THE STATE OF EXPANDED PUBLIC WORKS PROGRAMMES IN SOUTH AFRICAN CITIES

2013–2014
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ACRONYMS

CAB community ablution blocks
CWP Community Work Programme
DoRA Division of Revenue Act
DPW Department of Public Works
ECD early childhood development
EPWP Expanded Public Works Programme
FTE full time equivalent
HCBC home/community based care
HOD head of department
IDP Integrated Development Plan
IMS Infrastructure Management and Socio-Economic Development Department
LIC labour-intensive construction
MMC members of the municipal committee
MIS management information system
NPO non-profit organisation
NQF National Qualifications Framework
NSS non-state sector
SACN South African Cities Network
SMEC Snowy Mountains Engineering Cooperation
SMMEs small, medium and micro enterprises
USDG Urban Settlement and Development Grant
WO work opportunity
FOREWORD

In August 2014, having regained traction in the production of the annual publications, the SACN EPWP Reference Group released the 2012/13 State of Expanded Public Works Programme in South African Cities report. The 2013/14 report marks the fourth successful publication in the series of annual reports produced. Annual publications of this nature ensures reporting continuity that allows for monitoring of the cities’ progress against benchmarks established within previous reports. The EPWP Reference Group provides a consistent platform for the generation of knowledge and sharing of information, experiences and lessons learnt, encapsulated within the annual reports.

In addition to presenting the status of EPWP implementation in relation to programme output targets, expenditure, and sector performance (as with previous reports), the 2013/14 report tracks the progress and experiences of the eight SACN member cities across the previous annual reporting periods within Phase II of the EPWP. It furthermore investigates the institutional arrangements along with the organisational capacity within each city, identifying the changes implemented as well as the resulting successes and challenges experienced. The report sets out to identify key relationships and correlations impacting on the performance of EPWP, reporting on best practice as well as challenges faced and lessons learnt.

We trust that the stakeholders will continue to find value in the reporting and use its findings to enhance the performance and impact of EPWP. This report continues to be significantly informed by the cities themselves, through the SACN EPWP Reference Group, a peer-based platform comprising key city officials who are responsible for implementing the EPWP in their respective cities. This collective has continued to meet quarterly over the period, providing a forum where experiences and knowledge are exchanged between peers. The Reference Group also contributes to enhance coordination between the cities and other role players towards the effective implementation of EPWP. We look forward to these reports contributing even more explicitly to enhancing job creation in South Africa, through information, reflection and learning based upon EPWP, our flagship public employment programme.

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PART I

INTRODUCTION
ABOUT THIS REPORT

The South African Cities Network (SACN) is an established network of South African cities and partners that encourages the exchange of information, experiences and best practices on urban development and city management. SACN was established in 2002 by the Minister of Provincial and Local Government in collaboration with the mayors of South Africa’s largest cities and the South African Local Government Association.

The goals and mandates of the SACN are to:
• promote good governance and management in South African cities,
• analyse strategic challenges facing South African cities, particularly in the context of global economic integration and national development challenges,
• collect, collate, analyse, assess, disseminate and apply the experience of large city government in a South African context, and
• promote shared-learning partnerships between different spheres of government to support the management of South African cities.

The SACN’s core members are eight of South Africa’s largest cities: Buffalo City, Ekurhuleni, eThekwini, Johannesburg, Mangaung, Msunduzi, Nelson Mandela and Tshwane. The eight cities collectively occupy 1.7% of the country’s land area (approximately 21,828 km²) and are home to 40% (40.5%) of South Africa’s population. Together, they contribute more than 60% of the country’s gross domestic product and offer employment opportunities that attract individuals of different cultural backgrounds from all the provinces of South Africa. According to the 2011 Census, the number of employed people increased in all the cities, while the number of unemployed (including ‘discouraged’ work seekers) decreased. In 2011, all eight cities had employment rates that were higher than the country’s average of 56.5%, with Buffalo City, Johannesburg, Tshwane, eThekwini and Cape Town exceeding 73%.

This report is the latest in the State of the Expanded Public Works Programme (EPWP) reports produced periodically by the SACN. These reports reflect on how the SACN member cities have performed and map out challenges experienced and lessons learnt. The report outlines the progress and implementation of the EPWP by the cities over the 2013/14 period. This reporting period corresponds to the fifth year of Phase II of the EPWP. This report will also summarise the key challenges and features of Phase II.

METHODOLOGY

The methodology applied to develop this report comprised of a desktop study and telephonic interviews. The desktop study involved the review and analysis of relevant documents sourced from the SACN member cities, as well as the EPWP and SACN websites. Statistical data was obtained from the EPWP Quarterly Reports and 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. All the cities were also given an opportunity to provide input towards the data contained in the report through the individual city reports. Telephonic interviews were held with representatives of the cities. In many instances, these were the individuals representing the cities on the SACN EPWP Reference Group. The SACN established the Reference Group for the member cities as a platform to share best practice and lessons learnt in the implementation of the EPWP.

The main body of the report gives an overview of the EPWP Phase II, institutional arrangements, implementation, and challenges faced. Individual city reports for eight1 member cities (found in Annexure A) focus on the progress made and key successes in implementing the EPWP. Annexure B contains best practice examples in the form of case studies.

1. There is no individual city report for the City of Cape Town because it is no longer a member of the SA Cities Network in 2014.
PERSON DAYS OF EMPLOYMENT CREATED

» The number of people who worked on a project multiplied by the number of days each person worked.

JOB OPPORTUNITIES

» One job opportunity is paid work created for an individual on an EPWP project for any period of time. In the case of Social Sector projects, learnerships also constitute job opportunities.
» The same individual can be employed on different projects. Each period of employment will be recorded as a job opportunity.

PROJECT WAGE

» The minimum daily wage rate is the daily wage (whether task-rated or time-rated) per individual project. This wage rate must be included in the project tender document at all times, as per the EPWP Guidelines.

TRAINING PERSON DAYS

» Training is funded through the Department of Higher Education and Training’s National Skills Fund (NSF) or from project budgets. The training funded through the NSF is accredited, while training funded through project budgets is not necessarily accredited. The number of training person-days is calculated by multiplying the number of people who attended training by the number of days of training.
» For any other training, one training day equates to at least seven hours of formal training. It is, however, important to draw a distinction between accredited and non-accredited training person-days.

PROJECT BUDGET

» The project budget is the price tendered by the contractor plus the professional fees for the professional service provider appointed to design and supervise the project. The project budget excludes government management and administration costs.

ACTUAL EXPENDITURE

» Actual expenditure relates to the expenditure on the project by the contractor plus the expenditure by the professional service provider appointed to design and supervise the project. The actual expenditure excludes expenditure on government management and administration.

DEMOGRAPHIC CHARACTERISTICS OF WORKERS

» The number of workers that fall within the following categories must be recorded:
  · youth (18 – 35 years of age)
  · women
  · persons with disabilities.

Figure 1: Definition of EPWP indicators
Source: Guidelines for the Implementation of Labour-Intensive Infrastructure Projects under EPWP (Appendix D)
BACKGROUND

Over successive periods, South African administrations have come up with strategies to alleviate unemployment. One such instance is the introduction of the EPWP by the government in 2003, as a complementary measure to reduce poverty and rising unemployment. When announcing the EPWP, then President Thabo Mbeki stated that the programme was designed to use public budgets to provide the unemployed with temporary jobs in productive sectors. This would provide a source of income and a measure of training that would facilitate their absorption into the job market.

The primary goal of the EPWP is to provide more people with productive work. The EPWP aimed at creating one million jobs in Phase I, which ran from 2004 to 2009. It also aimed at providing skills, training and work experience. Phase II aims at generating 4.9 million jobs. The programme focuses on expanding methods of labour-intensive production by means of government-funded projects in order to create more job opportunities. This is achieved by limiting the use of machines and employing people to do this work.

KEY COMPONENTS OF EPWP

To create jobs in a short period, the EPWP approach is based on the requirements of the Growth Development Summit 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’),
- to focus on growing sectors of the economy to avoid displacement, and
- to attempt, through the design process, to maximise the involvement of local unemployed labour.

The EPWP covers all spheres of government and state-owned enterprises. Each public sector body must formulate plans for using its budget to contribute to implementing the EPWP. The focus is on four sectors:

1. **Infrastructure**: increasing the labour intensity of specific government-funded infrastructure projects in terms of specified guidelines in order to create work opportunities (WOs). This requirement is specified in the Division of Revenue Act (DoRA) to be applied in respect of provincial and municipal infrastructure grants.

2. **Environmental**: creating WOs in public environmental programmes through expanding existing projects originally implemented through the Special Poverty Relief Allocation, for example, Working for Water.

3. **Social**: creating WOs in public social programmes, particularly home/community-based care (HCBH) and early childhood development (ECD).

4. **Non-state**: using wage subsidies to support non-profit organisations (NPOs) in their community development initiatives.

The key components of an EPWP project are as follows:

1. Public sector bodies make a deliberate attempt to use expenditure on goods and services to create additional WOs, coupled with training for unemployed individuals.
2. Projects usually employ workers on a temporary basis (either by government, contractors or other non-governmental organisations), under the code of good practice or learnership employment conditions.
3. Public sector bodies attempt to define and facilitate exit strategies for workers when they leave the programme.

EPWP GUIDELINES

The EPWP issued guidelines for the implementation of labour-intensive infrastructure projects in 2004 and updated them in 2005. These guidelines are designed to provide provinces and municipalities with the necessary tools to tender labour-intensive projects. They cover how to implement the most commonly encountered delivery model for labour-intensive works: ‘design by the employer’, whereby the contractor undertakes construction based on full designs issued by the employer. The assumption is also that the public body appoints a consultant to design the works and to administer the contract.

Guidance is also provided in respect of:

- identification of suitable projects,
- appropriate design for labour-intensive construction,
- specification of labour-intensive works, and
- compilation of contract documentation for labour-intensive projects.

Specific direction is given regarding contract clauses that need to be included in order to amend or augment standard documentation regarding the implementation of labour-intensive projects.

The guidelines stipulate that the employment of locally employed temporary workers on all EPWP labour-intensive infrastructure projects must be in line with the Code of Good Practice for Employment and Conditions of Work for Special Public Works Programmes issued in terms of the Basic Conditions of Employment Act, 1997 (Act No 75 of 1997) and promulgated in the Government Gazette, Notice No. P64 of 25 January 2002. The Code of Good Practice and the EPWP Ministerial have subsequently been updated for EPWP Phase II.

Figure 1 shows the EPWP indicators defined in the guidelines document.
PART I
2013-2014 REPORT
OVERVIEW OF EPWP PHASE II

EPWP PHASE II (2009–2014)

Launched in April 2009, Phase II of the EPWP looked to build on the successes and lessons learnt from Phase I. The EPWP was expected to grow to approximately four and a half times its current size and make a significant contribution to the Millennium Development Goal of halving unemployment by 2014. The goal was to create employment equal to two million FTEs, or 4.5 million short, on-going WOs with an average duration of 100 days (one FTE = 230 working days).

According to the DPW, public bodies from all spheres of government and the non-state sector (supported by government incentives) were expected to optimise the creation of WOs for unemployed and poor people in South Africa through the delivery of public and community services. Training and enterprise development would be implemented in sector-specific programmes to improve service delivery and the well-being of beneficiaries.

The following important factors have contributed to the success of Phase II:

• significant scaling up of public sector employment programmes as part of the National Anti-Poverty Strategy,
• enabling the creation of paid work as the primary objective of the programme (employer of last resort),
• locating clear political and administrative accountability for EPWP work creation targets across all spheres of government,
• aligning EPWP outputs with the core mandates and programmes of implementing public bodies,
• providing fiscal incentives to accelerate scaling of EPWP outputs across all spheres of government, and
• mobilising non-state capacity to deliver additional EPWP work opportunities to scale up progressively from 210 000 FTEs per year in 2009/10 to 680 000 FTEs in 2013/14.

TARGETS FOR PHASE II

Although Phase II was in many ways similar to Phase I, more emphasis was placed on creating temporary WOs, to provide income to the poor and unemployed. Tables 1 and 2 show the WO and FTE targets for the various spheres of government. Drawing on the recommendations from the strategic review of Phase I, the objectives for Phase II included the following:

• The WOs provided annually (starting 2009/10) would include 55% for women, 40% for youth and 2% for people with disabilities.
• Government and non-state sector service delivery would be provided to approved and defined standards.
• An increased proportion of the normal budget would be spent on EPWP outputs (WOs, people employed, training and income transferred).
• Sector programme targets would be specified, where applicable, as a percentage of labour-intensive employment.

Table 1: Work Opportunity Targets for all Spheres of Government

<table>
<thead>
<tr>
<th>Work opportunities: targets per year and sphere of government</th>
<th>Local</th>
<th>Provincial</th>
<th>National</th>
<th>Non-state</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009–2010</td>
<td>182 607</td>
<td>247 325</td>
<td>100 068</td>
<td>20 000</td>
<td>550 000</td>
</tr>
<tr>
<td>2010–2011</td>
<td>208 032</td>
<td>281 720</td>
<td>104 248</td>
<td>48 000</td>
<td>642 000</td>
</tr>
<tr>
<td>2011–2012</td>
<td>267 920</td>
<td>370 420</td>
<td>133 660</td>
<td>98 000</td>
<td>869 000</td>
</tr>
<tr>
<td>2012–2013</td>
<td>349 129</td>
<td>501 283</td>
<td>183 588</td>
<td>176 000</td>
<td>1 210 000</td>
</tr>
<tr>
<td>2013–2014</td>
<td>440 721</td>
<td>659 286</td>
<td>249 994</td>
<td>300 000</td>
<td>1 650 000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1 448 409</strong></td>
<td><strong>2 060 034</strong></td>
<td><strong>771 557</strong></td>
<td><strong>640 000</strong></td>
<td><strong>4 920 000</strong></td>
</tr>
</tbody>
</table>

Source: EPWP Phase II Consolidated Programme Overview – February 2009
Table 2: FTE Targets for all Spheres of Government (2009/10–2013/14)

<table>
<thead>
<tr>
<th></th>
<th>Local</th>
<th>Provincial</th>
<th>National</th>
<th>Non-state</th>
<th>Totals</th>
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</thead>
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<tr>
<td>2009–2010</td>
<td>61 922</td>
<td>117 554</td>
<td>22 698</td>
<td>8 696</td>
<td>210 870</td>
</tr>
<tr>
<td>2010–2011</td>
<td>74 371</td>
<td>136 630</td>
<td>26 999</td>
<td>20 870</td>
<td>260 870</td>
</tr>
<tr>
<td>2011–2012</td>
<td>97 342</td>
<td>181 667</td>
<td>40 991</td>
<td>41 739</td>
<td>361 739</td>
</tr>
<tr>
<td>2012–2013</td>
<td>125 853</td>
<td>243 527</td>
<td>56 272</td>
<td>76 522</td>
<td>502 174</td>
</tr>
<tr>
<td>2013–2014</td>
<td>157 086</td>
<td>320 692</td>
<td>76 570</td>
<td>130 435</td>
<td>684 783</td>
</tr>
<tr>
<td>TOTAL</td>
<td>516 573</td>
<td>1 000 070</td>
<td>225 531</td>
<td>278 261</td>
<td>2 020 435</td>
</tr>
</tbody>
</table>

Source: EPWP Phase II Consolidated Programme Overview – February 2009

ANALYSIS OF PHASE II

The NDPW commissioned a mid-term review of Phase II. The review found that the EPWP had a positive impact on the communities in which it had been implemented. Many of the participants had moved above the poverty line due to the income they received from working on the programme.

The review also highlighted some areas of concern, which contributed to the recommendations made for Phase III of the programme. Criticism related mainly to the limited objectives and the limited effect on decreasing unemployment and alleviating poverty. The review found that the duration of the WO created is still shorter than anticipated, which limits the effect on poverty reduction. The average duration of work projects varied considerably across sectors, provinces and municipalities, with generally shorter periods reported in areas with higher rates of unemployment.

Despite its many successes, Phase II of the EPWP was not without its challenges. These include:
- The non-prioritisation of the EPWP within public bodies.
- Weak institutional arrangements where roles and responsibilities are not clarified, resulting in confusion and increased bureaucracy.
- The lack of commitment to the use of labour-intensive construction (LIC) on infrastructure projects.
- Capacity constraints within public bodies that hamper effective implementation.
- The lack of accountability of senior principals.
- Non-prioritisation of training for beneficiaries and an over-emphasis on the achievement of job creation targets.
- Lack of training on LIC methods to emerging contractors, which means that they are unable to access WOs where LIC could be used.
- Poor community facilitation, resulting in miscommunication with communities. This leads to conflict or volatility when (incorrect) expectations are not met.

The average duration of work projects varied considerably across sectors, provinces and municipalities, with generally shorter periods reported in areas with higher rates of unemployment.
ORGANISATIONAL ARRANGEMENTS OF THE CITIES

This section provides an overview of the institutional arrangements and related EPWP policy governing the implementation of EPWP within each of the eight cities. It furthermore investigates and reviews amendments that were implemented during the 2013/14 reporting period.

The objective of an EPWP policy is to provide a framework for implementing EPWP within each city. The policy should therefore be geared towards providing an enabling environment for the successful implementation of EPWP projects, while ensuring that all government directives and legislative requirements are adhered to. A comprehensive EPWP policy, which has been approved and formally adopted by the city council, is fundamental to the success and progress of the city’s EPWP initiatives.

In order to establish a solid framework that provides the necessary guidance for implementing EPWP initiatives, the following policy objectives, defined by the national DPW, should be accommodated:

- To educate all departments and units within the city on how their functions should contribute towards the EPWP.
- To establish a delivery strategy in terms of socioeconomic development, poverty alleviation, employment creation and skills development.
- To ensure development integration across all sectors.
- To engineer the planning, design and implementation of programmes/projects with the city to maximise employment opportunities.

The effectiveness of the EPWP policy depends on the compliance of all entities within the city to the given policy. Therefore, it is imperative to have mechanisms in place to monitor the implementation and compliance to the city’s EPWP policy.

POLICY CHANGES AND TARGETS IN 2013/14

During 2013/14, the cities placed greater emphasis on the coordination of EPWP through the implementation and enforcement of their approved EPWP policies. All of the cities, except Ekurhuleni, had their EPWP approved and formally adopted by the city councils. Table 3 indicates the status of each city’s EPWP policy during 2013/14.

