWP) in eThekweni Municipality receive training. Continued procedural problems with the Department of Labour (DOL) in the 2006/2007 financial year led to a situation

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that very little training was taking place. Previously only technical training was allowed by DOL relative to specific infrastructure projects. With the linkages project the focus of training has shifted away from only technical/supervisory skills towards the provision of training that could expand on current livelihood and food security activities already happening in the communities.

In an effort to untangle these hurdles, a Project Team has been appointed to undertake a pilot project. Currently training within the pilot is underway which now includes appropriate technical training associated with the projects as well as livelihood training which is conducted after the infrastructure project is completed. The team is targeting training of 2,000 people in the 07/08 year.

**The Social Sector:**

The Social Sector has already submitted their EPWP report to the Health, Safety & Social Services Sub-committee which can be made available.

The eThekweni Municipality EPWP Social Sector Working Group meets monthly or as and when there is a need. The issues that are continuously on the table are around project planning, coordination, community consultation and mobilization and most importantly, building of partnerships to enhance capacity and resources for the implementation of the business plan.

• **KEY STAKEHOLDERS PARTICIPATION**

Council Units / Departments which consistently participate in the EPWP Social Sector planning and coordination meetings are the following:

- Community Participation
- Skills Development Unit
- Health – Social Development Department
- Fire and Emergency Services
- Rural ABM
- Cato Manor ABM
- INK ABM
- Project Management Unit

• **SOCIAL SECTOR SKILLS / TRAINING**

The EPWP Social Sector has identified training needs with clear exit strategies for DoL funding. The approval for funding from the DoL is yet to be confirmed. The Skills Programs progress to date:

- Paralegals that are being trained by the University of KZN, funded by eThekweni Municipality. In the amount of R120,000.
- The application for funding of identified EPWP Social Sector technical and vocational skills was submitted to the DoL exactly a year ago and to date, there is still no confirmation whether eThekweni EPWP Social Sector skills program will be funded or not.

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- Through a strategic partnership entered into with Iqraa Trust, 65 school leavers will have access to interest free loans for technical and vocational skills in the 2008 financial year followed by 120 in 2009.

- **PROGRAMMES AND PROJECTS**

The following are just some of the programmes and projects that are currently being packaged and implemented within the EPWP Social Sector:

- Paralegal Community Resource Centres
- Career Guidance, Counselling and Information Centres
- Substance Abuse Help Desks
- Community Bakeries
- Early Childhood Development
- Neighbourhood Watch & Pension Pay Points Monitoring Services
- Repair / Rebuild Unsafe Homes for vulnerable families
- Labour Intensive Community Support Farms: **(Agriculture Sector)**

The purpose of this project is to facilitate the development of agricultural social and economic community farms. The farms will benefit emerging commercial farmers and at the same time ensure food security for vulnerable and frail families who cannot produce food for themselves e.g. unemployed and destitute TB, HIV & AIDS and terminally ill patients, child headed households, disabled and elderly people living with orphans and depending on social grants etc.

### **EPWP Communications**

There is an EPWP communications policy common to all sectors that is being implemented at all levels internally and externally across eThekweni. For example:

#### **1) The EPWP LED street theatre:**

Following on from a very successful EPWP street theatre awareness campaigns over the last 3 years, eThekweni is currently rolling out street theatre shows in selected disadvantaged communities with a theme of LOCAL economic development focusing on those households who are poverty stricken but have the potential to become self sustainable given the appropriate training.

#### **2) The EPWP Board game:**

This initiative was inspired by the President's statement about 'closing the gap between the two economies.' One must ask the question 'How effectively can this be done and is it generations away? The board game focuses on grade 7 school children, it is a socially interactive game that inspires children to make the right life choices as the game illustrates to them against the associated consequences.

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### **Key challenges faced**

The lack of financial resources is a key challenge particularly in the social sector. The municipality operates within tight budget constraints and the idea of funding a new item which has never been on the general expenses line items before, is quite new to most officials who are still battling on how they can be creative in realigning their budgets to accommodate the EPWP. Secondly, the set macro limit is so stringent that very few projects can be funded from the municipality coffers.<sup>54</sup>

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<sup>54</sup> EPWP Progress Report to Infrastructure Committee, 22 April 2008

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## **10.7 Nelson Mandela Bay Municipality**

### **Policy of the City in respect of the EPWP**

There is no policy in place in Nelson Mandela Bay in respect of the EPWP. The Municipality is in the process of developing a policy document.

