

The state of the
Expanded Public Works Programme
 in South African cities

2017-2018

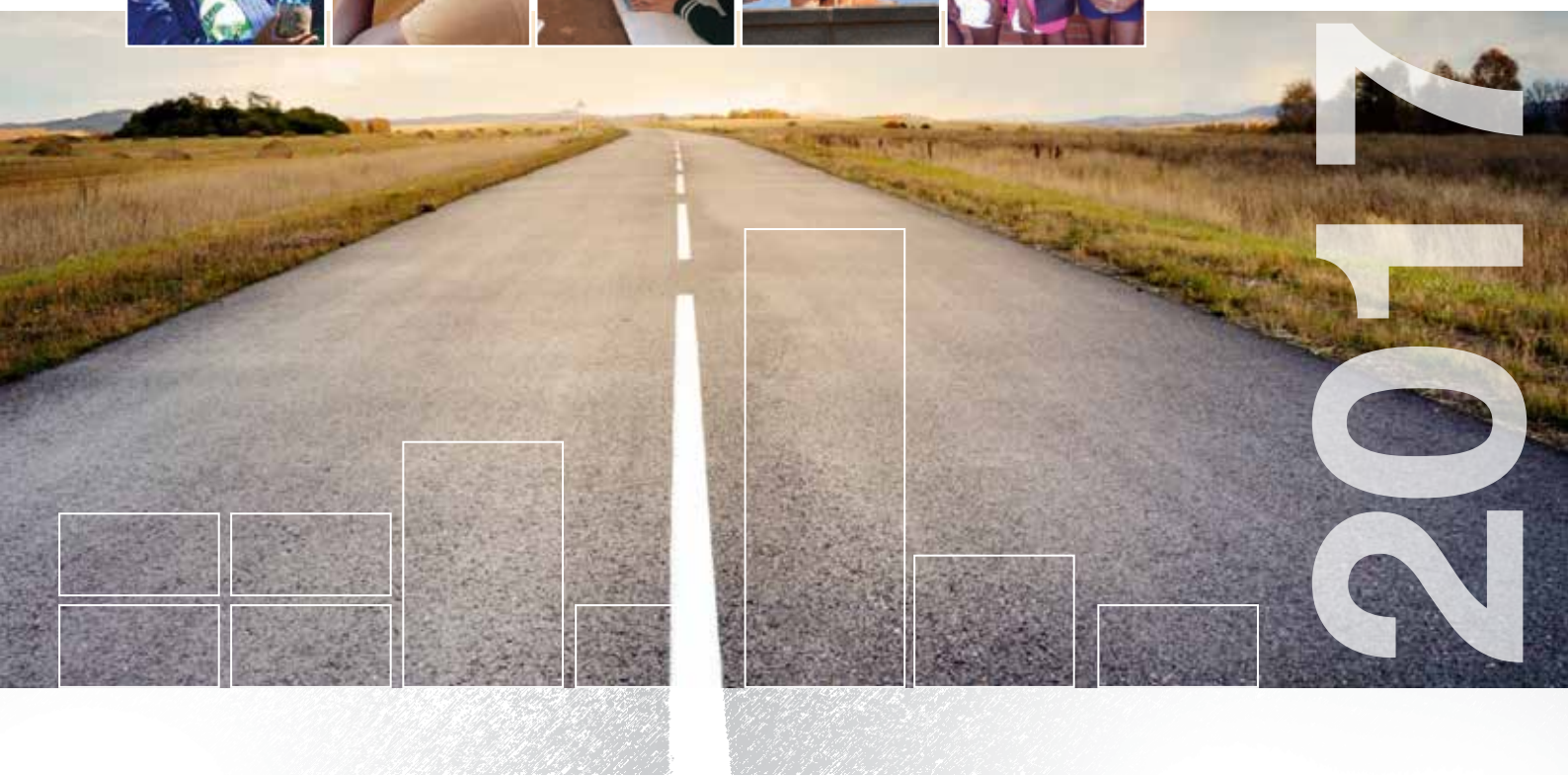


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EPWU



List of **acronyms**

CBD	Central Business District
CLO	Community Liaison Officer
CSPS	Civilian Secretariat for Police Service
CSW	Cleansing and Solid Waste
DoRA	Division of Revenue Act
ECD	Early Childhood Development
EPWP	Expanded Public Works Programme
ESRI	Environmental Systems Research Institute
FTE	Full-Time Equivalent
GIS	Geographical Information System
GIZ	<i>Deutsche Gesellschaft für Internationale Zusammenarbeit</i>
HCBC	Home/Community-Based Care
IMS	Infrastructure Management Socio-economic Development
LIC	Labour-Intensive Construction
MIS	Management Information System
NDP	National Development Plan
NDPW	National Department of Public Works
NPO	Non-Profit Organisation
NSF	National Skills Fund
PEP	Public Employment Programme
RABM	Rural Area Based Management
RG	Reference Group
SACN	South African Cities Network
SALGA	South African Local Government Association
SETA	Skills Education and Training Agency
StatsSA	Statistics South Africa
WO	Work Opportunity

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Foreword

“Inclusive development is the seductive idea that a more dynamic and productive economy can go hand in hand with reduced inequality and exclusion.” (Turok and Visagie, 2018).

In South Africa, a stagnant economy plagued by high unemployment and growing inequality makes this idea of inclusive development more challenging and elusive. South Africa has seen a marked decline in economic growth since 2014, with a technical recession recorded during the first half of 2018 (RSA, 2018). The inaugural Jobs Summit in 2018, therefore, rightfully placed in the foreground the urgent need to address joblessness and the stimulation of greater participation in the economy. The Jobs Summit recognised the need for visible change to improve the lives of South Africans. Through the Expanded Public Works Programme (EPWP), national government has increasingly recognised the value of providing a vehicle within cities to enhance skills, create assets, generate jobs, and improve livelihoods.

Emergent from the 2018 Jobs Summit Framework Agreement was the importance of upscaling the placement of youth in EPWP programmes, and an increased focus on providing more exit opportunities for these youth. Cities are widely recognised as having considerable potential to combine prosperity with social inclusion, and thereby create pathways out of poverty. Turok and Visagie (2018) note that this is not an automatic development. Indeed, a positive approach to investment in marginalised groups and communities is necessary, so that they can develop and prosper over time, and reciprocate through higher productivity.

The South African Cities Network, through its EPWP Reference Group, continues to champion the important role that cities play in addressing socio-economic challenges through collaborative action with other partners. At the centre of South Africa’s public employment programmes is the EPWP, which has created just over 9.4 million jobs since 2004. Phase III has created 3.5 million jobs (Year 1 to Year 3). Inherent in the creation of these job opportunities by the EPWP have been challenges common to all Public Enterprise Programmes (PEPs). Deputy Minister of Public Works Jeremy Cronin calls a specific set of these challenges ‘the trilemma’, referring to the competition for resource allocation when working towards the completion of three equally important but conflicting objectives: providing income support to as many distressed households as possible, while equipping project participants to find gainful employment as exit outcomes, but still developing useful public assets and providing much-needed services to the community. The reality is that not all objectives can be achieved equally, and prioritising resource allocation to achieve one objective will negatively impact the other two.

The EPWP has been widely recognised as an important vehicle to impact positively on the lives of the vulnerable and poor. It continues to be an important social protection programme that requires continued support from all spheres of government, NGOs, and the private sector in moving forward with addressing the complex structural unemployment problem in South Africa. Platforms such as the SACN EPWP Reference Group therefore play a key role in knowledge sharing and the identification of best practices regarding inclusive and productive development in our cities.



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Introduction

ABOUT THIS REPORT

The South African Cities Network (SACN) EPWP Reference Group is a peer-based platform, comprising key city officials responsible for implementing the EPWP in their respective cities. This collective has continued to meet quarterly over the 2017/18 period, providing a forum in which experiences and knowledge are exchanged. The Reference Group continues to contribute to enhancing coordination between the cities and other role players towards the effective and synergistic implementation of the EPWP. This forum allows for continuous and consistent generation of knowledge and sharing of information, experiences and lessons learnt. As the SACN continues to facilitate the generation of knowledge and the sharing of information through the EPWP Reference Group, the key objective is to ensure that all stakeholders will continue to value these annual reports and the lessons highlighted therein. The aim is for the knowledge generated to contribute significantly to enhancing job creation in South Africa, through information, reflection and important learnings based upon the implementation of the EPWP – widely recognised as a flagship public employment programme. The experiences shared through this peer-based platform of cities are encapsulated in the annual report.

The aim of this report is therefore to highlight the progress and implementation of the EPWP by the cities in the 2017/18 year of Phase III of the EPWP. The main body of the report provides an overview of EPWP Phase III targets, the institutional arrangements that are in place, and the continuing challenges faced during implementation. This is followed by individual city reports (Annexure I), in which the focus is on progress made as well as the key obstacles and successes in implementing the EPWP. The final part of the report, Annexure II, describes some best-practice case studies in selected member cities that have been documented by the EPWP Reference Group (RG), in an effort to support shared learning from experience.

BACKGROUND

At the Inaugural Jobs Summit held in October 2018, President Ramaphosa highlighted the urgency of addressing the declining economic situation and growing joblessness in the country. The South African economy has seen a steady decline; and in the period 2014-2017, GDP grew by 1.1% per year (RSA, 2018). In 2018 the economy shrank by 0.8%, resulting in the country entering a technical recession in the first half of 2018 (RSA, 2018). The slow GDP growth has resulted in a stagnant economy, and some job losses in key industries. Hardest-hit were the mining and manufacturing sectors, which have seen the loss of millions of jobs. These job losses, combined with low levels of economic growth, have seen the country struggle to overcome structural poverty and the economic legacy of apartheid. Furthermore, the significant decline in public infrastructure investment over the past decade – as debt servicing has consumed a greater portion of the country's budget¹ – has been flagged as worrisome, and in need of urgent addressing. Unemployment continues to be the most pressing challenge, affecting the largely unskilled population, impacting mainly women and the youth. Statistics South Africa (StatsSA) (2017) reflects an unemployment rate of 27.5%, with further year-on-year job losses recorded in the construction, manufacturing, mining and transportation sectors. Worryingly, these are the most labour-intensive industries, and the employers of the unskilled population². The Expanded Public Works Programmes, now in Phase III, therefore remain an important government intervention for dealing with unemployment and tackling poverty. During Phase III of the EPWP, the importance of integrating meaningful training and skills development towards developing sustainable livelihoods has been recognised.

Furthermore, the National Development Plan (NDP) emphasises the importance of employment and skills development as some of the core elements of a “*decent standard of living*”³.

However, according to the South African Institute of Race Relations (IRR) there has been a decline in industries that are willing to employ low-skilled individuals, which has resulted in persistently high unemployment levels. At the 2018 EPWP Summit, public employment programmes (PEPs) were duly acknowledged for their continued protection of vulnerable groups in society. On an international level, PEPs have served as a key safety net for the unemployed and for marginalised groups. The EPWP has been acknowledged as one of the longest-standing social protection programmes, with relevance across both rural and urban economies. With South Africa's urban population set to reach 70% by 2030, and the bulk of these economic migrants being unskilled, the role of PEPs is even more significant in South Africa's urban economies, providing employment and skills development for this demographic. In addition, the Secretary of the National Planning Commission has emphasised the need to generate employment creation opportunities – especially among the youth – as part of the key solutions to solving the country's slow economic growth.⁴

Given that the nine major metropolitan cities in South Africa (viz. Buffalo City, Ekurhuleni, eThekweni, Johannesburg, Mangaung, Msunduzi, Nelson Mandela, Tshwane and the City of Cape Town) are home to approximately 41% of South Africa's population, it is imperative to continue to reflect on and evaluate the performance of these South African cities in creating employment opportunities. Therefore, this report outlines the progress and implementation of the EPWP by SACN member cities, and the City of Cape Town, over the 2017/18 financial year – the fourth year of Phase III of the EPWP.

METHODOLOGY

The methodology applied to develop this report comprised 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 from 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 in implementing and reporting on EPWP projects. Reference Group (RG) discussion notes and minutes from the SACN RG quarterly meetings were also used as data sources for this report. All the cities were also given an opportunity to provide input to the information 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 EVOLVING EPWP CONTEXT

The South African government introduced the EPWP in 2003 as a complementary measure, to reduce poverty and curb 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, therefore, is to provide more people with productive work. Given its achievements and the lessons learned since inception, the priorities of the EPWP have evolved over time, as illustrated in Figure 1 below. With each subsequent phase of the EPWP, there has been a strong culture of building on the lessons learned in the previous phase of work and enhancing the impact of the programme. The current (third) phase has focused on universal principles to guide all EPWP programmes and projects, enhancing the quality of services and assets and streamlining monitoring mechanisms, which are areas of improvement as identified in Phases I and II.

FIGURE 1: EPWP from Phase I to Phase III

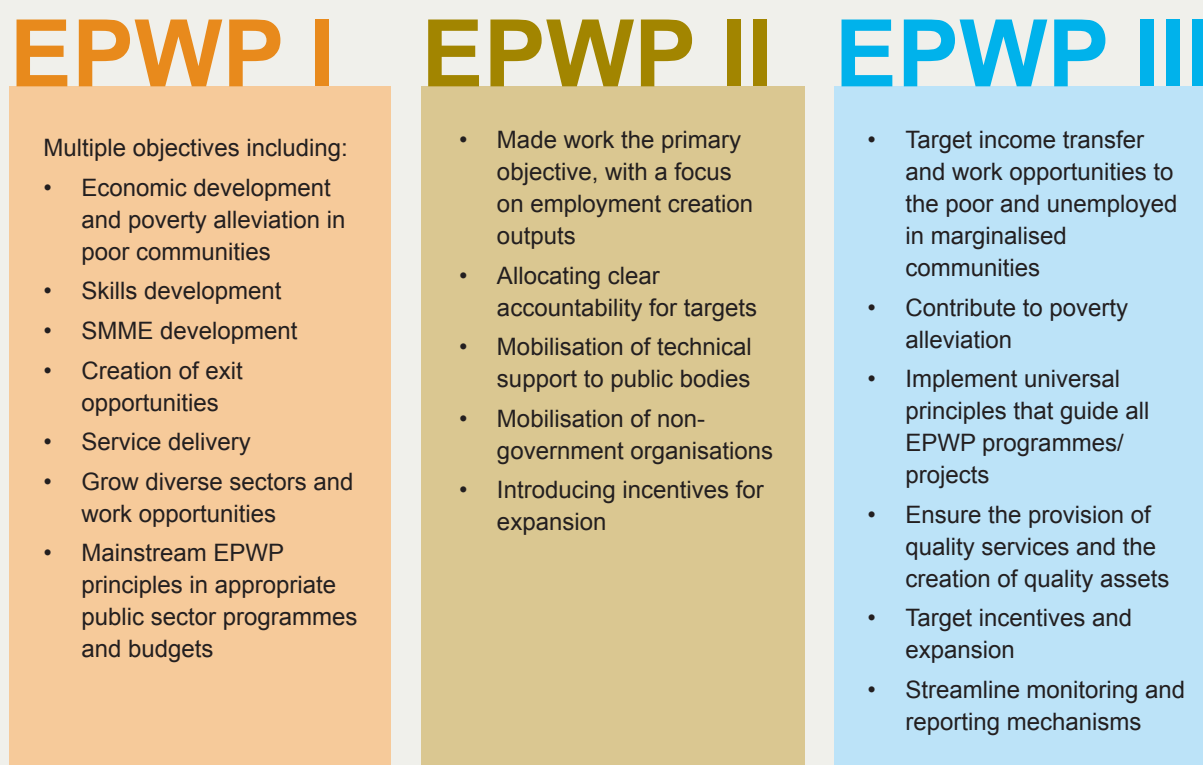
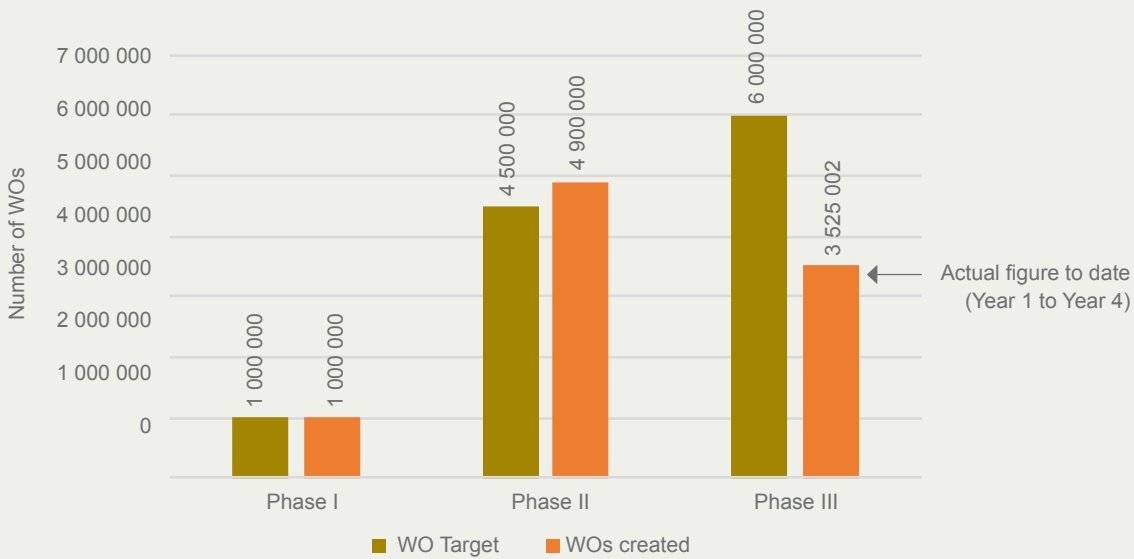


Figure 2 below illustrates the progress made by the EPWP over its three phases in terms of the work opportunities created.

FIGURE 2: Work opportunities per EPWP Phase



The national target of

1 million jobs

was met in **PHASE I** of the programme

PHASE II of the programme exceeded its target by

8.9%

The current phase of the EPWP, **PHASE III**, has resulted in

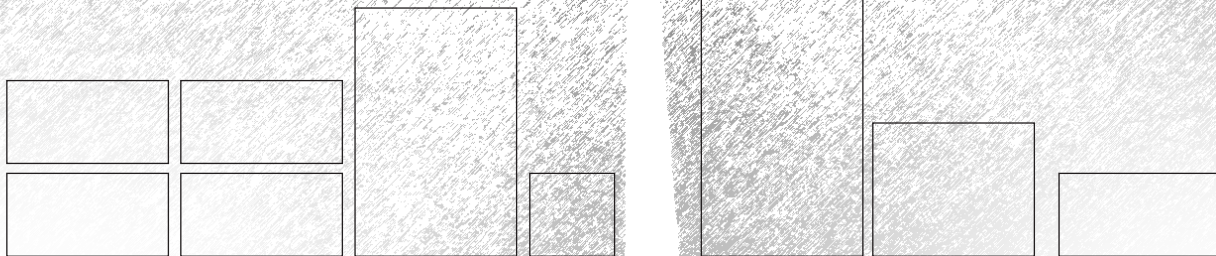
3.5 million work opportunities

in the first four years of the programme – amounting to

59%

of the five-year target.

The Report



INSTITUTIONAL ARRANGEMENTS OF THE CITIES

This section gives an overview of the institutional arrangements and EPWP policies governing the implementation of the EPWP in each of the cities. It also covers the organisational arrangements presented by the National Department of Public Works (NDPW), and investigates and reviews amendments that were implemented during the 2017/18 reporting period in relation to EPWP policies in each city.

POLICY CHANGES AND TARGETS IN 2017/18

The implementation of the programme has been guided by various policy documents, including the EPWP Ministerial Determination and cabinet policy position statements. In 2016, a resolution was taken at the annual EPWP Summit to establish a nationwide policy, which is earmarked for conclusion in the latter part of 2019. Over the years, cities have developed and reviewed their individual policies to align with functional requirements introduced at various phases of the EPWP, such as the Phase III reporting guidelines introduced in 2014. The objective of an EPWP policy is to provide a framework for implementing the EPWP in each city. The policy should provide an enabling environment for the successful implementation of EPWP projects, while ensuring adherence to all government directives and legislative requirements. A comprehensive EPWP policy, which has been approved and formally adopted by the city council, is fundamental to the successful implementation and progress of a city's EPWP initiatives.

Cities are further guided by the following set of policy objectives, as defined by the NDPW, which seek to:

- Educate all departments and units in the city on how their functions should contribute towards the EPWP;
- Establish a delivery strategy in terms of socioeconomic development, poverty alleviation, employment creation, and skills development;
- Ensure development integration across all sectors;
- Engineer the planning, design and implementation of programmes and projects with the city, so that they maximise employment opportunities.
- Ensure there are clear mechanisms in place to monitor the implementation of and compliance of programmes and projects with the city's EPWP policy.

Phase III of the EPWP brought about changes to several components in the programme, some of which included the introduction of recruitment guidelines by the NDPW. The functional requirements introduced with Phase III of the programme prompted a policy review of the EPWP in all cities. The status of these policy revisions is presented in Table 1 below.

TABLE 1: Policy status of the SACN-EPWP RG

KEY: ● Phase III policy approved ● Phase III policy pending approval/implementation ● Phase III policy still under development

City	Policy Status	
Buffalo City	<ul style="list-style-type: none"> • Policy initially adopted in 2013. • Phase III EPWP policy review was initiated in July 2018, and is set to be presented to the Mayoral Committee before the Council Meeting in November 2018. 	●
City of Johannesburg	<ul style="list-style-type: none"> • Phase III EPWP Policy under review. Amendments to the policy will include reporting requirements, and compliance and accountability measures. • Wage rate standardisation has also been added to the policy: <ul style="list-style-type: none"> • From R175 to R235 for Infrastructure Sector; • From R150 to R175 for the Social and Environment and Culture sectors. 	●
City of Tshwane	<ul style="list-style-type: none"> • Phase III EPWP policy was approved in November 2014. • The policy is supported by an EPWP business plan and sector plans. 	●
Ekurhuleni	<ul style="list-style-type: none"> • Phase III EPWP policy was approved in November 2017. • Workshops on the policy were held with councillors, project managers, consultants and contractors. 	●
eThekweni	<ul style="list-style-type: none"> • The policy was initially approved in 2007. • Phase III Policy was presented for review in December 2015. 	●
Mangaung	<ul style="list-style-type: none"> • The Phase III EPWP policy was endorsed in 2016. 	●
Msunduzi	<ul style="list-style-type: none"> • Policy was initially approved in September 2013. • Phase III EPWP Policy was approved in February 2015. 	●
Nelson Mandela Bay	<ul style="list-style-type: none"> • Phase III Policy review was presented to council in September 2017. 	●

INSTITUTIONAL ARRANGEMENTS

There are various levels at which planning, coordination, implementation, management and progress reporting take place. As such, coordination structures are important to ensure the effective implementation of the EPWP for each sector, and for the programme as a whole. The NDPW is responsible for the overall coordination and implementation of the EPWP.

The role of individual implementing departments is to ensure the achievement of the sector objectives and priorities for the EPWP, including⁶:

- Planning, developing and implementing strategies and mechanisms to successfully implement and expand their EPWP programmes and projects;
- Implementing EPWP programmes and projects towards job-creation targets, and evaluating the impact of these programmes;
- Advising and reporting to executive authorities on all aspects of EPWP programmes and projects; and
- Reporting to the NDPW on the progress of EPWP programmes and projects.

As such, municipalities have a responsibility to build institutional capacity to deliver on these functions. Each of the cities has put structures in place to achieve their programme deliverables. The key goals of the EPWP units within municipalities are to ensure high-level and political administrative support for the EPWP, provide clear frameworks for EPWP compliance and technical support, and facilitate all programme narrative, quantitative and financial reports to the EPWP.

For the SACN member cities, the Executive Mayor acts as the political champion within the EPWP institutional structures, while the City Manager acts as the administrative champion. The cities have also ensured that their EPWP unit organograms have dedicated data capturers to improve on data collection and reporting.

Mangaung has experienced significant institutional challenges since 2016/17, following the dissolution of the EPWP structure after the 2016 local government elections. The EPWP unit in the city was left without capacity, which delayed the implementation of projects and adversely impacted the city's expenditure on the programme. This has negatively affected the city's performance for the last two financial years (2016/17 and 2017/18). Although some improvements are evident in the present financial year, the city's institutional structure still has a number of key positions that remain vacant.

The next section discusses the progress and performance of the cities in the implementation of the EPWP for the 2017/18 financial year, along with a more detailed presentation of the challenges affecting member cities. The detailed EPWP structures and institutional arrangements for each of the member cities are presented in the individual city reports detailed in Annexure I of this report.

OVERVIEW OF EPWP IMPLEMENTATION

This section of the report highlights the progress of the SACN member cities and the City of Cape Town (also referred to as 'the cities') in their implementation of the EPWP during the 2017/18 financial year (from 1 April 2017 to 31 March 2018). Also included in this section is a review of the trends over the preceding 2013/14-2016/17 financial periods.

This report assesses each city's progress, in terms of their EPWP objectives in relation to the six indicators listed below:

- Number of work opportunities (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
- Demographic profile of workers.

The analysis and figures that follow use data extracted from the NDPW EPWP Quarter 4 Consolidated Report for 2017/18⁷, and previous *State of the EPWP in South African Cities* annual reports⁸.

When assessing the progress of the EPWP in the cities, indicators cannot be reviewed in isolation. Progress across previous reporting periods is reviewed in conjunction with the 2017/18 achievements. Analysis conducted across reporting periods will show the emerging trends and underlying correlations influencing the progress and success of the EPWP.

PROJECTS IMPLEMENTED

The SACN member cities, together with the City of Cape Town, implemented 1 303 EPWP projects in total during the 2017/18 financial year; a 7% increase on the previous financial year. This is in conjunction with the 7% change in WO targets over the last two years. Figure 3 shows the number of projects implemented by each of the nine member cities of the SACN, as a proportion of the total.

FIGURE 3

➔ Number of EPWP projects implemented (2017/18)

Buffalo City	56
City of Cape Town	547
City of Johannesburg	166
City of Tshwane	95
Ekurhuleni	51
eThekweni	181
Mangaung	6
Msunduzi	32
Nelson Mandela Bay	169

TOTAL
1 303

The City of Cape Town contributed 41% of the total number of projects implemented by the cities. The next largest contributor was eThekweni, with a contribution of 13% to the total output of projects. The institutional challenges affecting Mangaung, as reflected above, are evidenced in the municipality's low contribution of just six projects in the financial year. However, it is important to analyse the totality of projects; so in subsequent sections of the report, these figures will be analysed against WOs created, Full-Time Equivalents (FTEs), and training programmes.

One of the main objectives of this report is to draw attention to the capacity of the cities to create work opportunities and implement EPWP projects. Figure 4 illustrates the performance of the nine cities in relation to district and local municipalities in their respective provinces. For example, the City of Johannesburg, Ekurhuleni and the City of Tshwane implemented 96% of the total EPWP projects implemented by the five district and metropolitan municipalities in Gauteng province. The City of Cape Town implemented 84% of the total number of projects vis-à-vis the six district and local municipalities in the Western Cape. Msunduzi and eThekweni contributed a combined total of 56% of the EPWP projects implemented by municipalities in KwaZulu-Natal.

FIGURE 4

Projects implemented by the nine municipalities as a **percentage of total EPWP projects** in their respective provinces (2017/18)

% of Province (district and metro municipalities)



**TOTAL
65%**

Buffalo City	15%
City of Cape Town	84%
City of Johannesburg	51%
City of Tshwane	29%
Ekurhuleni	16%
eThekweni	48%
Mangaung	46%
Msunduzi	8%
Nelson Mandela Bay	46%

Overall, the nine cities collectively implemented 65% of the total EPWP projects implemented by metropolitan and district municipalities countrywide during the 2017/18 financial year. This marks a 26% increase in the nine cities' share contribution to total municipal EPWP projects from the 2016/17 financial year. This upward trend is in keeping with the financial and job creation contributions of the nine cities to the economy of the country.



TABLE 2: EPWP Phase III M&E Reporting System⁹

The NDPW developed a web-based system that allows for real-time reporting and extraction of information. Access to the reporting system for data entry is granted to a senior official to authorise that the data is captured correctly and validated. The data can be entered by data capturers, administrators, authorisers and project owners. With advanced GIS capabilities, the system is able to show project locations, and also allows for both online and offline data capturing.

The key information that is captured in the system includes:

- Certified identity documents of EPWP participants
- Copies of participants' work contracts
- Attendance registers
- Proof of payments

The reporting system has built-in data-validation capabilities, which test the identity numbers of participants through the linked National Population Register of the Department of Home Affairs. The system is also linked to the Department of Public Service and Administration's PERSAL database, which allows the NDPW to check that participants are not public servants.

Some of the reporting challenges that have led to data validation issues include:

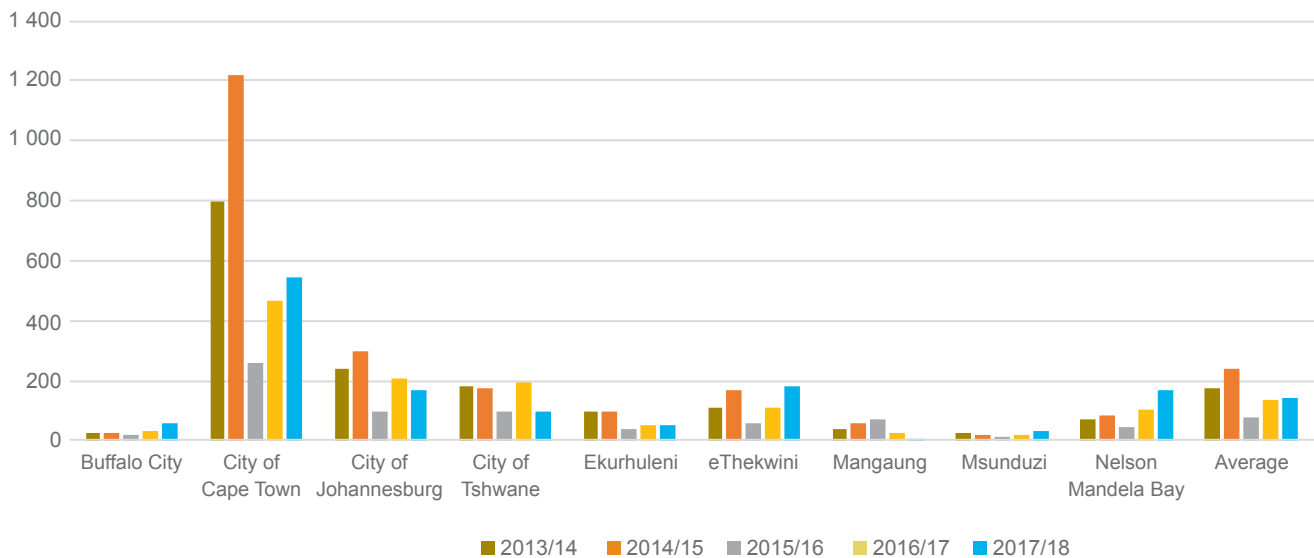
- Uncertified copies of identity documents
- Unreadable copies of documents (including identity documents)
- Incomplete or lack of key information

Data with these types of errors, and data that could not be validated by the system, is regarded as non-compliant. Non-compliant or unverified data is kept on a pending list for implementing bodies to rectify. Failure to rectify data on the pending list essentially means that the data – and the WO created – cannot be reported on, which then reflects on performance.

The NDPW then consolidates the verified data and reports on the work opportunities created by the implementing bodies countrywide. This information is then available to the public on the NDPW EPWP website.

Tracking the performance of the cities over a five-year period (2013/14 to 2017/18) reveals a fluctuation in the number of projects implemented over the period. Figure 5 reflects this fluctuation, showing an increase in the number of projects implemented, year on year, until 2015/16, when there was a considerable drop in the number of projects implemented. This is largely attributed to the introduction of a new reporting system by the NDPW monitoring and evaluation (M&E) unit during the 2014/15 financial year. Most of the data relating to projects was non-compliant; therefore, projects (along with the WOs created through them) could not be verified or registered.