<table>
<thead>
<tr>
<th>City</th>
<th>Policy status</th>
<th>Date approved</th>
<th>Revision status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buffalo City</td>
<td>Approved</td>
<td>2013</td>
<td>1st revision 2014/15 – alignment to EPWP Phase III</td>
</tr>
<tr>
<td>City of Cape Town</td>
<td>Approved</td>
<td>2012</td>
<td>To be confirmed</td>
</tr>
<tr>
<td>City of Johannesburg</td>
<td>Approved</td>
<td>2009</td>
<td>1st revision 2010/11 – alignment to EPWP Phase II</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2nd revision 2014/15 – alignment to EPWP Phase III</td>
</tr>
<tr>
<td>City of Tshwane</td>
<td>Approved</td>
<td>2013</td>
<td>1st revision 2012/13 – alignment to EPWP Phase II</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2nd revision TBC – alignment to EPWP Phase III</td>
</tr>
<tr>
<td>Ekurhuleni</td>
<td>Awaiting approval</td>
<td>-</td>
<td>To be confirmed</td>
</tr>
<tr>
<td>eThekwinii</td>
<td>Approved</td>
<td>2007</td>
<td>1st revision 2012/13 – alignment to EPWP Phase II</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2nd revision 2014/15 – alignment to EPWP Phase III</td>
</tr>
<tr>
<td>Mangaung</td>
<td>Draft</td>
<td>2014</td>
<td>1st revision 2014/15 – alignment to EPWP Phase III</td>
</tr>
<tr>
<td>Msunduzi</td>
<td>Approved</td>
<td>2013</td>
<td>1st revision TBC – alignment to EPWP Phase III</td>
</tr>
<tr>
<td>Nelson Mandela Bay</td>
<td>Approved</td>
<td>2011</td>
<td>1st revision 2014/15 – alignment to EPWP Phase III</td>
</tr>
</tbody>
</table>
Table 3 indicates that, most of the cities had an approved and adopted EPWP policy in place by 2013/14. Cities with approved and implemented EPWP policies from previous reporting periods conducted reviews of their policies in 2013/14. Such reviews allow for continuous improvement and increased efficiency, and help ensure that the policies are relevant and aligned to EPWP regulations. The need for all cities to revise their existing policies in line with Phase III (which starts in 2014/15) principles has been acknowledged.

In 2013/14 the focus shifted towards monitoring the implementation and compliance of the policy, as cities became more aware of the importance of their EPWP policy and recognised the value beyond a legislative requirement. The City of Johannesburg and the City of Tshwane established EPWP frameworks or tools to monitor their EPWP policy’s implementation and compliance. Mangaung and Msunduzi relied on their EPWP divisions and EPWP steering committees to guide the implementation of their EPWP policies and monitor the compliance across all municipal entities.

The use of internal targeting to monitor performance within the cities became increasingly popular. Johannesburg, Tshwane, Ekurhuleni and eThekwini set internal targets for the various city departments or entities to generate a level of accountability to EPWP contribution and to allow for more effective progress monitoring and evaluation.

The City of Tshwane significantly improved its EPWP implementation, coordination and reporting mechanisms. The overall achievements of the various departments, regions and city entities also improved, compared to previous financial years when no individual targets were set. Having internal targets ensured the participation and buy-in across all departments, regions and city entities, holding them accountable for their set targets.

An analysis of the difficulties faced by Ekurhuleni during the 2013/14 reporting period reinforced the importance of an EPWP policy and internal targets. Although Ekurhuleni’s policy had not yet been approved or formally adopted, the municipality set targets for all EPWP projects. However, because the policy had not been approved, the municipality was unable to hold the various departments accountable for non-compliance to the regulations and deliverables. This made the monitoring and evaluation of EPWP implementation and the associated progress increasingly difficult, significantly affecting the municipality’s EPWP achievements. The delay in approving the EPWP meant that there was no formal framework to guide the implementation and coordination of the EPWP within the municipality, which directly influenced the success of the programme.

INSTITUTIONAL ARRANGEMENTS

Cities that had formally adopted EPWP policies during or prior to 2013/14 placed greater emphasis on establishing and/or enhancing their institutional arrangements in line with their EPWP policy. Implementing and monitoring the EPWP policy would be ineffective without a dedicated, formalised EPWP coordinating structure.

By 2013/14, all eight cities had recognised the importance of centralising the coordination of EPWP within the city and therefore had an active EPWP unit or steering committee in place. These units or steering committees were primarily headed by EPWP champions and included sector or departmental representatives and political champions. Political champions assisted in securing buy-in from other entities within the city, thus generating more support and commitment towards implementation of EPWP across the city.

A proficient institutional arrangement requires the necessary organisational capacity in order to facilitate effective coordination of a city’s EPWP activities so as to promote enhanced performance and continuous growth. Efforts were therefore directed to making appointments of positions allocated within the city’s institutional arrangement, enhancing organisational capacity required to carry out EPWP activities. Organisational capacity was increased through the appointment of positions such data capturers, EPWP administrators and EPWP supervisors. Increasing a city’s organisational capacity would therefore enhance the city’s ability to implement and coordinate a larger number of EPWP projects, generating more WO and improving its EPWP performance.

Although all of the cities had established their institutional arrangements during 2013/14, acknowledging the importance of organisational capacity, not all positions accommodated within the structures had been appointed. Cities such as Johannesburg, Tshwane eThekwini and Mangaung who increased their organisational capacity through various appointments also displayed and increase in their EPWP performance in terms of the number of EPWP projects and WO generated. Although these cities had made relevant appointments, certain positions within their institutional arrangements still remained vacant. This indicated that the performance of these cities could experience further improvements as the positions are appointed and organisational capacity increased.

Common changes implemented during 2013/14:

- formalisation of the city’s institutional arrangement,
- establishment of an EPWP unit or steering committee,
- appointment of political champions, and
- increased organisational capacity.
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THE REPORT
OVERVIEW OF EPWP IMPLEMENTATION

This section of the report highlights the progress of the cities in their implementation of the EPWP during 2013/14 and reviews trends over the 2009/10–2013/14 financial periods.

Six indicators are used to assess each city’s progress in meeting the objectives defined by EPWP Phase II:
• number of WOs created,
• number of person-days of work created,
• minimum day-task wage rate,
• number of person-days of training provided,
• overall budget and expenditure, and
• demographics of workers.

The analysis and figures that follow use data extracted from the EPWP Quarter 4 Consolidated Report for 2013/14, as well as information extracted from the 2009/10–2011/12 and 2012/13 Annual Reports.

Indicators cannot be reviewed in isolation when assessing the progress of EPWP within the cities. Therefore, progress across previous reporting periods is reviewed in conjunction with the 2013/14 achievements. Analysis across reporting periods will show emerging trends and underlying correlations influencing the progress and success of EPWP.

EPWP IMPLEMENTATION

During 2013/14, the SACN member cities generated a cumulative total of 113 884 WOs and 30 362 FTEs. These WOs and FTEs were based on the implementation of 1 587 projects across the eight cities, as illustrated in Figure 2.

Figure 2: Number of EPWP projects implemented (2013/14)
A city’s organisational capacity is related to the number of projects it is able to implement, as shown by the number of projects implemented by Cape Town (795), Johannesburg (241), Tshwane (181) and eThekwini (110). These cities have sufficient organisational capacity within an established institutional arrangement and governed by an EPWP policy.

As Figure 3 shows, most cities increased the number of projects implemented between 2009/10 and 2013/14. However, cities that lack organisational capacity to implement and coordinate their EPWP activities were limited in the number of EPWP projects. This is the case for Buffalo City, Mangaung, Msunduzi and Nelson Mandela Bay, which have all indicated the need to address this lack of organisational capacity. Following the approval of their EPWP policies in 2012/13, Buffalo City and Msunduzi focused on establishing their institutional arrangement during 2013/14, to provide the necessary platform from which to govern EPWP (see Annexure A). The availability of funding furthermore impacts on the number of projects a city is able to implement. The impact of funding limitations is evident in Buffalo city in particular where the number of projects implemented decreased as a result of the Incentive Grant funding limitations experienced during 2013/14 (see Annexure A).

When viewed in isolation, the number of projects implemented is not a reliable indication of the success and efficiency of a city’s EPWP because the number of WOs generated varies vastly per project. Therefore, to establish the efficiency and sustainability of a city’s EPWP also requires looking at other factors, such as duration of employment and wage contribution.

**EMPLOYMENT CREATED**

Figure 4 illustrates the WOs generated from 2009/10 to 2013/14. During 2013/14, the eight cities collectively generated 113,884 WOs, an increase of 14,413 compared to 2012/13. However, the cities’ contribution to the Local Government WOs target decreased by 2.65%, from 28.49% in 2012/13 to 25.84% in 2013/14.
In 2013/14, most WOs were generated by the larger cities, such as Cape Town (27 876), Johannesburg (23 603), Tshwane (17 790) and eThekwini (29 838). This is to be expected given that the WOs generated are related to the number of projects. Compared to 2012/13, Cape Town and Johannesburg generated less WOs, whereas eThekwini and Tshwane generated more WOs. Interestingly, in 2013/14 eThekwini produced the highest number of WOs, more than Cape Town and Johannesburg, cities that are considered the forerunners of EPWP success. This indicates a significant improvement in the coordination and management processes implemented by eThekwini.

Inefficiencies within Cape Town and Johannesburg become apparent when comparing the number of WOs generated to the number of projects implemented. For example, eThekwini generated more WOs from less than 15% of the number of projects implemented by Cape Town (the city that implemented the most projects during 2013/14).

Initiatives implemented by eThekwini that contributed to these improved figures include:

- aligning the city’s EPWP practices to its Integrated Development Plan (IDP),
- enforcing LIC principles across all relevant projects (in line with EPWP policy),
- promoting EPWP awareness throughout the municipality,
- increasing efficiency of the dedicated EPWP team by addressing all responsibilities, and
- enhancing administrative capacity through the appointment of two contract administrators.

The trend of WOs generated over the reporting periods is erratic for the cities, with only the City of Tshwane displaying a steady increase, which indicates sustainable growth and progress.

A decrease in the number of WOs generated may be attributed to various factors, such as:

- under-reporting,
- cities not maximising LIC opportunities,
- inefficient management of projects,
- projects not commencing on schedule, and
- projects lasting longer, leading to an increase in the period of employment, thereby reducing the annual WOs generated.

In view of these factors, the number of FTEs and the duration of employment also need to be considered when analysing the trend of WOs generated.
The relationship between the number of FTEs and the number of WOs generated by a city is not linear. An increase in FTEs coupled with a decrease in WOs indicates that the average duration of WOs has increased, resulting in EPWP employment that facilitates sustainable livelihoods.

However, a decrease in both WOs and FTEs suggests decreased efficiency and regression in the city’s EPWP (for example Cape Town and Buffalo City).

The relationship between WO and FTEs is showcased when comparing the performance for Nelson Mandela Bay to that of Ekurhuleni. Although Nelson Mandela Bay implemented fewer projects and generated less WOs than Ekurhuleni during this period, it generated more FTEs. The results therefore suggest that Nelson Mandela Bay was more successful at creating longer term, sustainable WOs through implementing fewer projects. Although Ekurhuleni generated more WO the FTEs generated from those WO were less than that of Nelson Mandela Bay, indicating a lower level of sustainability with regards to the WO generated. The ratio of WO generated per project for Ekurhuleni was furthermore lower than that of Nelson Mandela Bay thus suggesting potential inefficiencies in the EPWP performance of Ekurhuleni, particularly when compared to that of Nelson Mandela Bay.

Similarly, eThekwini produced fewer WOs than Cape Town but achieved a greater ratio of WOs gen-
erated per project and produced far more FTEs. This provides evidence as to the efficiency of eThekwini’s EPWP coordination as well as indicating the potential inefficiencies within Cape Town’s EPWP operations. When assessing the city’s formalised EPWP framework, institutional arrangement and comprehensive EPWP policy, it would suggest that it has the ability to realise greater success in terms of their EPWP performance. The inefficiencies of Cape Town’s EPWP performance is further highlighted by the decrease in both WO and FTEs compared to that of the previous financial year.

When comparing the WOs and FTEs produced across the reporting periods, Tshwane is the only city that has consistently increased the number of WO and FTEs produced, indicating efficiency in the implementation and coordination of city’s EPWP. Although the WO produced by eThekwini varied across the reporting periods, the city increased the number of FTEs produced, indicating the generation of more sustainable WO. The ratio of eThekwini’s WO per project provides additional evidence as to the efficiency in terms of the city’s EPWP performance.

Figure 6 and Figure 7 respectively cross-reference the WOs and the FTEs generated by the cities against the targets set by the NDPW for 2013/14.

In 2013/14 the City of Tshwane surpassed the targets set by the national DPW, whereas Johannesburg, Ekurhuleni, Mangaung and Msundusi did not. Cape Town exceeded the WOs target set by the DPW, but generated 15% fewer WOs than in 2012/13 (27 876 WOs, down from 33 101 WOs).
During 2013/14, only the City of Johannesburg and Nelson Mandela Bay achieved the FTE targets set by the national DPW. The City of Johannesburg exceeded its FTE target despite the decrease in the numbers of WOs and FTEs generated annually. In contrast, eThekwini did not meet its WOs and FTE targets for 2013/14 even though the city made significant achievements in the number of WOs generated.

The variance between the targets and the actual number of WOs and FTEs produced by the cities suggests that the targets set by NDPW do not reflect accurately the cities’ abilities nor does it provide an accurate indication of a city’s performance. Previous reporting periods found similar discrepancies. For instance, during 2009/10–2012/13 the City of Johannesburg exceeded WO targets during each financial year, but generated less WOs during each reporting period. A false sense of success is therefore given when a city exceeds significantly the relatively low targets but generates fewer WOs during succeeding reporting periods. Targets should thus be relative to a city’s ability as well as previous achievements and should be reviewed as a trend across reporting periods in order to provide a more accurate representation of its EPWP progress.

To assess the sustainability of the WOs generated requires analysing both the number of WOs and the average length of employment for each WO. This is because FTEs take into account the total person-days of work derived from all WOs. The total number of person-days (consisting of eight hours per day) accumulated for all WOs generated is divided by 230. One FTE could therefore consist of person-days of work accumulated from several WOs. However, a high number of FTEs does not mean that all WOs generated were of longer average duration.

Figure 8 shows the average length of employment created across the cities during 2009/10–2013/14.
The average length of employment varies vastly across the eight cities, with the City of Tshwane displaying the most stable (Figure 8) and the longest (at 0.39 – see Table 4) average duration of employment across the five-year period.

Table 4: Average duration of employment in years (2009/10–2013/14)

<table>
<thead>
<tr>
<th>City</th>
<th>2009/10</th>
<th>2010/11</th>
<th>2011/12</th>
<th>2012/13</th>
<th>2013/14</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buffalo City</td>
<td>0.19</td>
<td>0.20</td>
<td>0.31</td>
<td>0.25</td>
<td>0.11</td>
<td>0.21</td>
</tr>
<tr>
<td>City of Cape Town</td>
<td>0.20</td>
<td>0.24</td>
<td>0.22</td>
<td>0.15</td>
<td>0.14</td>
<td>0.19</td>
</tr>
<tr>
<td>City of Johannesburg</td>
<td>0.32</td>
<td>0.33</td>
<td>0.42</td>
<td>0.34</td>
<td>0.35</td>
<td>0.35</td>
</tr>
<tr>
<td>City of Tshwane</td>
<td>0.37</td>
<td>0.41</td>
<td>0.39</td>
<td>0.45</td>
<td>0.34</td>
<td>0.39</td>
</tr>
<tr>
<td>Ekurhuleni</td>
<td>0.57</td>
<td>0.30</td>
<td>0.33</td>
<td>0.21</td>
<td>0.27</td>
<td>0.33</td>
</tr>
<tr>
<td>eThekwini</td>
<td>0.30</td>
<td>0.28</td>
<td>0.26</td>
<td>0.45</td>
<td>0.25</td>
<td>0.31</td>
</tr>
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<td>Mangaung</td>
<td>0.36</td>
<td>0.29</td>
<td>0.28</td>
<td>0.23</td>
<td>0.21</td>
<td>0.27</td>
</tr>
<tr>
<td>Msunduzi</td>
<td>0.14</td>
<td>0.00</td>
<td>0.50</td>
<td>0.19</td>
<td>0.42</td>
<td>0.25</td>
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<tr>
<td>Nelson Mandela Bay</td>
<td>0.31</td>
<td>0.23</td>
<td>0.24</td>
<td>0.25</td>
<td>0.36</td>
<td>0.28</td>
</tr>
</tbody>
</table>

During the period 2009/10–2013/14, Cape Town had the lowest average, indicating that the city’s EPWP projects yield short-term WOs. Therefore, while Cape Town may generate large numbers of WOs, the city’s EPWP appears not to focus on longer term projects and programmes that would ensure sustainable livelihoods for the beneficiaries.

Most cities display a relatively low average length of employment. This indicates a need to re-evaluate their project selection and planning mechanisms to facilitate longer term employment and more sustainable WOs. Cities need to amend their EPWP policies and practices to align with the targets of EPWP Phase III, which places greater emphasis on sustainable WOs.
Training is a core component of EPWP and is essential for assisting beneficiaries to transition from the secondary economy into permanent mainstream employment. Therefore, cities need to promote training initiatives through the various EPWP projects and to ensure adequate budget is allocated for training. Training should not be limited to the task to be conducted, but should include aspects such as life skills. This will ensure education and skills development of beneficiaries, and facilitate social upliftment. However, despite its importance, to date most cities have placed very little emphasis on the provision of training (Figure 9).

During Phase II, Johannesburg was the only city to provide a significant number of training days to their EPWP beneficiaries. eThekwini, the City of Tshwane and (in the first three years only) Cape Town made some effort to provide training to beneficiaries, while Buffalo City, Msunduzi and Nelson Mandela Bay reported no training days during this period.

- The lack of training can also be attributed to:
  - the lack of available budget to fund training initiatives,
  - spending funding on generating more WOs instead of investing in training,
  - difficulties in securing accredited training providers, and
  - the cost and time implications of training days on project deliverables.

As cities transition to Phase III, greater emphasis will have to be placed on prioritising the provision of training in order to fulfil the mandate of EPWP.
DEMOGRAPHICS OF EMPLOYMENT

The EPWP Phase III set demographics targets of 55% for women, 40% for youth and 2% for people with disabilities. In order to assess the city’s performance against the Phase II targets, it is important to review the demographic distribution of the WOs generated by each city. Figure 10 depicts the demographic distribution of EPWP beneficiaries across all eight cities during 2013/14.

In 2013/14, seven of the cities exceeded the youth target of 40%, but only eThekwini exceeded the target for women (55%), achieving 59%. Nelson Mandela Bay did not meet any of the targets. None of the cities reached the target for people with disabilities (2%). Table 5 shows the demographics of EPWP beneficiaries over the period 2009/10–2013/14

While most of the cities have successfully met the targets for youth employment, Table 5 shows clearly the absence of people with disabilities in EPWP employment.
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THE REPORT
While most of the cities have successfully met the targets for youth employment, Table 5 shows clearly the absence of people with disabilities in EPWP employment. This can in part be explained by the WOs being unsuitable for disabled persons but may also be the result of the definition of ‘people with disabilities’ being misunderstood: the term not only refers to persons who are physically disabled, but also includes persons with hearing disabilities, mental disabilities, etc.

The relatively low percentage of women employed may be because the majority of EPWP projects in the early phases were in the infrastructure sector. However, in the second half of Phase II, with the emphasis on implementing projects in the environment and culture, and social sectors, the percentage of women employed increased across the cities. If cities are to reach the demographic targets for women and people with disabilities, they will need to implement more projects in these sectors, as well as look at more effective mechanisms for selecting beneficiaries.