### **Institutional arrangements in respect of the EPWP**

The EPWP currently sits in the Strategic Programmes Directorate which falls within the Mayor's office. The Strategic Programmes Unit is a one-stop coordination point for all national, provincial and other special programmes of a strategic nature and the EPWP Programme is a sub-directory within it.<sup>55</sup>

At present there are 2 coordinators working on the EPWP in the Municipality. One is responsible for the Infrastructure and Environment and Culture sectors and the other for Economic and Social Sectors. The Municipality is looking to employ an EPWP overall coordinator to manage the EPWP. For now the coordinators report to the Executive Director, Strategic Programmes.

### **Work undertaken to date**

The Nelson Mandela Bay Municipality is implementing projects in the Infrastructure, Social and Economic Sectors; however it is currently only reporting on the infrastructure projects.

In the social sector 1 002 volunteer workers, including health workers, Direct Observed Treatment Strategy (DOTS) supporters, home based care givers, lay counselors and peer educators, have been trained and are employed to provide community-based care functions. In the economic sector, nine agricultural projects are being implemented.

Training and skills development forms an important part of EPWP, with specific emphasis on learnership programmes. Nelson Mandela Bay is doing its best to ensure that these principles are adhered to in their projects and have put a number of beneficiaries through life skills and learnership training.<sup>56</sup>

There are other EPWP projects that are being undertaken in Nelson Mandela Bay but they are being implemented by National or Provincial Departments. There are 174 of these projects, creating an additional 1624 work opportunities. Although these projects are not being implemented by the Municipality they are benefitting the city's population, services and infrastructure.<sup>57</sup>

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<sup>55</sup> <http://www.nelsonmandelabay.gov.za/Content.aspx?objID=55>

<sup>56</sup> <http://www.nelsonmandelabay.gov.za/Content.aspx?objID=55>

<sup>57</sup> EPWP M&E Raw Data, March 2008

## Achievements

Table 1 below provides an overview of progress by Nelson Mandela in reporting on the EPWP. It is noted that this data only covers that submitted by the City to the M&E Department of the EPWP Unit and accepted by the Department for inclusion in the Quarterly Report for year 3 and 4 of the programme<sup>58</sup>.

As shown in the table, to the end of March 2008, Nelson Mandela had created a cumulative total of 2,309 work opportunities. The total expenditure in creating these work opportunities up to March 08 was R249 million.<sup>59</sup> A total of 80 EPWP projects have been implemented.

Table 1: Nelson Mandela Bay progress in implementing the EPWP<sup>60</sup>

	2007/08				2007/08	2005/06	2006/07	Overall total
	Infras-structure	Environ-ment and Culture	Social	Econo-mic	Total	Total	Total	
<b>Number of work opportunities created</b>	1,353	0	0	0	1,353	<i>Nothing Reported</i>	956	<b>2,309</b>
<b>Number of projects</b>	48	0	0	0	48	<i>Nothing Reported</i>	32	<b>80</b>
<b>Person-days of training received</b>	212	0	0	0	457	<i>Nothing Reported</i>	2719	<b>3,176</b>
<b>Expenditure to date [R million]</b>	183	0	0	0	183	<i>Nothing Reported</i>	66	<b>249</b>
<b>Wages Paid out to Employees on EPWP Projects [R million]</b>	8,4	0	0	0	8,4	<i>Nothing Reported</i>	5,2	<b>13,6</b>

Data that was submitted but not approved for inclusion includes five projects in the fourth quarter. These projects did not incorporate training and therefore did not pass through the valuation criteria.<sup>61</sup>

<sup>58</sup> The data from year 1 was not broken down to the municipal level and was therefore not used for this analysis and there was no data reported for year 2 from Nelson Mandela Bay.