FIGURE 5: Number of projects implemented (2013/14-2017/18)



The total number of projects implemented decreased by 67% from 2014/15 to 2015/16. This has had an impact on the performance of the cities in achieving their targets across the other functional areas of the programme, such as WOs and training administered. However, there has been a gradual recovery by each of the cities in the number of projects they have implemented.

eThekweni and Buffalo City have since developed institutional responses to these reporting requirements, including utilising data capturers who collect system-compliant data. Due to these interventions, together with the technical support provided by the NDPW to cities since the 2016/17 financial year, there is an improvement in the number of projects implemented, which correlates with an increase in the WOs captured in the NDPW reporting system over the last two financial periods. Other measures to improve reporting included specifications on data requirements in tender documentation, to ensure that contractors are aware of what is required from the outset. These combined efforts have resulted in an overall increase of 77% in the number of projects reported between 2015/16 and 2016/17, and of 7% between the 2016/17 and 2017/18 financial years. Despite this improvement, the number of projects implemented in the 2017/18 financial year is still 38% lower than the 2014/15 total. The overall impact is reduced net performance over the past three years.

EMPLOYMENT CREATED

The number of projects implemented by the nine cities is one aspect of their performance that can be measured. The other is the impact made in terms of employment of participants, which is measured through the number of WOs created and the number of FTEs achieved. FTEs are an indication of how sustainable the WOs are, used to measure the contribution towards permanent jobs created over one year (1 FTE = 230 person-days of work). The relationship depends on the duration of the WOs – the longer the duration, the higher the FTEs.

Tables 3 to 6 show the national WO and FTE targets for all spheres of government and sectors as set by the NDPW.

TABLE 3: Work-opportunity targets for all spheres of government

	Local	Provincial	National	Totals
2014/15	278 382	354 924	412 213	1 045 519
2015/16	310 992	380 172	436 022	1 127 186
2016/17	347 578	382 869	612 707	1 343 154
2017/18	395 238	391 252	620 246	1 406 736
2018/19	428 875	397 778	629 187	1 455 840
TOTAL	1 761 065	1 906 996	2 710 375	6 378 436

Source: NDPW 2015-2020 Strategic Plan (2015)

TABLE 4: Work-opportunity targets by sector

	Infrastructure	Environment & Culture	Social	Non-state	Totals
2014/15	379 156	227 650	202 714	236 000	1 045 519
2015/16	447 671	229 208	205 307	245 000	1 127 186
2016/17	488 636	230 550	205 968	418 000	1 343 154
2017/18	546 067	231 173	210 496	419 000	1 406 736
2018/19	589 473	232 923	214 444	419 000	1 455 840
TOTAL	2 451 003	1 151 504	1 038 929	1 737 000	6 378 436

Source: NDPW 2015-2020 Strategic Plan (2015)

TABLE 5: FTE targets for all spheres of government

	Local	Provincial	National	Totals
2014/15	89 162	162 753	169 037	420 951
2015/16	100 882	171 689	177 891	450 462
2016/17	113 590	172 114	234 021	519 724
2017/18	129 912	175 476	268 701	574 089
2018/19	141 995	178 242	217 609	591 846
TOTAL	575 541	860 273	1 121 260	2 557 073

Source: NDPW 2015–2020 Strategic Plan (2015)

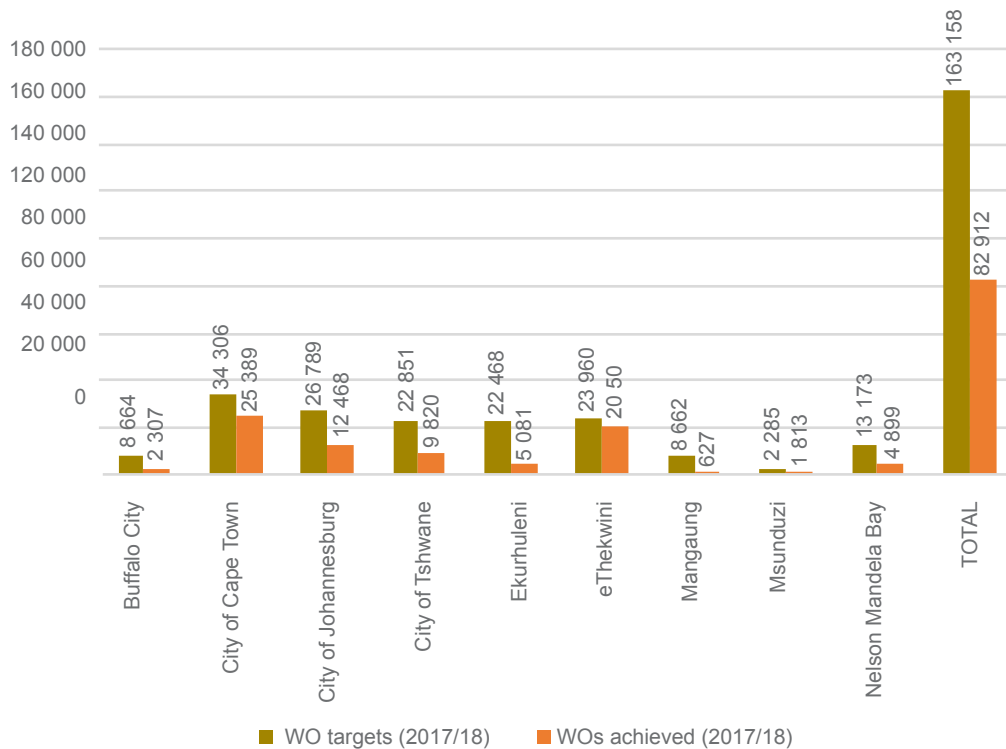
TABLE 6: FTE targets by sector

	Infrastructure	Environment & Culture	Social	Non-state	Totals
2014/15	123 638	84 514	112 421	100 379	420 951
2015/16	146 061	87 441	113 706	103 254	450 462
2016/17	159 419	89 671	113 119	157 515	519 724
2017/18	178 147	91 957	114 992	188 993	574 089
2018/19	191 975	94 301	116 577	188 993	591 846
TOTAL	799 240	447 884	570 814	739 135	2 557 073

Source: NDPW 2015-2020 Strategic Plan (2015)

This section reflects on these measurables for the 2017/18 financial year, and views the data in relation to progress made in terms of employment creation over the last five financial years (2013/14 to 2017/18). In Figure 6 below, the targets for the member cities are presented together with the actual WOs achieved for 2017/18.

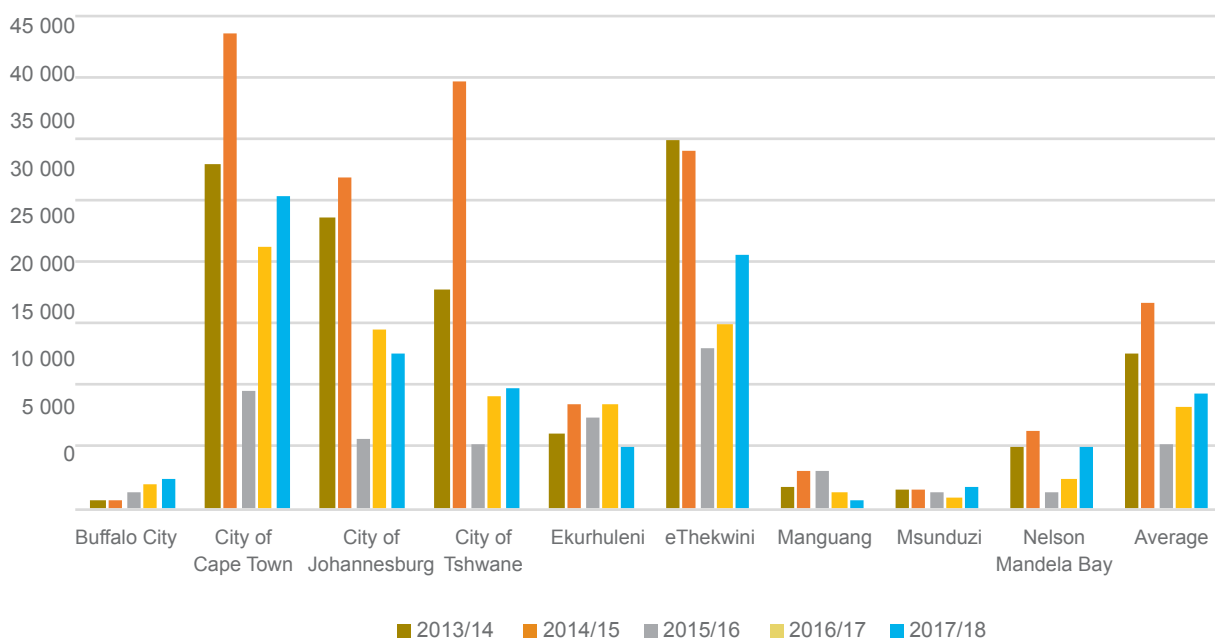
FIGURE 6: Work-opportunity targets vs work opportunities achieved (2017/18)



None of the cities achieved their WO targets for 2017/18; only 51% of the targeted 163 158 work opportunities were achieved. Of the nine cities, six achieved less than 50% of their targets, and three of those achieved less than 30%. Over the four years of Phase III, only approximately 60% of the overall target of 595 507 WOs have been achieved. Essentially, this implies that the cities need to create 241 056 additional WOs in 2018/19, over and above the initial target of 176 193. That means a total of 417 249 WOs still to be created, with only one year left in order to meet the Phase III target. These low figures are attributed to the dip in performance that was experienced with the introduction of the revised reporting system changes introduced in the 2015/16 financial year.

Figure 7 shows the WOs created over the last five years, and provides more evidence of the effects of the introduction of the new reporting system on the WOs that were captured on the NDPW monitoring and evaluation (M&E) database. However, the data does indicate that the cities have shown an improvement in their reporting, which can be attributed to institutional and capacity improvements as well as the technical support introduced by the NDPW.

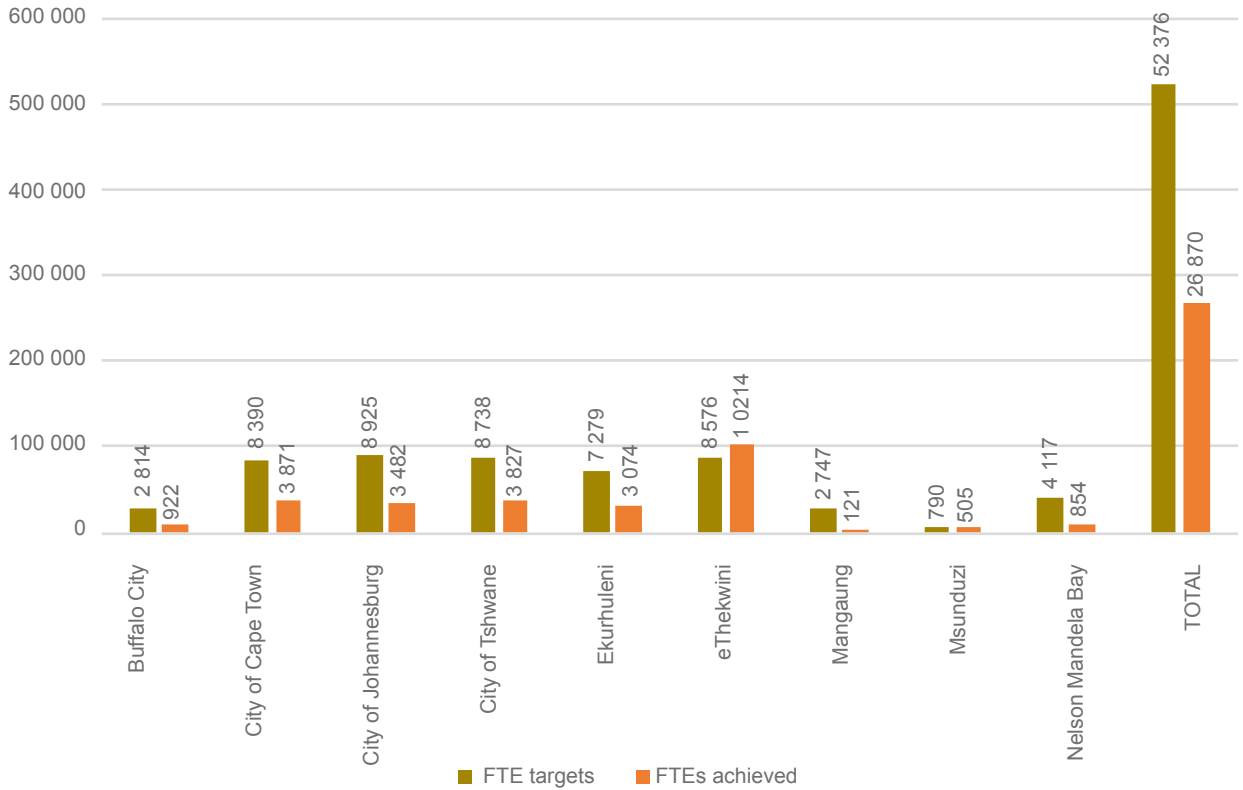
FIGURE 7: Number of work opportunities created (2013/14-2017/18)



The EPWP is not meant to create permanent employment; however, one of its objectives is to create longer-duration employment opportunities (increasing FTEs). In addition, the programme is exempt from the formal definition of permanent employment in the Labour Relations Act, which defines permanent work as periods of employment exceeding three months. It should be noted, however, that this exemption and the EPWP objective to increase FTEs have led to beneficiaries demanding full-time employment. It is important that participants understand that the main principle of the programme is to provide short- to medium-term employment, with the aim of upskilling participants so that they are able to enter into formal employment. It is also imperative that implementing agents have clear exit strategies for these programmes. The challenges in this regard faced by the nine cities are discussed further in a later section of this report.

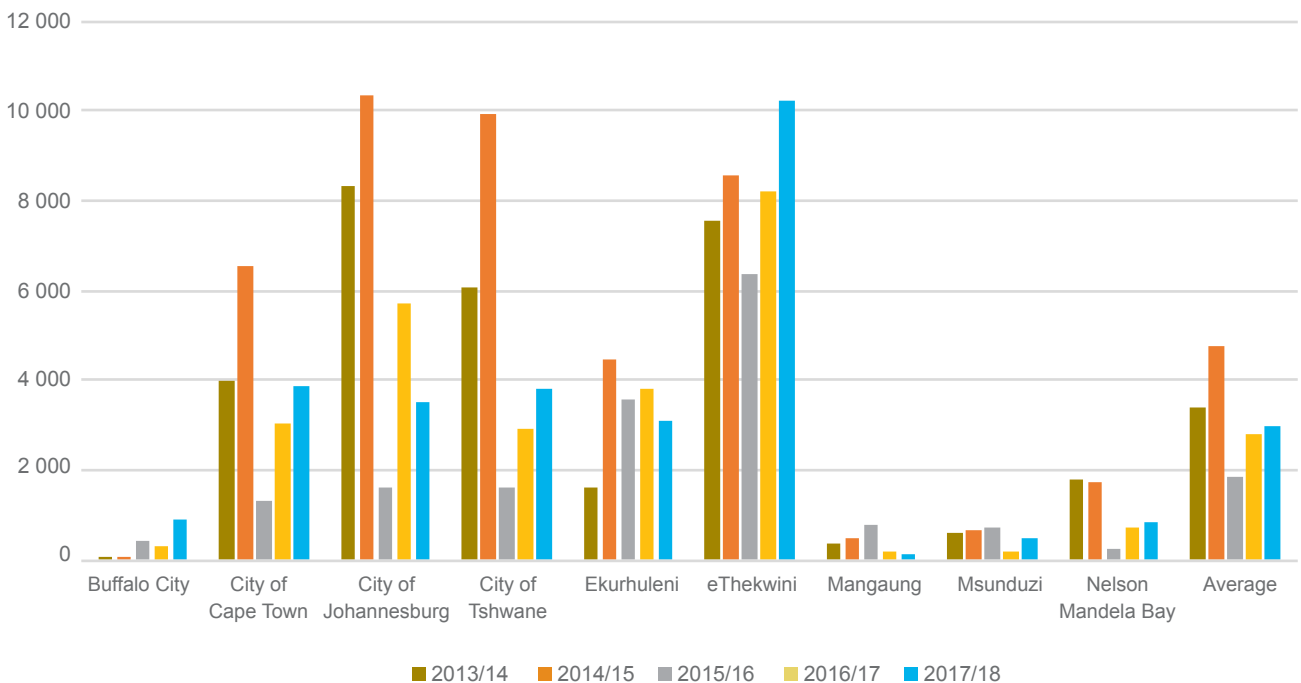
Figure 8 and Figure 9 overleaf illustrate the performance of member cities with regard to FTEs, while Figure 10 depicts the number of FTEs achieved per WO.

FIGURE 8: FTE targets vs FTEs achieved (2017/18)



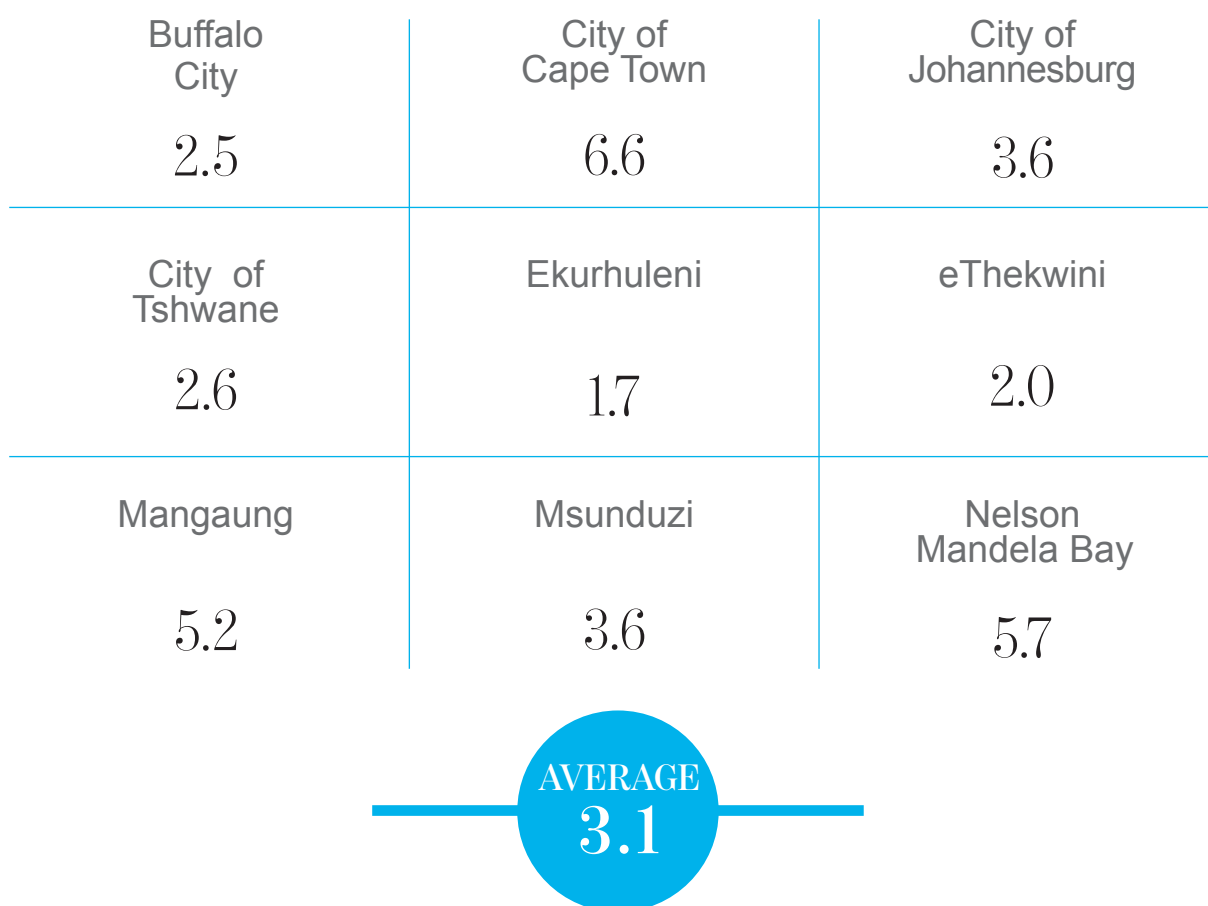
In a similar trend to WOs, for the 2017/18 financial year the combined FTE total dropped to well below the set target of 52 376 FTEs. eThekweni was the only city to achieve and exceed its target, while the remaining member cities all achieved below 50% of their targets. Looking at the five-year trend from 2014/15, as reflected in Figure 9 below, there is a general increase in the total number of FTEs achieved since 2015/16. This underscores the fact that municipalities adjusted their EPWP reporting and have benefited from the support provided by the NDPW.

FIGURE 9: FTEs achieved (2013/14-2017/18)



Over the last five years, the City of Cape Town has reported the highest number of WOs and implemented the highest number of projects. However, this has not resulted in the highest number of FTEs. The reason is that a significant number of the projects implemented by the City of Cape Town are short-term construction-based projects, and the participants are cycled through these projects regularly. The NDPW recommends that cities use maintenance-based projects to increase their FTEs, as this type of project generally offers longer employment periods. The ratios of WOs to FTEs were evaluated, as well as the number of FTEs achieved by each city per WO (see Figure 10 below).

FIGURE 10: Number of WOs per FTE (2017/18)



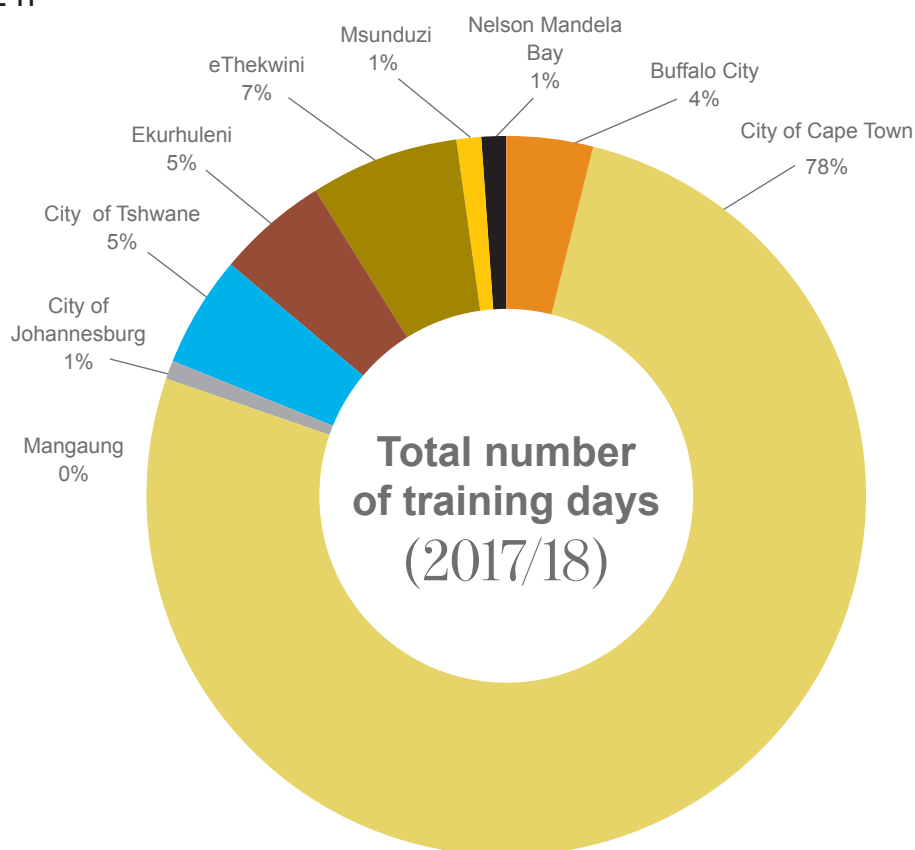
Although the City of Cape Town has achieved the second-highest number of FTEs when compared to the other eight cities, as shown in Figure 8 above, Figure 10 shows that the city only achieved one FTE per seven WOs. This is more evidence that the city's projects are generally short-term, even though the city creates the highest number of WOs. Ekurhuleni and eThekweni, on the other hand, have been implementing maintenance and waste management-based projects that provide participants with a higher number of FTEs.

Other factors that affect the FTE to WO ratio are policy and institutional arrangements within the cities. These factors have had an effect on the implementation of the EPWP in Mangaung and Nelson Mandela Bay, as well as on the reporting of projects, WOs and FTEs.

TRAINING

Skills development remains an important aspect of the National Development Plan (NDP) 2030, and also of Phase III of the EPWP. Training therefore remains an important performance indicator for the EPWP, since it has the potential to provide participants with the necessary skills to enter formal employment after participation in the EPWP. It is therefore important that the training aspect is considered an integral part of EPWP exit strategies. Presented in Figure 11 below is the number of training days reported by each of the nine SACN member cities in 2017/18.

FIGURE 11



The City of Cape Town reported 78% of the total number of training days reported by all the nine cities, most of which were through youth development programmes in the form of technical skills training in the Social sector. One of these projects, the ICT Technical Skills Training Project, was purely a training programme. Other projects that included training were from cities such as eThekweni and Buffalo City; their Environment and Culture projects involved city beautification and waste management.

However, the data in Figure 11 above should not be considered in isolation when assessing training performance. It is also important to consider the proportion of training days in relation to the total number of days of employment (see Table 7 below). This measure provides the percentage of days of work that are dedicated to skills development.

TABLE 7: Training performance (2017/18)

City	Days of employment	Training days	Training days/days of employment (%)
Buffalo City	212 009	450	0.21%
City of Cape Town	890 378	8 808	0.99%
City of Johannesburg	800 860	65	0.01%
City of Tshwane	880 237	522	0.06%
Ekurhuleni	706 931	512	0.07%
eThekweni	2 349 271	808	0.03%
Manganang	27 929	0	0.00%
Msunduzi	116 117	107	0.09%
Nelson Mandela Bay	196 396	66	0.03%
TOTAL	6 180 128	11 338	0.18%

Training remains a challenge for the nine cities, even though the NDPW Phase III Training Framework (2015) states that “all public bodies must ensure that some of their project budget is ring-fenced to support EPWP training. This is to offset the limited funding, often sourced from external funders. The training budget must be included in the respective municipal policies, as well as in the sector plans.” It appears that the nine cities are still not allocating sufficient portions of their project budgets to training. The data indicates that the person-days for training in 2017/18 account for less than 1% of the total person-days of work for all nine cities.

Table 8 below shows the trend in terms of the cities’ performance against training – further evidence that they need to improve on training. Person-years of training are calculated as person-days of training divided by 365 days. In order to calculate person-days of training, the number of people trained is multiplied by the number of days of training. A low number of training days – Nelson Mandela Bay is an example – will result in a number of person-days of training that is closer to zero.

Unlike the issue of the reduction in the WOs and FTEs reported over the last five years, there has been no clear trend in terms of training. Consequently, it is unlikely that training numbers have been as affected by the changes in the reporting system as the other performance measures have been. Other factors that could be considered are the types of project implemented by the cities, and the strategies used to offer training to participants.

It may therefore be useful for the SACN member cities to consider projects such as the Youth Development programmes implemented by the City of Cape Town, as highlighted above, for which the city allocated part of its budget for 2017/18 to a training-focused project, in order to improve training performance and optimise skills transfer.

TABLE 8: Five-year trend in person-years of training reported by the cities (2013/14-2017/18)

City	2013/14	2014/15	2015/16	2016/17	2017/18
Buffalo City	0.0	0.0	0.0	0.0	2.0
City of Cape Town	0.0	0.0	0.0	0.0	36.0
City of Johannesburg	275.1	3.8	27.0	0.0	0.0
City of Tshwane	1.1	464.1	0.0	4.0	2.0
Ekurhuleni	0.0	0.0	0.0	0.0	2.0
eThekweni	2.2	0.5	1.0	6.0	3.0
Mangaung	3.0	259.2	0.0	0.0	0.0
Msunduzi	0.0	0.0	2.0	0.0	0.0
Nelson Mandela Bay	0.0	0.0	0.0	0.0	0.0
Average	31.3	80.8	3.3	1.1	5.0

The next section of the report focuses on the financial data for 2017/18, and will provide evidence of how project budgets are utilised by the cities.

EXPENDITURE ON EPWP (including professional fees)

For a clear picture on how the cities utilise their EPWP budget allocations to achieve job creation, it is important to unpack the performance of the municipalities. In addition to infrastructure spend, budgets are also allocated for professional fees, wages and training. The budgets and expenditure, including professional fees, for the nine cities are presented in Table 9 below. The table ranks the budget allocation per city and the total expenditure at the end of the 2017/18 financial year, which allows for a comparison between the nine cities in terms of budget and expenditure. For example, eThekweni was ranked third in terms of budget allocation, but first in terms of total expenditure. Another city with a significant difference in rank is Ekurhuleni, with the lowest budget but the fourth-highest expenditure. The budget allocations are based on previous performance; over the last five financial years the City of Cape Town, for instance, has had significantly higher WOs and has implemented a greater number of projects. This could explain why the city had significantly higher budget allocation and expenditure in the 2017/18 financial year. Mangaung has had institutional challenges over the past two financial years, which has had a significant impact on the city’s performance. This is consistent with the city’s rank in relation to its expenditure.

TABLE 9: Allocated project budget and expenditure, including professional fees (2017/18)

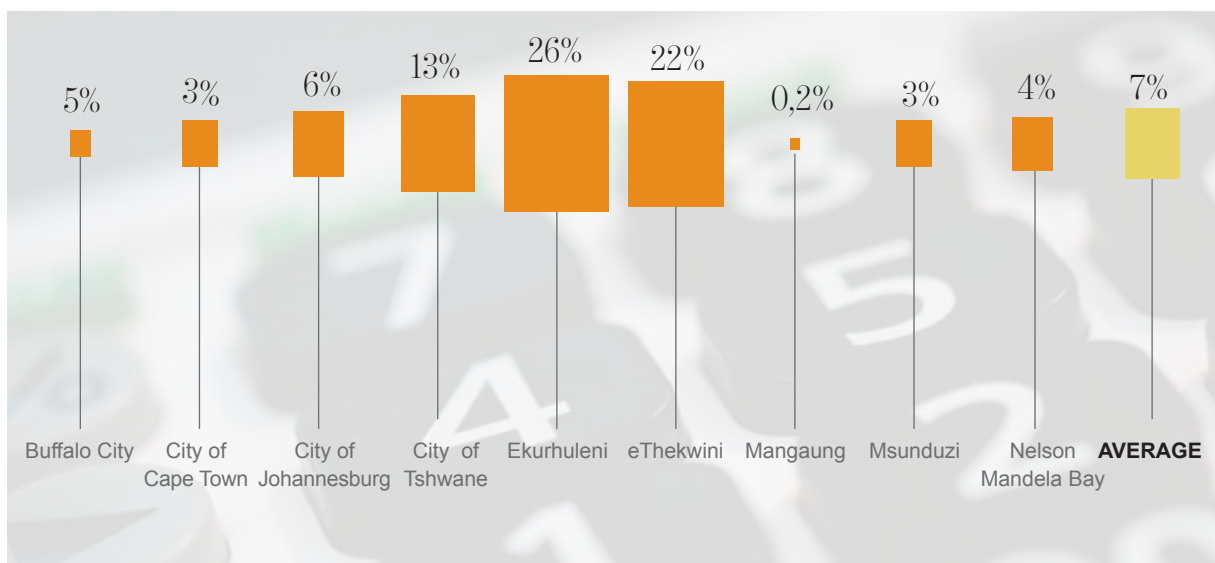
City	Budget	Rank (Budget)	Expenditure	Rank (Expenditure)
Buffalo City	R801 401 414	7	R40 525 531	7
City of Cape Town	R5 025 361 015	1	R159 988 608	3
City of Johannesburg	R3 182 153 869	2	R189 281 891	2
City of Tshwane	R818 097 034	6	R107 618 555	5
Ekurhuleni	R551 490 772	9	R141 677 549	4
eThekwini	R1 884 943 695	3	R415 079 250	1
Mangaung	R1 522 142 040	4	R2 984 842	9
Msunduzi	R697 263 714	8	R17 567 649	8
Nelson Mandela Bay	R1 075 066 887	5	R46 283 613	6
TOTAL	R15 557 920 440		R1 121 007 488	

The amounts and the rankings should be considered in relation to total expenditure as a percentage of the budget (see Figure 12 below). For example, even though Ekurhuleni had the lowest budget allocation, it achieved the fourth-highest expenditure, amounting to 26% of its budget spent. Ekurhuleni achieved the highest rate of spend of all nine cities.