The relatively low percentage of women employed may be because the majority of EPWP projects in the early phases were in the infrastructure sector.
EXPENDITURE ON EPWP

Another key indicator of the cities’ EPWP efficiency and success is the expenditure on EPWP implementation. It is therefore imperative to report on the cities’ EPWP expenditure and take into consideration the cost per WO and the wages paid out over the reporting period. Figure 11 shows how much each city spent on implementing EPWP between 2009/10 and 2013/14.

In 2013/14, the four cities with the highest expenditure on EPWP were Tshwane (R489.3 million), eThekwini (R486 million) and Cape Town (R309.6 million), followed closely by Johannesburg (R292.3 million).

Analysis of the expenditure on EPWP across Phase II reveals a significant variance in expenditure on EPWP within each city. The variance in expenditure could be attributed to the fluctuations in the incentive grant received from the NDPW which is related to the performance of the cities. EPWP expenditure is furthermore related to the city’s commitment to and planning for EPWP activities. Commitment from the cities to EPWP substantiated by the provision of internal budget allocation to carry out EPWP activities will therefore be reflected by the cities EPWP expenditure reported.

In addition to the Incentive Grant allocation, cities need to ensure greater commitment to EPWP implementation supported by the provision of internal budget allocations. It is important for the cities to acknowledge that they cannot rely on the Incentive Grant alone to fund EPWP activities as this will allow for sustainability in terms of EPWP progress and growth within the city. Cities need to display commitment to the principles of EPWP by incorporating EPWP activities into their planning as well as budgeting processes. The provision of internal budget allocations will therefore assist the cities to maximise EPWP performance. Focusing on the implementation of long term planning initiatives such as strategic projects that span across several financial years, utilising both the Incen-
The total amount of wages paid out together with the minimum day-task wage rate, are key indicators of the benefits derived from EPWP employment. Figure 13 illustrates the total amount of wages paid out by the cities during 2013/14.

As expected, a relationship exists between the number of WOs generated and the amount of wages paid to beneficiaries. Cape Town, Johannesburg, Tshwane and eThekwini generated the most WOs during this period and thus paid the most wages to EPWP beneficiaries.

Although the total expenditure on wages increases as the number of WO increases, this is not an exponential trend. For example, eThekwini generated the most WOs in 2013/14 and so would have been expected to have paid the most in wages. However, this was not the case, as the minimum day-task wage rate (Figure 14) was lower than the majority of the other cities. Similarly, Cape Town’s expenditure on wages was low in comparison to the number of WOs generated due to the low minimum day-task wage rate. Expenditure on wages is therefore influenced by the duration of employment as well as the day-task wage rate within the city.

Although the total expenditure on wages increases as the number of WO increases, this is not an exponential trend.
tive Grant allocations and internal budget allocations, will further more display greater commitment to EPWP resulting in increased efficiency and success.

A city’s EPWP expenditure is furthermore related to the WO and FTEs generated. For example, Johannesburg’s expenditure decreased over the period (reflecting the lower number of WOs and FTEs), whereas eThekwini’s expenditure increase accompanied by an increase in the number of WO and FTEs produced. However, the relationship is not linear, as ineffective spending would result in fewer WOs with a higher cost per WO. Therefore, a city’s spending efficiency can be assessed by monitoring the cost per WO generated (Figure 12).

Most cities displayed a high initial cost at the onset of Phase II followed by a significant decrease, as they became more proficient in the implementation of EPWP. The exception was eThekwini: after a low start, the average cost per WO increased in 2012/13 and 2013/14 but is still relatively low. This indicates that the city is efficient in implementing and spending on EPWP projects. The increases can be attributed to the city’s emphasis on longer term EPWP programmes, evident in the longer duration of employment within the city (refer to Figure 8), which indicates a relationship between the cost per WO and the average length of employment.

In 2013/14 Buffalo City has the highest cost per WO (R53 415.24) of all the cities but implemented the least number of projects and generated the lowest number of WOs and FTEs. The monitoring and evaluation challenges that the city experienced did lead to under-reporting on WOs and FTEs, which affected the cost per WO. However, unlike the other cities, Buffalo City’s cost per WO has fluctuated very little across Phase II and the average length of employment is relatively low, which suggest that the city is not efficient in implementing and spending on EPWP.

The City of Cape Town’s low cost per WO does not necessarily indicate efficiency, as it is likely to be a result of implementing small-scale projects with low overheads that generate relatively short-term employment (as revealed previously in Figure 8). Similarly, Msunduzi’s low cost per WO (R15 271.10) during 2013/14 is directly related to the implementation of small-scale projects at low costs. Msunduzi and Mangaung both implemented a similar number of projects and generated a similar number of WOs. However, Msunduzi’s cost per WO is about half that of Mangaung (R34 813.84), indicating that Msunduzi has been more efficient in the implementation of its EPWP projects. Although the average length of employment was 0.02 years longer in Mangaung, this alone is not enough to justify the huge difference in cost per WO. Therefore, the high cost per WO in Mangaung is more than likely because of ineffective coordination of and spending on EPWP projects, or inaccurate reporting on expenditure.2

2. Over-reporting of expenditure could occur if the city reports are based on the total project value, not just the EPWP component. This would inflate the cost per WO generated. Similarly, under-reporting expenditure on EPWP would deflate the cost per WO.
a baseline indicator to standardise reporting across all the cities. Figure 14 illustrates the minimum day-task wage rate per project for each city during 2013/14. Buffalo City (R136.94) and Tshwane (R136.23) have the highest day-task wage rate; Cape Town (R118.84), Johannesburg (R112.42) and Msunduzi (R111.74) have similar rates while Mangaung (R91.45) has the lowest.

The day-task rate directly affects the city’s expenditure on wages because, as the minimum day-task rate fluctuates across the cities along with the number of WOs, so too does the expenditure on wages. As Figure 14 shows, the day-task wage rate is not standard across the cities. The EPWP wage rates need to be standardised across the cities in order to maximise the potential WOs generated while safeguarding beneficiaries from exploitation and mitigating the risk of displacing labour from full-time employment to EPWP employment. The wage rate directly influences a city’s ability to generate WOs, and so cities need find the correct balance between maximising WOs and ensuring beneficiaries receive sufficient income. Standardising the EPWP wage rate will assist the cities in this regard and provide a uniform benchmark against which to review each city’s performance.

From this review of the indicators, it becomes evident that these indicators cannot be analysed in isolation. In order to accurately assess the progress and success of the cities’ EPWP implementation, data analysis should occur across all indicators as a collective dataset in order to reveal the correlations and associated relationships.

From this review of the indicators, it becomes evident that these indicators cannot be analysed in isolation.
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EPWP SECTOR ANALYSIS FOR THE CITIES

This section focuses on the sectors in which the cities are implementing projects. The predominant sector is infrastructure, but the cities are also implementing projects in the environment and culture, social and non-state sectors, as shown in Figure 15.

<table>
<thead>
<tr>
<th>City</th>
<th>Infrastructure</th>
<th>Environment &amp; Culture</th>
<th>Social</th>
<th>Non-State</th>
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<td>NELSON MANDELA BAY</td>
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Figure 15: EPWP sectors being implemented within the cities
INFRASTRUCTURE SECTOR

The infrastructure sector is led by the DPW, which collaborates with the departments of transport; cooperative governance and traditional affairs, water affairs, mineral resources, and energy.

The infrastructure sector involves the use of labour-intensive methods in the construction and maintenance of public sector funded infrastructure projects. Labour-intensive infrastructure projects under the EPWP entail:

- using UC methods to provide WOs to local unemployed people,
- providing training and skills development to the locally unemployed people, and
- building cost effective, quality assets.

The provinces and municipalities implement most projects. While all provinces and 99% of municipalities are already contributing to the EPWP, many provincial departments and municipalities could increase their contribution further. The continued growth of the sector will depend on the degree to which some of the underperforming provinces and municipalities can increase their performance by implementing their more labour-intensive projects and by establishing dedicated labour-intensive maintenance programmes that have the potential to provide regular employment to large numbers of people, especially in rural areas.

The key EPWP infrastructure programmes include:

- **Vuk’uphile Learnership Programme:** This programme trains individuals in labour-intensive methods of construction to become contractors at National Qualifications Framework (NQF) level 2 and supervisors at NQF level 4.
- **National Youth Service Programme:** This is a year-long skills training and development intervention that aims to provide unemployed youth with technical skills, life skills, access to practical work experience and mentoring.
- **Large Projects:** These are projects with a minimum budget of R30-million, aimed at ensuring the delivery of large budget projects based on EPWP principles and meaningful development of emerging contractors.
- **Provincial Roads Programme:** This programme provides assistance to provincial roads departments to help them implement labour-intensive projects and programmes. The assistance is provided in partnership with the national Department of Transport, and focuses on rural access roads.

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Sector-specific example from the cities

**EKURHULENI METRO: WATER LEAKS REPAIR PROJECT**

South Africa is a water scarce country. Curbing water wastage and conserving water are important for local authorities. In 2014, the Ekurhuleni Metropolitan Municipality launched a water Conservation Leak Repair Programme aimed at repairing water leaks in several areas. The project is expected to run until January 2016.

In each property, leak-free tests are conducted, leaking plumbing items (such as toilet cisterns) are fixed or replaced, and associated pipe work is carried out. Work may include refurbishing underground pipes and yard connections, fixing sink taps, baths, showers and outdoor taps, rating the condition of underground pipes, and installing meters on properties.

The project is community based and labour intensive, in line with the EPWP principle that beneficiaries receive employment opportunities. The project has resulted in the creation of 377 jobs as plumbers, general workers, community liaison officers, community facilitator supervisors, community facilitators and quality controllers.

The beneficiaries working on the project are clearly identifiable by their EPWP orange working suits and the reflective vests bearing the Ekurhuleni logo.
ENVIRONMENT AND CULTURE SECTOR

The environment and culture sector builds South Africa’s natural and cultural heritage and, in doing so, dynamically uses heritage to create both medium- and long-term work and social benefits while, at the same time, responding to climate change challenges.

The key aim of the sector is to deliver programmes that create WOs and link people in the marginalised ‘second economy’ with opportunities and resources that enable their participation in the developed ‘first economy’ through generating useful outputs and positive outcomes in the areas of environment, heritage (including tourism development) and biodiversity.

The objectives of the sector are:

• To create jobs and provide training and, through these jobs, facilitate long-term employment.
• To link marginalised people with opportunities and resources to enable their participation in the developed ‘mainstream economy’.
• To integrate sustainable rural development and urban renewal.
• To create land-based livelihoods.
• To promote community-based natural resource management.
• To develop natural resources and cultural heritage.
• To rehabilitate natural resources and protect biodiversity.
• To promote tourism.

Key environment and culture projects include:

• sustainable land-based livelihoods,
• waste management,
• tourism and creative industries,
• parks and beautification,
• coastal management, and
• sustainable energy.

Sector-specific example from the cities

BUFFALO CITY METRO: MDANTSANE GREENING PROJECT

The aim of the Mdantsane Greening project is to clean the environment ('green the township' and fight unemployment.

Since inception, the project has employed more than 200 people, mainly unemployed youth and women from Mdantsane who were selected by their ward councillors. They were allocated to clear areas covered by bush, which provided hiding space for criminals who then robbed residents. Beneficiaries of the project have learned about preserving the environment, identifying and eradicating alien vegetation, providing garden services and doing first aid.

All those who have taken part in the project have been recognised for their good work and received certificates for their role in keeping the township’s environment healthy.

With the help of the provincial Department of Education, the project identified 24 schools that needed agricultural tools and training. They assisted with the School Nutrition Programme, as the schools had not established their own vegetable gardens.

The projects achievements include a cleanup of Mdantsane, control of alien invader plant species, and the establishment of 2 158 home and 48 school gardens. A total of 30 000 trees have been planted and are being maintained in Mdantsane.
SOCIAL SECTOR

A key focus of the social sector is to equip pre-school teachers and support staff with adequate training so that they can pass on their knowledge to benefit the country’s children in the long term. The social cluster comprises the departments of social development, education and health. Much of the work of these three departments relies on the input of volunteers and civil society organisations and is suitable for the development of the EPWP.

- While a number of programmes present a range of opportunities for work creation, the following programmes have been selected as flagship programmes for the social sector:

  - **Early childhood development (ECD):** The main purpose of early childhood development is to protect the child's rights. The ultimate goal is to improve young children's capacity to develop and learn. ECD interventions include educating and supporting parents, delivering services to children, developing the capabilities of caregivers and teachers and using mass communication to enhance parents’ and caregivers’ knowledge and practices.

  - **Home/community-based care (HCBC):** This entails the provision of comprehensive services, including health and social services, by formal and informal caregivers in the HCBC support programmes. It is prioritised as a cost effective response that substitutes a significant portion of AIDS-related hospital care. The programme aims to facilitate the foundations for launching the Community Health and Development Worker Programme by equipping unemployed individuals with foundation skills and experience.

  - **School nutrition programme:** Community members are employed as food handlers to provide food to children from needy families, thereby addressing malnutrition.

  - **Community crime prevention:** Community members are encouraged, by employing volunteers in EPWP projects, to help to identify community safety priorities for their neighbourhoods.

  - **School mass participation:** Work opportunities are provided to sports coaches, and members of the public are encouraged to participate actively in sports. The objectives are promoting good health, self-realisation, community development and social cohesion.

  - **Kha Ri Gude:** (Tshivenda for ‘let us learn’): This is a mass literacy campaign aimed at inviting adults who missed out on their schooling and who cannot read nor write, to join literacy classes provided across the country.

Sector-specific example from the cities

CITY OF JOHANNESBURG: IJOZI IHLOMILE

Ijozi ihlomile is a unique programme that helps raise awareness of HIV/AIDS and translates this awareness into action and behavioral change.

Established in 2005, the Ijozi ihlomile operates in at least 26 informal settlements across the municipality. Out-of-school youth are recruited and trained to go from door to door, educating people about sexually transmitted diseases, how to prevent mother-to-child transmission and the importance of practising safe sex.

Since 2010/2011 the EPWP incentive grant has funded the project. To date the project has created 362 jobs for young people, who work within their residential area, going ‘block by block’ to speak to community members.

The programme targets areas where HIV/AIDS and sexually transmitted infections are high, and where access to information and health services is poor. Community education by the beneficiaries assists in dispelling myths and allaying fears associated with people infected and affected by HIV and AIDS.

The project promotes voluntary counselling and HIV testing, awareness of the prevention of mother-to-child HIV transmission, and provides information on government-provided antiretroviral treatment. If necessary, community members are also referred to various service points or providers.
NON-STATE SECTOR (NSS)

The NSS comprises the Community Work Programme (CWP) and the NPOs. The CWP is area based and is managed by the Department of Cooperative Governance. The NPO is institutionally based and is managed by NDPW which, as the custodian of the programme, offers an administration fee and wage subsidy for the wages of the individuals employed in the non-profit organisations.

The purposes of the NSS programme are:
- To create an avenue where NPOs can assist government in creating income for large numbers of individuals through socially constructive activities in their local communities.
- To provide accredited training to beneficiaries so that at the end of the year beneficiaries can evolve into the second phase of the job market, which would be to exit into full-time jobs in line with the six job drivers of government’s new growth path.
- To encourage municipalities to use the human capacity of NPOs funded by the NSS.
- To develop local communities through municipal IDP projects.

Sector-specific example from the cities

NELSON MANDELA BAY: COMMUNITY WORK PROGRAMME (CWP)

The CWP was established in September 2012 and currently operates in 18 of the 65 wards in the Nelson Mandela Bay Municipality. The selection of wards was based on the coverage of the existing EPWP programme. The Provincial Implementing Agent and the municipality’s EPWP office jointly implement the programme.

A key success factor of the CWP has been the active involvement and support of the municipality, which has made resources available. In January 2014, the participation rate at the site was 1 105, which was 10% above the official target of 1 000 participants. Next year, the CWP plans to increase the number of participants to at least 1 200, with the additional participants coming from sites in the province that have not met their participation rate targets.

Nelson Mandela Bay is an industrialised urban area, and so a number of participants who received training through the CWP have found permanent work opportunities after leaving the programme.

The impact of the programme is two-fold: it contributes to sustainable livelihoods through the payment of wages, while the work conducted in each of the wards boosts community assets.
CHALLENGES FACED BY CITIES

Based on the responses obtained from the cities and the analysis of existing documentation, Table 6 highlights some of the major challenges facing the cities in implementing the EPWP, as well as potential solutions.

Table 6: Challenges and potential solutions for implementing EPWP

<table>
<thead>
<tr>
<th>CHALLENGES</th>
<th>POTENTIAL SOLUTIONS</th>
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<tbody>
<tr>
<td>Lack of organisational capacity to manage and coordinate EPWP within the city.</td>
<td>Fill all available positions within the city’s institutional arrangement.</td>
</tr>
<tr>
<td>Lack of buy-in and commitment from all departments and entities within the city.</td>
<td>Include EPWP performance indicators in the scorecards of all heads of departments in order to ensure accountability and commitment to EPWP initiatives and targets. Political champions can also assist in generating buy-in and commitment across the city.</td>
</tr>
<tr>
<td>Non-compliance to branding regulations by providers responsible for implementing and administering EPWP projects.</td>
<td>Stipulate all branding requirements in supply chain management and contract documentation.</td>
</tr>
<tr>
<td>Under-reporting and ineffective reporting mechanisms.</td>
<td>Stipulate reporting requirements in contract documentation. Appoint additional data capturers to increase reporting capacity.</td>
</tr>
<tr>
<td>Beneficiaries’ expectations that they will receive full-time employment.</td>
<td>Ensure that all beneficiaries understand the conditions of EPWP employment before starting work.</td>
</tr>
<tr>
<td>Labour disputes and labour displacement because of the EPWP wage rate.</td>
<td>Standardise the EPWP wage rates within each sector across all cities. The wage rate needs to be below that of mainstream employment to mitigate the risk of labour displacement. More effective beneficiary selection processes will also assist in employing the targeted beneficiaries and not individuals who are already permanently employed.</td>
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<tr>
<td>Difficulties in employing persons with disabilities and a lack of focus on generating suitable WOs for persons with disabilities.</td>
<td>Focus on implementing more disability-friendly projects, such as social sector projects. Train implementing agents on the definition of persons with disabilities to avoid misconception.</td>
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<tr>
<td>Generating sustainable work opportunities.</td>
<td>More emphasis should be placed on the duration of WO as opposed to the number of WO generated, ensuring that FTEs increase along with WO. A more strategic approach to EPWP projects and programmes is therefore required to facilitate sustainable WO.</td>
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MITIGATION MEASURES IMPLEMENTED BY DPW

The NDPW has introduced additional mitigation measures in an attempt to help cities overcome the challenges. These include:
• providing data capturing and reporting support,
• upgrading management information systems to improve reporting efficiency,
• providing technical assistance for the development of EPWP policy and institutional arrangements, and
• providing training to city officials to ensure thorough understanding of EPWP principles.
CONCLUSION

Government urgently needed to take action to address the escalating unemployment rate in South Africa and adopted the EPWP, as a strategy for alleviating unemployment and improving skills development. The EPWP policy framework illustrates the importance of skills development to the programme for making WOs sustainable. This implies that providing skills to the unemployed will help to meet the demand for skilled labourers.