<sup>59</sup> Annexure G2 EPWP 4<sup>th</sup> Quarter 2006/07 and 2007/08: Cumulative Data 1 April 2007 to 31 March 2008. Report: District Municipalities and Metros per Province

<sup>60</sup> Annexure G2 EPWP 4<sup>th</sup> Quarter 2006/07 and 2007/08: Cumulative Data 1 April 2007 to 31 March 2008. Report: District Municipalities and Metros per Province

<sup>61</sup> Quarter 4 2007/08 raw data, EPWP M&E Unit

Table 2 below provides details on the specific achievements of the city in respect of the Infrastructure Sector to 31 March 2008. This data is taken from the management information system used by the National Technical Team and is different from that reflected in Table 1 above. The National Technical Team reports on projects that have been identified by the municipality for support and therefore there are fewer projects than those reported to the M&E Unit. The data is used as it provides more details than that provided in the Quarterly reports of the M&E Unit.

Table 2: Nelson Mandela Bay – EPWP Implementation in the Infrastructure Sector Cumulative to 31 March 2008		
<i>Number of project reported</i>		45
<i>Type of projects</i>	Infrastructure Roads	74%
	Housing	12%
	Sewer Upgrade	6%
	Water Infrastructure Upgrade	6%
	Water and Sanitation	2%
<i>Number of work opportunities created</i>		757
<i>% Participation by:</i>	- youth	56%
	- women	22%
	- disabled	0%
<i>Number of person days of work</i>		110,587
<i>Estimated value of wages paid to workers</i>		R10,250,646
<i>Duration of work opportunities</i>	Planned	409 days
	Actual	145 days
<i>Labour intensity [planned and actual]</i>	Planned	9.5%
	Actual	7.2%

On the basis of the above tables the following is evident:

- Approximately three quarters of the reported EPWP projects undertaken by the Municipality are roads projects.
- Youth is benefiting the most from the work created, and to a lesser extent women.
- The average duration of work opportunities is 145 days, this is less than planned
- The actual labour intensity of projects is less than what is planned.

### **Successful projects undertaken**

There are a number of Roads and Transport Projects that are being initiated in Nelson Mandela Bay as it prepares itself as a host city for the 2010 FIFA World Cup. The surfacing of a 15km road and upgrading of storm water infrastructure in the Tyoksville area has played a significant role in the reduction of poverty and job creation. It has created employment for 45 local people and training and development of the labour in project-related technical skills.

A total of 15 SMMEs were involved in the project which cost R12.5 million. 28% of the people employed were women and 56% classified as youths, 1% were disabled. The project fulfills all the criteria of EPWP.

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### **Key challenges faced**

The main challenges faced by the municipality are around the monitoring and evaluation of the EPWP projects and reporting their achievements to the EPWP M&E Unit. The Municipality also faces problems with regard to capacity as there is no dedicated EPWP coordinator.

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## **10.8 City of Cape Town**

### **Policy of the City in respect of the EPWP**

The City of Cape Town's policy in respect of the EPWP is still in draft form and will be forwarded to the Committee system of Council for comments and input. Once approved and adopted, the policies and guidelines as set out in the EPWP Implementation Framework should serve as a commitment to drive the EPWP within the City and as a common reference point for alignment by all relevant directorates and line departments. The framework aligns EPWP delivery with other key, relevant and strategic policy interventions such as the Integrated Development Plan, Procurement Policy and Local Economic Development. It also intends to incorporate EPWP job creation targets within the balance scorecards the City Manager, Executive Directors and Directors. The Implementation Framework proposes a minimum EPWP Target for the City over the first five years of the EPWP of 75 000 work opportunities coupled with training. This represents 7,5% of the national target of 1 million work opportunities.

The draft policy makes provision for the mainstreaming of EPWP principles into all line departments. Line departments must also contribute towards the achievement of the EPWP target. They will be required to appoint dedicated EPWP Representatives who will drive EPWP within their respective directorates or services and serve on the EPWP Project Team. Each department is required to formulate EPWP performance targets, allocate budgets and identify projects and programmes to be carried out using EPWP criteria and principles. Line departments will need to prioritise funding and determine timelines of approved EPWP projects as well as ensuring all EPWP projects are contracted in line with EPWP procurement guidelines. Line departments will be responsible for the monitoring and reporting of their projects and the submission of Quarterly EPWP Reports.<sup>62</sup> Line departments will be responsible for the monitoring and reporting of their projects and the submission of their Quarterly EPWP information Reports to the EPWP Corporate Unit. The EPWP Corporate Unit will then forward this Quarterly Reports to National Department Public Works, via the Province.