The cities' share allocation of the EPWP budget for the financial year under review stood at 64% of the total national EPWP budget for all national metropolitan and district municipalities. At the end of the 2017/18 financial year, the cities had contributed 57% spend towards the total metropolitan and district municipal EPWP expenditure.

FIGURE 12

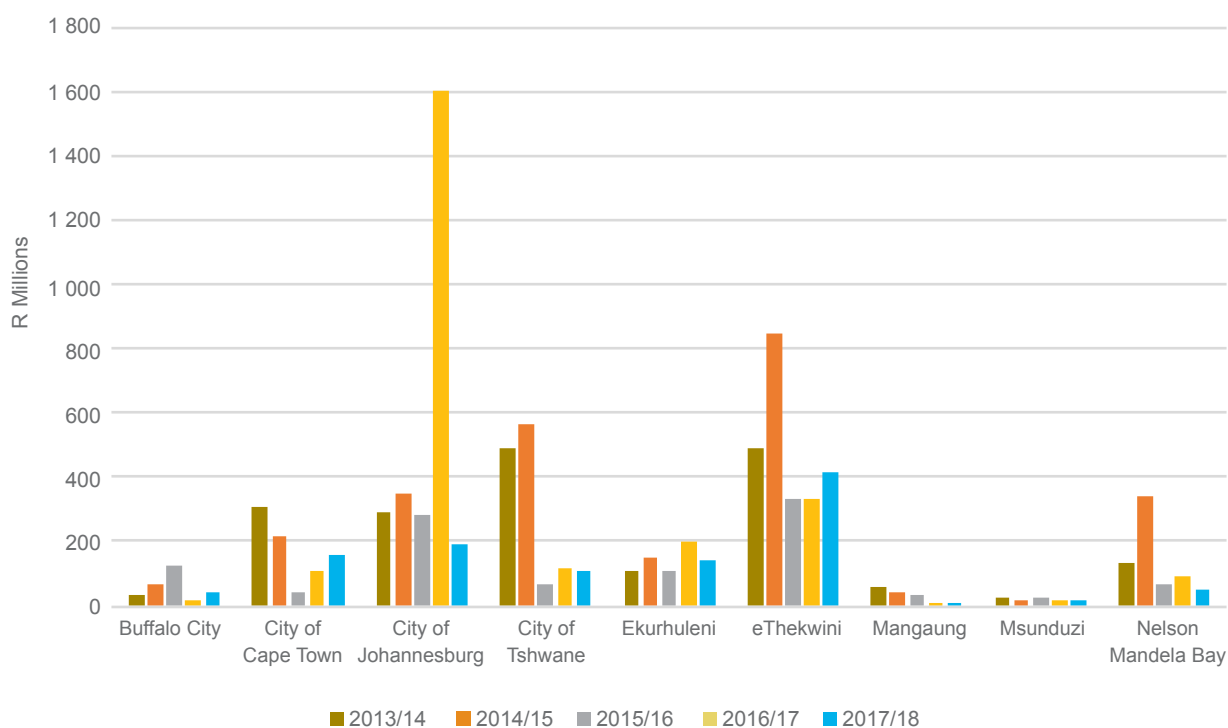
Expenditure as a percentage of the total EPWP budget



Together, the nine cities spent 7% of their total EPWP budget. This is a significant underachievement in labour-intensive infrastructure programmes across the country. Of the nine cities, Tshwane, eThekweni and Ekurhuleni achieved the highest spend rates: 13%, 22% and 26% respectively. Mangaung, however – with the fourth-highest budget allocation – had the lowest expenditure, as well as the lowest rate of spend. The overall impact of a weakened EPWP institutional structure, as in the case of Mangaung, is the reduction of job creation opportunities across the entire municipality. Surprisingly, the City of Cape Town did not spend a significantly high percentage of their budget, even though the city reported better performance with regard to training. The ICT Technical Skills Programme, a purely training-based project, used 32% of the budget, which is significantly higher than the city’s average EPWP budget. Another example is the soft skills programme, which reported 69% of the total days of employment as training days and utilised 81% of its budget. This further supports the notion that projects that allocate higher training budgets are important contributors to overall expenditure on EPWP projects.

Figure 13 below shows that the 2015/16 NDPW M&E reporting system challenges affected expenditure for the City of Cape Town, the City of Tshwane, eThekweni and Nelson Mandela Bay. The reporting challenges led to a significant decrease in the number of WOs reported for that year (see Figure 7 above). However, the average minimum daily wage rates increased from 2014/15 to 2015/16 (see Figure 17 below, which shows the average minimum daily wage rates per city over the past five years).

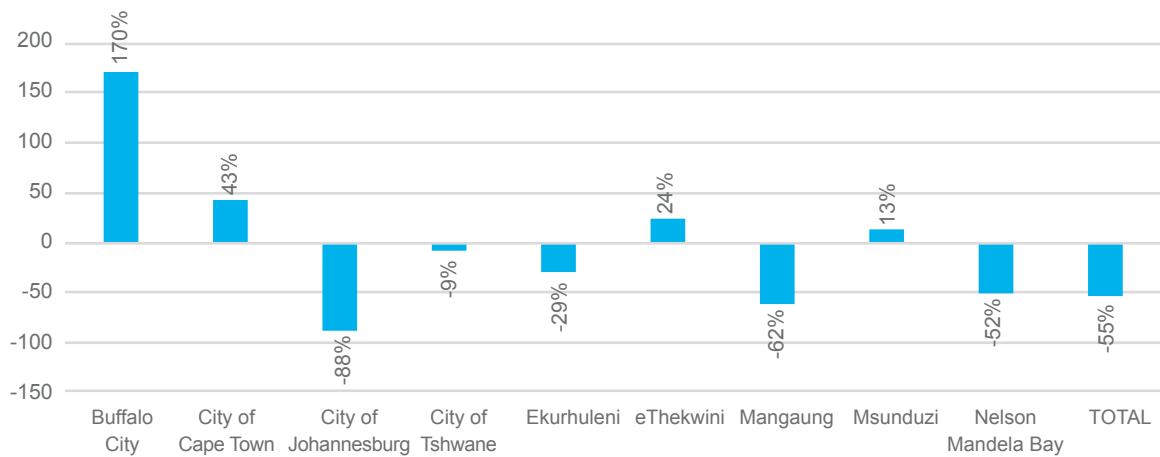
FIGURE 13: Expenditure including professional fees (2013/14-2017/18)



The nine cities have different budget allocations; and as such, the Rand values in Figure 13 above do not provide a clear comparison in terms of the cities’ performance. Therefore, the percentage increase in expenditure was used to evaluate performance over the last two financial periods, as presented in Figure 14 below.

Buffalo City reported the highest increase in EPWP expenditure (including professional fees) over the last two years, at 170%; even though the city only spent 5% of its allocated EPWP project budget, and had the third-lowest expenditure figure for 2017/18. Buffalo City’s increase in expenditure from 2016/17 to 2017/18 can be attributed to the 24% increase in WOs and 215% increase in total wages paid out by the city over the same period. Figure 16 below shows the rate of increase in total wages paid out to EPWP participants per city. The City of Johannesburg reported a 14% decrease in WOs and a 25% decrease in total wages paid out over the last two reporting periods, which resulted in a decrease in expenditure of 88%.

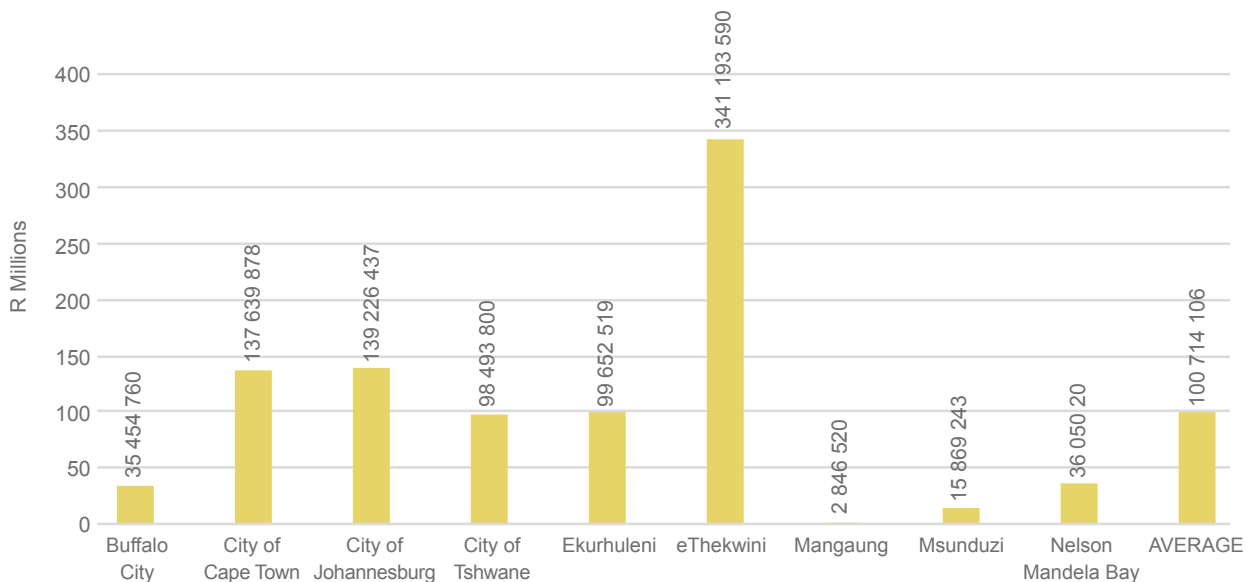
FIGURE 14: Percentage increase in expenditure (2016/17 to 2017/18)



TOTAL WAGES PAID OUT TO EPWP EMPLOYEES

Total EPWP expenditure, and therefore performance, is also affected by the wages paid to EPWP employees. The wages figures paid out by each of the cities in 2017/18 are presented in Figure 15 below. The 24% increase in EPWP expenditure for eThekweni is consistent with the 34% increase in total wages paid out and the 37% increase in WOs. The city also spent the highest amount (in Rand value) on wages compared to the other eight cities. In contrast, Buffalo City’s expenditure has almost doubled, along with total wages paid out, over the last two financial periods, even though total wages paid out are the third lowest. However, Buffalo City has only spent 5% of its budget for 2017/18, compared to the 22% spent by eThekweni. eThekweni also had a higher budget and higher cost per WO than Buffalo City.

FIGURE 15: Total wages paid out (2017/18)





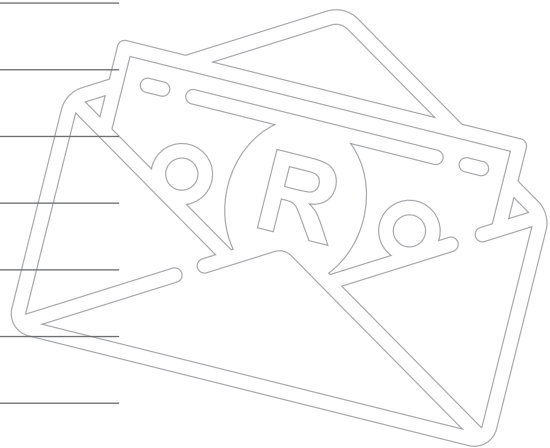
Of the four cities that reported a decrease in total wages paid out for 2017/18, Mangaung reported the most significant decline.

In part this was due to the lack of institutional capacity in the city's EPWP unit, and a lack of implementation of the city's EPWP policy. As a result, Mangaung reported the lowest number of WOs (a 48% decrease from 2016/17), resulting in the city also reporting the lowest in wages paid out (in Rand value), the lowest cost per WO, and a 62% decrease in expenditure over the last two years.

The increase in total wages paid out by the cities over the two-year period, as presented in Figure 16 below, may be an indication of an increase in WOs, and thus improved performance. This was the case for Buffalo City, for example. However, this increase coupled with a decrease in cost per WO (as shown in Figure 18 below) – which was the case for Msunduzi – could be an indication that there are more cost-effective ways of creating WOs. It should be noted that despite spending only 3% of its allocated EPWP budget, Msunduzi saw a 36% increase in total wages paid out from 2016/17 to 2017/18.

FIGURE 16: Percentage increase in total wages paid out (2016/17-2017/18)

Buffalo City	215%
City of Cape Town	36%
City of Johannesburg	-25%
City of Tshwane	-3%
Ekurhuleni	-2%
eThekwini	34%
Mangaung	-53%
Msunduzi	120%
Nelson Mandela Bay	36%
AVERAGE	14%



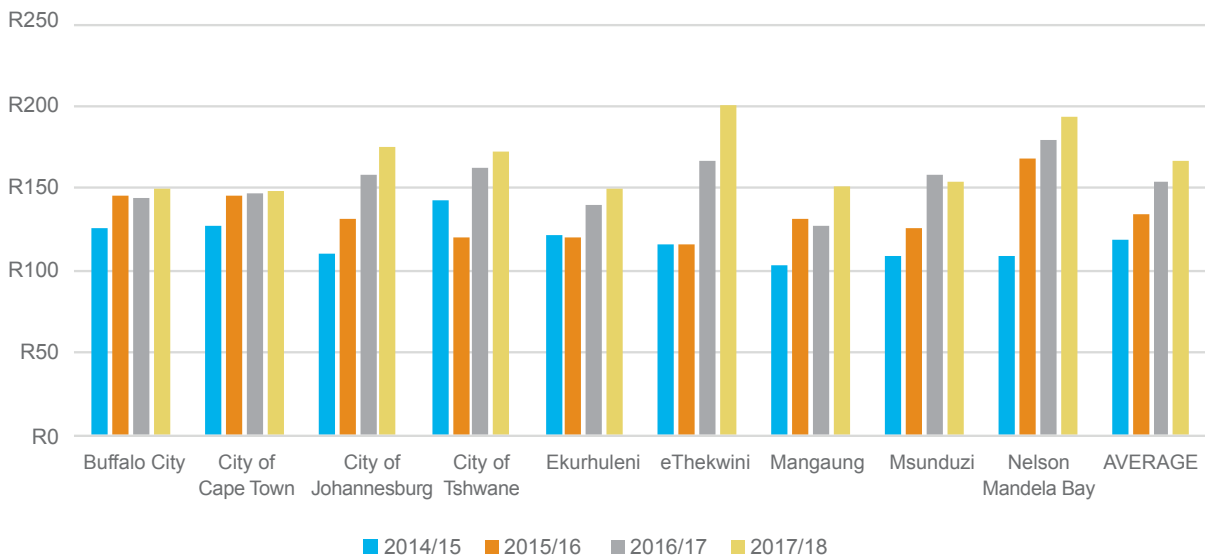
AVERAGE MINIMUM DAILY WAGE RATES PER EPWP PARTICIPANT

In 2017, the Deputy Director General for EPWP (NDPW), Mr Stanley Henderson, announced that the minimum wage for EPWP participants would increase from R83.59 to R88.00 per day effective from 1 November 2017. However, as this is the minimum that EPWP workers can be paid, cities vary in their wage rates. This difference in wages also exists within each city, from project to project. The daily wage rate trend over the first four years of EPWP Phase III for each of the nine cities is illustrated in Figure 17. The minimum daily wage rates paid per EPWP participant for Phase III has, on average, increased each year. The cities have made allowance for inflation and the increased cost of living from one year to the next. Since part of the objective of the EPWP in meeting the NDP objectives is to contribute to poverty alleviation through job creation, higher wage rates would imply a greater impact in meeting this goal. This is more evidence that the EPWP continues to have a positive impact on the livelihoods of the participants.

eThekwini pays the highest minimum daily wage rate of all the nine cities, which has contributed to the city reporting the highest expenditure on wages. This figure is also consistent with the increase in the total number of WOs created by the city between 2016/17 and 2017/18.



FIGURE 17: Minimum daily wage rates over Phase III

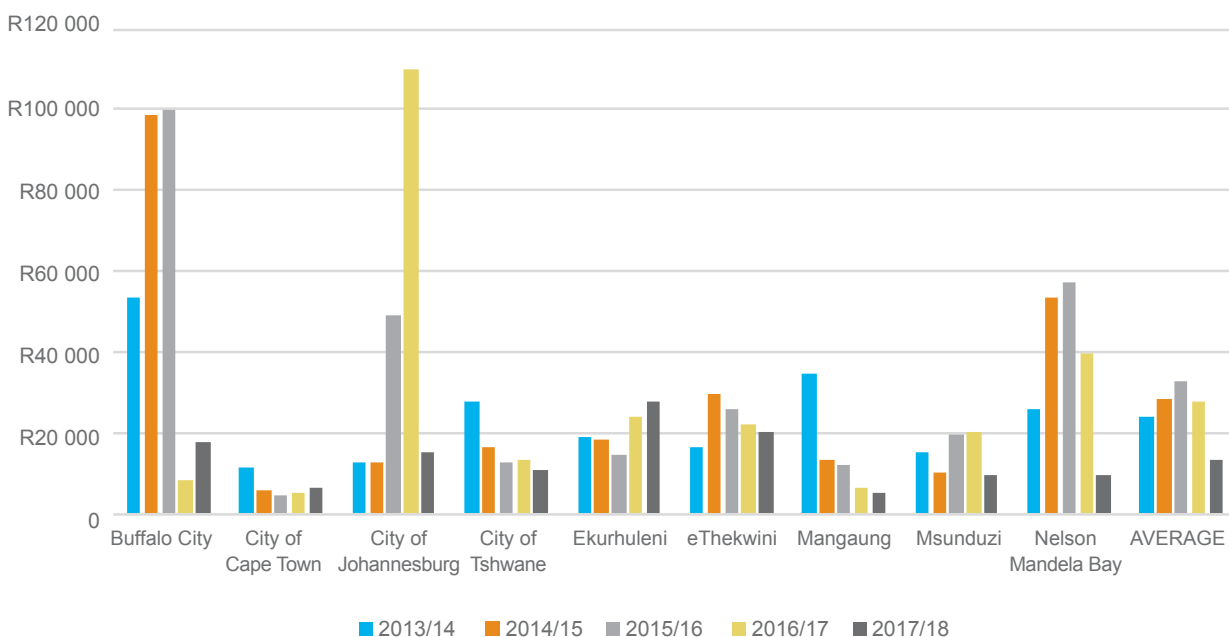


COST PER WORK OPPORTUNITY

Figure 18 below shows the changes in costs per WO over the last five financial years. This measure is affected predominantly by the number of WOs created and the expenditure per city. It is essentially a measure of the cost of all activities and elements required to create one EPWP work opportunity, and not necessarily the cost of wages. The data also includes aspects such as professional fees that are required to implement EPWP projects. Consequently, expenditure is a function of the type of project, the type of professional services required, the number and nature of service providers, and the total number of WOs created.

A decrease in the cost per WO over the five-year period would be an indication of the effective use of EPWP budgets to create work; especially since average daily wage rates have increased over the same period. However, in general both measures have fluctuated (see Figure 13 above and Figure 18 below) – partly due to the reporting challenges in 2015/16, which the cities and the NDPW are still working at resolving. Cities such as Mangaung have also experienced institutional challenges over the last two years, and have reported a significant decrease in most performance measures (e.g. wages paid out, WOs, FTEs, and expenditure).

FIGURE 18: Cost per work opportunity (2013/14-2017/18)



EPWP INTEGRATED GRANT

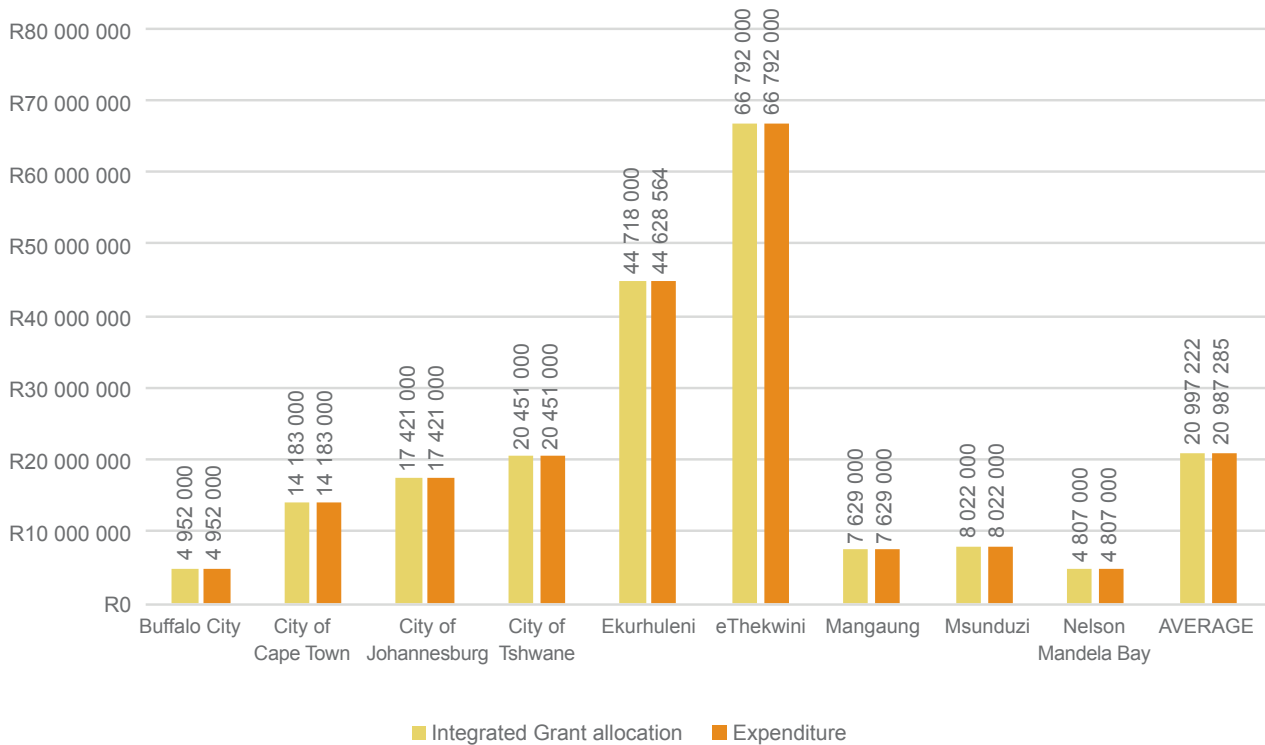
The nine cities are also allocated an integrated grant (IG) budget to further support the creation of work opportunities.

“The original intention of the EPWP Incentive Grant was to increase job creation efforts by provinces and municipalities, by providing a financial performance reward. The incentive grant was premised on the assumption that a financial reward would motivate provinces and municipalities to create more EPWP work primarily by shifting towards more labour-intensive methods of construction.

(EPWP Incentive Grant Manual, Volume 6, April 2014).

This report also presents the performance of the cities in relation to the EPWP IG expenditure against total allocations, as noted in Figure 19 below.

FIGURE 19: Integrated grant allocation vs expenditure (2017/18)



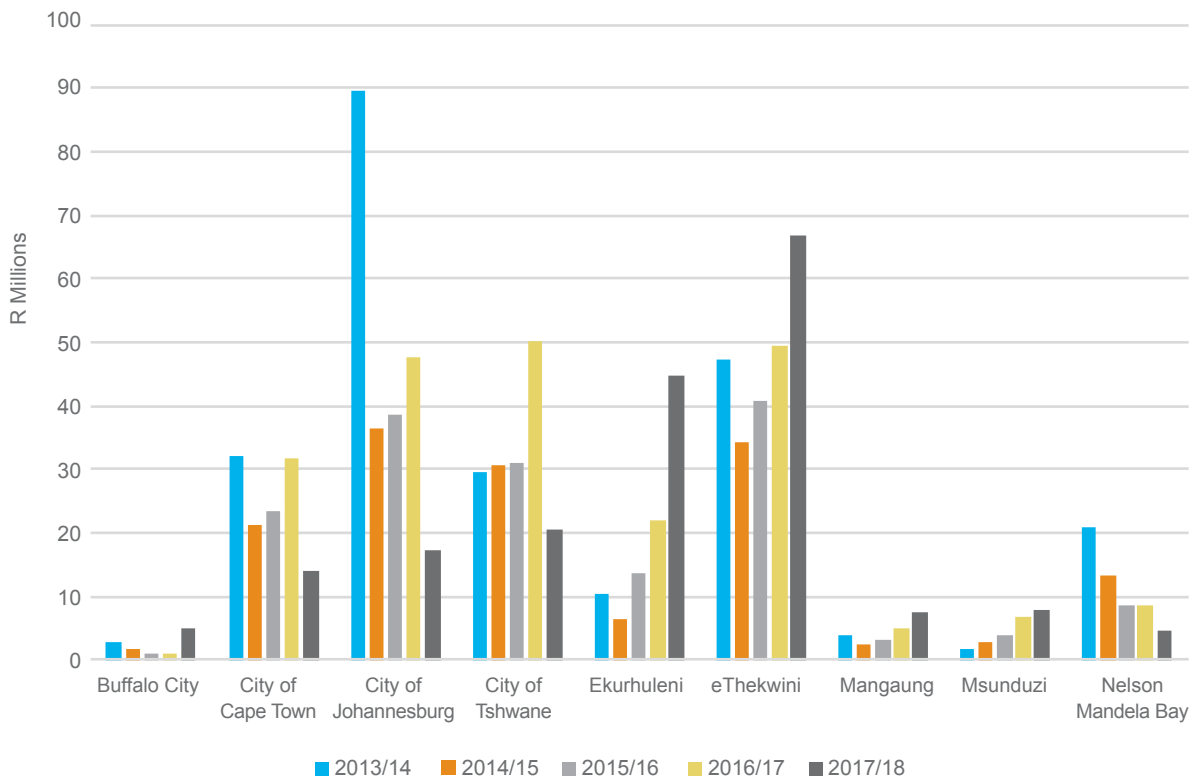
The integrated grant allocations are dependent on performance over the previous 18 months. According to the 2017/18 NDPW Integrated Grant Manual,

“to be eligible for the grant in the 2017/18 financial year, a public body must have reported either:

- EPWP performance for the 2015/16 financial year by 15 April 2016; or
- EPWP performance for the first and second quarters of the 2016/17 financial year by 15 October 2016.”

The IG allocations increased from 2014/15 to 2015/16, despite the reporting challenges over the 2015/16 financial year. This is due to the performance over the 2013/14 and 2014/15 financial period. Also evident (in Figure 20, below) is that the IG allocations for most of the nine cities were fairly high in the final year of Phase II, which can be attributed to the effective performance throughout that particular phase. During Phase II, 4.9 million WOs were created against the 4.5 million target set.

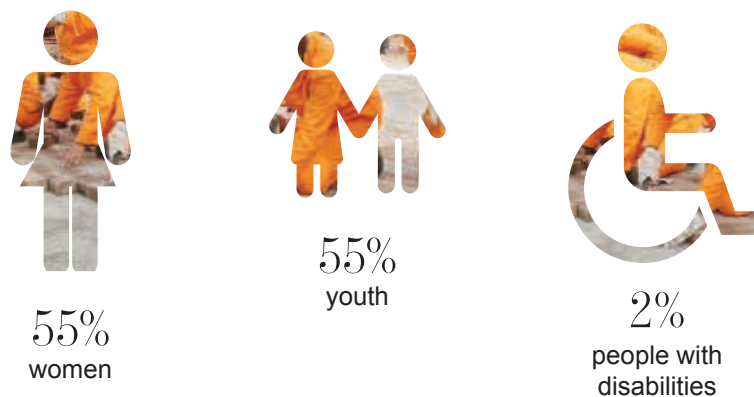
FIGURE 20: Integrated grant allocations (2013/14-2017/18)



eThekweni's high IG allocation in 2017/18 can be attributed to the city's performance with regard to WOs, FTEs and expenditure from the 2015/16 to 2016/17 financial periods, as seen in Figure 7, Figure 9 and Figure 13 above. All these measures are high in comparison with the other member cities, and have been considered as a combination rather than isolated performance indicators. The City of Cape Town, for instance, created a larger number of WOs than eThekweni. However, eThekweni reported the highest expenditure and FTEs for the 2015/16 financial year.

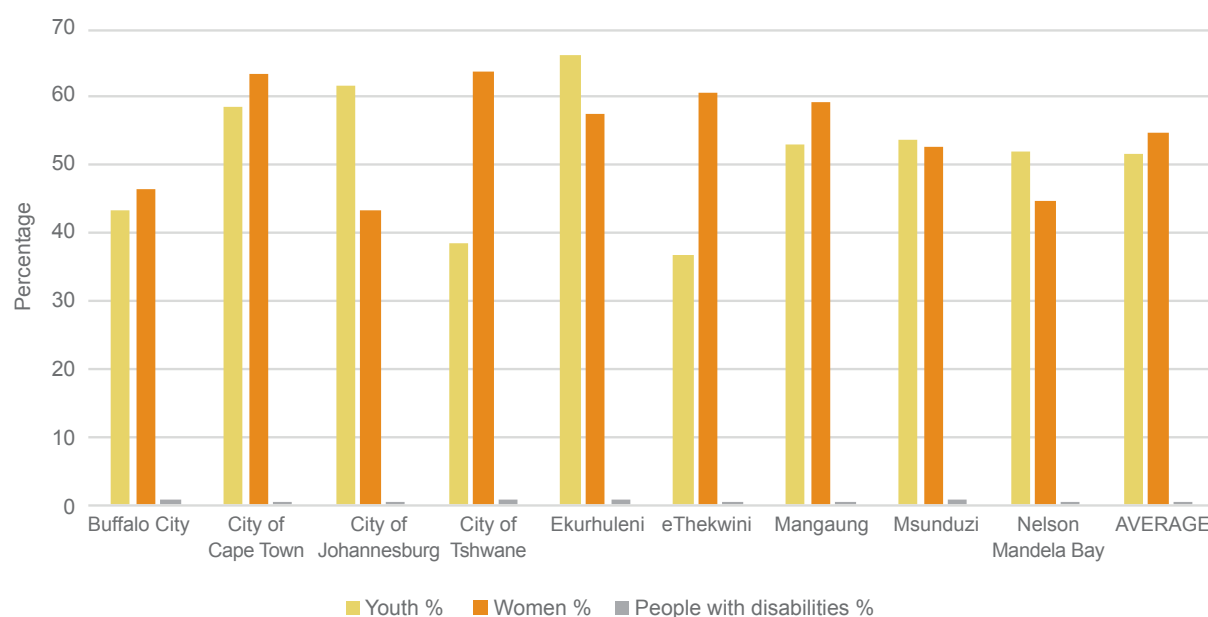
DEMOGRAPHICS OF EMPLOYMENT

In order to analyse success in generating employment by demography in the member cities, it is important to highlight the targets set for Phase III. These targets were to generate employment in the following proportions:



It should be noted that these percentages should not be added in order to reflect the total number of participants. This is because a participant may be both woman and youth; both youth and disabled; both woman and disabled; or fall into all three categories. Figure 21 shows the demographic distribution of the EPWP beneficiaries for 2017/18 across the nine cities.