The EPWP has made progress in addressing the unemployment challenges. The metropolitan municipalities have supported the EPWP by allocating funding for projects, thereby making a major contribution towards the achievement of the programme’s target of creating 4.9 million WOs for Phase II of the EPWP.

All of the cities are implementing the EPWP and have recognised that successful implementation requires having an EPWP policy in place, along with defined and enforced institutional arrangements. Challenges experienced by the cities relate to a lack of cooperation and buy-in from relevant stakeholders and implementing bodies.

Executive management, political leadership and ownership affect the effectiveness of the EPWP through their influence on the willing cooperation and productive coordination between lead and sector departments at municipal level. Frustration and low levels of performance are found where there is a lack of political direction and participation in the implementation process. However, strong political champions result in better delivery of the EPWP, as is evident in Cape Town, eThekwini and Johannesburg.

EPWP projects within the cities have provided productive work for large numbers of unemployed people. However, beneficiaries employed on the projects are not in a position to take up skilled job opportunities in the formal labour market because of the lack of training. The largest contributing programme towards providing on-the-job training has been the Vuk’uphile Contractor Development Programme. This is evident through the number of contractors who have graduated from the programme and who have been able to obtain contractual work beyond the learnership.

While the cities have made significant progress in implementing Phase II of the EPWP and creating sustainable WOs, more needs to be done to improve the effectiveness and relevance of the programme within the various metropolitan municipalities.

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PART III 
THE CITIES
ANNEXURE A: INDIVIDUAL CITIES REPORTS
BUFFALO CITY MUNICIPALITY

OVERVIEW OF EPWP WITHIN THE CITY

During 2013/14, Buffalo City Municipality continued to focus on generating EPWP WOs within the city. Emphasis was placed on implementing labour-intensive projects across all sectors, predominantly the infrastructure, environment and culture sectors.

EPWP employment through maintenance activities led to a significant increase in the number of WOs generated by the city. The continuation of projects, such as the Mdantsane Eco-Parks, that generated WOs outside of the infrastructure sector, strengthened EPWP in other sectors. These initiatives were enhanced by the city's efforts to increase EPWP awareness through engagements with various stakeholders and role-players.

The city also focused on skills development through the ongoing EPWP Vuk'uphile learnership programme. The skills development and training were aimed at providing the necessary education, skills and qualifications to assist beneficiaries in successfully exiting EPWP employment.

In May 2013, the council approved Buffalo City Municipality's EPWP policy, which was implemented across all directorates during 2013/14. The EPWP policy provided a formalised framework for the city and its directorates to implement EPWP initiatives. The purpose of the policy was to 'Enhance the delivery capacity of the metro with regard to EPWP by addressing challenges, providing an integrated and coordinated approach to support the implementation of EPWP for the holistic development of our society' (BCM EPWP Policy, 2013).

Between 2012/13 and 2013/14, the city experienced significant changes, including:
- the employment of dedicated EPWP data capturers to assist with data capturing and reporting,
- the endorsement of the EPWP policy by the council and implementation of the policy across all directorates,
- an increased EPWP awareness through engagements with various stakeholders and role-players, and
- an increased number of reported WOs.

POLICY AND IMPLEMENTATION

The council officially approved Buffalo City's EPWP policy in May 2013. During the 2013/14 reporting period, the city prioritised the implementation of the policy across all directorates within the city.

Despite the endorsement of the EPWP policy, implementation has proved to be challenging. The main objective was to incorporate EPWP initiatives into all municipal activities using the policy as a regulatory guideline. However, the absence of dedicated coordination capacity within the city has resulted in relatively little implementation of EPWP. Buffalo City has recognised the need to institutionalise EPWP within the city, to address the lack of institutional capacity and to review the policy so that it is aligned with EPWP Phase III.

INSTITUTIONAL ARRANGEMENTS

The revised EPWP structure was approved in 2013/14. As a result, the management of EPWP moved from the Directorate of Infrastructure to a formalised EPWP unit within the Enterprise Project Management Office (EPMO), which falls directly under the office of the city manager. The aim of creating the unit was to centralise the programme within the city.

In line with the EPWP institutional arrangement and the Protocol Agreement signed by the Minister of Public Works and the Executive Mayor, the Executive Mayor was given the responsibility of providing political leadership. The Executive Mayor has subsequently appointed members to champion the EPWP in the infrastructure as well as the environment and culture sectors. The city manager commissioned a task team to oversee the implementation of EPWP within the city and to be responsible for providing support to the coordination of EPWP across all sectors.

Although the vacant strategic management positions, such as an EPWP manager, were advertised, they were not filled during 2013/14. This had a significant effect on the efficiency of the institutional arrangements. However, the city did appoint two permanent...
data capturers, which improved the city’s reporting capabilities and led to an increase in the number of WOs reported during this period.

Key changes made to the institutional arrangements included:
- the restructuring of the institutional arrangements to accommodate strategic management positions,
- the formation of a dedicated EPWP unit under the EMPO,
- the appointment of political champions,
- the appointment of two permanent data capturers, and
- the commissioning of an EPWP task team.

Figure 16 illustrates the approved institutional arrangements within Buffalo City Municipality.

**BUDGET ALLOCATIONS FOR EPWP**

Buffalo City Municipality relied mainly on the Incentive Grant from the NDPW to fund EPWP projects during this period. The lack of capacity within the city meant that the EPWP unit was heavily dependent on the 5% of the grant allocation allowed to secure adequate project management and monitoring and evaluation services from external service providers. Council allocated funding from capital and operating expenditure budget allocations was used to substitute grant funding for EPWP initiatives during this period.

Challenges experienced with regard to the funding sources included:
- transferring Incentive Grant funding in separate tranches resulted in budget shortages for strategic projects, and
- under-reporting by municipal departments negatively affected the Incentive Grant allocation.

**EPWP EMPLOYMENT CONDITIONS**

The city promoted EPWP awareness and focused on designing project activities in line with EPWP principles. LIC methods were encouraged. This ensured the employment of local labour in areas where projects were being implemented, and allowed the city to generate a greater number of WOs within existing projects.

EPWP and LIC requirements were not regulated through supply chain management and contract documentation, which limited the number of WOs generated. The city identified this as a fundamental aspect to address during the next policy review process.

The city also focused on the sustainability of WOs generated, emphasising the duration of employment. An emphasis on exit strategies would enhance the sustainability of WOs and should receive more attention.

EPWP training was conducted mainly through onsite training and skills development. The Vuk’uphile contractor learnership programme targets unemployed previously disadvantaged youth. The aim of the programme is to develop emerging contractors into sustainable construction companies that will be able to execute labour-intensive projects. The objective of the programme is to develop the entrepreneurial, business and technical skills required within the construction industry.

The EPWP wage rate during 2013/14 was governed by the city’s EPWP policy in line with the ministerial determination. The rate was established on a task and time basis in accordance with the minimum wage regulations. Wage rates varied slightly across the sectors, depending on the nature of the employment tasks. For example, the wage rate within the infrastructure sector differed from that of the other sectors, as it is influenced by the South African Forum of Civil Engineering Contractors’ wage rate.
PART III

THE CITIES
PROGRESS

Buffalo City Municipality implemented EPWP projects in the infrastructure, environment and culture and social sectors. Table 1 shows the progress of the municipality’s EPWP across these sectors during 2013/14.

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<thead>
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<th>Total</th>
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<tr>
<td>Number of projects implemented</td>
<td>24</td>
</tr>
<tr>
<td>Number of WOs created</td>
<td>566</td>
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<td>Number of FTEs</td>
<td>61</td>
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<tr>
<td>Number of training days</td>
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<td>Expenditure (R million)</td>
<td>R30.2 million</td>
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<tr>
<td>Wages paid (R million)</td>
<td>R1.9 million</td>
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Table 7: Buffalo City Municipality EPWP progress (2013/14)

As Table 7 shows, in 2013/14 Buffalo City created 566 WOs through the implementation of 24 EPWP projects that collectively generated 61 FTEs.

CORNERSTONE PROJECTS AND SUCCESSES

During 2013/14, Buffalo City Municipality had noteworthy successes in the following projects.

Maintenance of Eco-Parks in Mdantsane and Duncan Village

The maintenance of Eco-Parks in Mdantsane and Duncan Village was an ongoing project continued from previous reporting periods. The Directorate of Community Services implemented the programme, which relied on funding received from the EPWP Incentive Grant. The project’s main objective is to clean up open spaces within the city in order to prevent illegal dumping and to promote the efficient use of open spaces for recreational activities. A total of 144 beneficiaries were employed to maintain Eco-Parks during 2013/14. This maintenance programme generated sustainable WOs in the city and facilitated essential training and skills transfer to the beneficiaries.

Operation and maintenance of public facilities in Buffalo City Municipality

This project provides maintenance of sanitation services to informal settlements throughout the municipality using LIC and labour-intensive maintenance methods and EPWP employment. The Sanitation Department implemented the project, which created 289 WOs during 2013/14. Beneficiaries benefited from essential training and skills development.

KEY CHALLENGES

The challenges experienced by Buffalo City Municipality include:

- Delays in mainstreaming of EPWP throughout all directorates within the city.
- Lack of commitment from the various departments, which weakened the support for (and success of) EPWP within the city.
- Ineffective reporting mechanisms and under-reporting on projects (largely due to a lack of capacity), which negatively affected the Incentive Grant funding and thus the available budget to implement EPWP projects.
- Managing the expectations of beneficiaries that they will be employed on a full time basis.

LESSONS LEARNT

Lessons learnt by Buffalo City Municipality that help improve the EPWP in the future include:

- Greater commitment is needed from both political and administrative leadership to drive and ensure the success of EPWP implementation.
- Supply chain management practices and tender specifications must be compiled in consultation with the EPWP office to ensure EPWP principles are included from the onset of a project. The number of WOs to be generated must be stipulated.
- Sufficient organisational capacity must be available to guide the implementation and coordination of EPWP
OVERVIEW OF EPWP WITHIN THE CITY

During 2013/14 the City of Cape Town directed its efforts at generating work opportunities through its EPWP. The city’s objective was to maximise income generating opportunities for those who are excluded or at risk of being excluded, using EPWP as a lever, in line with the city’s Integrated Development Plan (IDP).

The city committed itself to the National EPWP objectives and intended to go beyond these outcomes to give effect to its strategic focus areas of turning Cape Town into an opportunity and caring city. The city confirmed its commitment to EPWP by:

- adopting job creation targets aiming to create 200 000 EPWP work opportunities over the implementation period;
- signing the EPWP protocol agreement with the NDPW;
- signing the annual integrated conditional grant agreement with NDPW; and
- developing the relevant policy and institutional frameworks for the implementation of EPWP in the City’s line directorates.

Emphasis was placed on aligning EPWP initiatives with the city’s broader skills development and infrastructure development goals. The city therefore set out to develop an EPWP training plan that details the skills development and training requirements that will facilitate sustainable exit strategies.

The city’s EPWP administration, governance and reporting requirements were coordinated through its EPWP Office which reported directly to the City Manager. The EPWP Office was furthermore responsible for implementing and coordinating strategic EPWP projects and programmes to ensure that WO and FTE targets were met.

PROGRESS

The City of Cape Town implemented EPWP projects in the infrastructure, environment and culture and social sectors. Table 2 shows the progress of the city’s EPWP across these sectors during 2013/14.

Table 8: City of Cape Town EPWP progress (2013/14)

<table>
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<tbody>
<tr>
<td>Number of projects implemented</td>
<td>795</td>
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<tr>
<td>Number of WOs created</td>
<td>27 876</td>
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<tr>
<td>Number of FTEs</td>
<td>3 964</td>
</tr>
<tr>
<td>Number of training days</td>
<td>0</td>
</tr>
<tr>
<td>Expenditure (R million)</td>
<td>R2.9 million</td>
</tr>
<tr>
<td>Wages paid (R million)</td>
<td>R309.6 million</td>
</tr>
</tbody>
</table>

As indicated in Table 8 during this reporting period the City of Cape Town created 27 876 WOs through implementing 795 EPWP projects, which collectively generated 3 964 FTEs. Although the city increased the number of EPWP projects implemented, the number of WOs and FTEs created decreased during the 2013/14 reporting period. This indicates that the city’s EPWP projects were yielding fewer WOs that were shorter in duration compared to previous reporting periods, and this resulted in an overall a decrease in the city’s EPWP performance.

The City of Cape Town did however not participate in the SACN EPWP Reference Group during the 2013/14 reporting period, therefor no further information has been provided.
CITY OF JOHANNESBURG

OVERVIEW OF EPWP WITHIN THE CITY

During 2013/14, the City of Johannesburg continued to seek out potential EPWP opportunities, under its slogan, ‘Every project an EPWP project’. While the city's EPWP performance decreased significantly, it gained momentum during the last two quarters of 2013/14 through rigorous advocacy of EPWP opportunities within the city's departments and municipal-owned entities.

The city engaged in a consultation process with the various departments and municipal-owned entities in an effort to standardise the EPWP wage rate across the city. This will allow for greater uniformity across EPWP employment and mitigate the risk of labour displacement and labour disputes about wages.

The infrastructure sector remained the dominant sector in which EPWP WOs were being generated, but the city also sought out possible EPWP opportunities in other sectors. This was evident in the city winning the Kamoso Awards in the environment and culture and social sectors.

Recognising the need for sustainable employment, the City of Johannesburg implemented measures to promote sustainable exit strategies from the EPWP through training and skills development. The city also implemented enterprise development initiatives, such as establishing small, medium and micro enterprises (SMMEs) and cooperatives. For example, Jozi@Work provides a platform for community participation in SMMEs and cooperative development using both EPWP Incentive Grant funding and allocations from the capital and operating expenditure budgets.

The city experienced significant changes between 2012/13 and 2013/14:

- Increased emphasis on rectifying the reporting inefficiencies across the city, with the ‘Field Data Collectors’ project. This project aimed at addressing reporting challenges and ensuring that EPWP WOs generated by the city are accurately reported.
- The promotion of SMMEs and cooperative development through the mayoral programme, Jozi@Work.
- The establishment of a framework for implementing and managing SMMEs and cooperatives. EPWP beneficiaries are able to participate in the entire value chain of EPWP projects.

POLICY AND IMPLEMENTATION

The policy was initially approved and adopted in May 2009 in line with Phase I principles, and was later reviewed to realign with Phase II. During 2013/14, the city continued its review of EPWP policy to ensure alignment with the requirements of the upcoming EPWP Phase III. The revised policy is due for completion and approval by the council in June 2015.

The implementation of the EPWP policy and compliance with the policy were effective in recent reporting periods. The EPWP implementation framework, which was established in 2012/13, facilitated the implementation and monitoring of compliance by the dedicated EPWP unit within the Department of Economic Development Compliance. The unit continuously monitored the compliance of all departments and municipal entities.

Looking forward, realigning the policy and implementation framework with Phase III principles will assist the city to monitor compliance with the policy in line with legislative regulations.

The city engaged in a consultation process with the various departments and municipal-owned entities in an effort to standardise the EPWP wage rate across the city.
INSTITUTIONAL ARRANGEMENTS

During 2013/14, the City of Johannesburg continued to operate with the existing institutional arrangements in line with its EPWP policy. The Executive Mayor was responsible for the overall EPWP coordination within the city. Dedicated sector coordinators, comprising Members of the Municipal Committee (MMCs), were responsible for EPWP coordination within the various sectors. The city manager was responsible for internal targeting and budget allocations. The EPWP steering committee headed up the dedicated EPWP unit, which is chaired by the Executive Director of the Department of Economic Development.

Although the institutional arrangements allowed for adequate capacity for implementing and coordinating EPWP, not all positions were filled during 2013/14. The city was waiting for the revised EPWP policy, which would result in changes to the institutional arrangements. Once these changes have been implemented, the city will focus on appointing all available positions.

Key changes made to the institutional arrangements included:
- incorporation of a coordination structure that promotes political buy-in, and
- appointment of political coordinators.

Figure 17 illustrates the approved institutional arrangements within the City of Johannesburg.

BUDGET ALLOCATIONS FOR EPWP

During 2013/14, the City of Johannesburg relied mainly on Incentive Grant funding and allocations from the capital and operating expenditure budgets to implement EPWP projects. Using internal funding allowed the city to maximise on the available EPWP opportunities.

The main funding sources for EPWP projects included:
- the Urban Settlement and Development Grant (USDG),
- external loans,
- provincial grants,
- Incentive Grant,
- capital expenditure budget allocations, and
- operating expenditure budget allocations.

There were little or no funding challenges during this period, as the city makes use of internal budget allocations to implement projects.
EPWP EMPLOYMENT CONDITIONS

The city maximised EPWP WOs at project level by relying on the technical support from the EPWP unit to assist implementing agents in designing projects in line with EPWP principles. This ensured that LIC methods were not compromised. Although the city actively promoted EPWP and LIC at project levels, these requirements were not regulated in contract and supply chain management documents.

Skills development and training initiatives, such as the Jozi@Work initiative, largely focused on facilitating sustainable exit strategies. The emphasis was on entrepreneurial skills and SMMEs, as well as cooperative development.

During 2013/14, the city standardised the EPWP wage rate in order to mitigate labour displacement and labour disputes. The wage rate was set between R85 and R150 per day, in accordance with the minimum wage rate stipulated by Ministerial Determination and employment legislations. The selected wage rate was project related rather than sector based.
PROGRESS

The City of Johannesburg implemented EPWP projects in the infrastructure, environment and culture and social sectors. Table 3 shows the progress of the municipality’s EPWP across these sectors during 2013/14.

Table 9: City of Johannesburg EPWP progress – 2013/14

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of projects implemented</td>
<td>241</td>
</tr>
<tr>
<td>Number of WOs created</td>
<td>23,603</td>
</tr>
<tr>
<td>Number of FTEs</td>
<td>8,326</td>
</tr>
<tr>
<td>Number of training days</td>
<td>63,266</td>
</tr>
<tr>
<td>Expenditure (R million)</td>
<td>R2.9</td>
</tr>
<tr>
<td>Wages paid (R million)</td>
<td>R1.9</td>
</tr>
</tbody>
</table>

As indicated in Table 9, during this period the City of Johannesburg created 23,603 WOs through implementing 241 EPWP projects, which collectively generated 8,326 FTEs.

CORNERSTONE PROJECTS AND SUCCESSES

During 2013/14, the City of Johannesburg had noteworthy successes in the following projects.

Eco Guides Training Project

The Eco Guides Training Project is a youth development programme aimed at inspiring, supporting and empowering the unemployed youth of Johannesburg through participation in positive actions on environment and sustainable development issues. The project helps the city to implement environmental education and awareness campaigns through greening projects and educational events. The project created more than 500 WOs during 2013/14.

JMPD peace officers

The JMPD peace officers project provides beneficiaries with the opportunity to participate in a rigorous training programme that equips them with the necessary skills to engage in basic law enforcement within the city. The peace officers provide tourist guidance and protection and ensure the safety of the city residents. They have the power to arrest, and assist with traffic control, crime prevention and by-law enforcement. The project generated over 700 WOs during 2013/14.