### **Institutional arrangements in respect of the EPWP**

The draft Implementation Framework lays out the institutional arrangements in respect of the EPWP in the City. The EPWP will consist of a corporate office responsible for the coordination of EPWP initiatives city-wide. The corporate office will also liaise with Provincial and National Departments on all matters pertaining to EPWP. This office must:

- Keep implementing departments abreast with EPWP developments
- Maintain a database of EPWP projects
- Ensure ongoing EPWP progress is monitored and evaluated

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<sup>62</sup> Draft EPWP Policy, 2007

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- Submit Quarterly EPWP reports to the EPWP Unit via the Provincial Department of Transport and Public Works
  - Facilitate and coordinate regular reviews of the City's EPWP policy

An EPWP Project Team was set up in October 2006 to promote the interests of respective directorates and services. The team comprises formally nominated departmental representatives. Each one of the team members serve to facilitate the smooth flow of information between their respective line departments and the EPWP coordinating unit and visa versa. It will be the projects manager's responsibility to identify projects and programmes that comply with the EPWP criteria and ensure that beneficiaries are trained.

Lastly an EPWP Steering Committee is to be established. It will be convened and Chaired by the Director Development services and attended by 9 nominated representatives (3 from each EPWP Cluster). The EPWP Manager, 3 Senior Officers and a support officer to render secretarial support. A Political Champion will also sit on the steering committee.<sup>63</sup>

### **Work undertaken to date**

The City of Cape Town has set an EPWP target of providing 12 000 work opportunities and training of 200 City officials for the 2007/08 financial year. The City is implementing projects in the Social, Infrastructure, Economic and Environment and Culture Sectors. However it is experiencing challenges in reporting on its Social Sector projects.

The types of projects being undertaken include the following:

- In the Economic Sector the Athlone Fish Market is in its initiation phase and will create job opportunities and provided training for 30 people
- In the Environment and Culture Sector projects include the Clean and Green Campaign, the upgrade and maintenance of city parks and also a rehabilitation of coastal dunes and cleaning of the coast project.
- The Khayelitsha Air Pollution Survey (KAPS) project has provided 60 unemployed locals with employment opportunities coupled with training

Training of project managers involved in EPWP is also a key focus area. Since the inception of EPWP in the CoCT a total 270 officials have now been trained in NQF levels 5 & 7 LIC Methods. In February 2008, 60 City officials received NQF Level 5 & 7 training on EPWP, Labour Intensive Construction Methods (LIC). The training was organised, coordinated and facilitated by the EPWP Corporate Unit.

In addition to the above, there are 175 EPWP projects that are being undertaken in the City of Cape Town but are being implemented by National or Provincial Departments. These projects have to

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<sup>63</sup> Draft EPWP Policy, 2007

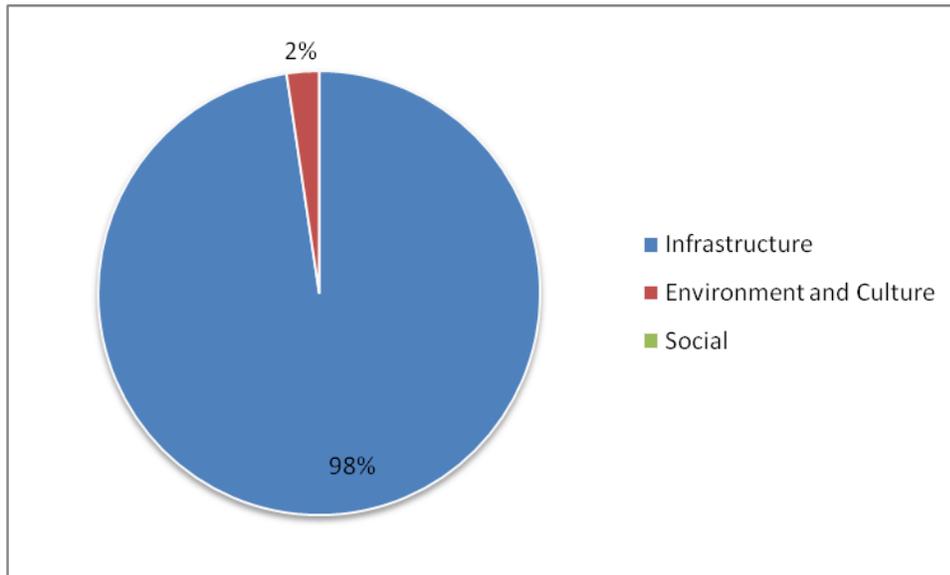
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date created 13 107 work opportunities. Although these projects are not being implemented by the City they are benefitting the city's population, services and infrastructure.<sup>64</sup>