FIGURE 21: Demographics of EPWP beneficiaries (2017/18)



The cities are still unable to implement projects for people with disabilities (PWDs), and have therefore not met their targets for that demographic. The EPWP uses the United Nations definition of PWDs, which states that PWDs are “any person unable to ensure by himself or herself, wholly or partly, the necessities of a normal individual and/or social life, as a result of a deficiency, either congenital or not, in his or her physical or mental capabilities.” Therefore, participants are expected to declare their disabilities in order for them to be reported. The SACN EPWP RG indicated that this self-declaration has been one of the challenges that has led to under-reporting of PWDs. It has been reported by the member cities that participants are often reluctant to declare their disabilities; and as such, the numbers in Figure 21 above and Table 10 below do not necessarily reflect the reality of the demographics of the projects in the cities. It may appear that the nine cities are underperforming in this regard, but the reality may be a lack of collected or reported data. The NDPW is currently working on a form that will improve the capturing of PWD data for the EPWP, which will also improve on reporting. Refer to Table 10 below for demographic trends over the last five financial years.

TABLE 10: Demographics of EPWP beneficiaries (2013/14-2017/18)

City	2013/14			2014/15			2015/16			2016/17			2017/18		
	Youth	Women	PWDs	Youth	Women	PWDs	Youth	Women	PWDs	Youth	Women	PWDs	Youth	Women	PWDs
Buffalo City	49%	32%	0.00%	47%	38%	0.00%	40%	47%	6.79%	36%	49%	1.29%	43%	46%	0.74%
City of Cape Town	60%	49%	0.00%	59%	47%	0.00%	57%	59%	0.25%	57%	62%	0.57%	59%	63%	0.53%
City of Johannesburg	53%	23%	0.00%	60%	29%	0.00%	63%	43%	0.68%	63%	36%	0.75%	62%	43%	0.26%
City of Tshwane	51%	43%	0.00%	71%	55%	0.00%	52%	55%	0.67%	47%	47%	1.14%	38%	64%	0.67%
Ekurhuleni	58%	35%	0.00%	62%	54%	0.00%	59%	61%	0.21%	59%	63%	0.22%	66%	57%	0.59%
eThekweni	36%	59%	0.01%	37%	62%	0.00%	28%	69%	0.21%	33%	69%	0.40%	37%	61%	0.28%
Mangaung	58%	34%	0.00%	61%	45%	0.00%	54%	44%	0.88%	45%	49%	0.66%	53%	59%	0.32%
Msunduzi	45%	40%	0.00%	58%	54%	0.00%	49%	61%	0.21%	49%	57%	1.28%	54%	53%	0.77%
Nelson Mandela Bay	36%	34%	0.00%	53%	46%	0.00%	50%	38%	0.16%	54%	42%	0.49%	52%	45%	0.47%

Buffalo City reported the highest figures for PWDs in 2015/16 and 2016/17. The city had a partnership with the Development Bank of South Africa (DBSA) to increase WOs for PWDs, which has since ended. This has resulted in the city not being able to meet its target for the 2017/18 financial year.

According to Statistics South Africa, in the first quarter of 2018 the youth unemployment rate (ages 15 to 34) was 38.2% – approximately 3.3 million young people. In addition, unemployed youth account for 63.5% of the total number of unemployed persons in South Africa. As such, skills development employment creation for the youth is one of the priorities of the EPWP. On average, the nine cities were unable to meet the youth target for 2017/18. An average of 52% was reached.

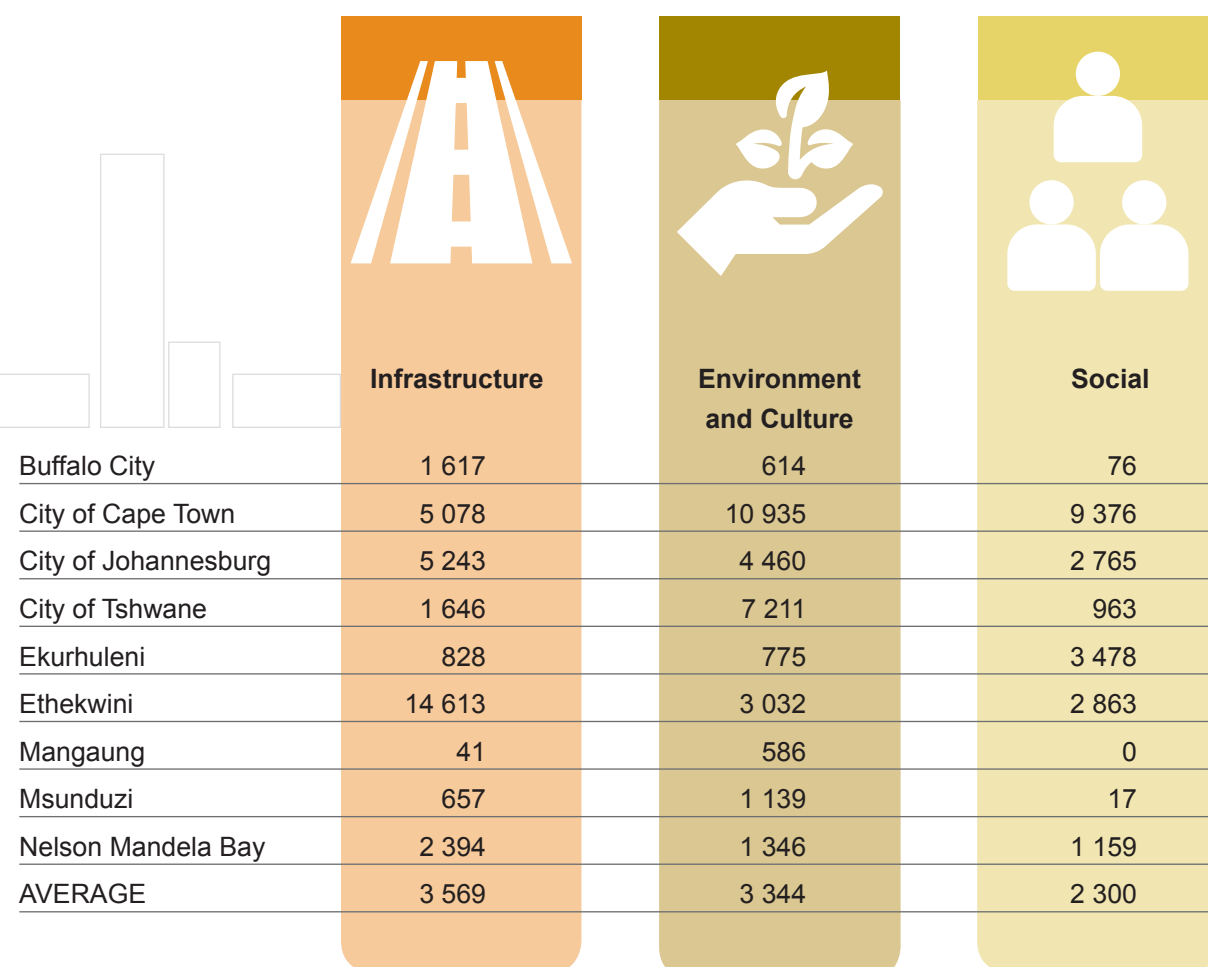
The three cities that met their youth employment targets were the City of Cape Town, the City of Johannesburg, and Ekurhuleni. These cities reported the highest youth employment days in the Environment and Culture sector and the Social sector – the City of Cape Town through their soft skills programme, and Ekurhuleni through the skills development programme. These cities innovatively combined training and youth employment creation to increase their targets for youth and their FTEs. The City of Johannesburg reported the highest number of training days through the Home-Based Care Programme.

EPWP SECTOR ANALYSIS FOR THE CITIES

This section of the report focuses on the sectors in which the nine cities are implementing EPWP projects. The predominant sector is Infrastructure, but the cities are also implementing projects in the Environment and Culture and Social sectors.

Figure 22 below shows the WO opportunities reported by each of the nine cities against the three sectors.

FIGURE 22: WO created, by sector (2017/18)



The cities use labour-intensive construction (LIC) methods to maximise WOs in the infrastructure sector. In addition, cities such as eThekweni have been implementing maintenance projects in the infrastructure sector, which also increases the number of FTEs generated. The majority of the WOs created by the City of Cape Town are through the city's Youth Development/Training programmes, in the Environment and Culture sector and the Social sector.

INFRASTRUCTURE SECTOR

The infrastructure sector is led by the NDPW, which collaborates with the Departments of Transport, Cooperative Governance, Water Affairs and Sanitation, Human Settlements, Mineral Resources, and Energy.

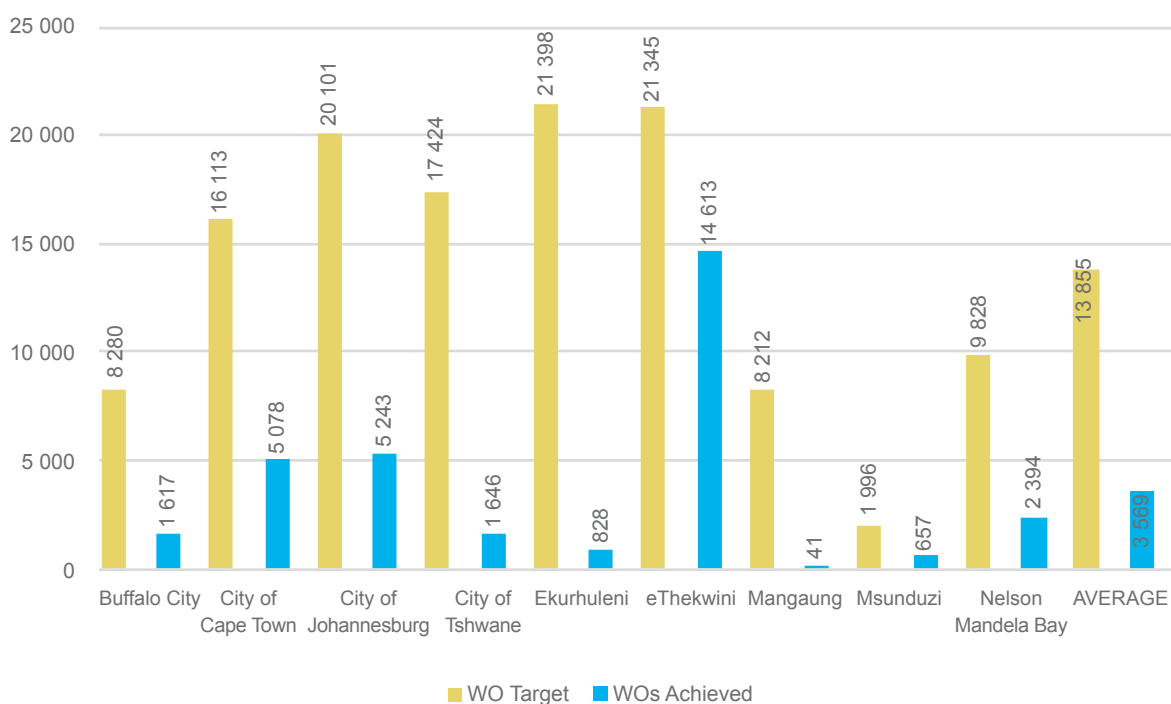
The provinces and municipalities implement most of the infrastructure projects. While all provinces and 99% of municipalities are already contributing to the EPWP, many provincial departments and municipalities should consider increasing their contribution. The continued growth of the sector will depend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

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; and
- **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.

Figure 23 below shows the WO targets for the 2017/18 financial year against the number of WOs reported by each city in the Infrastructure Sector.

FIGURE 23: WO targets vs achievements in the Infrastructure Sector (2017/18)



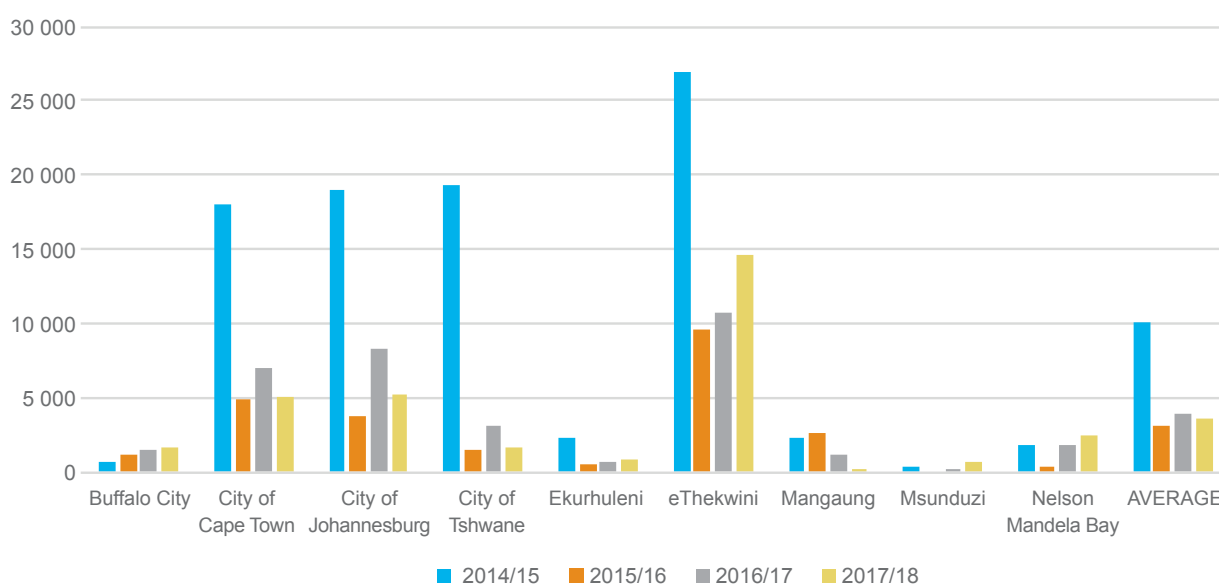


The Infrastructure Sector involves the use of labour-intensive methods in the construction and maintenance of public-sector-funded infrastructure projects. Labour-intensive infrastructure projects under the EPWP entail:

- using LIC methods to provide WOs for local unemployed people;
- providing training and skills development to local unemployed people; and
- building cost-effective, quality assets.

None of the cities were able to reach their WO targets in the Infrastructure Sector in 2017/18, which is consistent with the consolidated data presented in the previous section of this report. This could be attributed to the reporting challenges that the cities have been facing since the introduction of the changes in the NDPW M&E reporting requirements. The impact of this can be observed in Figure 24 below, which shows a significant drop in WOs reported between 2014/15 and 2015/16. However, the cities have made improvements since 2015/16, thanks to technical support from the NDPW.

FIGURE 24: Infrastructure Sector WO achievements in Phase III (Y1-Y4)



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.

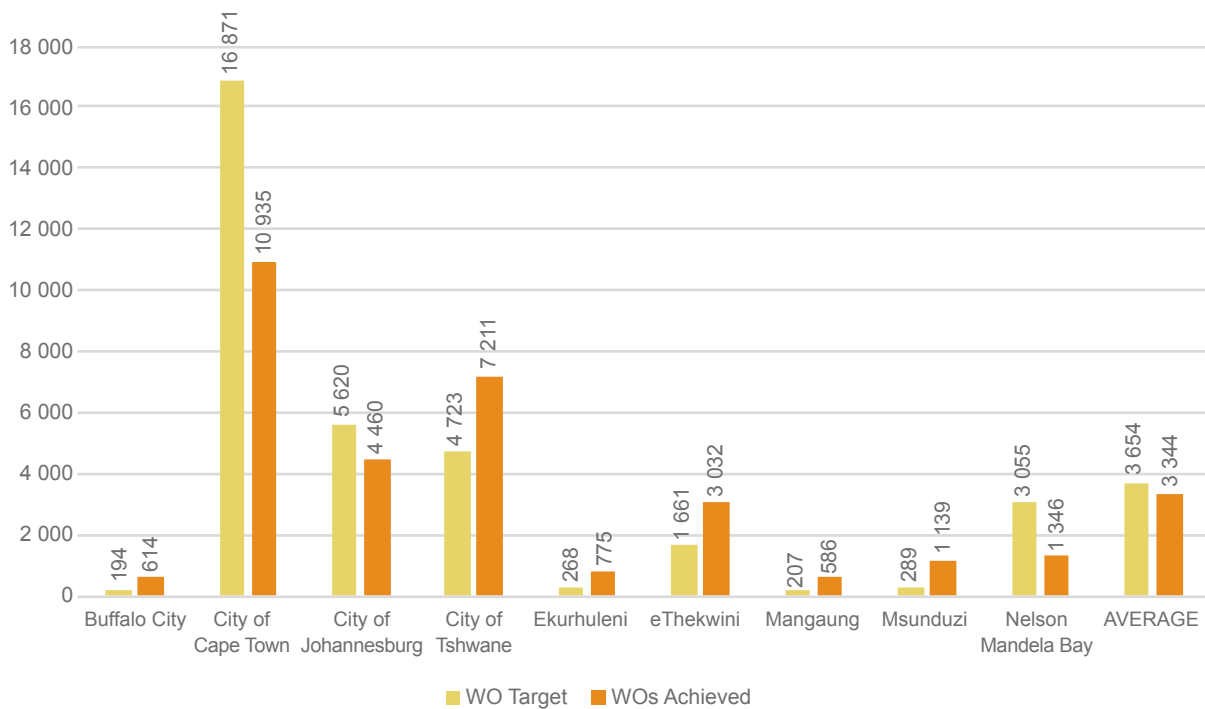
The objectives of the sector are:

- 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; and
- to promote tourism.

The nine cities seem to be performing better in the Environment and Culture sector (see Figure 25 below), with six out of the nine cities meeting and exceeding their WO target in this sector. This was achieved through projects such as:

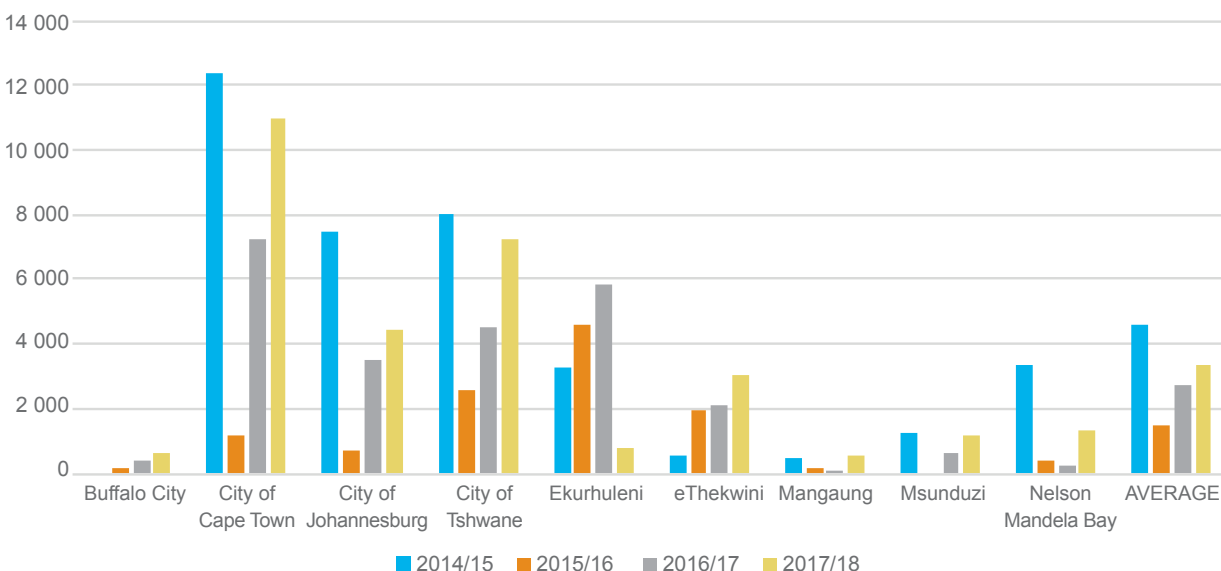
- sustainable land-based livelihoods;
- waste management;
- tourism and creative industries;
- parks and beautification;
- coastal management; and
- sustainable energy.

FIGURE 25: WO targets vs achievements in the Environment and Culture sector (2017/18)



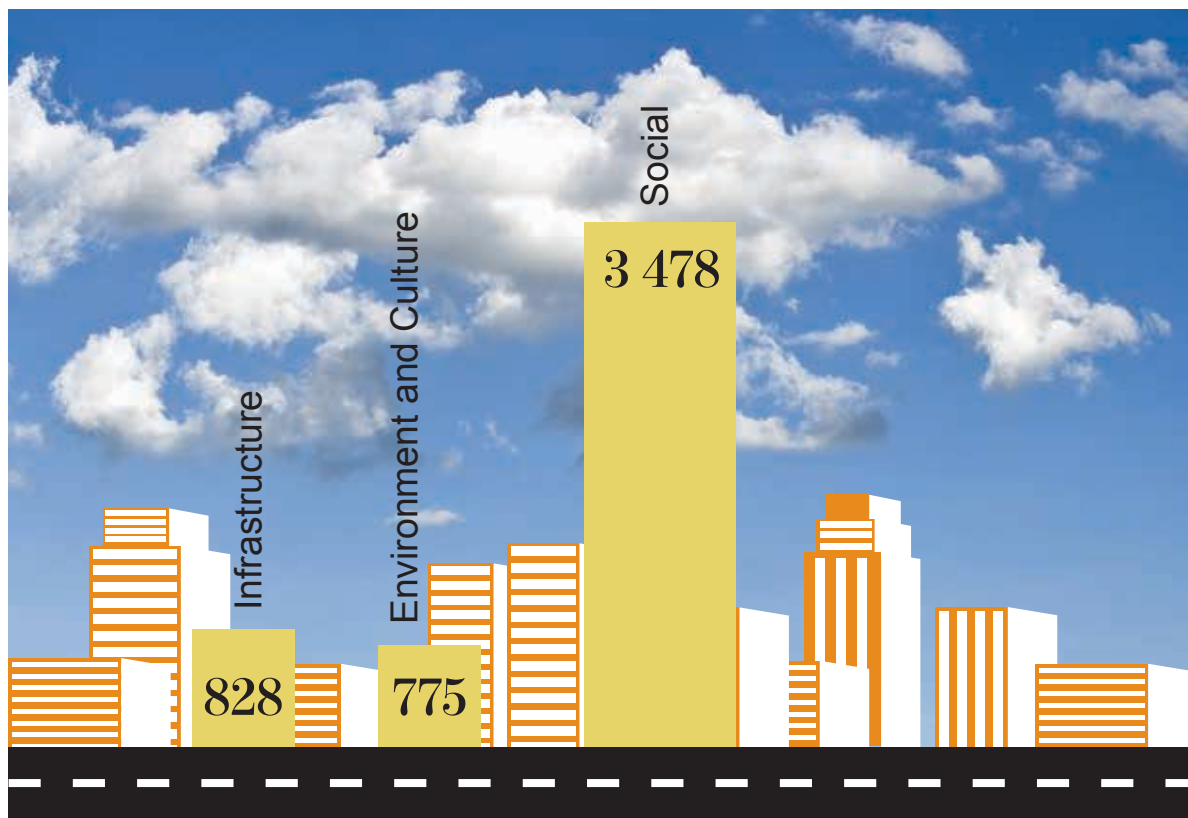
A similar trend (on average) to the Infrastructure sector can be seen in relation to the four-year trend (Figure 26 below); this has been attributed to the EPWP reporting changes.

FIGURE 26: Environment and Culture sector WO achievements in Phase III (Y1-Y4)



Further analysis was done on Ekurhuleni, which has a noticeable drop in the number of WOs created in the Environment and Culture sector over the last two financial periods. The three sectors were compared in order to show which sector accounts for the majority of the WOs created by Ekurhuleni. This was found to be the Social sector (see Figure 27 below), through projects such as the Home-Based Care Programme. The other types of projects in the Social sector are listed in the next section of the report.

FIGURE 27: WO distribution by sector in Ekurhuleni (2017/18)

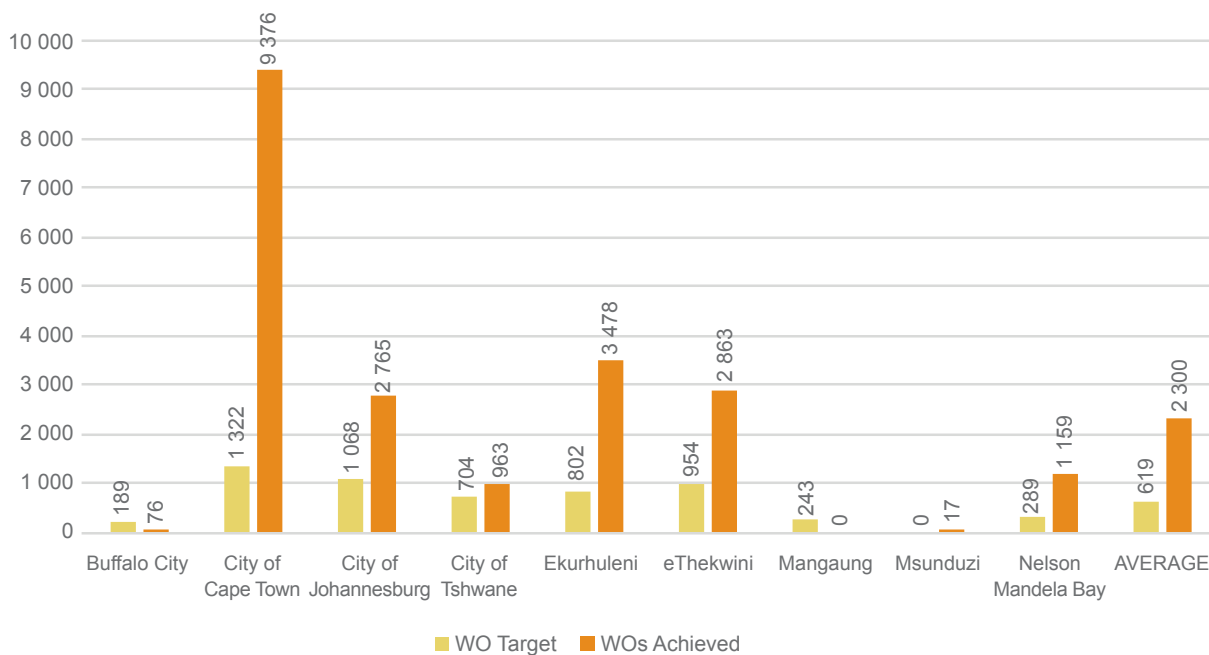


SOCIAL SECTOR

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.

Figure 28 below shows the WO performance of the nine cities in the Social sector for the 2017/18 financial year. Mangaung did not report any WOs in the Social sector; the projects implemented in the city in 2017/18 were all in the Environment and Culture sector and the Infrastructure sector. It may seem that the City of Cape Town performed significantly better in the Social sector; however, the target in this sector is approximately ten times lower than the targets for either of the other two sectors. In addition, the number of WOs created by the City of Cape Town in the Social sector is lower than the number of WOs created through the Environment and Culture sector.

FIGURE 28: WO targets vs achievements in the Social sector (2017/18)

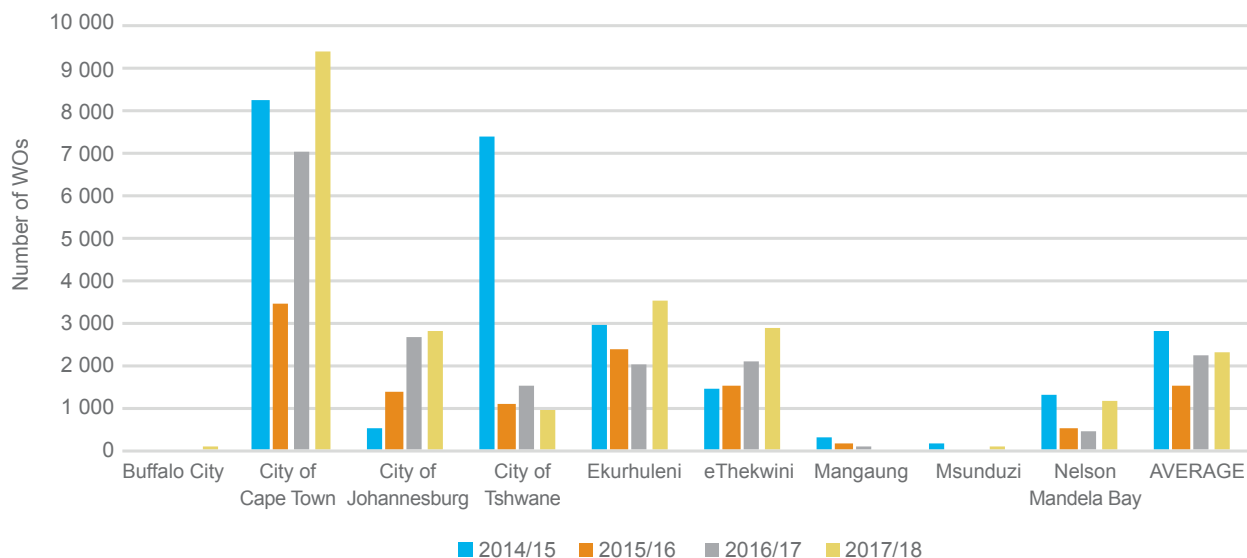


While a number of programmes present a range of opportunities for work creation, the following are flagship programmes for the Social sector:

- **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 substitute for a significant portion of AIDS-related hospital care. The programme aims to facilitate the laying of the foundation 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 to employ volunteers in EPWP projects in order to help 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 objective is to promote 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 adults who missed out on schooling and who cannot read or write, inviting them to join literacy classes provided across the country.

Revealing a similar trend to those observed in the other two sectors, Figure 29 overleaf shows the impact of the reporting system changes on the WOs created in the Social sector between 2014/15 and 2015/16. On the other hand, the figure also shows the impact of the institutional improvements by the cities, and the technical support provided by the NDPW, on performance (on average).

FIGURE 29: Social sector WO achievements in Phase III (Y1-Y4)



Supporting Urban Safety and violence prevention through the EPWP Social Sector¹⁰



The GIZ-Violence Crime Prevention (GIZ-VCP), in partnership with the CSPS, SALGA, and the provincial Departments of Community Safety in the Eastern Cape and Gauteng, is developing a model to strengthen the capacity of community safety practitioners within local municipalities. The primary objective is to “*improve the support that municipalities receive from provincial governments, to enable them to achieve their mandates for community safety and violence prevention*”. Together, the VCP and the NDPW commissioned a study on EPWP and CWP (Community Works Programme) projects. This study included the development of a guide to support municipalities, and found that municipalities are already using EPWP projects to advance community safety and crime prevention objectives.

Learning from the Western Cape Safety Kiosk initiative, Msunduzi introduced the EPWP Safety Kiosk Project through the Social sector. The project aims to promote a safer environment through the protection and preservation of the central business district and municipal assets. In 2017/18, this community safety programme included a total of 75 training days and created 17 WOs, 53% of which were youth. The programme seeks to create an economically and socially vibrant and safe environment in which to live and work, for the CBD business community, informal traders, residents, visitors and everyone within the vicinity of the CBD.

The following are examples of other municipalities working towards community safety and violence prevention through safety volunteer projects:

- The Northern Cape Safety Volunteers project brings together various stakeholders in a bid to fight crime in the province. The primary focus is social crime prevention, which includes combating violence against women, children and youth, tackling substance abuse, and mobilising the community against crime.
- The eThekweni Safety Volunteers programme, initiated in 2014, has created 2000 WOs for employed youth. The programme assigns 11 to 13 volunteers per ward, depending on the size of the ward, to monitor and patrol streets, pension pay points, businesses and schools. It has been successful in promoting crime awareness and highlighting issues such as drug abuse, while also fostering collaboration between the Community Policing Forum (CPF) and the municipality.
- The Mangaung Metropolitan Municipality Community Safety and Scholar Patrol Project focuses on schools and cemeteries. The project aims to prevent violence and crime by making the community stronger and more resilient and protecting those most vulnerable. “*By training community members and improving partnerships with non-governmental and other civil society organisations, the municipality’s violence prevention strategy draws in resources and effort from local civil society.*”
- The Ntbankulu Community Safety Programme in the Eastern Cape is a partnership between the Ntbankulu Local Municipality (Community Services Department – Traffic Section) and the National Youth Development Agency, aimed at safeguarding neighbourhoods. The programme also aims to address youth unemployment and created 55 WOs in 2017/18, through six EPWP projects that focus on ensuring safety in schools, communities, offices and public buildings, in the town and surrounding areas.