KEY CHALLENGES

The challenges of the City of Johannesburg that limited the success of its EPWP included:

- Under-reporting on WOs generated by implementing bodies, which had a significant impact on the Incentive Grant funding received.
- Lack of commitment and buy-in from public bodies to EPWP principles.
- Managing the expectations of beneficiaries that they will be employed on a full-time basis.
- Inadequate provision for the employment of persons with disabilities, which resulted in the city not reaching the required targets.

LESSONS LEARNT

Lessons learnt by the City of Johannesburg that will allow for the future improvement of EPWP include:

- Standardise the EPWP wage rate and ensure a wage ceiling in order to mitigate labour displacement and labour disputes arising from wage rates on EPWP employment.
- Place more emphasis on implementing successful exit strategies to facilitate sustainable employment.
- Clearly define EPWP participation duration in Phase III. The current Ministerial Determination is vague on the maximum duration of EPWP employment, resulting in indefinite participation of beneficiaries on EPWP projects.
During 2013/14, the City of Tshwane continued to expand its EPWP, implementing projects across the environment, infrastructure and social sectors. Internal targets were set for each department, region and city entity. This helped the city to monitor the performance of each effectively and to identify and address the shortcomings of the implementation and coordination of EPWP initiatives. This, in turn, enhanced the overall success of the city’s EPWP performance.

The performance of the city was based on establishing effective systems and control measures that facilitated continuous monitoring and evaluation of EPWP activities. The city actively promoted the implementation of EPWP through initiatives such as roadshows and one-on-one meetings with departments, regions and entities.

A comparative analysis of previous financial years, where no individual targets were set, indicated an improvement in EPWP implementation, coordination and reporting mechanisms used by the various departments, regions and city entities. Internal targets ensured the participation and buy-in across all departments, regions and city entities and held them accountable for their set targets.

Significant changes that the city experienced between 2012/13 and 2013/14 included:
- the setting of internal targets for each department, region and city entity,
- improved EPWP implementation, coordination and reporting mechanisms, and
- a greater level of accountability to EPWP as well as buy-in from all departments, regions and city entities.

During 2013/14, the City of Tshwane focused on implementing its revised EPWP policy in line with Phase II, which was formally approved and adopted in January 2013. The policy aligns to the city’s vision, goals, objectives, IDP, and relevant EPWP objectives.

The city recognised the importance of the policy in governing EPWP activities and focused extensively on implementing the policy and on its compliance. The policy was implemented immediately after council approval. The implementation and compliance to the policy was supported by the EPWP business plan and the various sector plans. This facilitated implementation and compliance across the city.

The EPWP division developed an EPWP policy implementation and monitoring tool to monitor effective implementation and compliance. The tool was used to identify issues of compliance and non-compliance with the policy and to address them directly to the heads of departments, regional directors and political heads so that immediate intervention could take place.

During 2013/14, the City of Tshwane made minor changes to the existing institutional arrangements in line with the revised EPWP policy. The Department of Economic Development continued to coordinate EPWP. There was additional provision for the employment of an Executive Director, responsible for oversee-
ing the programme. The Executive Director reports to the Strategic Executive Director.

The city manager appointed an EPWP champion for each department, region and city entity to ensure effective reporting and overall coordination of the programme. The champions acted as the primary liaison between their department/region/entity and the EPWP division. EPWP targets were included in the performance indicators of these champions and the heads of each department, region and city entity. This ensured accountability to targets set. Two political champions were appointed from the MMC to support the programme and facilitate political buy-in and commitment to EPWP initiatives.

The institutional arrangements proved to be effective, as shown by the fact that the city exceeded the FTEs and WOs targets for 2013/14 set by the national DPW. The city’s primary challenge was not filling all positions during 2013/14.

Key changes made to the institutional arrangements included:
- employment of an Executive Director responsible for overseeing the programme,
- appointment of EPWP champions for each department, region and city entity, and
- appointment of two political champions to support the programme and ensure political buy-in across the city.

**BUDGET ALLOCATIONS FOR EPWP**

During this period, the City of Tshwane relied on Incentive Grant funding and on allocations from the capital and operating expenditure budgets (as per the IDP) to implement EPWP projects. Although the city receives a significant amount from the Incentive Grant allocation, the main sources of funding are the capital and operating expenditure budget allocations.

Challenges experienced with regard to the funding sources during this reporting period included:
- limitations in the available budget allocations that did not allow for the execution of sufficient training and skills development initiatives, and
- the Incentive Grant received did not cover the wages of EPWP beneficiaries for the duration of the financial year.

**EPWP EMPLOYMENT CONDITIONS**

The city maximised EPWP WOs at project level by involving the EPWP Executive Director in the Supply Chain Management Bid Specification Committee. This ensured that EPWP, LIC principles were included in the contract and supply chain management documentation, and thus from the design phase of a project.

The EPWP division had the opportunity to make inputs to contract documents to ensure compliance with EPWP regulations. The division conducted quarterly site visits to monitor general EPWP compliance by contractors. The monitoring criteria included number of EPWP WOs generated, demographics of beneficiaries, EPWP branding compliance, beneficiary training as well as general project administration requirements. With the support of EPWP division, EPWP champions within each department, region and city entity ensured effective reporting of all jobs created using the city’s funding sources.

The City of Tshwane recognised the need for sustainable employment and focused on the implementation of successful exit strategies the 2013/14. Through the Department of Transport and Tsosoloso, the city established a successful exit strategy programme aimed at learnership contractor development. This assisted beneficiaries in upgrading to higher Construction Industry Development Board grades.

The Ministerial Determination governed the EPWP wage rate. During 2013/14, the city agreed on a minimum wage rate of R100 per day, which was above the prescribed minimum wage rate. Wage rates varied across sectors depending on the nature of employment.
**PROGRESS**

The City of Tshwane implemented EPWP projects in the infrastructure, environment and culture and social sectors. Table 4 shows the progress of the municipality’s EPWP across these sectors during 2013/14.

Table 10: City of Tshwane EPWP progress – 2013/14

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of projects implemented</td>
<td>181</td>
</tr>
<tr>
<td>Number of WOs created</td>
<td>17 790</td>
</tr>
<tr>
<td>Number of FTEs</td>
<td>6 069</td>
</tr>
<tr>
<td>Number of training days</td>
<td>253</td>
</tr>
<tr>
<td>Expenditure (R million)</td>
<td>R489.2 million</td>
</tr>
<tr>
<td>Wages paid (R million)</td>
<td>R157.8 million</td>
</tr>
</tbody>
</table>

As indicated in Table 10, the City of Tshwane created 17 790 WOs through the implementation of 217 EPWP projects, which collectively generated 6 069 FTEs during this period.

**CORNERSTONE PROJECTS AND SUCCESSES**

During 2013/14, the City of Tshwane had noteworthy successes in the following projects.

**Vat Alles**

Operation Vat Alles is the city’s mayoral project, which was launched in May 2012. The project was established to address pollution and beautification issues in the city. The scope of work includes:
- cleaning, general litter clearing, and maintenance of clinics, provincial clinics, hospitals, schools, homes and crèches owned by the city,
- rudimentary maintenance of cemeteries, and
- grass cutting.

The project successfully generated over 5 283 WOs during 2013/14.

**Tsosoloso**

The programme was funded through the Neighbourhood Development Partnership Grant. The primary aim of the programme is to create vibrant, quality spaces focusing on nodes of economic potential to act as catalysts for development using local unemployed labour. The scope of the project includes:
- creating community activity centres and focal points (including town centres and urban cores),
- strengthening activity linkages (activity spines and streets),
- transforming of transport interchanges into civic terminuses,
- enhancing the pedestrian environment, and
- enriching the quality of the public environment with public art and ‘green structures’ (trees).

The project created 1 339 WOs during 2013/14 and won the ‘Best maintenance’ category in the Kamoso National Awards hosted by the national DPW.

**KEY CHALLENGES**

The challenges of the City of Tshwane that limited the success of its EPWP included:
- Inadequate provision for the employment of persons with disabilities and difficulties in recruiting persons with disabilities, which resulted in the city not reaching the required targets.
- Lack of branding on projects.
- Limited budget for training and skills development initiatives, which limited employment sustainability and successful exit strategies.
- Inefficiencies of the MIS reporting system, which resulted in significant reporting challenges and under reporting.

**LESSONS LEARNT**

Lessons learnt by the City of Tshwane that will allow for the future improvement of EPWP include:
- A greater level of support is required from project and programme owners to develop and align new and existing project documents to EPWP regulations.
- Standardising the EPWP wage rate is important, in order to mitigate labour displacement and labour disputes arising from wage rates on EPWP employment.
- Training and skills development initiatives are needed to support employment sustainability and implement successful exit strategies.
During 2013/14, Ekurhuleni Metropolitan Municipality continued to emphasise EPWP, as a primary contributor to generating employment opportunities within the municipality.

The municipality realised the need to address the problem of massive numbers of unemployed youth by providing them with work experience that would increase their chances of employment within the mainstream economy. At youth job summit held in the city during 2012/13, a staggering 12 000 unemployed youth registered on the municipal database. Therefore, in 2013/14 the municipality focused its EPWP on the employment of youth.

The infrastructure sector was the dominant sector within which EPWP projects were implemented. However, to maximise the EPWP WOs generated, the municipality also initiated projects in the environment and culture and social sectors during 2013/14. The success of these projects resulted in the municipality dedicating more internal funds (in addition to the Incentive Grant), to ensure continuity of the projects.

The implementation of major projects towards the end of the financial year generated more WOs with lower numbers of resulting FTEs. The effect of this will be seen in the 2014/15 financial year, as it will influence the Incentive Grant funding.

The infrastructure sector produced short-term employment, while the social and environment and culture sectors produced longer term employment, allowing for sustainable livelihoods. The youth internship programme helped to provide the municipality with extra staff for EPWP reporting and data collection, while providing beneficiaries with work experience in their field of study or interest.

Significant changes that the municipality experienced between 2012/13 2013/14 included:

- an increased focus on the employment of youth,
- the implementation of a larger number of projects in the environment and culture and social sectors, and
- a greater emphasis on sustainable employment.

**POLICY AND IMPLEMENTATION**

During 2013/14, although council had not yet approved the municipality’s EPWP policy, the municipality implemented and enforced the policy deliverables throughout all EPWP projects. Once approved, the policy will be monitored through the EPWP coordination office to ensure that all departments comply with its requirements.

As the policy was not approved, the municipality was unable to hold departments accountable for non-compliance but did update heads of departments quarterly on the performance of their departments. Once the EPWP policy has been formally adopted, heads of departments will include EPWP performance indicators in their scorecards. The city recognises the need for an immediate review to ensure alignment with EPWP Phase III principles once the policy has been approved and formally adopted.

The infrastructure sector produced short-term employment, while the social and environment and culture sectors produced longer term employment, allowing for sustainable livelihoods.
During 2013/14, the Ekurhuleni Metropolitan Municipality continued to operate within the existing institutional arrangements. The EPWP was managed by the Department of Economic Development under the guidance of the head of department, who reports to the city manager. The MMC of the Department of Economic Development was appointed as a political champion, ensuring political buy-in across the municipality. The MMC and Head of Department report to the mayor and the city manager respectively.

A dedicated coordination office was established, but not all positions within the institutional arrangements were filled. An EPWP steering committee that met on a quarterly basis was established. Originally, the steering committee was supposed to comprise departmental coordinators appointed by the departmental head. However, due to the departmental set-up within the municipality, some departments need more than one departmental representative. The sector coordinators were appointed but did not perform their duties as required because they were still involved in other municipal duties.

Key changes made to the institutional arrangements included:

- the establishment of an EPWP steering committee, and
- the appointment of political champions.

**BUDGET ALLOCATIONS FOR EPWP**

Ekurhuleni Metropolitan Municipality relied predominantly on funding from the USDG and the Incentive Grant to implement EPWP projects. In addition to the grant funding, the Department of Economic Development set aside a small portion of its operating expenditure budget to spend on EPWP projects during 2013/14.

Challenges experienced with regard to the funding sources during this reporting period included:

- the limited Incentive Grant allocations received that resulted in disputes between departments over the distribution of funds,
- minimal internal budget allocations from the municipality that limited the implementation of EPWP projects, and
- inconsistent distribution of funds across the various sectors that affected the success and continuity of projects.
EPWP EMPLOYMENT CONDITIONS

The municipality maximised EPWP WOs at project level through the supervision and consultation by EPWP coordinators and through support from the NDPW at the start of projects. This helped to identify and implement potential EPWP and LIC principles from the initial stages of a project.

Because the EPWP policy had not yet been approved or adopted, the municipality found enforcing these principles to be increasingly difficult. This limited the achievements of the municipality’s EPWP. In addition, as EPWP regulations and LIC requirements were not incorporated into supply chain management and contract documentation, ensuring compliance was even more challenging.

Training initiatives were mainly in the form of on-site training and skills development, particularly within construction projects. In addition, accredited service providers trained beneficiaries in various artisan skills. The municipality has recognised that greater emphasis is required on training to facilitate sustainable employment and successful exit strategies.

The EPWP wage rate within the municipality was defined by each department in accordance with the minimum wage rate stipulated by the Ministerial Determination. Ceilings for EPWP wage rates were established based on the rates paid to full-time employees. This mitigated the risk of labour displacement. There is still a debate on whether the wage rates should vary according to the type of work conducted across sectors. During 2013/14, the wage rate for the infrastructure sector averaged R150 per day, while the environment and culture and social sectors paid between R100 and R120 per day.

PROGRESS

Ekurhuleni Metropolitan Municipality implemented EPWP projects in the infrastructure, environment and culture, and social sectors. Table 5 shows the progress of the municipality’s EPWP across these sectors during 2013/14.

Table 11: Ekurhuleni Metropolitan Municipality EPWP progress – 2013/14

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of projects implemented</td>
<td>97</td>
</tr>
<tr>
<td>Number of WOs created</td>
<td>6 005</td>
</tr>
<tr>
<td>Number of FTEs</td>
<td>1 601</td>
</tr>
<tr>
<td>Number of training days</td>
<td>0</td>
</tr>
<tr>
<td>Expenditure (R million)</td>
<td>R112.1 million</td>
</tr>
<tr>
<td>Wages paid (R million)</td>
<td>R46.4 million</td>
</tr>
</tbody>
</table>

As indicated in Table 11, Ekurhuleni Metropolitan Municipality created 6 005 WOs through implementing 97 EPWP projects, which collectively generated 1 601 FTEs.
**CORNERSTONE PROJECTS AND SUCCESSES**

During 2013/14, Ekurhuleni Metropolitan Municipality had noteworthy successes in the following projects.

**Community Emergency Response Team (CERT) project**

This is a flagship project that focuses on the safety of the community living in informal settlements. Beneficiaries are appointed as part of a team deployed to the areas where the beneficiaries live. CERT teams provide immediate assistance to community members while waiting for the disaster management office to respond to calls. The project focused on training the community on how to keep safe from disasters and what to do in emergency situations.

The team was also trained to rescue people in disaster situations, and so beneficiaries received basic first aid training. The programme generated extensive community buy-in, resulting in communities starting their own initiatives to make the programme even more effective. During 2013/14, 215 WOs were generated. The intent is to increase the number of WOs to 600 in 2014/15.

**Operation Shanyela**

The aim of this project is to keep the towns in Ekurhuleni clean. Beneficiaries were recruited in each town to clean up the streets and get rid of litter. The project was partially funded by the Incentive Grant. During 2013/14, the programme generated 266 WOs.

**Tsakane Langaville Geluksdal leak fixing and meter installation**

This started as a pilot project for Ekurhuleni to fix the water leaks and install water meters in order to increase revenue and reduce water losses in the municipality. The aim is to roll out the project throughout Ekurhuleni. The project is based on LI principles and produced 108 WOs during 2013/14.

**KEY CHALLENGES**

The challenges experienced by Ekurhuleni Metropolitan Municipality that limited the success of its EPWP included:

- Delays in the approval of EPWP policy, which affected the implementation and success of the programme, as no formal framework was in place to guide the implementation and coordination of EPWP within the municipality.
- Inadequate capacity to perform the required responsibilities, which meant planned targets could not be achieved.
- A move from the EPWP Management Information System (MIS) to the Information Reporting System (IRS), resulting in information not being captured due to incompatibilities between the systems and the limitations of the IRS.
- A lack of understanding of departments about EPWP principles, which led to non-compliance of EPWP regulations.
- Delays in the finalisation of the municipal structure, which delayed appointments of the new staff within the institutional arrangements.

**LESSONS LEARNT**

Lessons learnt by Ekurhuleni Metropolitan Municipality, during the 2013/14 reporting period that will allow for the improvement of EPWP across future reporting periods include:

- The municipality recognised the importance of standardising the EPWP wage rate to mitigate labour displacement and labour disputes. It also recognised the mayor, city manager and heads of departments all need to be involved in implementing EPWP.
- Internal targets should be set at the beginning of the financial year and the necessary monitoring and evaluation measures should be in place to ensure continuous monitoring of progress across the municipality throughout the year.
- An approved and adopted EPWP policy is imperative to the success of the municipality’s EPWP.
- Greater emphasis should be placed on the provision of accredited training and successful exit strategies.
ETHEKWINI MUNICIPALITY

OVERVIEW OF EPWP WITHIN THE CITY

During 2013/14, eThekwini Municipality focused all EPWP initiatives on addressing poverty alleviation in line with the Provincial Growth and Development Programme. All EPWP projects implemented during this period aligned with job creation initiatives directed mainly at poverty-stricken communities.

The framework provided by the municipality’s EPWP policy, in line with its IDP, governed EPWP implementation and coordination within the municipality. The success of EPWP projects was attributed to the enforcement of EPWP and LIC principles across all relevant projects. Projects were implemented to maximise EPWP WOs generated. All projects were assigned predetermined deliverables within given timeframes. Predefining definitive deliverables and milestones enabled effective monitoring and progress evaluation of each project. The municipality continued to promote EPWP awareness and commitment across all departments.

Work schedules were established and implemented for EPWP projects as per approved business plans. However, the phasing of project activities was not consistent with the business plans, resulting in some projects not achieving all of their deliverables. Various factors, such as lack of funding from both local and national government, hindered the progress of some projects. The municipality thus recognised the critical need for greater support, especially from national government.

Although EPWP projects were implemented across all sectors, the municipality acknowledged the need to focus on implementing sustainable EPWP initiatives aimed at socioeconomic development and poverty alleviation. They achieved this by implementing more projects in the social and environment and culture sectors.

Significant changes that the city experienced between 2012/13 and 2013/14 included:

- increased efficiency of the dedicated EPWP team in accurately addressing all responsibilities,
- commitment from all stakeholders to promote and propel EPWP projects,
- the employment of two contract administrators, which enhanced the EPWP administration process,
- the formalisation of a structured approach to approving potential EPWP projects,
- improved reporting mechanisms, achieved through workshops conducted with various role players, and
- the creation of more WOs and FTEs as a result of improved administration and reporting capabilities.

POLICY AND IMPLEMENTATION

eThekwini Municipality’s EPWP policy, which was approved by council in 2007, provided a much-needed framework for implementing EPWP within the municipality. The policy was reviewed during 2012/13 in order to facilitate greater EPWP implementation across all sectors within the municipality, and to secure a higher level of commitment and buy-in from all municipal departments through the appointment of political champions. The revised policy was implemented in 2013/14.