### Achievements

To the end of March 2008, the City of Cape Town has created a cumulative total of 12,342 work opportunities. The total expenditure in creating these work opportunities up to March 08 was R752,36 million.<sup>65</sup> A total of 313 EPWP projects have been implemented.

The pie graph below shows the breakdown of work opportunities by sector.



From the graph it is evident that the City is undertaking most of its activities in the Infrastructure Sector. No activity is recorded in respect of the Economic or Social Sectors.

Table 1 below provides an overview of progress by the City of Cape Town in implementing the EPWP. It is noted that this data only covers that submitted by Cape Town to the M&E Department of the EPWP Unit and accepted by the Department for inclusion in the Quarterly Report.

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<sup>64</sup> Raw data from M&E Unit, EPWP 4<sup>th</sup> Quarter March 2008

<sup>65</sup> Annexure G2 EPWP 4<sup>th</sup> Quarter 2005/06, 2006/07 and 2007/08: Cumulative Data 1 April 2007 to 31 March 2008. Report: District Municipalities and Metros per Province

Table 1: City of Cape Town progress in implementing the EPWP

	2007/08				2007/08	2005/06	2006/07	Overall total	
	Infrastruc- ture	Environment and Culture	Social	Eco- nomic	Total	Total	Total		
<b>Number of work opportunities created</b>	7,978	193	0	0	8,171	1,951	2,220	<b>12,342</b>	
<b>Number of projects</b>	193	19	0	0	212	67	34	<b>313</b>	
<b>Person-days of training received</b>	55,498	48	0	0	55,546	<i>Figure Not available</i>	9,189	<b>64,735</b> <i>(excluding 05/06)</i>	
<b>Expenditure to date [R million]</b>	499	1,46	0	0	500,46	11,9	240	<b>752,36</b>	
<b>Wages Paid out to Employees on EPWP Projects [R million]</b>	34	<i>Figure available</i>	<i>Not</i>	0	0	34	5,5	8	<b>47,5</b>

There were 2 projects reported by the City that did not meet all of the EPWP M&E requirements and were therefore excluded from the Quarter 4 figures. These projects were from the infrastructure and social sectors respectively and were excluded because the maximum employment period was exceeded.

### Successful projects undertaken

#### **PROJECT VUK'UHAMBE:**

Project Vuk'uhambe which means 'get up and go' was initiated by the City of Cape Town's Transport, Roads and Stormwater Directorate in May 2002. The objectives of the project are to provide sustainable employment, training and empowerment opportunities to historically disadvantaged individuals through the mechanism of road construction and maintenance using labour intensive construction techniques.

The road-building programme has employed 91 (previously unemployed) beneficiaries from the local area and centres around a contract model based on labour intensive construction methods ensuring the maximum utilisation of local labour and affirmative business enterprises. There is also a separate model to train local students in business and technical skills. The students are then mentored through a series of contracts until they have established their own construction enterprises, thus ensuring sustainability of the programme. The project currently employs four students and 91 residents, some of whom are working on the roads, while others work in a precast concrete manufacturing yard constructing the kerb and gutter units.