The SACN and GIZ suggest that these synergies between the EPWP and Urban/Community Safety should be more preventative than reactive in order to deal with South Africa’s crime problem.

CHALLENGES FACED BY THE SACN MEMBER CITIES

Presented in Table 11 below are some of the challenges faced by SACN member cities in implementing the EPWP. Common challenges include under-reporting WOs due to data quality issues. The member cities have reported that quality issues include difficulty in the collection of compliant documents, such as certified identity documents (IDs). The cities have been improving their institutional capacity by employing data capturers and have also made use of the technical support provided by the NDPW. This has led to an average increase of 11% in the WOs that were reported by the cities in 2017/18. Another recommendation was to ensure that data collection requirements and other EPWP conditions are included in contract documentation such as tender documents. This is to ensure from the outset that implementing agents and contractors are aware of all the requirements.

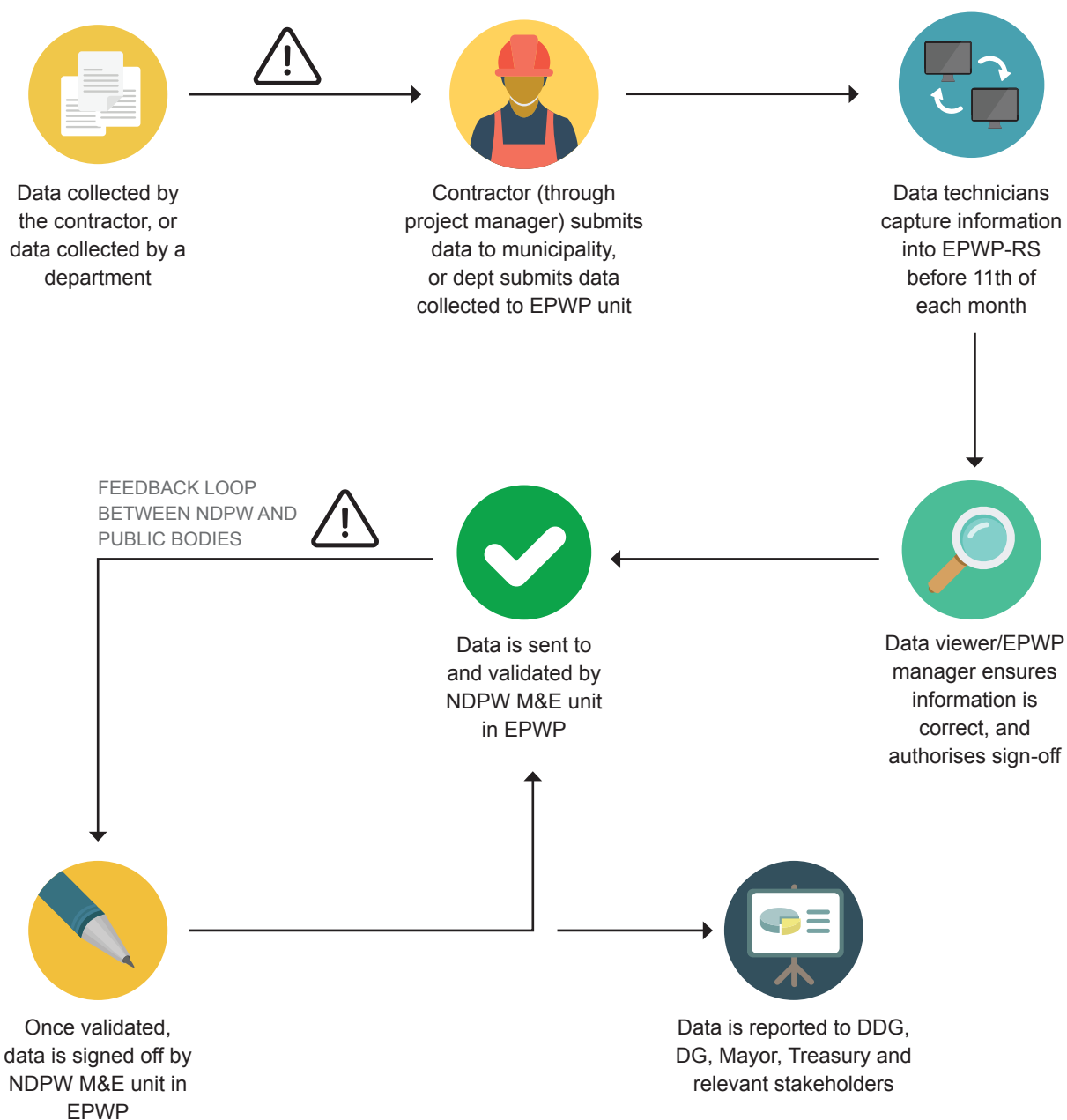
TABLE 11: Challenges faced by the SACN-EPWP RG

City	Challenges	Successes
Buffalo City	<ul style="list-style-type: none"> Lack of understanding of the programme by some of the city's directorates. 	<ul style="list-style-type: none"> New partnerships with institutions such as Harambe and GTAC.
City of Johannesburg	<ul style="list-style-type: none"> Under-reporting due to data-capturing challenges. 	<ul style="list-style-type: none"> EPWP Lekgotla held on 10 and 11 October 2017. Labour-Intensive Method workshop held on 9 November 2017. EPWP targets added to Head of Department scorecards, which has led to better accountability. The EPWP is a standing agenda item in the Executive Management Team meetings.
City of Tshwane	<ul style="list-style-type: none"> Work opportunities are lost as a result of subcontracting – especially in the Infrastructure sector. 	<ul style="list-style-type: none"> The city's EPWP recruitment guidelines have been established and approved.
Ekurhuleni	<ul style="list-style-type: none"> Disputes due to participants demanding full-time employment, which led to the stoppage of one of the projects and thus reduced the number of WOs. Inability to meet targets for PWDs. 	<ul style="list-style-type: none"> The implementation of service level agreements and performance certificates has led to better performance by city officials. Policy workshops were held with major stakeholders.
eThekweni	<ul style="list-style-type: none"> Under-reporting/reporting of non-compliant data. Participants demanding permanent employment. 	<ul style="list-style-type: none"> Over 500 participants absorbed into permanent employment. EPWP performance is an agenda item in the City Manager's Operations meetings. Technical support has been provided to deal with data collection and quality issues.
Mangaung	<ul style="list-style-type: none"> Non-implementation of EPWP policy in relation to the institutional arrangement. Absence of EPWP structure, which has resulted in a lack of capacity for the programme. Non-reporting of WOs. 	<ul style="list-style-type: none"> The city is starting to build EPWP capacity for better implementation and reporting.
Msunduzi	<ul style="list-style-type: none"> Delays in commencement of EPWP-approved projects. Inability to meet targets for PWDs. 	
Nelson Mandela Bay	<ul style="list-style-type: none"> Late reporting and under-reporting by directorates. 	<ul style="list-style-type: none"> A turnaround plan for the implementation of IG projects was implemented successfully.

CHALLENGES IN THE EXPANDED PUBLIC WORKS PROGRAMME (EPWP) INFORMATION MANAGEMENT AND REPORTING ECOSYSTEM IN SOUTH AFRICAN CITIES NETWORK (SACN) MEMBER CITIES

The EPWP information and reporting ecosystem has seen many changes over the past 15 years, particularly to the monitoring and evaluation (M&E) framework and reporting. The M&E framework for the programme was introduced in Phase I; however, it was not effectively implemented, with most indicators going untracked. In Phase II, improvements were made to improve clarity and to focus on the quality of work opportunities, through tracking Full-Time Equivalents (FTEs). A clear trajectory of improvement – though with challenges to uptake and adoption – is evident. Major system changes have been marked by the shift from a spreadsheet-based reporting system to a web-based system, with new solutions sought to address data integrity concerns that have repeatedly been raised in audit findings, and there have been improvements in this regard. However, the changes have been accompanied by challenges – particularly in Phase III, when a new reporting system and requirements were introduced.

Reporting process in EPWP



In most municipalities, data is collected at the source, and sent to the EPWP unit (or similar team responsible for coordination) for data capturers to capture the information into the reporting system. There are two main ways in which projects are implemented. The first is used for internal projects implemented by service departments, and the second is for outsourced projects implemented by external service providers. This creates two data sources: (1) from the contractor, via the municipal project managers and/or consultants; and (2) directly from municipal departments.

Data capturing takes place in one of three ways in the cities. The first is through internal data capturers in the EPWP unit or similar team. This is the case in eThekweni and the City of Johannesburg. The second is when the National Department of Public Works (NDPW) and the provincial Department of Public Works (DPW) provide municipalities with additional technical and human capacity. In this scenario, the NDPW or provincial DPW would perform the data capturing and validating tasks on behalf of the city.

Once the data is authorised and sent to the NDPW, the system is closed, usually for a period of two weeks. During this time, the system does not allow anyone to capture information, which poses certain challenges. In this process a feedback loop is seen between NDPW M&E and the public bodies, in which the NDPW M&E validate and provide feedback to public bodies to correct errors and provide missing information for their projects. These projects are signed off once the data is validated.



Key challenges

Breakdowns in the process occur mainly at two stages: data collection, and data validation. The challenges are quality and completeness of data, under-reporting, and insufficient capacity. However, ownership of the programme by senior management and the political leadership who drive implementation within the city emerged as a primary, overarching enabler for the successful implementation of the programme.

Quality and completeness of data

Challenges experienced with data collection arose in cases where data was collected both by the contractor and through municipal departments. Data collected from contractors is often inaccurate or not collected at all, for three main reasons. Firstly, a lack of understanding of the EPWP; secondly, contractors usually have no training or detailed induction on the EPWP and its reporting requirements; and lastly, there are cost, quality and time trade-offs associated with adherence to EPWP requirements.

Under-reporting

Under-reporting has been raised as a significant problem throughout the three phases. Although this problem has been persistent, the underlying dynamics that lead to it have also changed and evolved over time. In the early phases, a big driver of under-reporting was lack of implementation of the programme. However, there has been a shift; implementation has improved, but the improvement is not finding its way into the reporting process. A common explanation for the persistence of under-reporting is the burden that reporting places on stakeholders, especially the officials in the departments. Secondly, under-reporting occurs in cases where the incentive grant is viewed as the sole source of funding for the EPWP. Thirdly, targets that are set through a top-down approach and not consultatively with the cities may result in the perception that such targets are unrealistic, leading to poor commitment to realising them. Hence, reporting is not prioritised. Lastly, a commonly cited explanation for under-reporting is insufficient capacity.

Insufficient capacity

Firstly, all nine cities face the challenge of filling vacancies, due to overall funding constraints. This is one explanation. Secondly, one counter-argument to the 'funding constraints' explanation is the fact that the incentive grant provides for 5% spending on administration, which could be directed towards building capacity within the departments and focusing on the EPWP implementation. What emerges as an underlying problem is poor prioritisation of the programme and of political buy-in to allocate resources.

Ownership and accountability

Ownership of the programme results either in appropriate resource allocation, or in alternative measures to ensure information management and reporting takes place, and manifests in clear accountability mechanisms. None of the cities studied has the requisite ownership of the programme to act as the necessary catalyst for the secondary factors that facilitate successful implementation of the programme. Prioritisation of the programme therefore remains a key challenge. The secondary challenges that emanate from this overarching one are poor and/or incomplete data reporting and insufficient capacity, which are not easily disentangled from one another when there is insufficient capacity.

LESSONS LEARNED

An analysis of the second-last year of EPWP Phase III indicates that the nine cities are unlikely to meet their targets set for the current phase. This is mainly due to the reporting challenges experienced from the second year of Phase III, which led to many work opportunities not being reported. The SACN member cities have since made changes that have resulted in some improvements; most are in relation to their polices and institutional arrangements.

Institutional capacity – as evidenced by the case of Mangaung, where the institutional structure has collapsed in the past two years – is a key component for the successful implementation of the EPWP. It is evident that in order for cities to implement the programme efficiently and to meet targets, a dedicated EPWP structure is required, employing trained individuals who understand the conditions of the programme and its underlying policies.

Targets must also form part of the cities' executive performance indicators, to ensure effective championing, accountability and compliance. Also, the programme requirements must form part of the planning phase of the projects, and therefore of project documentation.

Recruitment strategies must be in place to ensure that the programme targets the appropriate demographic in order to meet targets, especially for women, youth and persons with disabilities. The City of Tshwane, for example, has customised its EPWP recruitment strategy through a lottery system (see Annexure II – Case Studies, at the end of this report). It should be noted that the recruitment strategy adopted by the City of Tshwane builds on the principles of the recruitment guidelines that were developed by the NDPW.

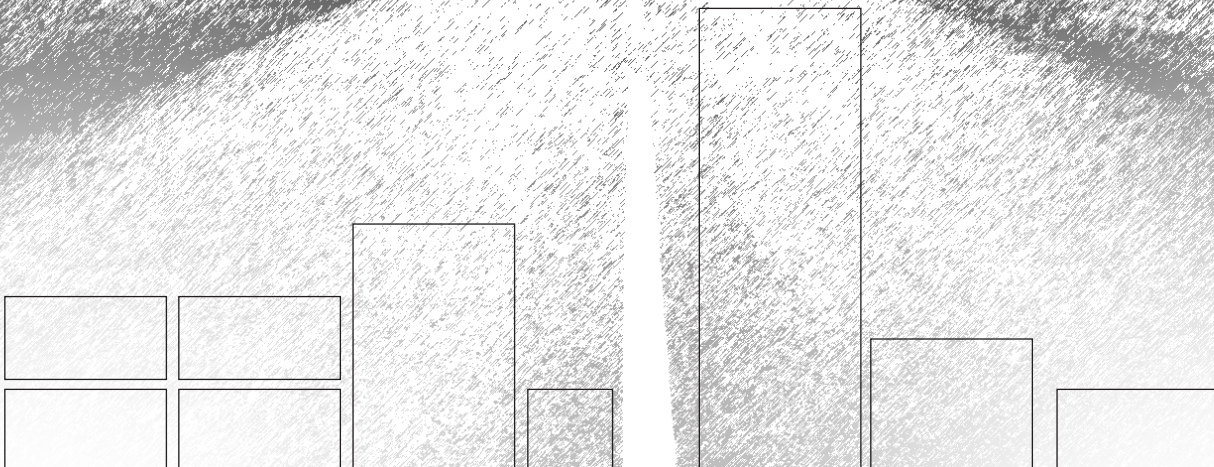
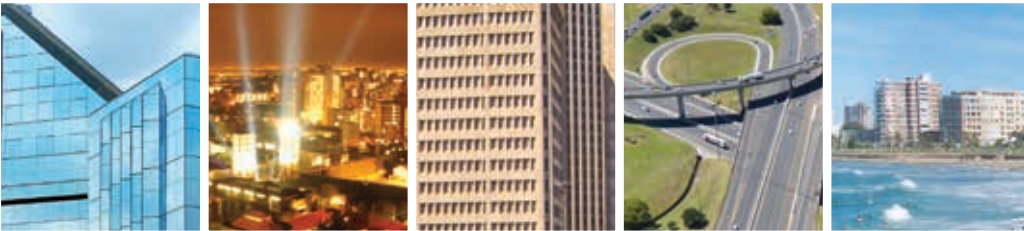
One lesson from the previous phases of the EPWP is that training should not be attached to every project being implemented, but rather tailored to fit functionally relevant projects. For example, an infrastructure project involving trenching activities may not necessarily yield opportunities for training. Ekurhuleni and the City of Cape Town have combined skills development and the EPWP to realise an increase in training-based projects in the Environment and Social sectors. The two cities have also managed to increase their level of youth involvement in the EPWP, an important deliverable in the continued evolution of the programme. It is important for cities to incorporate training as a key factor in the exit strategies of their programmes, and to tailor skills development programmes that empower participants to transition into formal employment or establish SMMEs. Municipalities should also make use of organisations such as the SETAs to provide accredited training, to ensure that participants have transferable and marketable skills when they exit a programme.

The youth and women are important areas of focus, in light of the high youth unemployment figures in South Africa, and of the structural poverty that continues to hamper the participation of women in the economy. Six of the cities achieved over 50% youth involvement in their programmes, a significant contribution which demonstrates that the proposed 55% target for Phase III is in fact realistic.



Annexure I

Individual City Reports





BUFFALO CITY



Buffalo City Metropolitan Municipality

OVERVIEW OF THE EPWP IN THE CITY

Buffalo City Metropolitan Municipality (BCMM) began implementing the Expanded Public Works Programme during the 2013/14 financial year. At that time, the EPWP was located in the Executive Support Services Directorate. The directorate drove and steered programme implementation, including the crafting and development of the BCMM's first EPWP Policy. In 2017/18 the municipality implemented projects in the Municipal Services, Engineering Services, Human Settlement Services, Economic Development Agencies and Development Planning directorates.

POLICY AND IMPLEMENTATION

BCMM Council adopted the Phase III EPWP Policy in 2013, through a Council Resolution. The policy has been used as a legal framework to guide and regulate the implementation of the EPWP. Since 2017/18 is the second-last year of Phase III, the municipality has also drafted policy to be aligned with Phase IV, which has been presented to the Mayoral Committee and the EPWP Steering Committee. The draft policy was presented for refinement at the council agenda preparatory meeting in January 2019, before the sitting of the first council meeting in 2019 for consideration and adoption.

INSTITUTIONAL ARRANGEMENTS

The institutional structure (see Figure 30 below) that is currently in operation in the city was adopted in the 2013/14 financial year, with the following objective:

“To have each directorate make a systematic effort to target the unskilled and unemployed, and develop a plan to utilise their budgets to draw significant numbers of the unemployed into productive work, in such a way that workers are given an opportunity to gain life- and job-specific skills while they work to increase their chances of getting out of the pool of marginalised unemployed people.”

The Executive Mayor provides the political leadership of the EPWP, and is responsible for appointing three Members of the Mayoral Committee (MMCs) to champion and lead the programme within BCMM. The MMCs are responsible for ensuring that the EPWP is entrenched in the city's IDP and key policies and programmes. The city's EPWP Unit falls under the office of the City Manager, and reports directly to the City Manager through the General Manager of Operations.

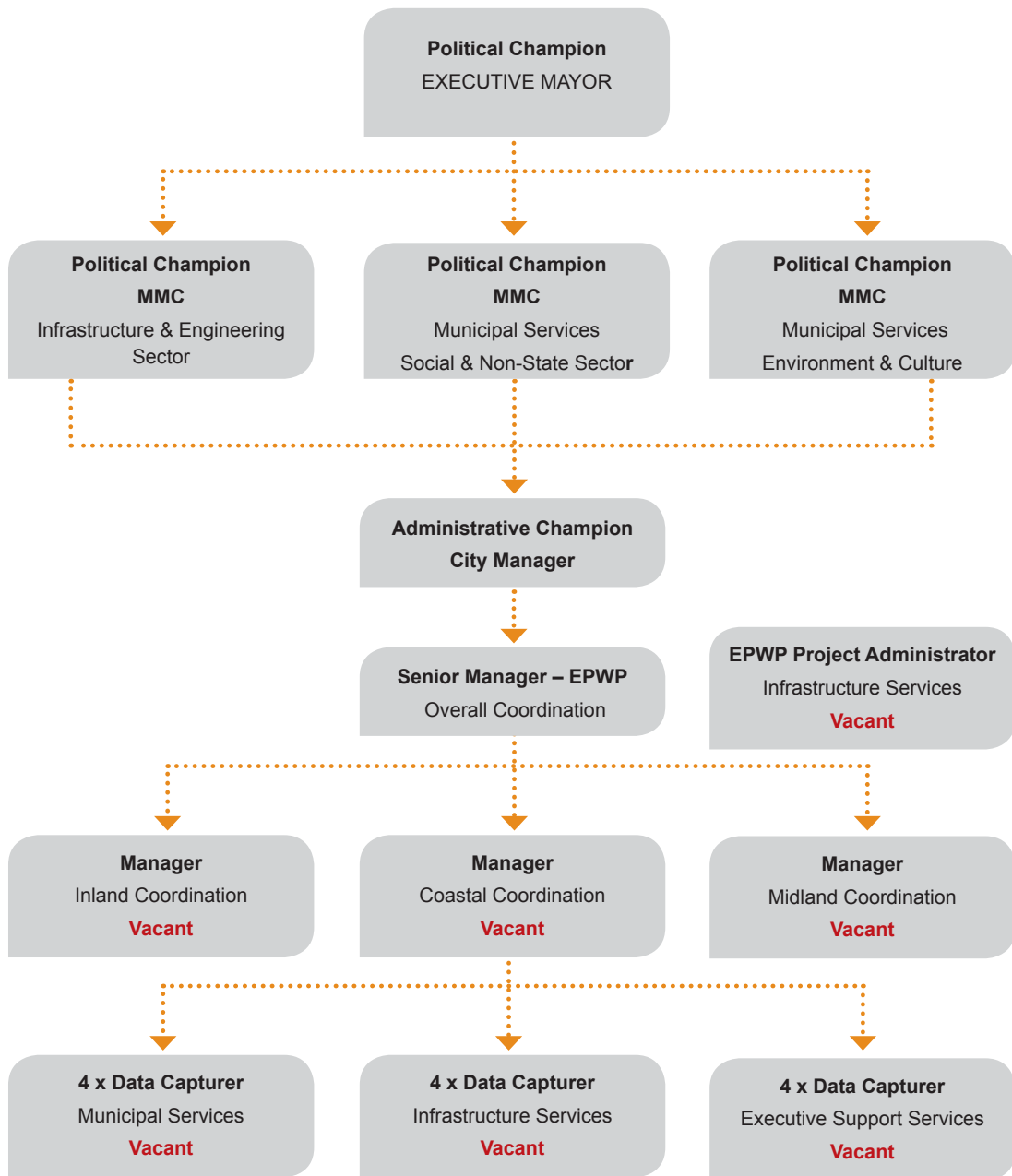
BUDGET ALLOCATIONS (INTEGRATED GRANT)

As Table 12 (below) shows, the municipality spent 100% of the R4.95 million received in grant funding.

TABLE 12: Buffalo City 2017/18 integrated grant

Total grant allocation	R4.95 million
Total grant funding received	R4.95 million
Cumulative spending (2017/18)	R4.95 million
Balance	R0.00
% spending (of allocation)	100%
% spending (of transfer)	100%

FIGURE 30: Buffalo City Metropolitan Municipality institutional arrangement



PROGRESS

In 2017/18, the municipality implemented 56 EPWP projects, in the Infrastructure, Environment and Culture, and Social sectors, creating 2 307 WOs and 922 FTEs (Table 13 below).

TABLE 13: Buffalo City EPWP progress (2017/18)

Number of projects implemented	56
Number of WOs created	2 307
Number of FTEs	922
Number of training days	450
Expenditure (R)	R40.53 million
Wages paid (R)	R35.45 million

FLAGSHIP PROJECTS AND SUCCESS

Administrators and Data Capturers

The project consists of eighteen participants, who provide both technical and administrative support to all EPWP projects implemented by BCMM. This project has ensured that all EPWP projects and work opportunities are registered and reported on the NDPW-EPWP Reporting System.

Duncan Village Revitalisation Programme

A novel and unique programme that targets in-school and out-of-school youth. The programme has not only created work opportunities for unemployed youth, but has also provided much-needed support to schools, in areas such as curriculum support and sports coaching.

Ginsberg Cleaning & Beautification

This project provided support to the Solid Waste department and the Parks and Cemeteries department. The services provided through the programme were particularly needed during the festive season, the preparations for the ANC's 8 January celebrations, and the Easter weekend. They improved the look and feel of King William's Town and Bhisho.

CHALLENGES

The coordination and implementation of the EPWP in BCMM have not been without their challenges. The following are only some of the major challenges that were experienced in 2017/18:

- The EPWP Unit has not been properly staffed, and its capacity to coordinate, monitor and report is thus compromised.
- The unit remains an unfunded mandate, despite the existence of an EPWP Institutional Arrangement Framework and Protocol Agreement signed by the Minister of Public Works and endorsed by the Executive Mayor through a council resolution.
- Councillors interfered in the recruitment of participants.
- Participants refused to enter into new contracts, with the expectation that they would be absorbed by BCMM.
- Ward Councillors failed to rotate participants drawn from their wards.
- Participants developed a sense of entitlement to EPWP vacancies, and attempted to force their continued participation by nefarious means.
- Some directorates do not have data capturers and refuse the support offered by the EPWP Unit, which has led to under-reporting or non-reporting of WOs.
- Some projects are declared to be EPWP projects, though they have not been registered on and are not reported on the EPWP reporting system.
- Some directorates depend solely on the EPWP IG, and do not set aside a part of their budget for EPWP projects. The EPWP is perceived as an add-on and an unfunded mandate by some of the city's executive leadership.
- Contractors are reluctant to comply with the Ministerial Determination with regard to payment of Occupational Health and Safety (OHS), Unemployment Insurance Fund (UIF), and Compensation On Disease and Injury (COIDA) contributions, and the minimum wage.

LESSONS LEARNED

- BCMM is currently undergoing an institutional review process that aims to enhance back-to-back accountability. This will also ensure that the EPWP Unit is strengthened within the office of the City Manager.
- The mid-term Budget Review process has been identified as a strategic platform to initiate the process of setting proper funding arrangements for the EPWP.
- There is a planned Councillors Workshop on the recently published EPWP Recruitment Guidelines, which will provide a scientific basis to streamlining and better managing recruitment processes.
- A community engagement and public participation roadshow on EPWP took place between January and March 2019.
- The administrators and data capturers project is to be implemented fully as a support mechanism to all EPWP projects in BCMM.



JOHANNESBURG



City of Johannesburg Metropolitan Municipality

OVERVIEW OF THE EPWP IN THE CITY

The City of Johannesburg's (CoJ) officials, its leadership, and the public are beginning to understand the importance of the EPWP in poverty alleviation, skills development and unemployment. The EPWP targets are now part of the city's performance management system. The city's implementing department and municipal entities have these targets on their business plans, and on the performance scorecards of the heads of department. This strategy has ensured accountability for the programme at the highest level of management. The EPWP is a standing agenda item at the Executive Management Team (EMT) and other senior management forums such as Technical Cluster meetings.

The essence of the CoJ's EPWP programme can be summarised as follows:

- Creation of short-term, labour-intensive jobs for the unemployed;
- Development of skills,
- Development of SMMEs and emerging contractors; and
- Procurement of goods and services by local manufacturers, suppliers and service providers.

POLICY AND IMPLEMENTATION

The CoJ's EPWP Phase III Policy Framework was approved by Council in July 2015, in line with EPWP Phase III strategies. The key changes in the Phase III EPWP Policy Framework were:

- The CoJ EPWP slogan 'Every project is an EPWP project' was introduced as one of the city's benchmarks to ensure all departments and municipal entities participate in EPWP implementation and reporting.
- The EPWP reporting requirements were amended to enforce compliance by departments and municipal entities.
- Institutional arrangements were created to ensure that everyone plays a role in the implementation of the EPWP.
- Monitoring and evaluation were strengthened to ensure EPWP compliance.

The CoJ has been participating in the EPWP since its inception in 2004. The city uses its line budget to implement the EPWP. Most of the CoJ's entities and departments take part in the EPWP. Among them are the Community Development Department, Health Department, Johannesburg Property Company, Joburg Fresh Produce Market, Housing Department, and Metrobus.

INSTITUTIONAL ARRANGEMENTS

The overall coordination of the EPWP in the City of Johannesburg falls under the office of the Executive Mayor. Also included in the EPWP coordination structure are EPWP champions, who are responsible for monitoring and reporting on the implementation of EPWP projects in their department or municipal entity. See Figure 31 for the city's EPWP coordinating structure.

Figure 32 below shows the CoJ's dedicated EPWP Unit arrangement. The structure is currently under review, and is expected to be approved before the end of the 2018/19 financial year.

FIGURE 31: City of Johannesburg institutional arrangements

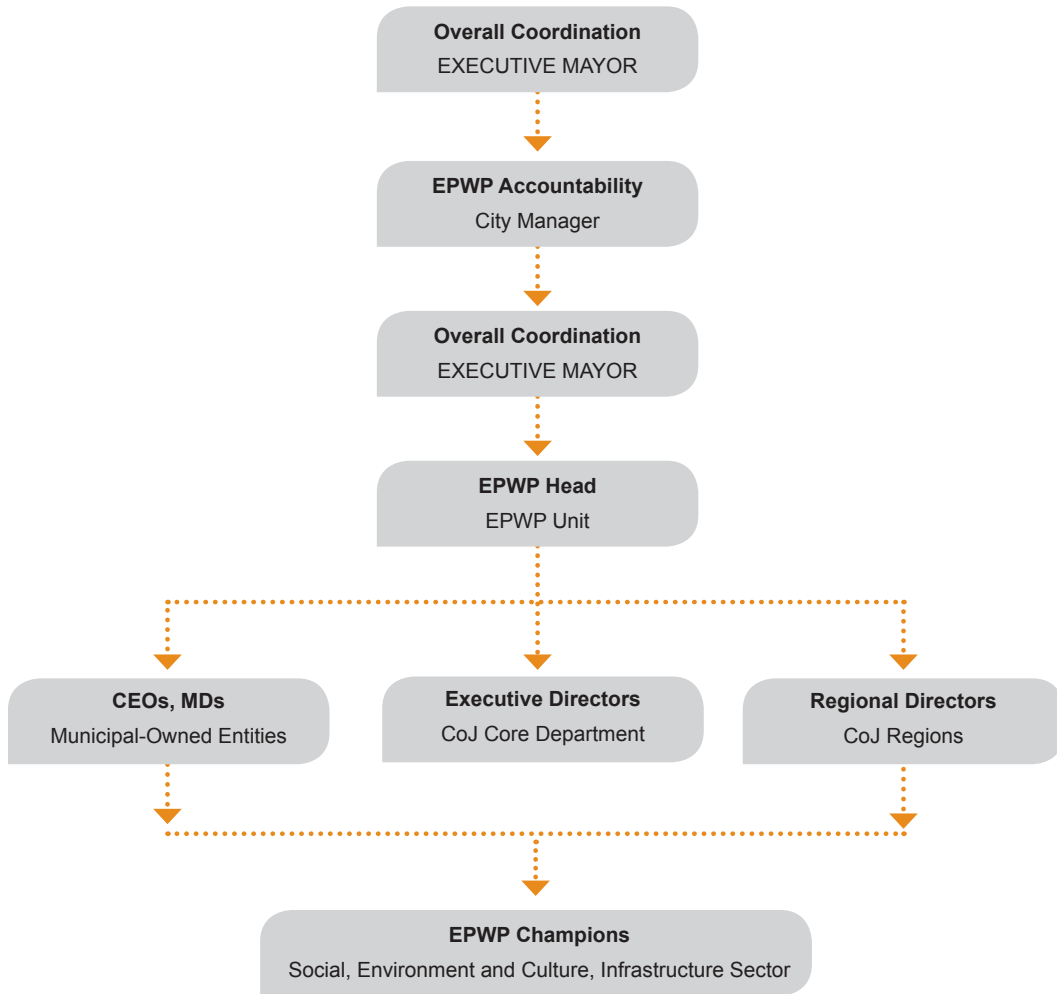
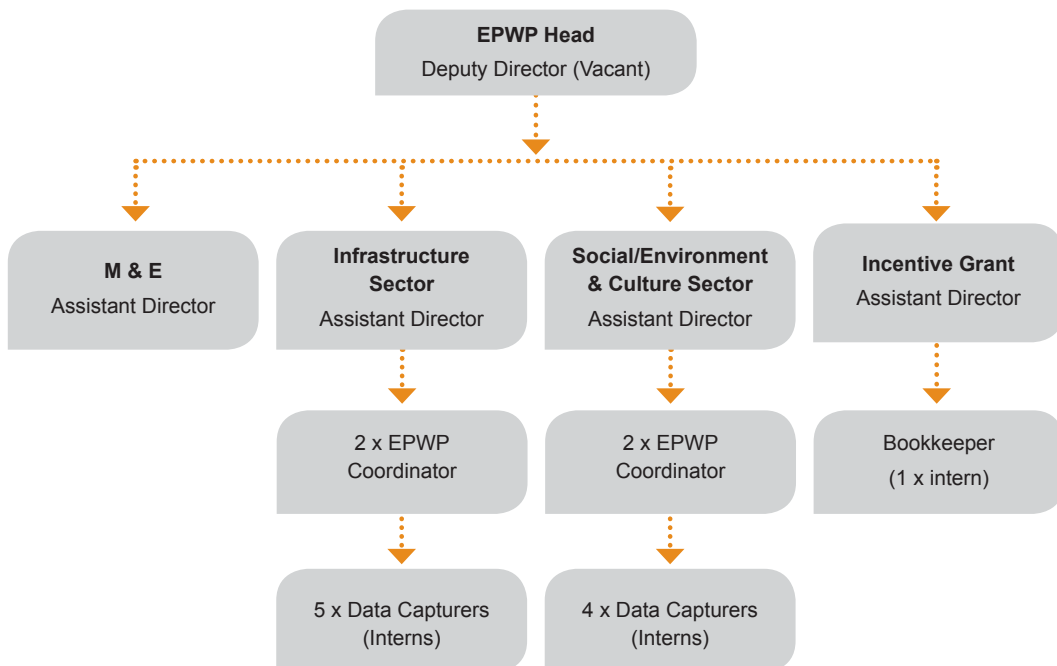


FIGURE 32: City of Johannesburg EPWP Unit structure



BUDGET ALLOCATIONS FOR THE EPWP

The Integrated Grant allocation contributes less than 1% of the city's annual capex and opex budgets. Some challenges were experienced in 2017/18 regarding the funding and grant, including:

- Delayed implementation of EPWP Integrated Grant-funded projects, for which spending started later in the financial year. This has a bearing on the receipt of the second tranche of payments by the NDPW.
- Submission of claims or invoices has not been always effective.