The dedicated EPWP unit based in the Infrastructure Management and Socio-Economic Development Department (IMS) was responsible for monitoring the implementation and compliance to the approved policy throughout the municipality. The EPWP policy was implemented effectively and compliance issues were successfully managed.

The policy will undergo another review in the next reporting period to incorporate changes emanating from the outcomes of challenges and lessons learnt and to ensure alignment with EPWP Phase III principles. Review of the policy is necessary to optimise operating procedures and to improve results.

INSTITUTIONAL ARRANGEMENTS

During 2013/14, eThekwini Municipality continued to operate within the existing institutional arrangements established to govern EPWP within the municipality. The dedicated EPWP unit, located within the IMS, was responsible for overall coordination and administrative support of the programme.

The EPWP task group, consisting of champions for each cluster/sector within the municipality, also supported the coordination of EPWP. The task group included representatives from treasury, skills develop-
A nominated councillor provided political support for the programme. The EPWP task group managed the coordination of the EPWP and was directly responsible for ensuring integrated planning, coordination, monitoring and reporting of all EPWP activities within each cluster.

Although operational, the institutional arrangements were not in line with the municipality’s EPWP policy. Positions established within the structure had been appointed, but, because of the transfer and retirement of several key personnel and EPWP champions, there was a lack in continuity of coordination initiatives. Some replacement personnel had very little or no knowledge of the EPWP operations, which limited the effectiveness of their roles in the EPWP organisational structure. Some of the vacant positions were not filled, which resulted in a lack of capacity and further influenced the coordination and success of EPWP within the municipality. It is envisaged that the vacant positions and restructuring within the department will be finalised before the end of the next reporting period.

Other than the transfer and resignation of staff, no changes were made to the EPWP institutional arrangements during 2013/14.

**BUDGET ALLOCATIONS FOR EPWP**

eThekwini Municipality relied on Incentive Grant funding as well as allocations from the capital and operating expenditure budget to implement EPWP projects during this period. Distribution of the Incentive Grant across the various departments was based on the departments’ business plans, which detailed the planned EPWP projects. In distributing the available funding, the task group considered each project and associated budget against a set of defined criteria.

The head of IMS informed departments that the Incentive Grant funding was limited and continued funding was not guaranteed. Departments were encouraged allocate funding within the municipal budget as a supplementary source of funding.

Challenges experienced with regard to the funding sources during this reporting period included:
- insufficient grant funding received from the national DPW, which limited the expansion of EPWP within the municipality, and
- inadequate budget allocated to EPWP projects from the capital and operating expenditure budgets, as departments relied largely on grant funding. This
limited the number of projects that can be implemented in a financial year and affected the continuity of existing projects.

**EPWP EMPLOYMENT CONDITIONS**

The municipality maximised EPWP WOs at project level through the EPWP sector plans produced by each cluster within the municipality. The sector plans incorporated the EPWP objectives across all projects within each sector, identifying all EPWP employment opportunities and maximising WOs generated.

The municipality encouraged LIC methods. A number of labour-intensive programmes were funded by the operating or capital expenditure budgets to ensure sustainability and continuation. Although the municipality promoted LIC, the supply chain management and contract documentation did not specify or regulate EPWP and LIC requirements.

At community level, the intention was to use infrastructure service delivery as a platform to stimulate socioeconomic activities, thereby maximising the WOs and facilitating the provision of sustainable livelihoods. The provision of training and skills development initiatives to these communities enhanced the sustainability of employment.

The municipality recognised the need to focus on sustainable employment opportunities generated through training, contractor and cooperative development, while ensuring infrastructure and efficient service delivery. As the emphasis shifted towards sustainable employment and training and skills development, the municipality promoted the implementation of successful exit strategies.

The municipality adopted a policy of standardised wage rates, adhering to the minimum wage requirements in accordance with the Ministerial Determinations. The wage rates paid to beneficiaries were generally above the stipulated minimum wage rate but varied across sectors.

**PROGRESS**

eThekwini Municipality implemented EPWP projects in the infrastructure, social and environment and culture sectors. Table 6 shows the progress of the municipality’s EPWP across these sectors during the 2013/14.

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of projects implemented</td>
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<tr>
<td>Number of WOs created</td>
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</tr>
<tr>
<td>Number of FTEs</td>
<td>7,573</td>
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<tr>
<td>Number of training days</td>
<td>501</td>
</tr>
<tr>
<td>Expenditure (R million)</td>
<td>R486 million</td>
</tr>
<tr>
<td>Wages paid (R million)</td>
<td>R135 million</td>
</tr>
</tbody>
</table>

As indicated in Table 12, eThekwini Municipality created 29,838 WOs through the implementation of 110 EPWP projects which collectively generated 7,573 FTEs.

**CORNERSTONE PROJECTS AND SUCCESSES**

During 2013/14, eThekwini Municipality had noteworthy successes in the following projects.

**Sihlanzimvelo stream cleaning project**

The Sihlanzimvelo project focuses on maintaining 800 km of rivers and streams within the municipal boundary, to ensure that they are brought to and maintained at an appropriate environmental standard. The stream cleaning project safeguards communities from hazards in the streams and enriches the natural environment. The programme targets cooperatives from local communities and provides them with sustainable job opportunities generated through training, contractor and cooperative development, while ensuring infrastructure and efficient service delivery.
opportunities. The project generated 357 WOs during 2013/14 through the appointment of cooperatives.

**Zibambele roads maintenance programmes**

The project is an ongoing EPWP programme aimed at low volume road maintenance. The programme was adapted from a model initiated by the KwaZulu-Natal Department of Transport, which employs more than 5000 of the poorest community members in the eThekwini municipality. The programme employs local unemployed beneficiaries to provide essential road maintenance. Employment is aimed primarily at female-headed households, providing them with WOs and an income to sustain their livelihoods.

**Community ablution blocks for informal settlements**

eThekwini Water and Sanitation Department has effectively addressed the sanitation service delivery needs of informal settlements through the innovative community ablution blocks (CAB) programme. CABs are shared water and sanitation facilities comprising female and male blocks that contain toilets, urinals, showers, basins and laundry facilities. Local unemployed community members are employed to manage and maintain the CABs.

At the end of the 2013/14 reporting period, 550 CABs had been installed in various communities. The programme employs approximately 550 people from the respective communities.

**KEY CHALLENGES**

The challenges experienced by eThekwini Municipality that limited the success of its EPWP included:

- Projects are not approved within the designated timeframes, delaying the commencement of work, and affecting the employment of beneficiaries and the number of WOs and FTEs generated by the municipality.
- Inefficiencies in reporting, which resulted in some projects not being registered on MIS, and affected the number of WOs and FTEs registered and the Incentive Grant allocation for the next reporting period.
- Managing the expectations of beneficiaries that they be employed on a full time basis.
- Contractors and implementing agents who did not adhere to EPWP branding requirements, as requirements are not stipulated in supply chain management and contract documentation.
- Limited availability of funding from provincial and national government.
- Inconsistent wage rates across the various sectors, which resulted in labour disputes and project delays.
- Not all person-days of training were reported, which affected the achievement of set targets.

**LESSONS LEARNT**

Lessons learnt by eThekwini Municipality that will allow for the future improvement of EPWP include:

- Contractor compliance to branding requirements is a challenge. Contractor agreements should include clauses stipulating the use of EPWP branded PPE.
- Reporting of training days should be compulsory and reporting requirements should be regulated in contract documentation.
- Institutional arrangements must be in place in order to provide strategic focus and coordination of EPWP.
- Timeous and accurate reporting enables early intervention in deviations from plans.
- It is important to establish exit strategies to facilitate sustainable livelihoods, especially with contractors.
- Internal budgets need to be allocated in addition to grant funding in order to ensure funding for existing projects.
OVERVIEW OF EPWP WITHIN THE CITY

During 2013/14, Mangaung Metropolitan Municipality gained some momentum in the performance of its EPWP. Although the municipality managed to increase the number of WOs generated, it underperformed against targets set by the national DPW. The municipality faced several challenges, which affected the success and performance of its EPWP, including:

- a lack of capacity within the institutional arrangements to implement and coordinate EPWP activities,
- under reporting on EPWP projects, and
- limited availability of funding to implement EPWP projects.

Once the challenges were identified, the necessary mitigation measures were put in place to rectify the shortcomings.

During this period, Mangaung Metropolitan Municipality focused on the implementation of EPWP within the infrastructure sector. EPWP opportunities were maximised by applying LIC principles within infrastructure projects. The municipality successfully implemented ten learnership projects during 2013/14. In addition, projects were implemented in the environment and culture sectors, such as the Food for Waste programme.

Significant changes that the city experienced between 2012/13 and 2013/14 included:

- the endorsement of the municipality’s EPWP policy,
- the appointment of EPWP project coordinators,
- the establishment of an EPWP steering committee responsible for coordination of EPWP across the municipality, and
- the nomination of an EPWP political champion and administration champion.

POLICY AND IMPLEMENTATION

During 2013/14, the municipality’s EPWP policy was approved and formally adopted by council. Due to the delay in the approval and implementation of the EPWP policy, the municipality will have to undergo a review process during the next reporting period in order to align the policy with EPWP Phase III.

An EPWP steering committee was established to implement the policy, which resulted in successful implementation across the municipality. The steering committee was also responsible for continually monitoring compliance with the EPWP policy.

INSTITUTIONAL ARRANGEMENTS

During 2013/14, Mangaung Metropolitan Municipality was still in the process of establishing formalised institutional arrangements to govern EPWP coordination within the municipality. The delay was a result of the EPWP policy only being approved and formally adopted by council in March 2014.

The structure was being systematically implemented in line with the municipality’s EPWP policy. Although the municipality succeeded in formalising the structure and establishing the required positions, not all these positions were filled during this reporting period. As the institutional arrangements were only formalised during this period, the effectiveness could not be accurately assessed. It will therefore have to be addressed during the next reporting period. Critical requirements identified include greater capacity in data capturing and EPWP reporting, and training of key staff members in EPWP principles.

The appointment of political champions during 2013/14 helped bring political buy-in and commit-
ment to EPWP throughout the municipality and enhanced the success of the programme.

Key changes made to the institutional arrangements included:
- formalisation of the structure in line with the municipality’s EPWP policy,
- appointment of political champions, and
- appointment of an administrative champion.

**BUDGET ALLOCATIONS FOR EPWP**

The municipality relied primarily on Incentive Grant funding to implement EPWP projects during this period. Allocations from the capital and operating expenditure budgets were also made available to supplement funding for infrastructure projects in accordance with the IDP.

Funding sources during this period included:
- the USDG,
- Incentive Grant allocation,
- capital expenditure budget allocation, and
- operating expenditure budget allocations.

Challenges experienced with regard to the funding sources during this reporting period primarily related to insufficient internal budget allocations and Incentive Grant funding.

**EPWP EMPLOYMENT CONDITIONS**

The municipality maximised EPWP WOs at project level by including LIC principles from the design phase of projects. Although EPWP and LIC principles were advocated throughout the municipality, the requirements had not been included in supply chain management and contract documentation.

Training was provided mainly through on-site training and skills development. Beneficiaries on certain projects also received training in first aid, health and safety and customer care.

The municipality recognised that greater emphasis needs to be placed on implementing successful exit strategies to facilitate sustainable employment, and on providing sustainable livelihoods. The municipality therefore focused on providing exit strategies through learnership programmes.

The minimum wage rate regulations, as stipulated by the Ministerial Determination, governed the EPWP wage rate within the municipality. However, the wage rate varied across sectors. The municipality attempted to maintain EPWP wage rates close to the minimum wage to allow for more EPWP employment.
PROGRESS

Mangaung Metropolitan Municipality implemented EPWP projects in the infrastructure, environment and culture and social sectors. Table 13 shows the progress of the municipality’s EPWP across these sectors during 2013/14.

<table>
<thead>
<tr>
<th>Total</th>
<th>Number of projects implemented</th>
<th>Number of WOs created</th>
<th>Number of FTEs</th>
<th>Number of training days</th>
<th>Expenditure (R million)</th>
<th>Wages paid (R million)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>40</td>
<td>1 687</td>
<td>347</td>
<td>699</td>
<td>R58.7 million</td>
<td>R6.9 million</td>
</tr>
</tbody>
</table>

As indicated in Table 13, Mangaung Metropolitan Municipality created 1,687 WOs through implementing 40 EPWP projects, which collectively generated 347 FTEs.

CORNERSTONE PROJECTS AND SUCCESSES

During 2013/14, Mangaung Metropolitan Municipality had noteworthy successes in the following projects.

**Zibambele Poverty Alleviation Programme**

The Zibambele Pilot Programme started in April 2014, employing 535 beneficiaries in selected wards to do basic road maintenance activities on roads with low traffic.

The programme targeted female-headed households and focused on providing employment to the most impoverished individuals in various communities. Community members and ward councillors were consulted to identify individuals eligible for employment by the programme.

**Vuk’hupile Learnership Programme**

The municipality appointed ten learnership contractors and ten learnership supervisors during 2013/14 through the Vuk’hupile Learnership Programme. These contractors and supervisors were employed on five roads and stormwater projects and five sanitation projects over a five-year period starting in 2012/13. Phase II of the programme started in 2013/14 and will be completed in 2014/15.

KEY CHALLENGES

The challenges experienced by Mangaung Metropolitan Municipality that limited the success of its EPWP included:

- Lengthy procurement processes, which delayed the appointment of consultants required for the implementation of various EPWP projects and caused significant delays in the implementation and progress of projects, and the employment of beneficiaries.
- Not all departments informed the EPWP division of their EPWP projects, which affected the number of WOs and FTEs reported.
- The submission of supporting documents for auditing purposes is still a challenge within the municipality, largely due to insufficient capacity and a lack of accountability.
- Beneficiaries are not aware of the conditions of EPWP employment, which creates unmanageable expectations.
- A lack of capacity and institutional arrangements within the municipality to implement and coordinate EPWP activities.

LESSONS LEARNT

Lessons learnt by Mangaung Metropolitan Municipality that will allow for the future improvement of EPWP include:

- Projects should be designed in advance and advertised before the year of implementation to ensure they start up within designated timeframes.
- Supply chain management processes and documentation must include EPWP and LIC regulations.
- Supporting documents should be regulated by contract documentation and should be delivered at the beginning of the project. All supporting documentation must be correctly filed for ease of reference.
- There must be greater emphasis on maintenance projects in order to maximise EPWP employment opportunities.
- Special attention should be given to briefing all beneficiaries on the conditions of EPWP employment in order to avoid unreasonable expectations of permanent employment.
- There must be greater awareness regarding the EPWP and its principles, both within the municipality and within communities.
During 2013/14, Msunduzi Municipality continued to bolster the progress of its EPWP through the coordination and implementation initiatives administered by the EPWP steering committee in line with the municipality’s EPWP policy. Following the approval of the EPWP policy in 2012/13, the municipality’s focus was on implementing the policy across all business units and on establishing institutional arrangements in line with the policy.

EPWP projects were implemented mainly in the environment and culture sector. The municipality emphasised generating employment in infrastructure projects in order to maximise EPWP employment opportunities. Only a few projects were implemented in the social sector. The municipality thus recognised the need to focus on the social sector to enhance the progress and efficiency of the EPWP.

The appointment of two EPWP administrators and three EPWP supervisors improved the municipality’s administrative capacity. The newly appointed administrators and supervisors formed part of the EPWP unit responsible for coordinating and overseeing the programme.

Significant changes that the municipality experienced between 2012/13 and 2013/14 included:
- increased organisational capacity to coordinate EPWP activities through the appointment of two EPWP administrators and three EPWP supervisors,
- formalisation of the EPWP institutional arrangements, and
- greater emphasis on the implementation of EPWP projects within the infrastructure sector.

**INSTITUTIONAL ARRANGEMENTS**

During 2013/14, Msunduzi Municipality continued to employ the services of KDBS Consulting to support the municipality in implementing and coordinating its EPWP. KDBS Consulting assisted the municipality to set up institutional arrangements that would enhance the organisational capacity of the municipality. The institutional arrangement was formalised in line with the EPWP policy.

The institutional arrangements significantly enhanced the organisational capacity within the municipality to manage EPWP activities and improve reporting efficiencies. A dedicated EPWP management team was appointed to coordinate all EPWP projects within the municipality. This increased the WOs generated. The mayor was appointed as the political champion for EPWP, responsible for securing political commitment and buy-in across all business units.

Although all positions within the institutional arrangements were filled during this period, some appointments were on a temporary contract basis. This raised concerns of potential inconsistencies in the coordination and implementation of EPWP, which need to be addressed.

Key changes made to the institutional arrangements included:
- formalisation of the institutional arrangements in line with the EPWP policy,
- the appointment of the mayor as the political champion,
- the appointment of two EPWP administrators and three EPWP supervisors, and
- the establishment of an EPWP steering committee.
The municipality relied on Incentive Grant funding as well as allocations from the capital and operating expenditure budgets to implement projects during this period. Limited availability of municipal budget limited the implementation of proposed EPWP projects.

Challenges experienced with regard to funding sources during this reporting period were primarily related to the marginal Incentive Grant allocation. This was a direct result of the low number of WOs generated during the previous reporting period. Increasing the number of WOs generated and reported on will increase Incentive Grant allocations for future reporting periods.

The municipality maximised EPWP WOs by implementing LIC infrastructure projects at ward level. Optimising EPWP employment was regulated by the inclusion of EPWP and LIC requirements in supply chain management and contract documentation.

In a bid to promote sustainable exit strategies, Msunduzi Municipality entered into an agreement with the Local Government Sector Education and Training Authority to provide accredited training for EPWP beneficiaries through learnership programmes. During 2013/14, the municipality implemented two learnership programmes for EPWP beneficiaries:
• Turfgrass Culture Practice (NQF L2)
• Landscaping Practice (NQF L2)

The EPWP wage rate was governed by the minimum wage as stipulated by the Ministerial Determination. Wage rates were set slightly above the minimum prescribed wage rate. Although the wage rate was governed by EPWP regulations, it varied across sectors.

PROGRESS

Msunduzi Municipality implemented EPWP projects in the infrastructure, social and environment and culture sectors. Table 14 shows the progress of the municipality’s EPWP across these sectors during 2013/14.

Table 14: Msunduzi Municipality EPWP progress – 2013/14

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of projects</td>
<td>27</td>
</tr>
<tr>
<td>Number of WOs created</td>
<td>1,451</td>
</tr>
<tr>
<td>Number of FTEs</td>
<td>614</td>
</tr>
<tr>
<td>Number of training days</td>
<td>0</td>
</tr>
<tr>
<td>Expenditure (R million)</td>
<td>R22.1 million</td>
</tr>
<tr>
<td>Wages paid (R million)</td>
<td>R15.6 million</td>
</tr>
</tbody>
</table>

As indicated in Table 14, Msunduzi Municipality created 1,451 WOs through implementing 27 EPWP projects, which collectively generated 614 FTEs.

CORNERSTONE PROJECTS AND SUCCESSES

During 2013/14, Msunduzi Municipality had noteworthy successes in the following projects.