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The City of Cape Town considered various areas where project Vuk'uhambe could be implemented and eventually chose an area in Gugulethu, one of the oldest townships in the Western Cape. Tambo Village was previously serviced by approximately 4km of gravel tracks that had become all but impassible in wet, winter months and flooding of the abutting properties was a regular occurrence. The village has 834 low-income households and a population of over 5000. The area has a high level of unemployment and it was felt that the community would derive great benefit from the project in their area. The City of Cape Town commissioned a team of officials, consultants and contractors in May 2002 to design and develop the project model with a view to its implementation in February 2003.

The upgrading of 4 km of residential roads in Tambo Village, Gugulethu, began in February 2003. The total project cost estimate is R9.5 million. Some 25% of the project costs - almost R2, 4 million - will be a direct benefit to the community in the form of salaries, wages and fees.

The project's success has spurred other communities to motivate for similar projects. As a result R15 million has been approved for the rehabilitation of concrete roads in Gugulethu, and a further R15 million has been committed to constructing a cycle track in Khayelitsha and building pathways in Mitchells Plain.<sup>66</sup>

### **Key challenges faced**

Training is a recurring problem on EPWP projects in the City of Cape Town. This is the case both for new programmes and existing ones that are already labour intensive, but not yet being reported on as EPWP compliant. Accessing Department of Labour support and funding for training is a huge blockage as it is time consuming and causes long delays in implementation. With existing projects it is difficult to take the workforce out of their day-to-day work schedule in order to train them as this incurs costs and also delays.

Another weakness that has been identified is the lack of EPWP branding on successful projects.<sup>67</sup>

The following challenges were identified in the Brief Monthly Status Report on EPWP: Performance of the City of Cape Town, February 2008:

- Poor buy-in by certain key organisational line departments/management & availability of appropriate people to participate
- No effort made by certain key departments where it is technically feasible to apply EPWP principles(resistance to change)

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<sup>66</sup> <http://web1.capetown.gov.za/press/Newpress.asp?itemcode=813>

<sup>67</sup> Minutes of the 12<sup>th</sup> SACN Reference Group Meeting held on the 29<sup>th</sup> and 30<sup>th</sup> of November 2007

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- A process of setting and cascading EPWP is at an advanced stage- The draft targets cascading formula has been developed and will be cascaded throughout the CoCT soon pending approval by the Executive once approved by the Executive Management Team.
  - Resolving project linkages to EPWP processes
  - There is incomplete & inconsistent reporting in many cases
  - Setting of unrealistic training targets
  - The CoCT has received very little feedback on proposals submitted to DoL for training in 06/07 and 07/08. This has resulted in many projects **not being EPWP compliant/not being reported upon**

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## **10.9 Ekurhuleni Metropolitan Municipality**

### **Policy of the City in respect of the EPWP**

Ekurhuleni does not have an explicit policy for the EPWP. However the EPWP does feature in its Integrated Development Plan [Chapter 7: IDP Programmes and Projects]. The EPWP programme falls within the job creation focus area which defines its approach to the programme as facilitation of the 'implementation of national and provincial policies, strategies and programmes on EPWP and sustainable economic development'.

One of the strategic objectives for this focus area is to improve job creation opportunities through municipal projects and the key performance area is the 'counting of jobs, training and formal enterprises supported through MIG and EPWP, PHP as well as capital investment projects of the municipality'.

The EPWP also features in the Service Delivery Focus Area, under the Infrastructure Services – Roads and Stormwater Services departments.

The Roads Building Programme indicates the following targets:

- Expenditure of a minimum 15 % annually of the total budget on job creation projects
- Attain an expenditure of 100 % of budget expenditure on identified EPWP Projects by 2007
- The reduction of unemployment rate within the boundaries of Ekurhuleni while simultaneously eliminating the service delivery backlogs within current Informal Settlements and previously disadvantaged residential areas

### **Institutional arrangements in respect of the EPWP**

It does not appear as if Ekurhuleni has any dedicated capacity or unit in place to implement the EPWP.

### **Work undertaken to date**

Ekurhuleni is currently implementing EPWP projects in the Infrastructure Sector only.

The municipality is offering learnerships and investing in skills development. During 2007 they awarded 125 bursaries and provided 40 engineering students with experiential training through their EPWP programme. The city has also created a database of all the matriculants in the region in an effort to assist senior pupils with better access to information.