The city has fair and transparent grant disbursement processes and criteria. Table 14 below shows the city's performance regarding the EPWP IG for the 2017/18 financial year.

TABLE 14: City of Johannesburg budget allocations (2017/18)

Total grant allocation	R17.42 million
Total grant funding received	R17.42 million
Cumulative spending (2017/18)	R17.42 million
Balance	R0.00
% spending (of allocation)	100%
% spending (of transfer)	100%

PROGRESS

The City always adheres to EPWP legislation. Implementing departments and municipal entities are always encouraged to engage participants for not more than 24 months, to avoid creating the expectation of permanent absorption, especially in the Social sector and the Environment and Culture sector.

TABLE 15: City of Johannesburg EPWP progress (2017/18)

Number of projects implemented	166
Number of WOs created	12 468
Number of FTEs	3 482
Number of training days	65
Expenditure	R189.28 million
Wages paid	R123.65 million

FLAGSHIP PROJECTS AND SUCCESSES

The M1 Double Decker maintenance project

This project is implemented by the Johannesburg Roads Agency (JRA). The M1 Double Decker maintenance project is implemented in phases, and involves rehabilitation and structural repair work. The type of work done includes maintenance of asphalt surfacing, bridge parapets, expansion joints, bearings, concrete members in the super- and sub-structures, drainage systems, road signs, and lighting. Since its inception, the project has created over 100 work opportunities and has upskilled participants in areas such as building, construction, health and safety and road resurfacing.

Lehae Mixed-Income Housing Development Project

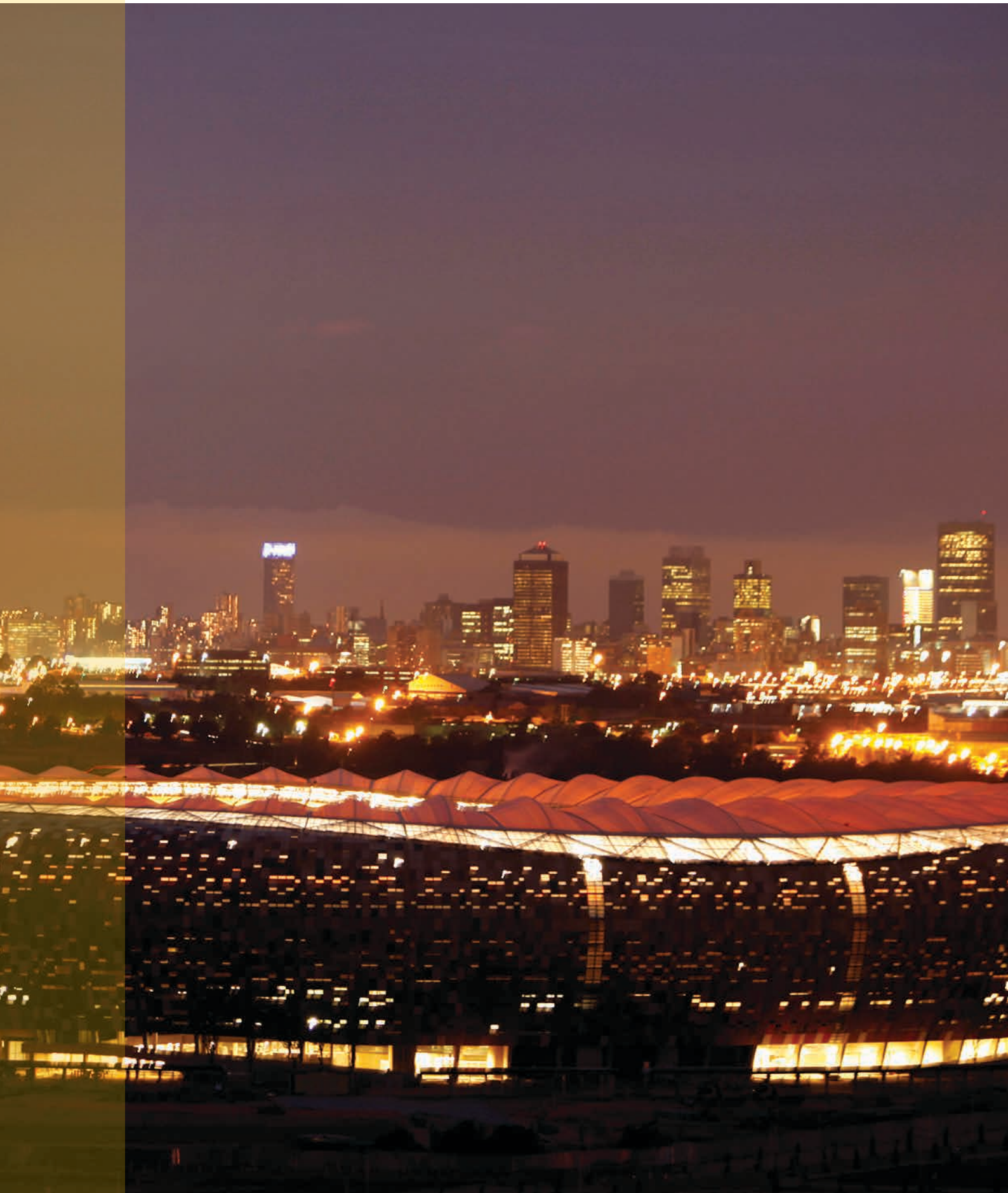
The Lehae Mixed-Income Housing Development Project is situated along the Golden Highway, a stone's throw from the Trade Route Mall in neighbouring Lenasia. On completion, the housing development will yield a total of 5 344 housing opportunities consisting of Breaking New Ground (BNG)/RDP, bonded and rental units. The project will also boast socio-economic amenities in line with developing liveable cities where residents are able to work, live and play, in the form of six community facilities, two primary schools, two secondary schools, four crèches, eight religious institution sites, two taxi ranks and four business sites.

CHALLENGES

- Under-reporting, due to the unavailability of a portfolio of evidence.
- The EPWP requirements are not incorporated in contracts and SLAs with service providers and contractors to enforce compliance.
- The EPWP reporting requirements are not embedded as a means of verification in other City reporting platforms. For example, there are cases in which high EPWP figures have been reported without supporting evidence.
- Not all implementing bodies have EPWP structures, which compromises reporting and compliance.

LESSONS LEARNED

- Continuous reorientation and/or induction on EPWP is required to ensure consistent reporting and compliance.
- The EPWP reporting requirements should be incorporated into tender documents, without which the credibility of supporting documents or evidence is compromised.
- Low spending on planned capex projects affects overall EPWP performance.
- Employing participants for periods longer than 24 months on one EPWP project creates the expectation of absorption or permanent employment.





TSHWANE

Photograph by Itumeleng Etsane



City of Tshwane Metropolitan Municipality

OVERVIEW OF THE EPWP IN THE CITY

To respond to the national agenda of reducing unemployment and alleviating poverty through the Expanded Public Works Programme (EPWP), the city implemented 95 projects in 2017/18, with a target of 22 581 WOs, as set by the NDPW. The EPWP targets were shared among the Office of the City Manager, the Office of the Executive Mayor, the Chief Operations Officer's cluster, and the Governance Support Officer's cluster.

POLICY AND IMPLEMENTATION

The city's current Phase III EPWP policy was approved and adopted in November 2014. The policy is supported by the EPWP Business Plan, sector plans and the EPWP Recruitment guidelines. The City of Tshwane's policy provides background on the EPWP, the national and provincial perspective of the EPWP, coordination within the city, an overview of EPWP sectors, job creation targets, the reporting process, and daily wage rates.

The policy was reviewed in April 2019 for alignment with EPWP Phase IV and the city's new recruitment guidelines, which were approved in September 2018.

INSTITUTIONAL ARRANGEMENTS

Politically, the Executive Mayor together with the MMC for Community and the Social Development Department champion the EPWP. Administratively, the City Manager and the Head of Department take the lead. To enhance EPWP coordination in the city, an EPWP Steering committee was established. The committee comprises representatives such as EPWP champions from departments or regions.

The EPWP sectors are coordinated by EPWP specialists within the city's dedicated EPWP unit. Specialists are assigned to different departments, taking into consideration the mandate of the particular department regarding EPWP sectors. Departments report work opportunities created with their line budgets to the EPWP division through the sector specialists.

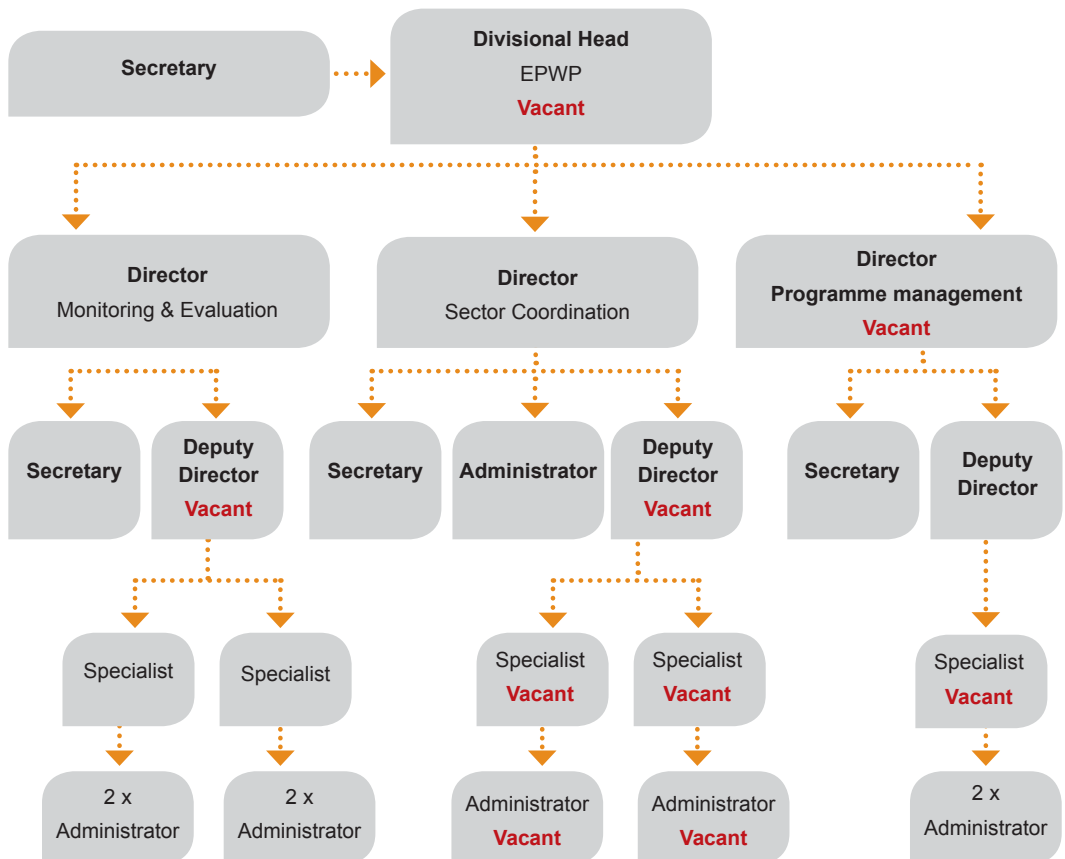
Figure 33 overleaf shows the high-level institutional arrangements of the city, which is headed by the Executive Mayor.

FIGURE 33: City of Tshwane higher-level institutional arrangements



Figure 34 below shows the structure of the EPWP unit within the Community and Social Development Department. The EPWP sectors are coordinated by sector specialists in the unit who are aligned to different departments. Each city department reports on WOs created from their line budget through these sector specialists.

FIGURE 34: City of Tshwane EPWP divisional institutional arrangements



BUDGET ALLOCATIONS

For the financial year 2017/18, the city received an integrated grant allocation of R20.45 million, and spent 100% of it.

TABLE 16: City of Tshwane budget allocation (2017/18)

Total grant allocation	R20.54 million
Total grant funding received	R20.54 million
Cumulative spending (2017/18)	R20.54 million
Balance	R0
% spending (of allocation)	100%
% spending (of transfer)	100%

PROGRESS

As shown in Table 16 below, the city created 9 820 WOs through the implementation of 95 EPWP projects, and spent just under R100 million on wages.

TABLE 17: City of Tshwane EPWP progress (2017/18)

Number of projects implemented	95
Number of WOs created	9 820
Number of FTEs	3 827
Number of training days	522
Expenditure (R)	R107.62 million
Wages paid (R)	R98.49 million

FLAGSHIP PROJECTS AND SUCCESS

Gata le Nna Programme

This is a Mayoral programme under the EPWP banner. Participants in the programme were the first to be selected through the 'lottery' system (refer to Annexure II of this report for the City of Tshwane case study). About 3 000 participants were selected and contracted to start working from January 2018, with approximately 7 000 WOs created to date. The primary objectives of the programme were skills development, job creation, community development and city beautification, within the Environment and Culture sector. This success has led to the upliftment of the poor in the city, and the restoration of their dignity and pride. Through this programme, the beneficiaries receive income that allows them to take better care of their families and themselves.

CHALLENGES

- Establishment and approval of EPWP Recruitment Guidelines.
- Development of a database for job seekers (EPWP participants).
- Delay in the appointment of contractors from the supply chain division affects the implementation of projects and the creation of WOs.
- Departments are of the opinion that their targets are not realistic.
- The quarterly site visits have revealed that the City loses work opportunities created in the Infrastructure sector, due to subcontracting.

LESSONS LEARNED

The city continues to draw from and highlight the lessons from the previous financial year, which were:

- Although employment for longer durations brings the benefit of FTEs, it also raises expectations of permanent employment.
- Champions play a key role in ensuring improved EPWP performance in the city, especially if the champion is also a project manager.
- Providing performance feedback on a quarterly basis to departments or regions creates more awareness of the EPWP, and of the obligation to meet targets.

EKURHULENI





Ekurhuleni Metropolitan Municipality

OVERVIEW OF THE EPWP IN THE CITY

The City of Ekurhuleni Metropolitan Municipality is known as the industrial hub of Gauteng province. This has resulted in an influx of people from rural areas and neighbouring countries who hope to find employment. The city has about 122 informal settlements, which means a huge need not only for housing and infrastructure development, but for employment as well.

This considered, along with the country's concerning youth unemployment rate, it is important for the city to innovate short- and long-term employment programmes in which the majority of the participants will be young adults between the ages of 18 and 35.

To date, the Expanded Public Works Programme has played a major role in reducing unemployment in the city. In 2017/18, more than 65% of the city's EPWP participants were youth. The city has also worked with the private sector to place interns with companies. Agreements are in place to absorb 70% of the participants into permanent employment.

POLICY AND IMPLEMENTATION

The city's Phase III EPWP policy was approved and adopted in November 2016, and remains current. The policy provides guidelines on how the programme should be implemented in the city. This includes aspects such as recruitment of participants and employment conditions, along with a description of how all departments and units can contribute to achieving the city's EPWP targets.

In 2018/19, in preparation for Phase IV of the EPWP, the city's policy will be reviewed and the EPWP Phase IV requirements included.

Ekurhuleni is in the process of drafting the city's guidelines, based on the newly approved national recruitment guidelines. Currently, community structures such as ward councillors and community liaison officers are used to source participants from the community. For youth programmes, the database developed in the customer care centres is used, on a first-registered, first-served basis. The city also ensures that a minimum of 60% youth and 55% women are employed in the EPWP projects and programmes. In most of the projects, beneficiaries are provided with both UIF and COIDA.

INSTITUTIONAL ARRANGEMENTS

The city's EPWP is housed within the Economic Development department, and is championed politically by the Executive Mayor. The Programme Steering Committee consists of the Infrastructure, Social, Environment and Culture, and non-state sector coordinators (shown in Figure 35).

Figure 36 shows the city's EPWP Unit structure, which is currently under review and will be finalised in 2018/19. At present, three data capturers are employed through the incentive grant, and IDT has placed two data capturers for assistance within the city.

FIGURE 35: Ekurhuleni higher-level institutional arrangements

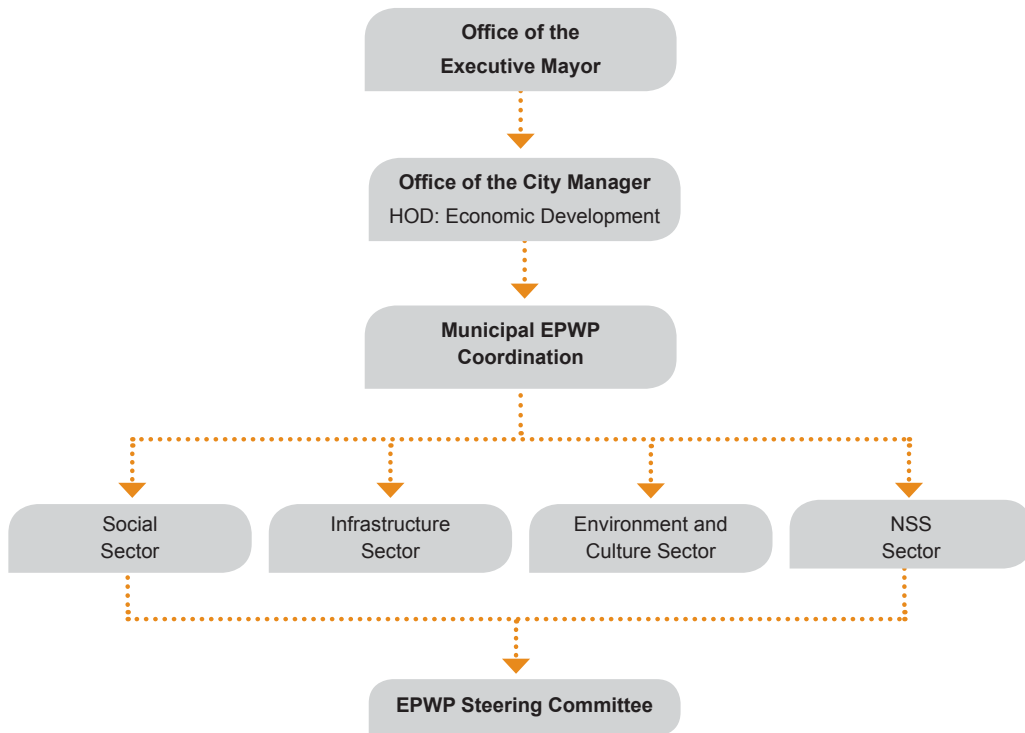
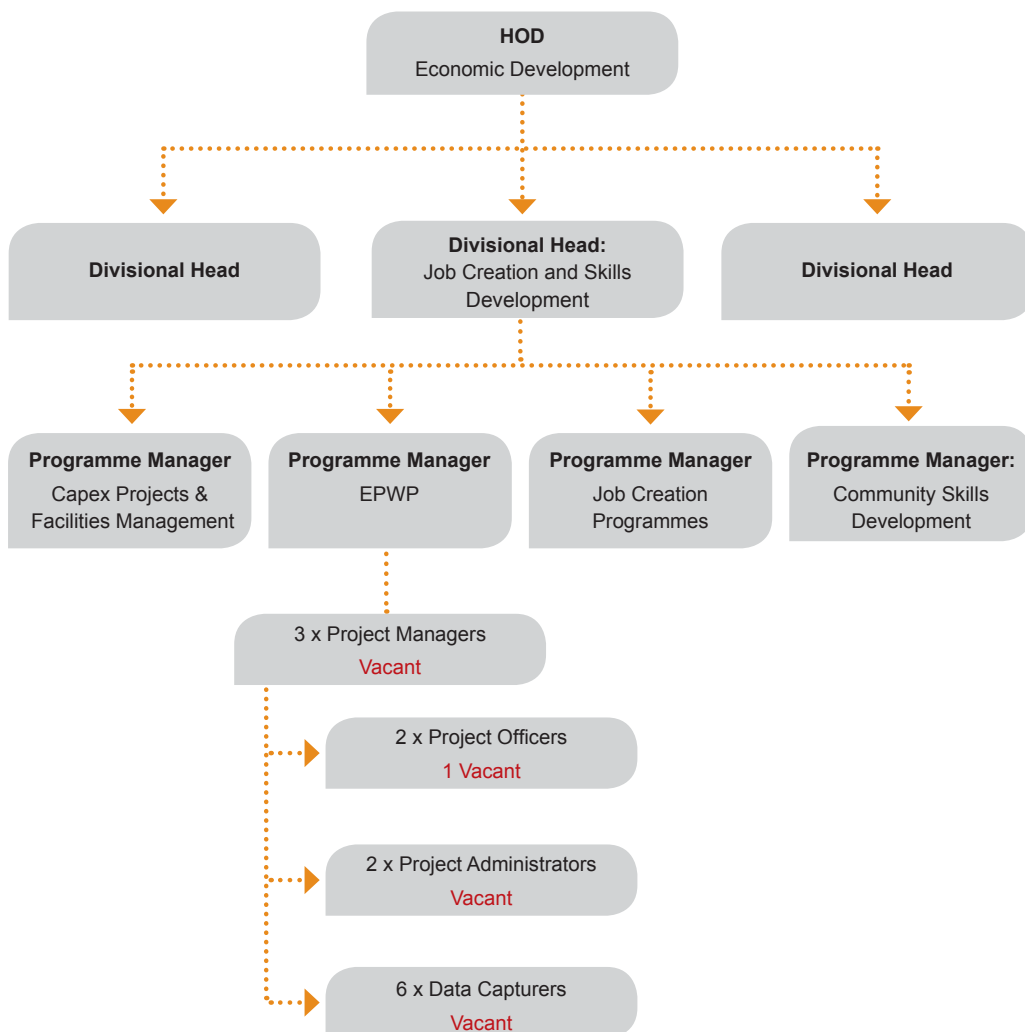


FIGURE 36: Ekurhuleni EPWP unit institutional arrangements



BUDGET ALLOCATIONS FOR EPWP

Ekurhuleni received a total of R44.72 million in the form of the EPWP IG grant (Table 18 below), which was used to supplement the budgets of three projects within the city.

Table 18: Ekurhuleni budget allocation (2017/18)

Total grant allocation	R44.72 million
Total grant funding received	R44.72 million
Cumulative spending (2017/18)	R44.72 million
Balance	R94 960
% spending (of allocation)	99.8%
% spending (of transfer)	99.8%

PROGRESS

Ekurhuleni implements projects in the Environment and Culture, Infrastructure and Social sectors. The Social and Environment and Culture sectors are currently the best performers with regard to labour-intensive methods. In 2017/18 the city created 5 081 WOs through the EPWP, and spent R141.68 million of its budget (see Table 19 below).

TABLE 19: Ekurhuleni EPWP progress (2017/18)

Number of projects implemented	51
Number of WOs created	5 081
Number of FTEs	3 073
Number of training days	512
Expenditure	R141.68 million
Wages paid	R106.23 million

FLAGSHIP PROJECTS AND SUCCESS

Vuk'uphile Programme

Vuk'uphile has been one of the most successful programmes in Ekurhuleni. The success of the programme started in its first phase; some of the contractors from that phase are now on Construction Industry Development Board (CIDB) level 8-9, and are able to compete with well-established contractors. A total of 102 contractors and 102 supervisors are in training in Phase III of the EPWP. The contractors are currently in their first practical phase.

Primary Health Care Support Programme

A total of 750 participants were employed by the project during the 2017/18 financial year. The programme has been a great success, as most of the clinics have realised a major improvement in service delivery. The participants improved the flow of patients from the point of entering the clinic to the point of leaving. Follow-ups on chronic patients, making sure that they do not default on medication collection and consultations, also showed a major improvement.

Community Emergency Response Team (CERT)

The municipality has established CERTs in 119 informal settlements, and each team is linked to the nearest fire station. When a fire occurs the CERT members assist in treating people and in evacuating the area to reduce immediate danger, until the Fire and Emergency personnel arrive. The programme has led to a reduction in the fatality rate in informal settlement fires, the reporting of over 1 600 fires since 2012/13, and improved relationships between communities and the emergency services.

CHALLENGES

In 2017/18, challenges to the implementation of the EPWP included the following:

- Late start of Infrastructure projects, which has led to rushed implementation and lack of attention to detail on EPWP employment.
- Participants employed for more than a year demand full-time employment, despite signed contracts and the community facilitation that took place at project start. This problem is aggravated by the involvement of unions and political parties.

LESSONS LEARNED

- The city must ensure that EPWP requirements are included in tender documents.
- There is a need to develop exit strategies to ensure that participants do not continually move from one EPWP project to the next or go back to being unemployed again.
- It is crucial that at the beginning of a project, recruitment procedures are followed and participants are well informed as to their contract details.



ETHEKWINI





eThekweni Metropolitan Municipality

OVERVIEW OF THE EPWP IN THE CITY

eThekweni Municipality continues to be committed to implementing the EPWP. Most units within the city adhere to EPWP principles, which has produced 10 214 Full Time Equivalents and 20 508 Work Opportunities. The city also participates in Vuk'uphile, a learnership and contractor-development programme that utilises EPWP principles. Supply Chain Management has been consulted to align all units to EPWP principles, enhancing its results.

Induction of management continues with regard to EPWP, and more managers in the city are now aware of the need to report on EPWP projects.

POLICY AND IMPLEMENTATION

The previously approved eThekweni EPWP policy has been implemented effectively, and is being aligned to EPWP Phase III. eThekweni Municipality took due care in compiling its EPWP policy for the purpose of achieving the following objectives:

- To achieve necessary alignment of Cluster and Units functions with EPWP, to ensure effective implementation;
- To establish eThekweni's EPWP as an approved socio-economic development and poverty-alleviation programme with sustainable exit strategies that maximise SMME development, employment creation, and skills development;
- To entrench EPWP methodology within the Integrated Development Plan, a methodology that expands the current delivery of goods and services to ensure shared economic growth; and
- To ensure developmental integration across all sectors and re-engineer how to plan, design, and implement projects or programmes within the existing Municipal operational and capital budgets, to maximise greater employment opportunities per unit of expenditure.

The city's EPWP Phase III policy is at its final stage of approval, awaiting the approval of the NDPW's Recruitment Guidelines, which will be incorporated as an integral component of the policy.

The city implements the EPWP across the Infrastructure, Environment and Culture and Social sectors. There are six integrated grant projects implemented across these three sectors. Reporting project duration varies between two weeks and 12 months, with some projects extending into multiple years.

INSTITUTIONAL ARRANGEMENTS

No changes have been made to the EPWP institutional arrangements over the last three financial periods (see Figure 37). The Mayor is the political champion for the programme in the city, while the City Manager is the administrative champion.

The EPWP unit structure (Figure 38) was approved in 2017/18. Restructuring within the department continued during the year, resulting in vacant positions, which adversely influenced the coordination and success of the EPWP within the municipality. However, the Deputy Head of the EPWP was appointed; no other positions have been filled, due to budget and administrative challenges.