City Clean-up Programme

Beneficiaries were employed by the City Clean-up Programme to ensure that streets and road verges in the city were maintained. Dedicated cleaning crew members carried out general maintenance activities for the duration of their contracts. During 2013/14, 200 WOs were generated.

Ward based maintenance programme

All 37 wards within the municipal boundary are required to employ 20 crew members to carry out basic infrastructure maintenance within their respective wards. Crews operate in response to the specific needs of the ward in which they are employed. This facilitates efficient maintenance activities throughout the municipality. The programme employs 740 EPWP beneficiaries annually.

Cemetery maintenance

The cemetery maintenance programme employs 60 beneficiaries as part of the poverty alleviation programme. They are divided into teams dedicated to the upkeep and maintenance of municipal cemeteries.

KEY CHALLENGES

The challenges experienced by Msunduzi Municipality limiting the success of its EPWP included:

• Managing the expectations of beneficiaries that they are employed on a full time basis.
• Inconsistent wage rates across the sectors, which results in labour disputes and project delays.
• Beneficiaries demanding the extension of employment contracts indefinitely, thus denying other beneficiaries an opportunity for employment.
• The lack of clearly defined exit strategies across EPWP projects, which limits the sustainability of employment.

LESSONS LEARNT

Lessons learnt by Msunduzi Municipality that will allow for the future improvement of EPWP include:

• Providing training on the principles of EPWP employment for municipal staff is important. This will ensure that EPWP is not used as a temporary measure to appoint beneficiaries in vacant positions, which creates false expectations of permanent employment.
• There is a need to provide internal budget allocations to implement EPWP projects. This will increase WOs generated and reported on, which will in turn increase the Incentive Grant funding allocated to the municipality.

There is a need to provide internal budget allocations to implement EPWP projects.
OVERVIEW OF EPWP WITHIN THE CITY

During 2013/14, Nelson Mandela Bay Municipality officially appointed a City Manager. This appointment significantly enhanced the efficiency of the city's EPWP coordination as it allowed for enhanced capacity as well as continuity throughout the implementation and expansion of its EPWP activities.

The appointment of the City Manager furthermore allowed Nelson Mandela Bay to focus on mainstreaming its EPWP coordination through the city's dedicated EPWP unit. The EPWP unit was therefore relocated from the Special Programmes Directorate to the office of the Chief Operating Officer to allow for centralisation of EPWP coordination. Relocation of the EPWP unit brought it closer to the centre of administration within the City Manager's office.

As the Chief Operating Officer is located directly under the Deputy Mayor's office within the city's political structure, the relocation of the EPWP unit allowed for greater political representation. The presence of political champions facilitated ownership and accountability across all the directorates towards the internal targets set by the city which would therefore enhance the city's EPWP performance.

EPWP projects were implemented across the infrastructure, social as well as environment and culture sectors. The Incentive Grant was however utilised to fund strategic projects within the environment and culture sector in particular.

Significant changes that the city experienced between the 2012/13 and 2013/14 reporting periods included:

- appointment of the City Manager increased the exposure and commitment to EPWP performance within the city and provided political support,
- relocation of the EPWP unit to the Chief Operating Officer within the City Manager's office, thereby centralising the city's EPWP coordination and implementation,
- annual EPWP performance targets were included in the score cards of Executive Directors across all directorates, and
- EPWP reporting requirements were incorporated into SCM contract documents along with the inclusion of an EPWP unit staff member on the Bid Specification committee.

POLICY AND IMPLEMENTATION

As Nelson Mandela Bay's EPWP policy had been approved in 2011/12 and fully adopted by the city council in 2012/13, the policy was under review during 2013/14 reporting period. The review was said to be complete before the end of the 2014/15 financial year in preparation for EPWP Phase III.

Executive Directors from the various directorates within the city have been requested to provide input during the review of the EPWP policy. Critical areas that are being addresses include:

- beneficiary selection process and selection criteria,
- beneficiation of SMMEs, and
- skills development and training of beneficiaries.

The implementation and compliance with the EPWP policy has been significantly bolstered during 2013/14. This was achieved through the inclusion of EPWP requirements within tender documents as well as allocating EPWP targets on the score cards of each Executive Director which is reviewed on a quarterly basis. Though the changes implemented the city has succeeded in generating more accountability and commitment to EPWP performance in line with its EPWP policy across all directorates.
INSTITUTIONAL ARRANGEMENTS

During the 2013/14 reporting period the city’s EPWP unit was relocated to the Chief Operating Officer under the City Manager’s office. In addition to the relocation the city was also in the process of reviewing its micro organisational structure particularly within the EPWP unit.

The revised institutional arrangement proved to be effective, facilitating greater alignment to the city’s EPWP policy. The institutional arrangement implemented in 2013/14 additionally allowed for mainstreaming and centralisation of EPWP coordination and administration throughout the city as well as enhancing political support. The city could however secure greater political support for its Epwp through the appointment of a dedicated political champion.

Although Nelson Mandela Bay increased its organisational capacity with the appointments of various positions within the institutions arrangement, such as the City Manager, the city was however not able to appoint all vacant positions. The city therefore acknowledged the need to appoint all vacant positions so as to maximise its organisational capacity.

Key changes made to the institutional arrangements included:

- relocation of the EPWP unit to the Chief Operating Officer,
- alignment to the city’s EPWP policy,
- centralisation of EPWP coordination and administration within the city, and
- increased organisational capacity as well as political support.

Figure 23: Institutional arrangement – Nelson Mandela Bay Municipality
BUDGET ALLOCATIONS FOR EPWP

The city relied primarily on the Incentive Grant funding received as well as allocations from its Opex budget to fund the operations of its EPWP projects during 2013/14. Opex budget allocations were used to fund EPWP administration whereas the Incentive Grant was used to fund EPWP projects and programmes as budgeted for within each directorate.

Challenges experienced with regard to funding sources during this reporting period were related to the decrease in the Opex budget allocations as well as limitations of the Incentive Grant allocations not being sufficient to fund all proposed projects and programmes.

EPWP EMPLOYMENT CONDITIONS

Nelson Mandela Bay maximised its EPWP WOs at project level by ensuring the EPWP principles are accommodated from the planning stages of projects. The Department of Public Works provided technical support to the Design and Implementation directorate to ensure that all EPWP and LIC activities have been identified and included during the planning stages of all projects.

EPWP conditions were furthermore incorporated into tendered and contract document to enforce EPWP compliance and maximise WO generated. A staff member from the EPWP unit was included on the Bid Specification committee to ensure the incorporation of EPWP requirements into relevant tender and contract documentation. A permanent Community Liaisons officer was appointed within the Infrastructure and Engineering directorate to assist with social facilitation within each project so as to ensure local employment and assist in the selection of beneficiaries.

In order to ensure commitment and accountability to EPWP performance, the city established EPWP Wo targets for each directorate. The targets were calculated based on the budget allocation per directorate and performance was reviewed quarterly.

During 2013/14 Nelson Mandela Bay facilitate the provision of accredited training for 150 youth beneficiaries focusing on various artisanal skills such as bricklaying and plastering, carpentry, plumbing, electrical aid, painting and business management. On completion of the training the beneficiaries were appointed on projects implemented by the Human Settlements directorate in order to provide them with the necessary experiential training. Exit strategies were promoted through the establishment of SMMEs and Cooperatives amongst the trained beneficiaries. The city assisted SMMEs and Cooperative through the provision of basic tools and equipment which facilitated independence and self-sufficiency.

The EPWP wage rate was governed by the minimum wage as stipulated by the Ministerial Determination in line with the city’s EPWP policy. Direction was also taken from the South African Institute for Civil Engineers (SAICE) in establishing the wage rate for infrastructure projects, resulting in variations of EPWP wage rates across the sectors.

PROGRESS

Nelson Mandela Bay Municipality implemented EPWP projects in the infrastructure, social and environment and culture sectors. Table 15 shows the progress of the municipality’s EPWP across these sectors during the 2013/14 reporting period.

<table>
<thead>
<tr>
<th>Table 15: Nelson Mandela Bay Municipality EPWP progress – 2013/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of projects implemented</td>
</tr>
<tr>
<td>Number of WOs created</td>
</tr>
<tr>
<td>Number of FTEs</td>
</tr>
<tr>
<td>Number of training days</td>
</tr>
<tr>
<td>Expenditure (R million)</td>
</tr>
<tr>
<td>Wages paid (R million)</td>
</tr>
</tbody>
</table>

As indicated in Table 15, Nelson Mandela Bay Municipality created 5 068 WOs through the implementation of 72 EPWP projects which collectively generated 1 807 FTEs.

CORNERSTONE PROJECTS AND SUCCESSES

During 2013/14, Nelson Mandela Bay Municipality had noteworthy successes in the following projects.

Youth Water Leaks Programme

The project was initiated by the Infrastructure and Engineering directorate, utilising EPWP employment, to address the high volumes of water loss within the city. The project employed 100 youth beneficiaries from 10 different wards for 8 months. Beneficiaries...
were provided with a 5 day basic plumbing training course. Once the training had been completed the beneficiaries were employed by the Water and Sanitation Directorate to work with appointed contractors in detecting and fixing water leaks as well as replacing water meters. The training and experience received allowed the beneficiaries to generate income after the project by fixing minor water leaks within their wards.

**Nelson Mandela Bay Environmental Cleaning Project**

The Environmental Cleaning Project employed more than 900 beneficiaries to assist in clearing of dumping spots within their communities and recreating these areas into green spaces. Beneficiaries were furthermore trained on Municipal bylaws and appointed as peace officers to monitor and control illegal dumping.

**KEY CHALLENGES**

The challenges experienced by Nelson Mandela Bay Municipality that limited the success of its EPWP, included:

- non-compliance to EPWP reporting standards, which resulted in supporting documentation not being provided thereby affecting auditing requirements,
- limited EPWP buy-in from executive directors, which led to inefficiencies in implementing EPWP initiatives throughout the municipality and severely affected the performance of the EPWP,
- under reporting due to lack of buy-in from project managers and a lack of capacity in the municipality to address reporting requirements,
- not considering EPWP principles during the planning and designing stages of projects, thus limiting the potential WOs generated, and
- delays in the finalisation of institutional rearrangements for coordinating EPWP throughout the municipality, which has a negative impact on the roll out of EPWP.

**LESSONS LEARNT**

Lessons learnt Nelson Mandela Bay that will allow for the future improvement of EPWP include:

- the EPWP unit should be accountable to institutional structures such as the Portfolio committee and Mayoral committee to generate commitment and accountability to EPWP performance as well as secure political support, and
- the inclusion of EPWP targets on the score cards of senior officials furthermore generate accountability and allows for the monitoring and evaluation of EPWP performance within the various directorates.
ANNEXURE B

CASE STUDIES
THE MAYOR’S SPECIAL JOB CREATION PROGRAMME – CITY OF CAPE TOWN AND ZIBAMBELE POVERTY ALLEVIATION PROGRAMME – ETHEKWINI MUNICIPALITY

SPECIAL JOB CREATION PROGRAMMES

INTRODUCTION

Since democratisation in 1994, South Africa’s growth has been characterised by structural changes, high levels of poverty and unemployment, and increasing inequality. These trends were exacerbated by the worldwide financial recession in 2008/09, which resulted in the loss of a significant number of jobs. Any growth since 1994 has not been inclusive, as it has not been labour-absorbing. The primary driver of poverty is the absence of access to an income, and the high unemployment rates result in a significant portion of South Africa’s population surviving below the poverty line.

The commitment to alleviate poverty and create jobs has become a priority on the government agenda, and is a focal point for many public body entities. One way of meeting this commitment is to establish large-scale job creation programmes aimed at alleviating poverty and unemployment.

The measure of any job creation programme is a function of the amount of resources transferred to the intended beneficiaries. This can be determined by the number of beneficiaries employed, the wages received and the duration of employment. There is often a trade-off, between maximising the poverty coverage (by spreading the budget and employing more beneficiaries) and maximising poverty reduction (by employing fewer beneficiaries for longer periods). The first option employs more beneficiaries but has no sustainable impact, whereas the second option employs fewer beneficiaries but has a more sustainable impact, as the work is of a longer duration.

In order to be truly effective, job creation programmes must pay special attention to the suitability of the proposed programme in addressing poverty and unemployment, the availability and motivation for labour inclusivity, and the sustainability of the programme.

TWO JOB CREATION PROGRAMMES

The Mayor’s Special Job Creation Programme – City of Cape Town

The City of Cape Town is committed to building an inclusive and caring society. The focus of this programme is to alleviate the immediate demands of poverty while continuing with the city’s long-term strategy to ensure an economic environment in which investment can grow and jobs can be created.

Announced in September 2011, the first phase of the Mayor’s Special Job Creation Programme was aimed to create 8,000 jobs. The main focus of the programme is to enhance the delivery of services through cleaning, greening and general maintenance projects across the city. These labour-intensive projects include maintaining and cleaning stormwater systems, maintaining cemeteries and kramats, cleaning rivers, clearing bush and generally cleaning up and beautifying areas.
Zibambele Poverty Alleviation Programme – eThekwini Municipality

What distinguishes Zibambele from other programmes is that it creates meaningful work for impoverished female-headed households. In addition to providing these households with sustainable work opportunities, Zibambele also addresses fundamental government objectives through the routine maintenance of the eThekwini Municipality rural road network.

The programme not only provides poverty alleviation for eThekwini communities and maintains rural roads, but also enables capacity building and empowerment. There are currently approximately 6,000 contractors in the programme, which provides contractors with two days per week to perform their road maintenance tasks. These tasks include maintenance of the road drainage system, ensuring good roadside visibility, maintenance of the road surface, clearing the road verges of litter and noxious weeds and other labour-intensive activities as determined from time to time.

In addition to meeting the objectives related to poverty alleviation, work opportunities and maintenance of infrastructure, the programme also provides an ideal opportunity for forging links between the municipality and local communities.

Programme objectives

Programmes that aim to provide employment for a large number of beneficiaries, such as the Mayor’s Special Job Creation programme and Zibambele, typically aim to deliver the following key outputs:

- employment (for the beneficiaries)
- income/wages (for the beneficiaries)
- public and/or social goods and services

These key outputs support the core developmental objectives of the EPWP, which include poverty reduction, the reduction of unemployment, increased access to basic services, social and economic inclusion and the

Mayor’s Special Job Creation programme and the Zibambele Poverty Alleviation programme are aligned to the EPWP policies of their respective municipalities.
The programmes also target disadvantaged groups, such as women or youth. The key strength of these programmes is their ability to make an impact on multiple objectives.

### Alignment and integration of policies

The impact of job creation programmes in relation to employment, income security and the maintenance of public assets is affected by the duration of the programme (whether it is long term or short term). The longer the programmes, the greater the need for their alignment and integration with policies. The Mayor’s Special Job Creation programme and the Zibambele Poverty Alleviation programme are aligned to the EPWP policies of their respective municipalities. This ensures that there are no critical differences between programmes and projects with similar objectives. An alignment to municipal priorities and legislative guidelines is important for designing and for building support for the programmes.

### Programme constraints and operational issues

A number of issues need to be considered prior to and during implementation of job creation programmes:
- the complexity of the programmes,
- the capacity of the implementing body or municipality to deliver, and
- the funding to implement the programmes.

Implementing such programmes requires considerable capacity and needs to be planned and resourced, despite the operational and institutional arrangements. Operational issues include whether these programmes can maintain political support and what measures must be considered to ensure continuous buy-in. It is important to have the appropriate institutional arrangements in place.

Implementation of these programmes is complex and, therefore, an important question to ask is whether the objectives of the programmes could be achieved in simpler and possibly more cost effective ways.

### LESSONS LEARNT

The Mayor’s Special Job Creation programme demonstrates that large-scale employment programmes complement public investments with respect to the maintenance of infrastructure and public spaces. Such programmes are undoubtedly powerful tools for creating jobs and boosting the economy: a higher percentage of resources can be used on labour and different targeting mechanisms can be applied when identifying areas of implementation.

Appropriate spatial targeting allows the channeling of essential resources to the areas most in need. This, combined with categorical targeting (focusing on unemployed youth and women) and appropriate wage setting, often produces the best results in reaching the most needed groups of society, thereby improving income security.

Large-scale employment programmes have the potential to redress the problems associated with high unemployment levels and of correcting the skills deficit in disadvantaged communities. Both the Zibambele Poverty Alleviation programme and the Mayor’s Special Job Creation programme have achieved this through efficient institutional set-up, effective community participation and innovative implementation.
COMMUNITY CONTRACTING AND SUPPLY CHAIN MANAGEMENT POLICIES AND PROCESSES

INTRODUCTION

Community contracting is a tool aimed at empowering communities by ensuring they play a role in identifying, planning and implementing development initiatives. A community contract is an agreement between a funding agency and a community, which is represented by a committee. The community undertakes to implement an agreed development project according to mutually established processes and funding arrangements. In simple terms, the community is the ‘contractor’ and the funding agency is the ‘client’.

A community contract is more of a partnership that acts as a means of delivering project outputs, building capacity, credibility and confidence, and is also a conduit for dialogue. It is a tool for rebuilding local governance, as it gives the people a voice and a means to participate in initiatives affecting their own development.

This approach represents a major change in the ‘prevailing development paradigm’ in which NGOs play a more direct role in the implementation of projects. Here the emphasis is on the executive role of the community. Of major significance is that communities decide on needs, undertake works and manage resources with oversight from the local authorities. The communities gain confidence, as well as organisational and negotiation skills, enabling them to engage with external partners and local authorities on an equal footing. Equally important to the approach is that both the ‘contractor’ and the ‘client’ come to a mutual understanding of how the agreement will operate and what organisational and administrative demands will be placed on the community. For example, communities will have to open and manage their own

The successful application is evident both in the quality of the assets developed in the projects and in the sense of ownership nurtured through the empowerment process.
bank accounts into which funds will be transferred. The approach recognises the local nature of politics and the social environment within which sustainable development occurs. It has been applied and accepted successfully.

The successful application is evident both in the quality of the assets developed in the projects and in the sense of ownership nurtured through the empowerment process. This creates a solid basis for the development of future maintenance and operation arrangements that involve communities and the local authorities.

**SUPPLY CHAIN MANAGEMENT WITHIN METROPOLITAN MUNICIPALITIES**

Supply chain management is a key mechanism for government to implement policy. Traditionally misunderstood and undervalued, the strategic importance of supply chain management has not been recognised. The negative effects of inefficient public sector supply chain management, particularly in the procurement, are well-documented: suppliers charge excessive prices, goods and services are of poor quality, delivery of goods and services is unreliable, and there is corruption and waste.

While the primary objective for any municipality is to align its supply chain management system to the objectives of the IDP, it is also critical to utilise procurement as a tool to stimulate and promote enterprise development. The purposes behind this are to promote entrepreneurship that allows the historically disadvantaged individuals (HDIs) access to the mainstream of business opportunities. This is achieved by increasing business opportunities for HDIs and maximising purchases of goods and services from these companies. Nevertheless, the primary task for any municipality’s supply chain management system is to find reliable, cost-effective service providers. This implies that HDI companies should not be treated any differently from the norm with regard to quality, service delivery and technical performance.