There are other EPWP projects that are being undertaken in Ekurhuleni but they are being implemented by National or Provincial Departments. There are 112 of these projects, creating an

additional 861 work opportunities. Although these projects are not being implemented by Ekurhuleni they are benefitting the city's population, services and infrastructure.<sup>68</sup>

## Achievements

Table 1 below provides an overview of progress by Ekurhuleni in implementing and reporting on the EPWP. It is noted that this data only covers that submitted by Ekurhuleni to the M&E Department of the EPWP Unit and accepted by the Department for inclusion in the Quarterly Report. The table only covers the 2007/08 financial year as no work opportunities were reported prior to this financial year by the City.

As shown in the table, to the end of March 2008, Ekurhuleni had created a cumulative total of 788 work opportunities. The total expenditure in creating these work opportunities up to March 08 was R81 million.<sup>69</sup> A total of 37 EPWP projects have been implemented and 5,620 training days created.

Table 1: Ekurhuleni Progress in implementing and reporting on the EPWP<sup>70</sup>

	2007/08				Overall total
	Infrastructure	Environment and Culture	Social	Economic	
<b>Number of work opportunities created</b>	788				<b>788</b>
<b>Number of projects</b>	37				<b>37</b>
<b>Number of accredited training days</b>	780				<b>5,620</b>
<b>Number of non-accredited training days</b>	4,840				
<b>Expenditure to date</b>	R81 million				<b>R81 million</b>

Table 2 below provides details on the specific achievements of the city in respect of the Infrastructure Sector to 31 March 2008. This data is taken from the management information system used by the National Technical Team and is different from that reflected in Table 1 above. The

<sup>68</sup> EPWP M&E Raw Data, March 2008

<sup>69</sup> Annexure G2 EPWP 4<sup>th</sup> Quarter 2007/08: Cumulative Data 1 April 2007 to 31 March 2008. Report: District Municipalities and Metros per Province

<sup>70</sup> Annexure G2 EPWP 4<sup>th</sup> Quarter 2007/08: Cumulative Data 1 April 2007 to 31 March 2008. Report: District Municipalities and Metros per Province

National Technical Team reports on projects that have been identified by the municipality for support and therefore there are fewer projects than those reported to the M&E Unit. The data is used as it provides more details than that provided in the Quarterly reports of the M&E Unit.

<i>Number of project reported</i>		46
<i>Type of projects</i>	Infrastructure Roads	67%
	Water and Sanitation	13%
	Multipurpose	9%
	Sidewalks	9%
	Housing	2%
<i>Number of work opportunities created</i>		911
<i>% Participation by:</i>	- youth	47%
	- women	30%
	- disabled	1%
<i>Number of person days of work</i>		86,063
<i>Estimated value of wages paid to workers</i>		R5,962,525.00
<i>Duration of work opportunities</i>	Planned	99 days
	Actual	95 days
<i>Labour intensity</i>	Planned	3%
	Actual	7%

On the basis of the above tables the following is evident:

- There appears to be under reporting of EPWP projects as reflected through the discrepancy in the number of projects and work opportunities between Tables 1 and 2
- Just under three quarters of the EPWP projects reported by the Municipality are roads projects.
- Youth is benefiting the most from the work created, and to a lesser extent women.
- The average duration of work opportunities is 95 days, this is in line with what was planned
- The actual labour intensity of projects is more than what was planned.
- It is estimated that R5,96 million was paid in wages to unemployed individuals.

### **Successful projects undertaken**

Ekurhuleni has embarked on the upgrading of six informal sports fields [at a cost of R1 million each] for the 2008/09 financial year. The project will involve the planting of grass, the installation of irrigation and the construction of palisade fencing around the fields. The municipality has 64 wards within its informal settlements, and an amount of R64 million has therefore been budgeted for the revamp of 64 informal sports fields by 2010.

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This project is taking place within the EPWP and as such they will be using labour intensive construction processes which, not only provides employment to the local community but also exposes them to skills and training. The labour intensive approach to construction also helps to spread wealth and encourage development as people receive formal training that they would not normally be exposed to.<sup>71</sup>

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<sup>71</sup> The Government Communication and Information System, 15 Jun 2008