FIGURE 37: eThekweni higher-level institutional arrangements

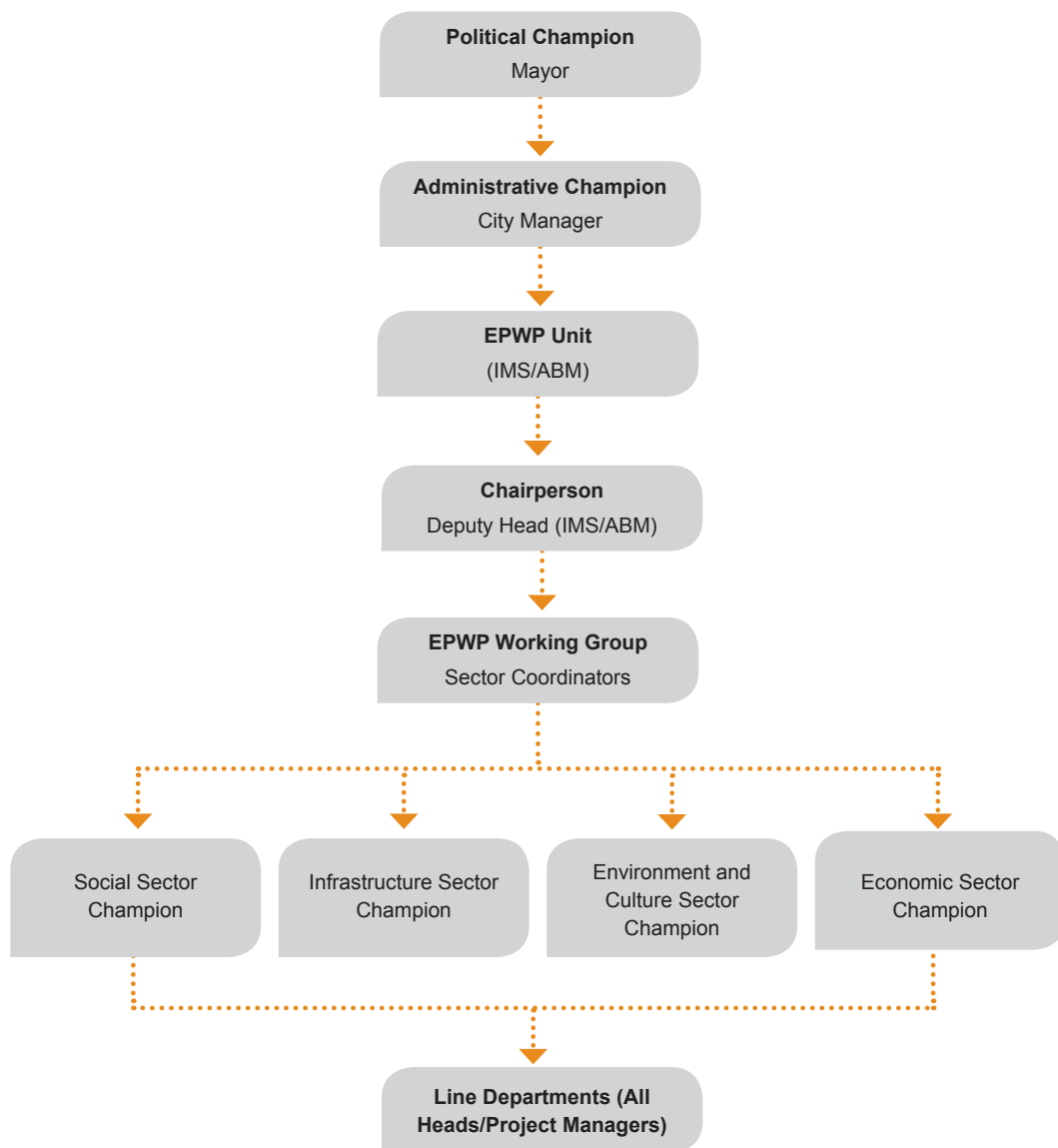
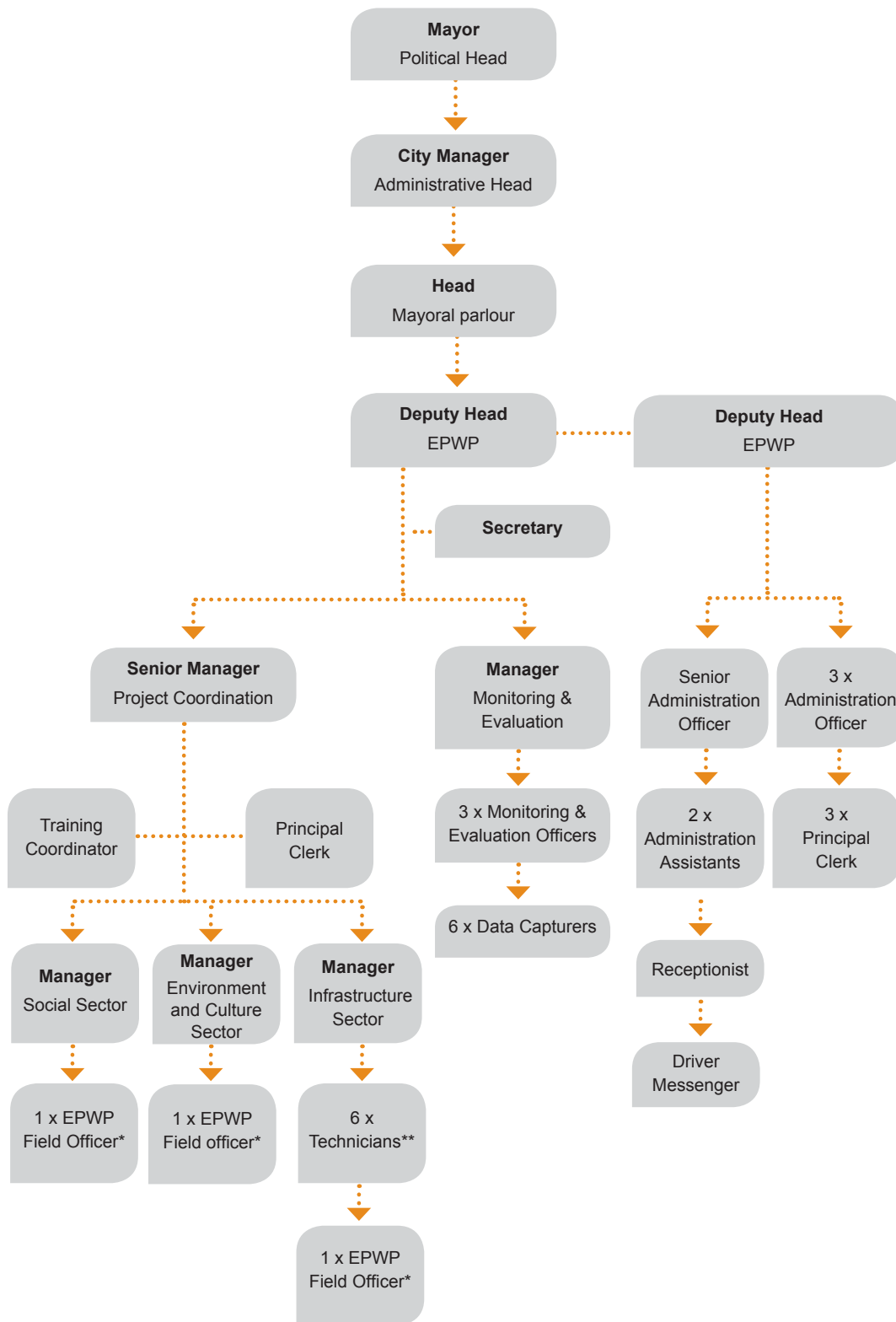


FIGURE 38: eThekweni EPWP unit institutional arrangements



** Progression: Technician/Senior Technician/Chief Technician

* Progression: Field Officer/Senior Field Officer

BUDGET ALLOCATIONS

A significant portion of EPWP spending emanated from the city council budget, maximising the work opportunity output. The EPWP spending covered the Infrastructure, Environment & Culture and Social sectors.

TABLE 20: eThekweni budget allocation (2017/18)

Total grant allocation	R66.79 million
Total grant funding received	R66.79 million
Cumulative spending (2017/18)	R66.79 million
Balance	R0.00
% spending (of allocation)	100%
% spending (of transfer)	100%

PROGRESS

The city exceeded its FTE target by 1 638; however, it did not meet its WO target, with a shortfall of 3 452. This underperformance was mainly due to under-reporting, which was caused mainly by operational challenges within the city.

TABLE 21: eThekweni EPWP progress (2017/18)

Number of projects implemented	181
Number of WOs	20 508
Number of FTEs	10 214
Number of training days	808
Expenditure	R415.08 million
Wages paid	R341.19 million

There has been an overall increase in performance since the previous reporting period: FTEs increased 24.56%, while WOs increased 37.20%. The number of projects increased by 69 from 112 in 2016/17 to 181 in 2017/18. Wages paid increased by R87 million, from R254 million in 2016/17 to R341 million in 2017/18 – an increase of 34%.

FLAGSHIP PROJECTS AND SUCCESS

Urban Management Zone (UMZ)

This is a multi-faceted programme designed to support assets, create urban infrastructure, and ensure operational and maintenance resources, in order that assets are properly maintained and to build an environment that is well managed. The objectives of the projects were:

- To improve the quality of life of all stakeholders, thus contributing to the city's investment quality and creating employment;
- To uplift and sustain the area identified as the urban management zone, i.e. the greater CBD area;
- To provide a clean and safe environment;
- To contribute to sustainable urban management, through facilitating the integration and management of municipal services;
- To ensure that the assets are maintained, especially with respect to capital upgrades and new investment into infrastructure in the area;
- To determine the 'gap' between existing levels of service provided/achieved by the ETM Line Departments and the desired levels of service; and
- In association with the line departments, to develop extensions to existing service levels, taking into account the specific requirements of the UMZ, i.e. to determine which service levels need to be improved, amended or supplemented by a third party.

CHALLENGES

Key challenges experienced were as follows:

- The newly implemented ERS continues to present major challenges (additional mandatory compliance requirements, WOs rejected, downtime).
- Incomplete data received from line management.
- Late implementation of projects, due to poor planning and delays in procurement processes.
- Participants continue to expect permanent employment.
- Non-compliant contractors do not supply participant data for implemented projects.
- Under-reporting from line departments, due to project managers not buying into the EPWP.
- Training person-days not being reported.
- Total project cost not being reported on a monthly basis.
- Outputs not being reported on a monthly basis.
- Inability to meet employment demographics, especially in identifying and engaging persons with disabilities.
- Critical need for funding intervention in supporting the EPWP within eThekweni Metro.
- Institutionalisation of EPWP in order to provide strategic focus and coordination.

LESSONS LEARNED

- EPWP reporting requirements should be incorporated into SCM contract documents, which will take care of branding and submission of beneficiary data.
- Reporting of training days should be compulsory.
- Follow-up on data capture rejections required, which will impact the accuracy of reported statistics.
- Induction of EPWP Practitioners required.
- Recruitment challenges have been addressed through the pending implementation of the Recruitment Strategy Guidelines, once approved by NDPW.
- The communication process must be enhanced, by educating line department managers in aligning their programmes with job creation initiatives and including them in their annual operational plans.
- Institutional arrangements must be in place in order to provide strategic focus and coordination of EPWP.
- Timeous and accurate reporting required for early intervention when there are deviations from plan, so these can be adequately addressed.
- Exit strategies must be defined, especially with contractors.
- Project managers must be encouraged to provide for EPWP in their municipal budgets, especially for training and PPE.



MANGAUNG





Mangaung Metropolitan Municipality

OVERVIEW OF THE EPWP IN THE CITY

The 2016 South African local government elections affected both the coordination and the implementation of the EPWP in Mangaung Metropolitan Municipality, as a result of both political and administrative leadership change in the city. Essentially all EPWP coordinating structures were dissolved and the programme moved to the Executive Mayor's office for implementation.

POLICY AND IMPLEMENTATION

The EPWP policy in Mangaung, which was initially approved by council in 2014, was reviewed and endorsed by council in 2016, pre-local elections.

The EPWP participants working in Mangaung projects are encouraged to be employed under the conditions of employment as stipulated in the Ministerial Determination and Code of Good Practice for the EPWP. The municipality makes an effort to ensure that its projects comply fully with all labour legislation, such as the UIF, COIDA, and the Occupational Health and Safety Act (Act No.130 of 1993).

INSTITUTIONAL ARRANGEMENTS

The institutional arrangements are in accordance with the approved EPWP policy review. The operationalisation of the institutional structure has not changed from the previous year, and it has not yet taken effect.

In line with the EPWP Institutional Arrangement Framework and Protocol Agreement signed by the Minister of Public Works and Executive Mayor, the Executive Mayor will provide leadership and direction on the implementation of the EPWP in the Municipality.

The City Manager (CM) is the administrative champion of the EPWP, and must ensure that all the HODs have the EPWP as an item in their performance contracts/agreements. The CM ensures that the EPWP is incorporated in the development plan of the Municipality, and must also ensure that each Directorate incorporates the EPWP FTE targets into their project plans. The CM further ensures the effective coordination as well as the monitoring and implementation of the EPWP within the municipality, as well as mobilising directorates within the municipality to meet their EPWP targets. Mangaung does not have an EPWP-specific structure.

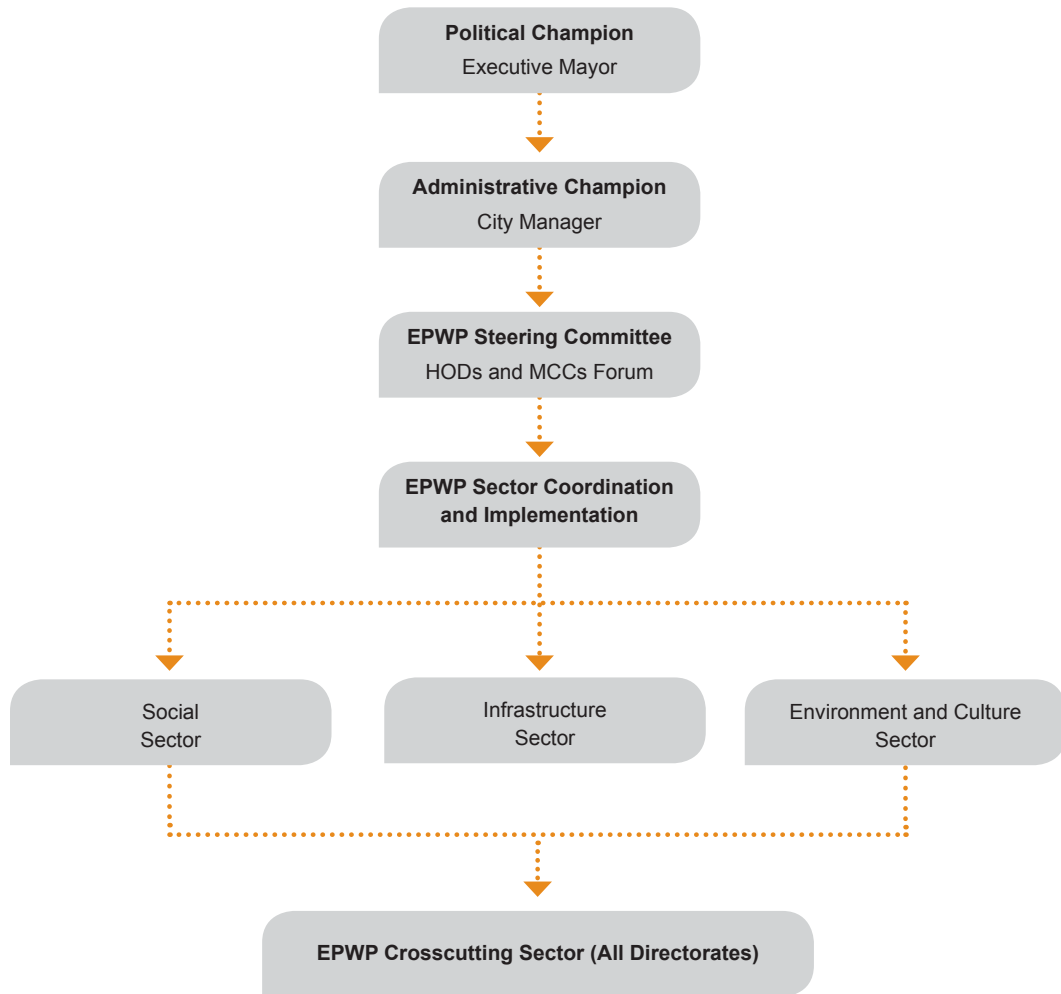
BUDGET ALLOCATIONS

Table 22 below shows the incentive grant allocation for the municipality, along with the expenditure for 2017/18.

TABLE 22: Mangaung budget allocations (2017/18)

Total grant allocation	R7.29 million
Total grant funding received	R7.29 million
Cumulative spending (2017/18)	R7.29 million
Balance	R0.00
% spending (of allocation)	100%
% spending (of transfer)	100%

FIGURE 39: Mangaung Metropolitan Municipality institutional arrangements



PROGRESS

The institutional challenges faced by Mangaung Metropolitan Municipality have had a large impact on the city's performance in 2017/18 (see Table 23 below).

TABLE 23: Mangaung EPWP progress (2017/18)

Number of projects implemented	6
Number of WOs created	627
Number of FTEs	121
Number of training days	0
Expenditure	R2.98 million
Wages paid	R2.85 million

FLAGSHIP PROJECTS AND SUCCESS

Zimbabwe Poverty-Alleviation Project

The pilot Zimbabwe Programme started in April 2014. The programme targets destitute women-headed households, to provide labour for essential road maintenance and other labour-intensive activities. Households are contracted rather than individuals, to facilitate continuity of employment for the household, not the individual. The work carried out by contractors includes cleaning of the road surface and cleaning of drains, channels and verges.

Vuk'uphile Learnership Programme

This programme is a contractor development programme aimed at developing emerging contractors into fully-fledged contractors able to execute labour-intensive projects. Under this programme, Mangaung appoints learnership contractors and supervisors who work on sanitation, road and stormwater projects.

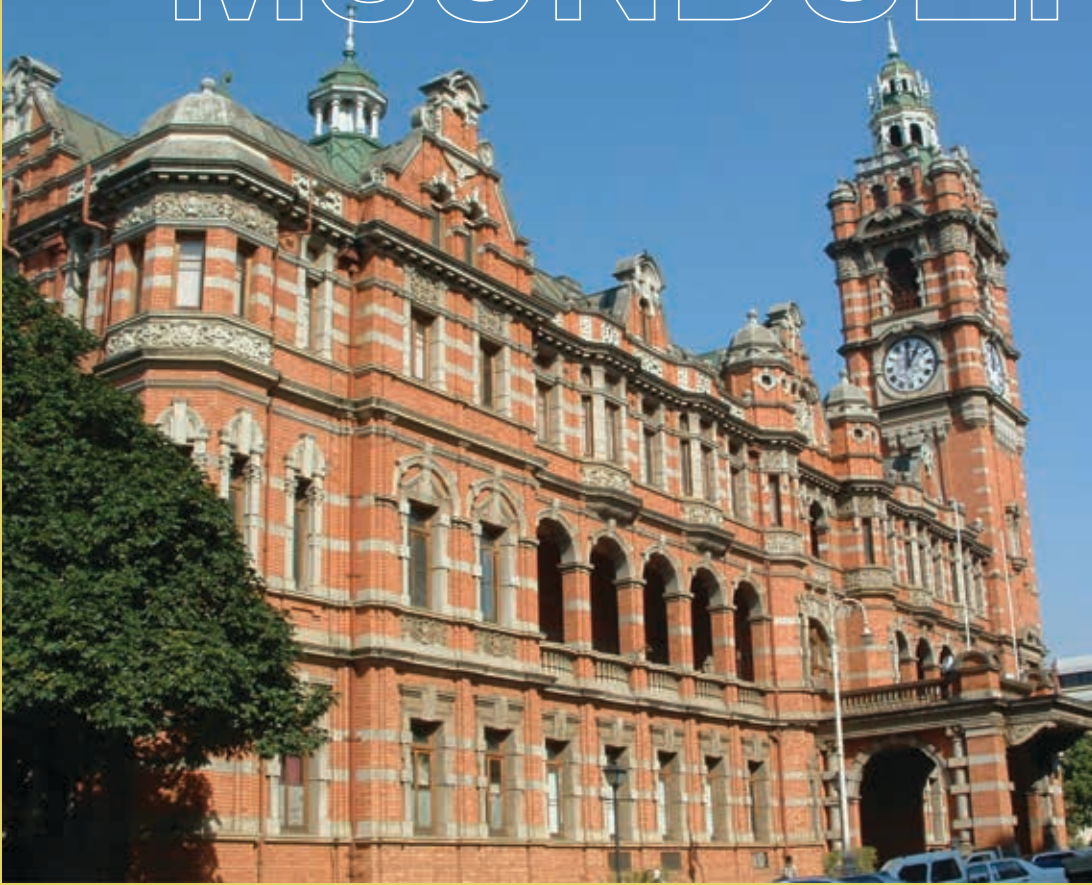
CHALLENGES

- Challenges in reporting to EPWP and the submission of quality data (data collection)
- EPWP Reporting System challenges (non-compliant documentation)
- The operationalisation of the EPWP Policy
- EPWP compliance by some project implementers
- The absence of an EPWP structure

LESSONS LEARNED

The EPWP Institutional Arrangement is critical, and key to the successful implementation of the programme within the city.

MSUNDUZI





Msunduzi Municipality

OVERVIEW OF THE EPWP IN THE CITY

Msunduzi Municipality's EPWP unit is housed within the Community Services Department, and has been in effect since November 2014. The business unit is comprised of an acting manager supported by four administrative assistants.

POLICY AND IMPLEMENTATION

The city's EPWP policy was initially adopted in September 2013. Further amendments were made in February 2015, to ensure that the policy is aligned with Phase III of the EPWP along with its targets. The Phase III policy remained current in the 2017/18 financial year.

Participants were sourced through local community structures and informed of the establishment of EPWP projects. Induction sessions were conducted with all newly recruited EPWP participants to inform them about the programme, their duties, the expectations of them, and the Ministerial Determination.

The main objectives of the sessions were:

- To provide good-practice guidelines to all stakeholders involved in the EPWP, regarding working conditions, wages, and disciplinary and grievance procedures.
- To promote a common set of good practices and minimum standards in employment procedures among the different EPWP sub-programmes within the municipality.

INSTITUTIONAL ARRANGEMENTS

The EPWP office in Msunduzi falls under the Community Services department, with the Mayor acting as the political champion. The administrative champion for the programme is the Manager for Parks, Sports and Recreation.

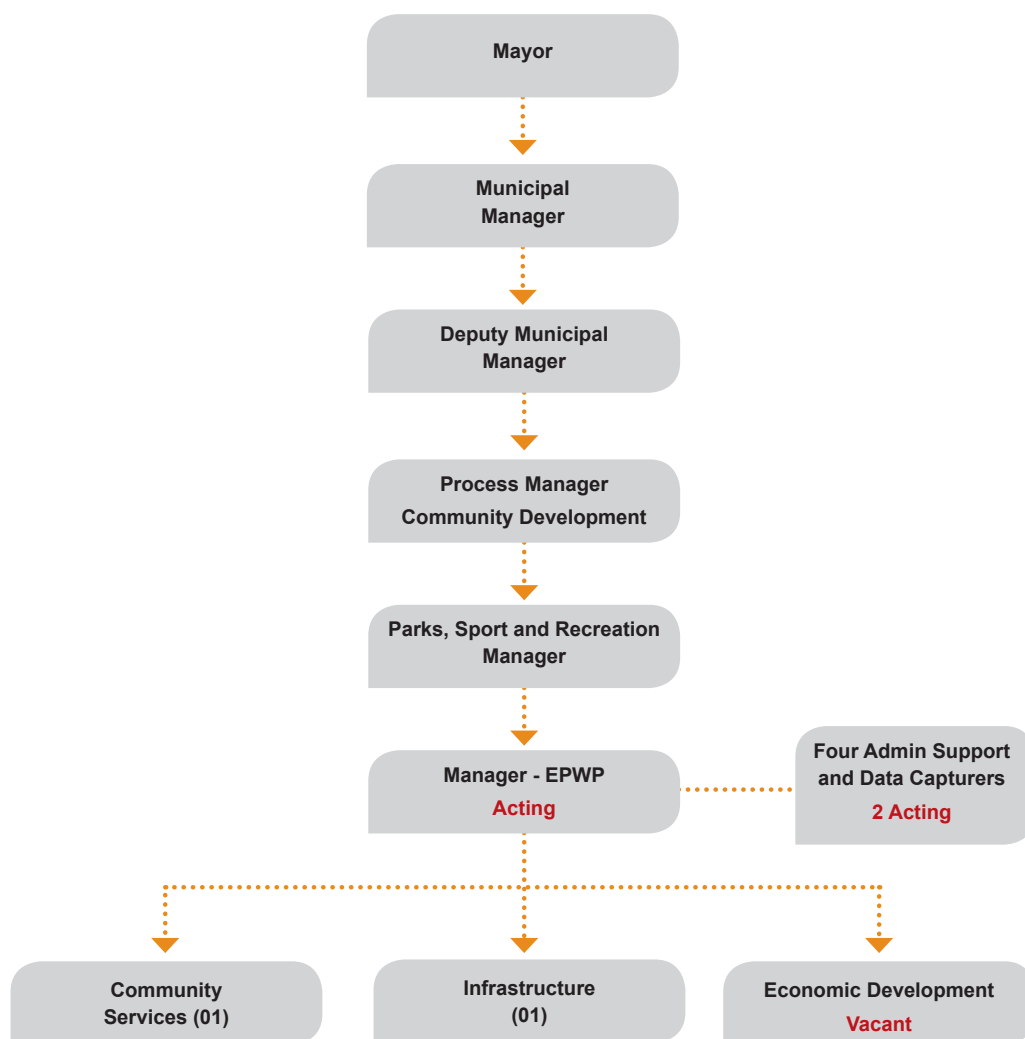
BUDGET ALLOCATIONS

Table 24 below shows the Incentive Grant funding allocated to the municipality for the 2017/18 financial year, along with expenditure. The city spent 100% of its allocation for the year.

TABLE 24: Msunduzi budget allocation (2017/18)

Total grant allocation	R8.02 million
Total grant funding received	R8.02 million
Cumulative spending (2017/18)	R8.02 million
Balance	R0.00
% spending (of allocation)	100%
% spending (of transfer)	100%

FIGURE 40: Msunduzi higher-level institutional arrangements



PROGRESS

Msunduzi Municipality implemented 32 EPWP projects in 2017/18, which resulted in a total of 1 813 WOs and 505 FTEs (see Table 25 below).

TABLE 25: Msunduzi EPWP progress (2017/18)

Number of projects implemented	32
Number of WOs created	1 813
Number of FTEs	505
Number of training days	107
Expenditure	R17.57 million
Wages paid	R15.87 million

FLAGSHIP PROJECTS AND SUCCESS

Ward-based integrated maintenance and city beautification

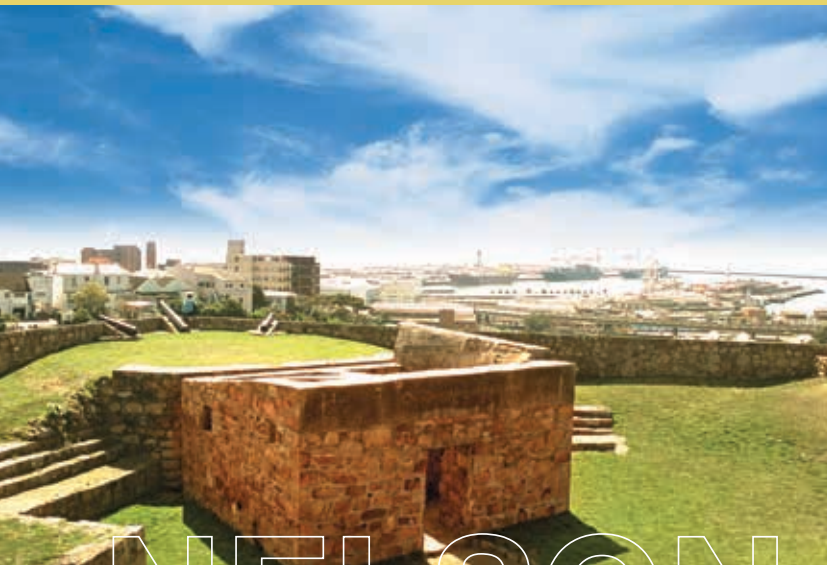
This programme has employed 20 participants per ward in all 39 wards (a total of 780 WOs) in the municipality, on one-year contracts. Each ward has its own maintenance crew who attend to challenges facing the wards.

CHALLENGES

- Labour unions putting pressure on the city to absorb EPWP beneficiaries into permanent positions within the Municipality.
- Most projects that are EPWP compliant are not reported.
- Non-functional EPWP Steering Committee within the Municipality.
- Lack of strategies to access additional grant funding sources to increase work opportunities by the municipality.

LESSONS LEARNED

- Technical capacity must be improved for labour-intensive operations.
- Labour intensity can also be improved, by increasing available internal sources of funding.



NELSON MANDELA BAY



Nelson Mandela Bay Metropolitan Municipality

OVERVIEW OF THE EWPW IN THE CITY

In November 2017, the Mayor of Nelson Mandela Bay stated that “the government is serious about improving the lives of those residents who struggle to access opportunities. By promoting skills transfer and creating a database of job seekers, we are also improving the chances of access to permanent opportunities”. The city is thus committed to implementing the EPWP in order to achieve this objective and contribute to the reduction of unemployment in the city and in the country. In 2009/10, therefore, the city established an EPWP office.

The city’s EPWP unit is located in the office of the Chief Operating Officer, an extension of the city manager’s office. The programme’s political champion is the Deputy Mayor.

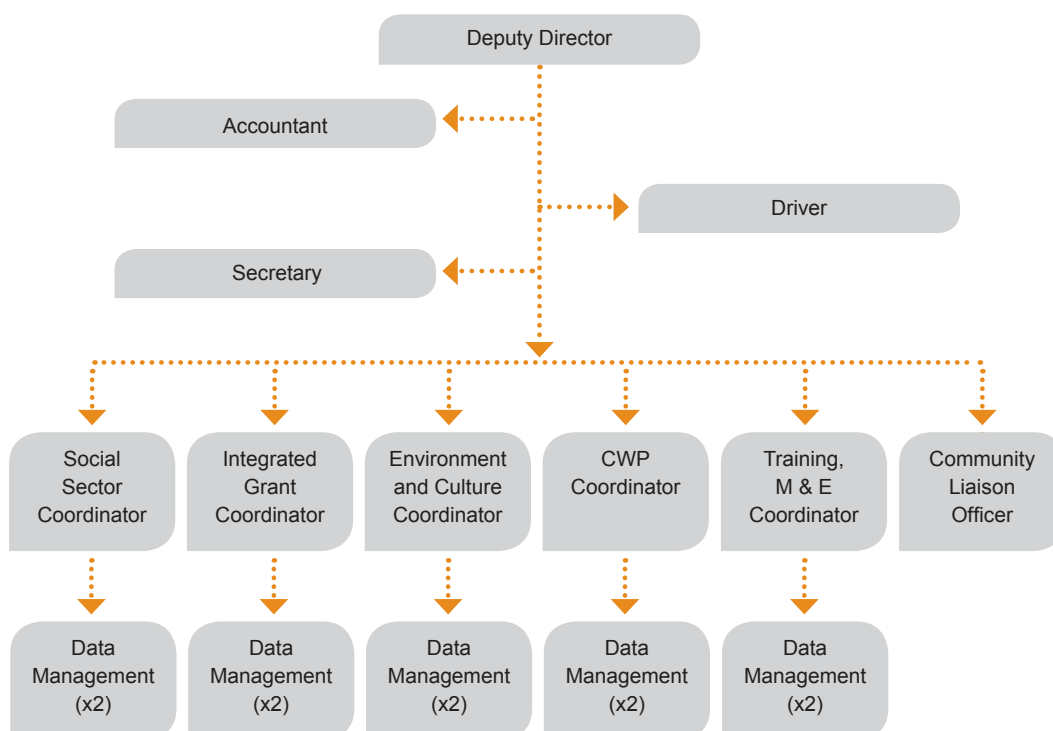
POLICY AND IMPLEMENTATION

Nelson Mandela Bay’s Phase III EPWP Policy was presented to Council for review in September 2017. The city’s EPWP policy is strictly adhered to in the city to ensure fairness for all; if any irregularities exist, they are immediately identified and resolved.

INSTITUTIONAL ARRANGEMENTS

Figure 41 below shows the institutional arrangements for Nelson Mandela Bay, which remain unchanged from the previous financial year.

FIGURE 41: Nelson Mandela Bay institutional arrangements



BUDGET ALLOCATIONS

Table 26 below shows the integrated allocation to Nelson Mandela Bay for 2017/18, along with the expenditure.

TABLE 26: Nelson Mandela Bay budget allocations (2017/18)

Total grant allocation	R4.81 million
Total grant funding received	R4.81 million
Cumulative spending (2017/18)	R4.81 million
Balance	R0.00
% spending (of allocation)	100%
% spending (of transfer)	100%

PROGRESS

The municipality implemented 169 EPWP projects in 2017/18, which resulted in the creation of 4 899 work opportunities and a total of R36.05 million spent on wages paid out to participants (see Table 27 below).

TABLE 27: Nelson Mandela Bay EPWP progress (2017/18)

Number of projects implemented	169
Number of WOs created	4 899
Number of FTEs	854
Number of training days	66
Expenditure	R46.28 million
Wages paid	R36.05 million

FLAGSHIP PROJECTS AND SUCCESS

Maintenance of Settlers Park

The Nelson Mandela Bay Municipality hired more than 80 EPWP workers to maintain Settlers Park, which is known as the city's green lung and is rich in birdlife and fauna. Part of their job is to eradicate invasive alien plants that were one of the contributing causes of fires in the area. Settlers Park is an important ecotourism attraction. Workers learn invaluable skills, such as being able to identify alien species, that will assist in finding work in other fields.