The Constitution of South Africa requires that organs of state contract goods or services in accordance with a system that is fair, equitable, transparent, competitive and cost effective. This implies that HDI companies should not be treated any differently from the norm with regard to quality, service delivery and technical performance.

The Constitution of South Africa requires that organs of state contract goods or services in accordance with a system that is fair, equitable, transparent, competitive and cost effective. The SCM policies of all metropolitan municipalities were drawn up to give effect to these principles and the Preferential Procurement Legislation, and to comply with the provisions of the Metro Government and the Municipal Finance Management Act (MFMA).

**MAIN CHARACTERISTICS OF COMMUNITY CONTRACTING**

While there are many different models of community contracting, they all share key characteristics and goals:

- Community members are involved in identifying needs and selecting a project.
- Community participation is encouraged in project identification, preparation, implementation, operations and maintenance, and is usually done through an elected community project management committee.
- Communities provide contributions in the form of labour, cash and/or materials. Their contributions promote community ownership and, hopefully, sub-project sustainability.

Currently, municipalities have not adopted models that consider community contracting or small enterprise development. All procurement within the municipalities is governed by the legislation and policies related to public sector procurement, i.e. the Municipal Finance Management Act, and municipal procurement policies. National Treasury has not allowed for any deviations or stipulations in respect of public procurement related to EPWP.

However, in consultation with National Treasury, the City of Johannesburg has developed a new supply chain process to source community-based enterprises. This programme aims at creating community cooperatives and micro-enterprises for entry level workers.
JOZI@WORK: EMPOWERING COMMUNITY ENTERPRISES

The City of Johannesburg’s Jozi@Work programme aims to empower community cooperatives and enterprises to address poverty, inequality and unemployment within the city. Launched by Executive Mayor Mpho Tau in August 2014, within its first year Jozi@Work spent an estimated R1-billion on contracting about 1 750 new and existing community cooperatives and enterprises to provide services as diverse as waste sorting and infrastructure maintenance. The city’s spend is expected to generate a total of 40 000 new jobs by 2016.

The programme is designed to inject income and promote commercial activity in all clusters of the city, from the most deprived to the prosperous areas. The programme has changed the way the city does business, by creating thousands of new neighbourhood cooperatives and micro-enterprises.

The Jozi@Work programme enables and empowers existing entrepreneurs and new market entrants, who, in turn, will draw on the hundreds of thousands of unemployed and underemployed people in the city.

Although some residents of Johannesburg may wonder why they cannot simply be allocated city resources to execute tasks such as filling potholes, the fact is that legislative and institutional considerations prevent public officials from handing over cash to residents for work done on the city’s behalf. The Jozi@Work operating model and institutional design allow concerned residents to engage with others who wish to be involved in addressing service delivery issues, through:

- forming a cooperative or similar entity to receive the resources to patch the potholes in the streets, supported by a Capability Support Agent who can provide all the support needed to engage with the city,
- building on existing structures, such as a street committee, to pitch the same approach as considered above, but reorganising the committee to support the pothole patching initiative, and
- proposing an innovative way to empower local enterprises, for example, making asphalt from grinding collected rubble from building sites and combining it with other inputs, which could then be sold on to crews doing the pothole patching. This initiative could be run by a small enterprise or cooperative formed by the residents through engagement at the regional Jozi@Work forum. Over time, such an enterprise can grow to contract to provincial and national government and provide paving services to construction firms, thereby providing entry-level employment for local people.
JOZI@WORK regional forums

Using the new supply chain process, the city sources community-based enterprises and cooperatives through a network of regional bidders’ briefings known as regional Jozi@Work forums. Appointed bidders provide services as diverse as de-sludging chemical toilets, separating and recycling waste at municipal dumps, supplying food to city nutrition programmes, resurfacing and maintaining roads and providing frontline support to water and power infrastructure.

A new Community Innovation Fund linked to the Jozi@Work programme has been introduced. Through this fund, the new regional forums will have the opportunity to propose locally led projects that fit Jozi@Work objectives but are not funded by city departments’ and municipal agencies’ budgets.

Support provided

Capability Support Agents oversee work done by successful bidders. These agents provide professional oversight, mentoring and quality assurance, and enable the enterprises to purchase raw materials and rent equipment. They recover costs from monthly contract payments as milestones are met. The programme will expand to include back-office support (to improve the functioning of city services), 10% of the city’s maintenance work and 5% of its capital construction.

Workers gaining on-the-job experience through Jozi@Work packages have been able to build up their skills through an apprenticeship programme. This programme includes digital learning at recreation centres and libraries after-hours and on days-off. This enables workers to get trade certification, and gives them the opportunity to develop their expertise.

LESSONS LEARNT

The Jozi@Work model demonstrates an innovative manner in which municipalities can create work opportunities while addressing service delivery backlogs. Based on the implementation of this model, the following key principles can be highlighted:

- Involvement of community structures in the delivery of services: residents are seen as equal partners in the design and delivery of services.
- Building skills and capacity (individual, institutional, community): opportunities are looked for to help communities flourish through skills transfer and knowledge.
- Empowering communities by allowing them to take greater control of their decisions: the way in which services are developed and delivered is reconfigured.
- Encouraging self-reliance by developing skills and capacities: communities are able to become facilitators and catalysts of change.
- Ensuring equity: fairness in the delivery and allocation of services.
- Building support networks to transfer knowledge and support change: engaging peer and personal networks alongside professionals as the best way of transferring knowledge and supporting change.
- Building effective relationships and partnerships that are sustainable: multiple agents use services together in an interdependent relationship.
INTRODUCTION

A challenge that faces the South Africa government is to rapidly create jobs, as jobs will assist people to break out of the unemployment and poverty trap. With this in mind, the government has committed to creating decent jobs through the implementation of EPWP initiatives. EPWP projects and programmes have been designed to equip beneficiaries with work experience in order to enhance their ability to earn a living and create sustainable livelihoods.

Employment conditions on EPWP projects and programmes are governed by the 2002 Ministerial Determination No. 3: Special Public Works Programmes, as well as the Code of Good Practice for Employment and Conditions of Work for Special Public Works Programmes which seek to introduce minimum employment conditions in an effort to ensure that basic rights, programme objectives and resource implications are taken into account.

The Code of Good Practice refers to workers and beneficiaries interchangeably. The usage of the word beneficiaries limits expectations of longer-term employment amongst workers and tries to instil that their employment status is not equivalent to that of permanently employed workers. The beneficiaries have limited job security and fewer benefits than permanently employed workers.

Previously, beneficiaries employed on EPWP projects and programmes did not contribute to the Unemployment Insurance Fund (UIF). This resulted in the beneficiaries not being eligible to receive UIF benefits or any other payments once their contract expires. The Codes of Good Practice determine that a fair procedure is required prior to termination of a beneficiary’s contract. There is however, no requirement for a formal enquiry and a beneficiary’s contract may be terminated for operational reasons should the project or programme be stopped. Additionally, there is no requirement for public bodies to pay a retrenchment package when this occurs.

The criteria for the selection of beneficiaries includes 60% women; 20% youth; and 2% disabled. Recommendation is made that beneficiaries are to be selected from households where the head of the household has a very basic education, where there is less than one full-time person earning an income and where subsistence agriculture serves as a source of income. Beneficiaries from female-headed households are also recognised as groups to be targeted for employment.

The Code specifies that the rate of pay must take into account wages paid for unskilled labour in the local area and should not be set higher than the local rate in order not to attract people away from other jobs with better prospects. Both the Code of Good Practice and the Ministerial Determination make allowance for task-based and time-based pay. The legislature advocates that where possible, payment to the beneficiaries should be based on the number of tasks completed. Within the task-based system, beneficiaries are paid for the work completed.
OPERATION VAT ALLES

Background

Vat Alles is a Mayoral flagship project implemented under the Expanded Public Works Programme banner within the City of Tshwane. The project was launched in 2012 with 3000 beneficiaries and to date, the project has 5,458 beneficiaries. The project is centred on the principles of city beautification, job creation, community development and skills enhancement.

The project strives to provide work opportunities for the City of Tshwane residents who lack skills and employment and therefore the main objective is to uplift community members and communities themselves through providing skills, employment and a valuable community service.

Beneficiaries under Vat Alles are involved in activities such as litter picking; maintenance of cemeteries/parks and open spaces. Some of the beneficiaries are assisting with the maintenance of Council and Provincial properties; such as health facilities and schools.

The project aims at ensuring a cleaner city, rivers, stadiums and taxi ranks. The implementation of the programme is founded on the following overarching legislative frameworks:

- Ministerial Determination 4: Expanded Public Works Programme, No. 35310 Gazetted 4 May 2012;
- EPWP Guidelines 2005
- Despite all systems being in place and the necessary legislation being applied on the project, the City still experiences challenges with regards to conditions of employment.

Legislation

EPWP is known to be a programme aiming at creating short to medium term work opportunities in order to alleviate poverty and reduce level of unemployment. Coupled with this, is the fact that the beneficiaries of the programme should be exposed to skills development programmes.

However, the high level of unemployment is a result of lack of skills and despite this, legislation governing EPWP projects and programmes remains silent about the duration of employment and support to skills development programmes.

Duration of Employment

One of the main critiques of any EPWP project or programme is the duration of the available work opportunities. This is usually linked to the tasks that the employed beneficiaries perform and is based on the intensity with which the tasks can be carried out. This may be over a continuous period or at weekly intervals.

The Vat Alles project has employed the same beneficiaries since its inception in 2012. The nature of work carried out by the beneficiaries on the project is continuous, and it is therefore difficult to terminate their contracts and hire new beneficiaries as the exited beneficiaries will be left unemployed.

When the duration of employment is not specified there is no valid reason to terminate employment especially in continuous projects such as Vat Alles. This leads to a longer duration of employment that attracts unions to recruit the beneficiaries employed on the project.

The City understands that the beneficiaries have the right to exercise their freedom of association and as already highlighted, there is no governing legislation for EPWP projects which supports or negates labour union involvement on EPWP projects.

Based on this, the City faces a challenge of permanently employing all 5,458 beneficiaries as current labour laws encourage the employment of the beneficiaries as permanent employees. This will have adverse effects for the City financially and the general performance of EPWP with the City.
Support for Skills Development Programmes
Currently, there is no reference made relating to study leave within EPWP legislation whereas one of the programme’s objectives is to ensure skills development to beneficiaries employed on EPWP projects.

This creates a challenge for implementing bodies when support is required for beneficiaries who have registered part time courses on their own. Permanent employees are protected by organizational policies whilst EPWP beneficiaries are not.

Wage Increase
Based on the City’s EPWP Policy and Business Plan, a minimum daily wage rate of R100 has been set across all sectors. The rate set by the City is above the minimum daily wage, as prescribed in the Ministerial Determination, which is currently set at R70.10.

Annually, the City’s EPWP division experiences problems with Vat Alles beneficiaries expecting increases. However, the City is of the opinion that EPWP beneficiaries are already paid above the recommended wage rate and therefore an annual increase is not applicable.

Standardised Wage Rate
There is a requirement for the standardization of wage rates per EPWP sector, especially for sectors which are regulated. This is based on the fact that projects are being implemented in the same wards but beneficiaries do not receive the same wages.

EPWP implementation will be more enhanced with wages being standardized per province taking into consideration the economic conditions of each province. The regulation of Domestic Workers’ Rates by Department of Labour may be a model to be replicated within the EPWP to assist with the standardization of wage rates.

Short-term EPWP work opportunities versus Permanent work opportunities
EPWP beneficiaries perform tasks that they regard as general work. This has led to beneficiaries comparing themselves with permanent workers employed by the City in terms of the benefits associated with permanent employment. This has automatically caused tension as the beneficiaries are of the opinion that there is no fairness.

EPWP legislation versus other governing legislation
A current challenge faced by many implementing bodies is that current legislations, with the exception of EPWP legislative guidelines, are not inclusive of the EPWP. Having to refer to different legislation for the implementation of EPWP creates inconsistencies for the management of the program.

This has created a gap where beneficiaries refer to legislation which is not related to the EPWP on issues which favor their cause.

LESSONS LEARNT
The City of Tshwane has recognised that in order to build sustainable communities there needs to be facilitation and communication between the city and beneficiaries regarding the different facets of employment on EPWP projects. This has reinforced the need to incorporate EPWP principles into all applicable municipal activities and implemented projects, as well as the need to engage labour unions regarding employment conditions for beneficiaries.

Although there are many benefits of the programme, the municipality has realised that they need to create a platform where all relevant stakeholders continually engage about implementing EPWP. This will address the various challenges regarding employment conditions.
VUK’UPHILE LEARNERSHIP PROGRAMME – MANGAUNG METROPOLITAN MUNICIPALITY AND JMPD PEACE OFFICERS – CITY OF JOHANNESBURG

TRAINING AND PREPARING PEOPLE TO FUNCTION IN THE ‘REAL WORLD’

INTRODUCTION

Unemployment and poverty are the foremost economic challenges in contemporary South Africa. Structural changes arising from integration into the global space, increased mechanisation and a decline in labour-absorbing sectors, such as agriculture, have led to a rise in unemployment and a decline in the demand for unskilled labour. Unemployment is a structural factor that cannot be significantly reduced without major interventions. Responding to unemployment is a key policy challenge given the strong relationship between wage income and poverty in our country.

The lack of skills is one of the underlying reasons for the high levels of unemployment in South Africa. Therefore, training is a critical part of EPWP, enabling beneficiaries to gain skills while working on EPWP projects. The hope is that this will enhance their chances of finding work upon exiting the EPWP.

DELIVERY OF TRAINING THROUGH EPWP

The Skills Development Act No 97 of 1998 requires that a skills programme is occupationally based, provides credit towards a qualification registered in terms of the National Qualifications Framework (NQF), addresses skills needs and makes use of accredited training service providers. In terms of this Act, the Department of Labour’s National Skills Fund and Sector Education and Training Authorities (SETAs) have developed EPWP training.

The Department of Labour coordinates the training and skills development components of the EPWP, which can take the form of skills programmes, learnerships and artisan development. The EPWP learning programme also offers officials managing infrastructure projects training in labour intensive methods. In addition to the formalised training coordination, beneficiaries receive on-the-job training to ensure that they have the skills required to perform their tasks. Beneficiaries received two days of formal training for every 20 days worked.
VUK’UPHILE LEARNERSHIP PROGRAMME – MANGAUNG METROPOLITAN MUNICIPALITY

Phase I of the Vuk’uphile Learnership Programme was initiated in 2013 by Mangaung Metropolitan Municipality. The municipality appointed ten learnership contractors during 2013/14. These contractors were employed on five roads and stormwater projects and five sanitation projects over a five year period starting in 2012/13. A mentor and four assistants were also appointed for the duration of the programme.

The sanitation projects formed part of the city’s basic sanitation infrastructure programme to meet the increasing needs and to provide adequate sanitation to disadvantaged communities. The projects involved the construction of outfall sewer lines, which were approximately 5013 metres long. The learnership contract commenced in April 2013 and ended in November 2013. A total of 89 WOs were created and a total of R602 784 was spent on labour.

All the projects initiated under Phase I of the learnership programme were executed by the learner contractors, who were assisted by an experienced supervisor and a mentor. The supervision and mentorship provided skills development and a transfer of skills to assist the contractors to become experienced and competent contractors. Labour-intensive activities were identified and carried out using local labourers who were temporarily employed by the learner contractors.

JMPD PEACE OFFICERS – CITY OF JOHANNESBURG

This is a joint initiative between the Johannesburg Metro Police Department (JMPD) and the city’s EPWP unit, and is funded through the EPWP Incentive Grant. The South African Police Service (SAPS) places the responsibility of crime prevention, by-law management and traffic policing on the JMPD. The department is also responsible for community outreach and development, and has thus far engaged in programmes for child safety and for the empowerment of women, children and persons with disabilities.

One of the City of Johannesburg’s mandates is to market the city throughout the world. To this end, public safety must be properly administered and visibly policed. Peace officers undergo a training programme that equips them with the necessary skills to engage in basic law enforcement within the city. The peace officers provide tourist guidance and protection and ensure the safety of the city residents. They have the power to arrest, and assist with traffic control, fire-fighting, crime prevention and by-law enforcement. The beneficiaries have been physically and mentally prepared to assist with both policing and public safety tasks.

The objectives of the project are:

- to empower unemployed people to become peace officers, by giving them arresting powers,
- to provide guidance and protection,
- to assist with traffic control, crime prevention and by-law enforcement, and
- to provide skills development and a stipend to beneficiaries.
ANALYTICAL CRITIQUE OF THE TRAINING PROVIDED

Limited number of learnerships

The number of learnerships included in the EPWP is quite low given the size of the programme. The most commonly implemented learnership programme by the municipalities is the Vuk’uphile Learnership Programme. Based on this, it can be assumed that only a small number of beneficiaries employed by the EPWP can expect any kind of formal skills-based training as this is only offered through the leanership system.

Limited training for the short-term employed

With training offered for 2 days for every 20 days worked, for many beneficiaries on EPWP projects the average training provided will be 6 to 8 days. This is based on the duration that beneficiaries are employed on projects. This is a short period of training for moving an unskilled worker to be semi-skilled.

For many beneficiaries, the skills acquired will be facilitated through on-the-job training that is primarily low skilled. This is unlikely to affect the skills levels of EPWP beneficiaries. Many implementing agencies provide formal training relating to life skills, limiting beneficiaries to this type of formal training rather than training that is directly vocational.

Capacity constraints on the implementation of training

A significant number of accredited training providers are required to support more than a million workers over five years. Given the massive expansion of the EPWP, the question remains whether the available resources can facilitate the required training schedule.

Additionally, programme development and implementation at municipal level create an overload that cripples managerial and administrative capacity with regard to providing and supervising training.

These capacity constraints have negative implications for the EPWP, particularly in terms of the development of beneficiaries as a main objective of the programme is to graduate beneficiaries into the mainstream economy through formal employment.

LESSONS LEARNT

A main factor underpinning the success of EPWP programmes is the improvement of labour market performance. Currently, the EPWP offers short-term employment opportunities. Therefore, beneficiaries do not necessarily accumulate enough resources to enter the secondary or primary labour market after exiting the EPWP projects and programmes. It is thus unlikely that the EPWP training stimulates significant sustained increases in micro-enterprise or cooperative activities. Arising from this are the implications that beneficiaries do not perceive the training as valuable and that there is a failure to recognise the heterogeneity of the unemployed.

The EPWP is not a solution for poverty alleviation but rather aims to create job opportunities and improve the level of education and training for its beneficiaries. However, given the fact that many of the implemented projects throughout the cities provide training, participation by the beneficiaries may lead to improved skill levels. However, this is unlikely to lead to a net increase in employment.

The formal training offered to many of the beneficiaries is not skills orientated and on-the-job training tends to be low skilled. This requires investigation as there is very little demand for low and unskilled labour in formal employment except within the EPWP itself. This defeats the notion of equipping the beneficiaries with the necessary skills and education to enter formal employment. Evidence suggests that EPWP beneficiaries are likely to return to the pool of the unemployed as opposed to entering formal employment, the intended goal of the programme.