Stormwater maintenance project

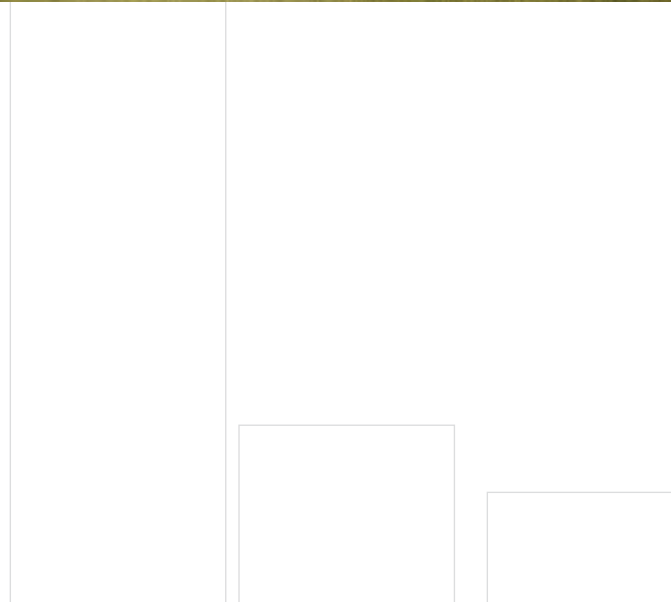
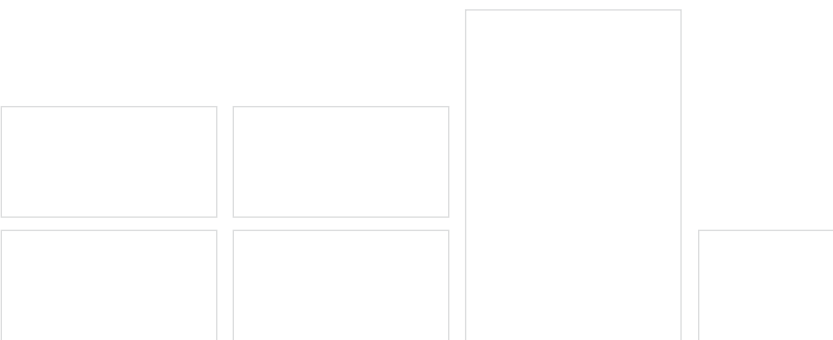
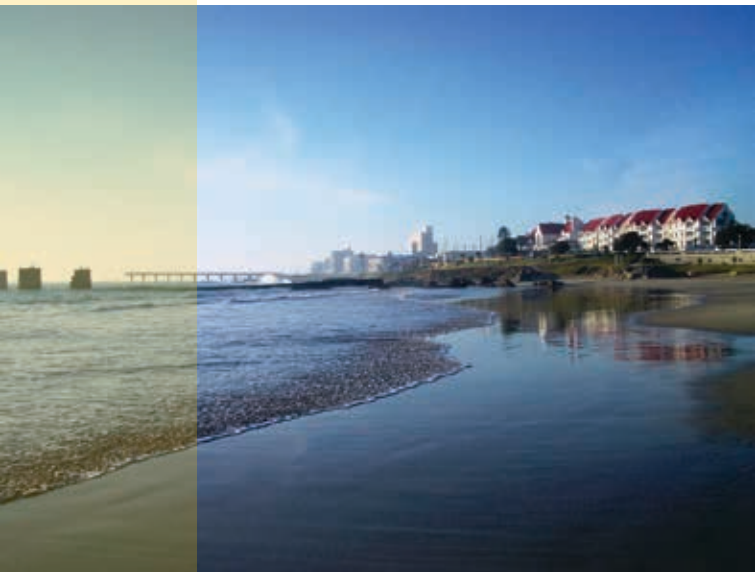
More than 220 EPWP workers are employed to unblock and clean drains, canals and catch pits in Nelson Mandela Bay municipality. They also create awareness about illegal dumping in drains, and remove overgrown grass from ditches and drains. The project is part of the city's plan to deliver world-class infrastructure.

CHALLENGES

The major challenge that the city has been facing is the substandard performance of directorates against EPWP targets. As a result, workshops were arranged between the Department of Public Works, the Metro EDTA unit and various Metro Directorates in 2017.

LESSONS LEARNED

- Including EPWP targets on executive directors' scorecards improves performance and accountability.
- Accountability can be improved by having the EPWP report to its own Portfolio Committee.
- Compliance in terms of tender documents would be improved if the EPWP were part of the Supply Chain Management Committees.



Annexure II

Case Studies



OVERVIEW OF THE PROGRAMME

Duncan Village is a township in Buffalo City Metropolitan Municipality, situated in the Eastern Cape province of South Africa. The township is located about five kilometres away from the city of East London's business district. Duncan Village is divided into six wards, each headed by a ward councillor.

The Duncan Village Revitalisation Programme is the brainchild of the unemployed youth of Duncan Village, who raised the need and initiated a multi-focus/multi-purpose youth development and empowerment programme. During the 2015/16 BCMM IDP Roadshows and Review Meetings, a delegation led predominantly by unemployed youth (drawn from all six wards of Duncan Village) made a submission for the consideration and implementation of a programme that would target in-school and out-of-school youth, unemployed graduates, and unemployed young people in general.

PROJECT/PROGRAMME OBJECTIVES

The Duncan Village Revitalisation Programme has the following objectives:

- To provide support, training and development opportunities to disadvantaged and unemployed youth;
- To offer support and economic development opportunities to the young people of Duncan Village through various soft- and hard-skills-based psycho-social support programmes;
- To act as a sanctuary for unemployed and directionless young people, through the provision of programmes that enhance their chances of development and progress.
- To address underlying social deterioration by arresting challenges at school level, before they become more serious.

This is done through running and implementing the following programmes:



Homework Support and Assistance Programme



The programme works with 12 primary and secondary schools, using the skills and expertise of postgraduate students from both the University of Fort Hare (East London Campus) and Walter Sisulu University of Technology (East London Campus). There are four Homework Support and Assistance Programme tutors, who support 200 learners drawn from 11 schools in Duncan Village, Scenery Park, Buffalo Flats and Mdantsane.



School Sport Coaching Support Programme

A group of six young men and women were identified and recruited through the Ward Committee, local sports federations and the School Governing Board to be assistant sports coaches in local schools. The programme entails the provision and availing of the sports coaches to train and support sports teams from local schools in different sporting codes. The programme runs for three days a week during the school term, and the full week during school holidays. The programme caters for the rugby, netball and soccer sporting codes. It currently covers over a dozen primary and secondary schools in the area.



Arts and Culture Development Programme

This is a comprehensive arts and culture programme straddling different art forms, ranging from dance to poetry, pottery, performing arts, visual arts, cultural performing arts, music and theatre.

The programme is run in partnership with the Gompo Arts Centre and has four team leaders who also act as trainers. A partnership has been formed with the Ann Bryant Art Gallery for visual artists to showcase and display their works when the Gallery hosts events. The programme works with 14 schools and unemployed youth, and provides training as well as hosting of cultural events, dance schools, etc.



PROGRAMME IMPLEMENTATION STRATEGIES/PROCEDURES

The Duncan Village Revitalisation Programme was designed through consultation with communities (councillors, ward committees, sports bodies, professionals, young unemployed graduates, and school heads and educators).

The implementation of the programme takes many forms and approaches, based on the focus and thematic areas of each individual project. For example, the After-School Homework Support Programme is a school-based programme that requires the support and agreement of school principals, school governing bodies and communities (ward committees) to enlist youth to provide the service, but also for the schools to make their premises available for such a programme. The alignment of the after-school homework assistance with the school curriculum and syllabus was the product of negotiation and understanding between the selected after-school home support practitioners and the subject advisors in the targeted schools.

The Sport Coaching Support Programme involves local sports associations and federations, in partnership with identified schools. This programme involves teachers who are sports coaches at their respective schools, as well as at youth sports clubs. The sports coaches reached an agreement and an understanding with the hosting schools to identify and select at least four days in a week for sports coaching.

ACHIEVEMENTS

More than 780 young people from more than 20 schools have benefited immensely from the different projects implemented as part of the Duncan Village Revitalisation Programme. Although the project consists of 24 EPWP-registered participants paid from the EPWP IG budget, the social impact far outweighs this low number of participants, resulting in immediate benefits and socio-economic impacts. For example, the Music, Dance & Theatre programme has produced 120 up-and-coming young dance, music and theatre practitioners, who performed for the first time at the 2018 National Arts Festival in Grahamstown. In addition, the Arts & Culture Development Programme has produced four performing arts groups, who showcased their talents at the Umtiza Arts Festival during the Jikeleza Carnival.

The Sport Coaching programme has seen four young unemployed sports management sciences graduates, sportsmen and sports enthusiasts transferring knowledge and skills to young, talented township youth in different sporting codes.

The twelve schools participating in the Homework Assistance programme keenly awaited mid-term school results to measure programme impact. However, the enthusiasm and support shown by parents, teachers and principals provides much-needed hope and encouragement to sustain the project. It has been observed that there has been no reported theft of the equipment, tools and props that are used in the pursuit of this programme. Since its inception, many parents and children have approached the Gompo Community Arts Centre where the project is located to enquire and ask for assistance. The East London District office of the Department of Basic Education is being engaged to consider the adoption and absorption of the EPWP participants.

OVERVIEW OF THE PROJECT/PROGRAMME

In September 2017, Tshwane Metropolitan Municipality approved its first EPWP recruitment guidelines, which were championed by the Group Human Capital and Management Department (GHCM). The guidelines are aimed at ensuring that city projects benefit as many people as possible regarding participation in the EPWP.

Since November 2017, the Executive Mayor has embarked on roadshows to inform the public about the new EPWP recruitment guidelines, and to encourage them to register on the job-seekers database. In parallel with the Executive Mayor's roadshows, the EPWP Division established a call centre to clarify any questions or concerns the public may have in relation to the new EPWP guidelines.

PROJECT/PROGRAMME OBJECTIVES

To ensure that recruitment is approached in a transparent and fair manner, free from nepotism and favouritism.

PROJECT/PROGRAMME IMPLEMENTATION STRATEGIES/PROCEDURES

During the last week of November 2017, registration on the database commenced. In order to be registered on the central database and in order to be eligible to participate in EPWP projects, job seekers were required to complete an application form, after which they were issued with proof of registration.

To be registered on the database, each job seeker was required:

- To be a South African citizen;
- To reside in the City of Tshwane, and provide an address for the purpose of the selection process; and
- To be at least 18 years of age (so as to encourage residents to finish school), and not older than 60 (as other forms of social assistance are then available).

Completed application forms were captured on the database; capturing was concluded on 15 December 2018. A total of 120 683 job seekers were registered on the database across all the seven regions of the City of Tshwane. The City emphasised that registration on the database would not guarantee selection as an EPWP participant.

RECRUITMENT PROCEDURES

The recruitment guidelines differentiated between projects and programmes with regard to the selection of participants. Projects are capex-funded, and a contractor is involved; programmes are opex-funded, and participants are contracted directly by the city. The selection of participants for capex-funded projects takes place at a suitable public venue close to where the project will be implemented. As far as practically possible, on-site selection is open to public observation. These selection events must be published in advance in the wards and regions from which the EPWP participants will be recruited. In terms of selection for programmes, this may take place at any City of Tshwane building, with all relevant stakeholders. The selection of participants is limited to the region and ward where the project will be implemented. People from nearby wards will only be considered if the ward in question does not present the required number of participants on the database.

The list of selected participants is handed to an independent auditor or observer who may be an employee of the city; for example, an internal auditor. In the event that the integrity of any random selection is called into question by any interested party, the certificate of the independent internal auditor or observer will serve as proof of such integrity. The process followed for selection and appointment of participants appears on the next page.

ACHIEVEMENTS

By the end of 2017/18, 11 lottery sittings had been conducted, of which eight were for the Gata Le Nna programme and four were for capex projects. A total of 16 914 participants were selected from the database, from which 350 FTEs were created. The recruitment guidelines indicate an employment duration of 12 months only, so as to ensure that more people are able to benefit from the city's projects and programmes. The main objective is to uplift communities through the provision of skills and employment opportunities that will help to restore the dignity and pride of the poor in the city. The EPWP participants receive an income that allows them to take better care of their families.

Process for selection and appointment of participants

1

Dept./Region
completes an
RFP form

- Form must state project information and location, and indicate:
 - Number of participants required
 - Region and preferred wards close to the project
 - Project duration and budget
 - The identity of the project manager
- Completed forms are submitted to the EPWP Division for consolidation, and submitted to the EM's office

2

Scheduling
and 'lottery'
sitting

- EM's office invites all relevant stakeholders as per the RFP to a lottery sitting to select participants
- Stakeholders include ward councillors, representatives from departments/regions, audit division, ICT
- Other stakeholders include GHCM Department and EPWP Division
- With regard to projects, the public is also invited to witness the process
- Selection takes place and selected participants are submitted to audit division to ensure integrity
- After audit, a certificate is issued and the list is submitted to GHCM to contact the selected participants

3

Contracting

- For capital projects, the selected participants are forwarded to the relevant department for handover to the contractor
- For City programmes, contracting takes place with the relevant department
- Participants can only work for a maximum period of 12 months and must be on a cooling period for 12 months before next selection

4

Reporting

- EPWP champions for departments and regions report on the contracted participants to EPWP Division until the project ends



OVERVIEW OF THE PROJECT/PROGRAMME

The Municipality committed to mitigating its carbon footprint through the planting of indigenous trees and the restoration of the local natural habitat. This restoration would not only achieve the stated climate-mitigation objective, but would also result in increased local climate-adaptation capacity, within ecosystems and communities. While the project is a 'carbon sequestration' initiative, it simultaneously ensures the improved supply of a large number of other ecosystem services (e.g. water quality, flood attenuation, sediment regulation, biodiversity refuge conservation, and river flow regulation).

PROJECT/PROGRAMME OBJECTIVES

In 2008, the eThekweni Municipality's Environmental Planning and Climate Protection Department, in partnership with the Wildlands Conservation Trust and Durban Solid Waste, initiated the Reforestation Project. The aim of the project was to alleviate the climate change impacts of hosting the 2010 Soccer World Cup in Durban. The restoration of forest ecosystems was identified as a way of absorbing the event-related greenhouse gas emissions while enhancing biodiversity and people's capacity to adapt to the inevitable effects of climate change. The site will sequester 42 214 tons of carbon dioxide over a 20-year period.

PROJECT/PROGRAMME IMPLEMENTATION STRATEGIES/PROCEDURES

Partnerships

The Reforestation Project is led by eThekweni Municipality's Environmental Planning and Climate Protection Department (EPCPD). The EPCPD partnered with the municipality's Durban Solid Waste Department (DSW) from the start, as DSW is both owner and manager of the land on which the project is implemented. Other collaborations include:

- a partnership with the Wildlands Conservation Trust (WCT), which was appointed as an implementing partner and to undertake the required work on site;
- The Reforestation Research partnership, established with the University of KwaZulu-Natal (UKZN);
- an Environmental Education partnership with the Wildlife and Environmental Society of South Africa (WESSA);
- a partnership with the municipality's Coastal, Stormwater and Catchment Management Department (CSCM), for the construction of a weir for water-monitoring purposes; and
- a partnership with the Municipality's Energy Office, which has provided photovoltaic and solar geyser technologies.

Maintenance

Separate teams maintain the sites for the various activities undertaken. This includes cutting grass and ongoing control of invasive alien plants.

Landfill sites produce methane gas, which is dangerously flammable, so control of any open flames around the site is a priority. As a result, fire management is also undertaken to minimise the danger to newly planted trees. For this reason, firebreaks are cut and maintained around all planted areas.

RECRUITMENT PROCEDURES

The project registered approximately 550 local community members from the surrounding Osindisweni, Buffelsdraai, Ndwedwe and KwaMashu communities as 'treepreneurs'; of those, approximately 168 are still active. Treepreneurs exchange seedlings for credit notes, which can be used to obtain food and basic goods, and/or pay for school fees. Regular 'Tree Stores' are held in the participating communities, where the credit notes can be exchanged for goods.

ACHIEVEMENTS

The project encompasses three divisions: reforestation, control of invasive alien plants, and control of fires. Collectively, these divisions have provided more than 80 work opportunities and approximately 60 full-time equivalents.



Impact on the community

The project has been highly successful in showcasing the role that natural ecosystems play in underwriting people's livelihoods and resilience. Local unemployed community members collect indigenous tree seeds, then grow tree seedlings and plant them in the buffer zone around the landfill site. It is anticipated that local people will also benefit from the improved ecosystem services provided by the forest, due not only to their dependence on natural resources, but also to their vulnerability to the shocks and stresses of climate change. Benefits for the natural environment include a marked increase in biodiversity (both fauna and flora) in vacant areas previously under sugarcane production.

Impact on the environment

The ecosystem services derived from the restored forests will produce benefits such as enhancement of biodiversity refuges and water quality, river flow regulation, flood mitigation, sediment control, improved visual amenity, and fire risk reduction. Such services enhance the long-term climate-change adaptation benefits derived by local communities, as well as their short-term resilience to dangerous weather patterns.

Impact on the participants

The project has employed more than 50 participants since inception, providing an income stream for supporting the participants and their families. Local community members (the treepreneurs) are encouraged to grow indigenous tree seedlings in their 'home nurseries' until they reach a suitable height and are ready to be traded. When their trees have been collected, treepreneurs are paid with credit notes. These credit notes can be used at 'tree stores' organised by the Wildlands Conservation Trust to purchase groceries, bicycles and building materials, or to pay for school fees or driving lessons.

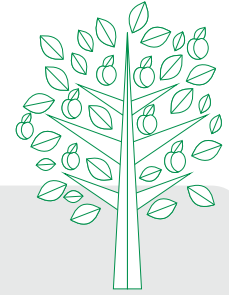
Communities benefitting from the project are some of the most impoverished and vulnerable in Durban. Other benefits of the programme include:

- Improved schooling for children
- Additional disposable income to cover additional needs (e.g. transport).
- Access to adequate food supply for project participants in two of the project communities has increased by 40%.

Validation by the climate, community and biodiversity alliance

In 2014, the Reforestation Project was validated by the Climate Community and Biodiversity Alliance (CCBA). It received a Gold Standard certificate for ensuring exceptional climate change adaptation benefits, and for benefits to local communities and biodiversity. This was seen as recognition of the project's alignment with international best practice standards in relation to biodiversity-centred climate adaptation.

Success Stories



Thandiwe Mthlane

Thandiwe is a resident in the Buffelsdraai community and joined the project as a tree-preneur in 2010. She recognised the opportunity to supplement her income by growing trees, and quickly developed a passion for the work. She is now considered one of the Project's 'super-growers' and has produced many thousands of trees at her home nursery. She has traded most of the credit notes she received from the trees for bricks to build herself a larger home, but also uses some of the credit notes to pay for her children's school fees.

Nondumiso Khumalo

Nondumiso started working at the Reforestation Project in 2009, and is currently employed as an Initiatives Manager. She is well known for her passion for the environment and is one of the driving forces behind the success of the project. Prior to her current post, she worked as a field ranger, a tour guide, and a site manager at a nature reserve in northern KwaZulu-Natal. Nondumiso has recently been awarded a Diploma in Nature Conservation. She has also completed a Diploma in Project Management and is finalising a Diploma in Supply Chain Management. Nondumiso now plans to enrol for a Bachelor of Technology in Nature Conservation.

Nondumiso Khumalo is currently employed as an Initiative Manager in the Buffelsdraai Landfill Site Community Reforestation Programme.

CHALLENGES & LESSONS LEARNED

Projects such as this are highly reliant on buy-in from politicians and local community members, and must secure ongoing funding. The key to the sustainability of the Buffelsdraai Community Reforestation Project is the need to consider the longer-term transition of the project once the tree planting has been completed, so that the forest and its biodiversity continue to be enhanced and community job creation is sustained.

OVERVIEW OF THE PROJECT/PROGRAMME

Mangaung Metropolitan Municipality (MMM) decided to implement a Bus Rapid Transit System, commonly referred to as an Integrated Public Transport Network (IPTN), as part of the National Public Transport Strategy and Action Plan released in 2007 by the National Department of Transport. The MMM IPTN is intended to transform the public transport system in the city through the provision of a high-quality, safe and affordable public transport system. The IPTN system is aimed at improving the provision and level of service of road-based public transport.

In order for the network to function as an integrated system that supports the MMM transport system, the proposed IPTN Trunk Route will require supporting ancillary infrastructure, such as bus stations, bus shelters, a bus depot and non-motorised transport facilities.

PROJECT/PROGRAMME OBJECTIVES

The aim of the programme is in line with the overarching national objective of:

- Improving the quality of public transport services for communities in Mangaung and around South Africa;
- Reducing the cost of service delivery;
- Minimising the subsidy burden on all spheres of government;
- Providing affordable fares to public transport passengers;
- A reduction in private car traffic volumes, which will minimise congestion and travel time, accidents and harmful gas emissions, and improve traffic safety.

PROJECT/PROGRAMME IMPLEMENTATION STRATEGIES/PROCEDURES

The development of a public transport system is an iterative process, and is being refined over time through the development of the IPTN Plan and Operational Plans to implement the eight phases identified in the IPTN. This iterative process is required since a system is designed (capital and operational) stemming from a set of infield surveys such as traffic counts, household travel surveys, and taxi facility surveys. The First Order Operational Plan of 2014 applied a full network design methodology developed from various international best practices. The methodology represents an integrated approach between land use, public transport movement, infrastructure provision and passenger convenience.

RECRUITMENT PROCEDURES

The vision of the project is to appoint participants as operators of the IPTN. The affected operators are basically the licensed taxi operators conducting business on the routes identified for the IPTN system. They will be bought out of their business and be provided with an opportunity to reinvest in the new entity by buying shares and becoming shareholders. A once-off contract will be negotiated with the operators (beneficiaries) and will include compensation conditions. A business plan will result from the negotiation process with the operators to be identified. The negotiations are mandated and governed by conditions contained in the National Land Transport Act, No. 5 of 2009.

Important business principles associated with the acquisition process to be structured in a responsible way are the following:

- The identification of the affected operators;
- The associated compensation to be paid to the affected operators;
- The transfer of business (services to existing passenger demand) to a new operating entity to be established for this purpose; and
- The valuation of the new business entity, and accordingly, the determination of the share value of the new business entity.

ACHIEVEMENTS

- Affordable fares to public transport passengers;
- Reduction of private car traffic volumes;
- Improved travel times (origin to destination);
- Environmental benefits (less harmful gas emissions);
- Safe and reliable public transport;
- Improved traffic safety;
- Business/trading opportunities along the trunk routes and bus stations;
- A formalised transport system; and
- Value-chain opportunities.



According to Dr Kate Philip (2018), unemployment requires some complementary strategies when markets fail, especially if employment is to reach marginalised areas. Public employment programmes (PEP) are therefore crucial instruments in this regard. Philip advocates for PEPs to be viewed not solely as stepping stones into other employment, but as an alternative form of support to livelihoods in the South African context, where there is a serious issue of structural unemployment. This requires innovative approaches that involve all sectors: Social, Environment and Culture, Infrastructure and Non-State, including non-profit organisations (NPOs).

INTERNATIONAL EXAMPLES

The Federal Writers Project (The American Guide Series)¹²

The Federal Writers Project was a programme under the Works Progress Administration (WPA) that assisted the unemployed. Between 1935 and 1943, the Depression-era government programme employed over 6 000 writers to produce travel guides for 48 states in the United States of America (USA). Each volume of the guides contains history, geography, culture, maps, drawings and photographs of the states. This is an example of how arts and culture can be used to create employment and promote tourism.

Mahatma Gandhi National Rural Employment Guarantee Act – Policy Innovation

The Mahatma Gandhi National Rural Employment Guarantee Act of 2005 is a social security measure in India that guarantees the right to work. This policy intervention gives rural households the right to demand 100 days of paid government work, to be given within 15 days of application, failing which a daily unemployment allowance will be paid by the local government. This policy also stipulates that work must be within a 5km radius of a worker's village, otherwise workers must be paid 10% extra in wages. This ensures that the poor are able to make a decent living and are not working just to be able to afford transport to go to work the next day. Since 2005, over 60 million households have participated in the programme, and India has seen a major reduction in poverty.

THE SOUTH AFRICAN CONTEXT

South Africa has made significant strides through the EPWP; some examples of the country's innovations are:

- Mainstreaming labour-intensive methods in the infrastructure sector.
- Ensuring regular and predictable part-time work in order to contribute to ongoing livelihoods through programmes such as Zibambele and the CWP.
- Establishing an NPO sector.
- Designing youth-focused programmes (National Youth Services, Youth Environmental Services) in order to address the country's high youth unemployment.

RECOMMENDATIONS FOR PEPS TO ENHANCE DEVELOPMENT IMPACTS

According to Philip, the EPWP and all other employment programmes must combine the following dimensions of development impact:

- Impacts from income earned;
- Impacts from participating in work; and
- Impacts from the assets and services delivered.

The impact of income earned can be strengthened by programmes – and the implementing bodies of PEPs – paying participants the minimum wage and providing payments on time. Dr Philip suggests that this be a performance-monitoring aspect, where penalties are applied for late payment of workers. Figure 42 shows some of the other ways through which the impact of income earned can be strengthened.

Another recommendation is that PEPs should provide relevant work experience to FET graduates, for instance, rather than being focused on only providing skills which often do not get used. This should also be targeted at sectors where there are jobs.

Figure 43 and Figure 44 show some of the recommendations on how PEPs such as the EPWP can strengthen pathways to employment.

FIGURE 42: Strengthening the impact of income earned on PEPs

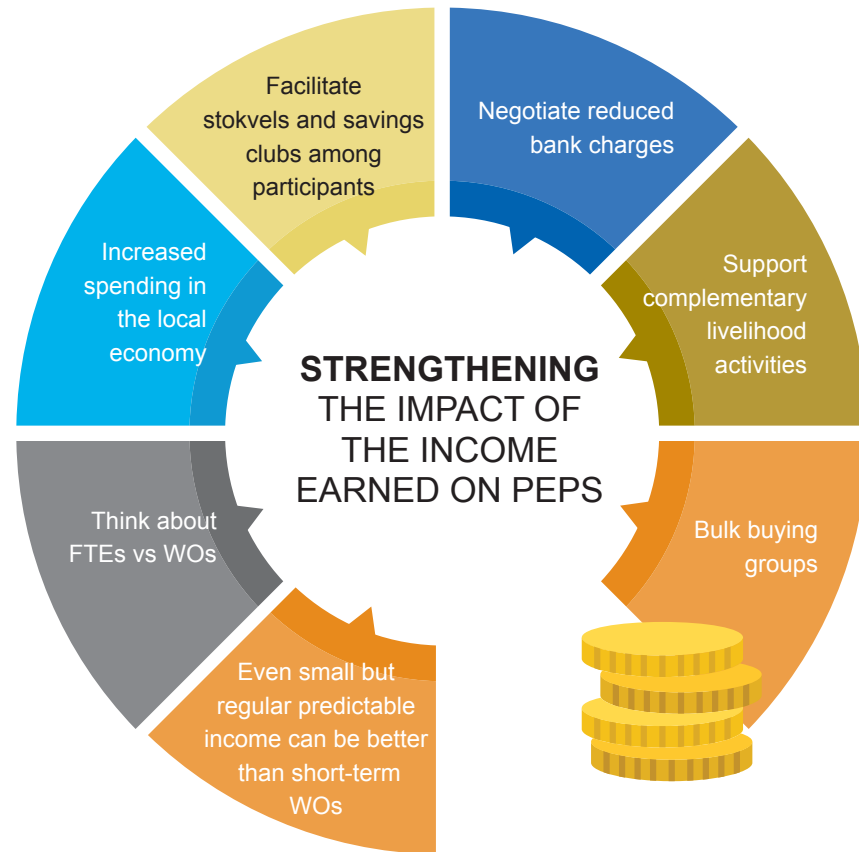


FIGURE 43: Strengthening employment pathways – skills and work experience



FIGURE 44: Strengthening employment pathways – collaboration

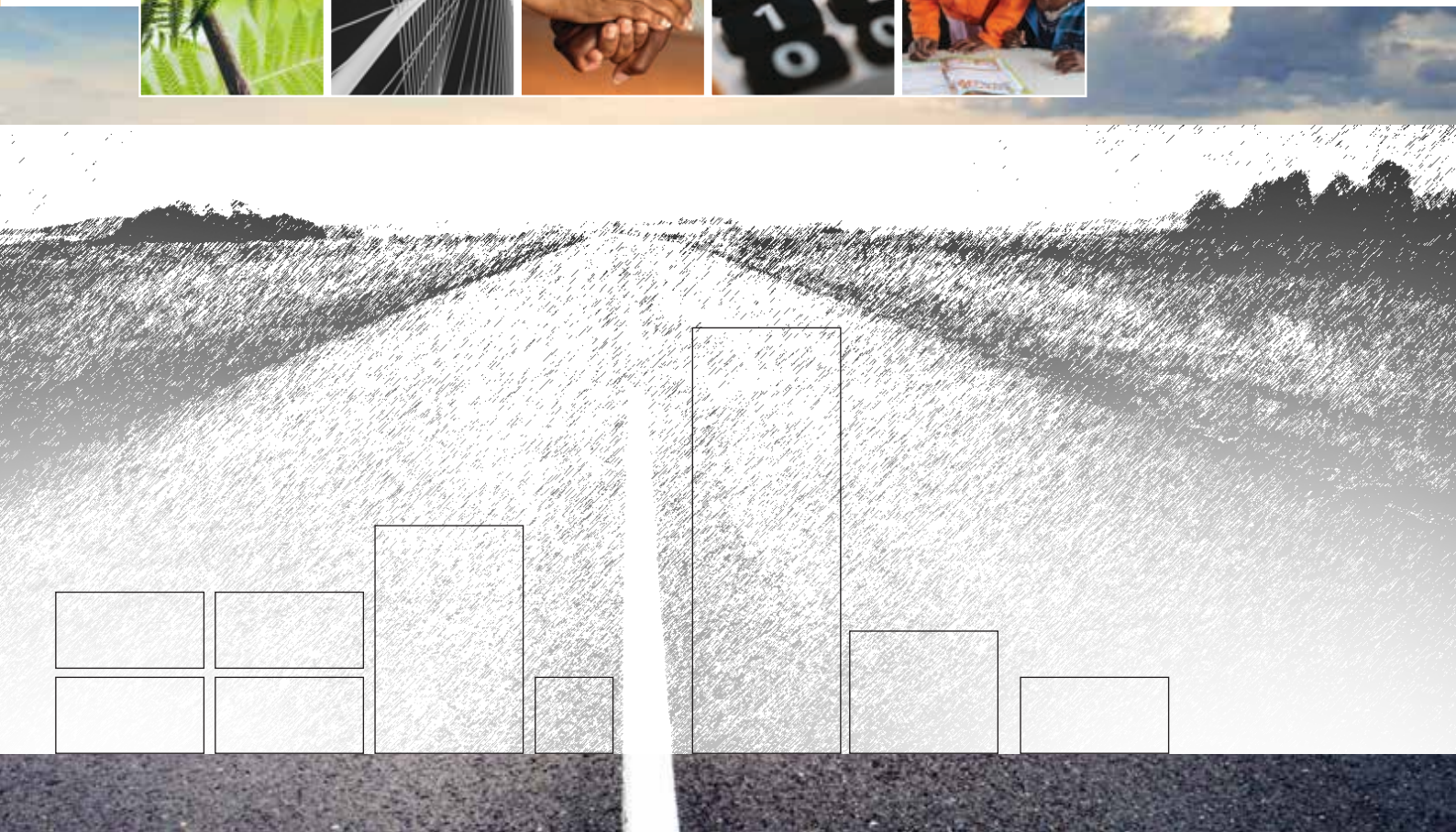


CONCLUSION

PEPs have the potential to make a significant contribution to addressing unemployment in South Africa. However, the approaches must be cross-sectoral, collaborative and innovative. Programmes such as the EPWP should not only be seen as temporary employment programmes, but should be designed in such a way as to provide transferrable skills and relevant experience that are geared to industries that have jobs.

Annexure III

About the EPWP





To enable the creation of 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 diversity in existing programmes;
- To expand the use of best practice in existing programmes;
- To use existing budgets and replace special poverty-relief or public-works budgets;
- To be sustainable (the EPWP must not be 'made to 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; Infrastructure, Environment and Culture, Social, and Non-State.

The key components of an EPWP project are:

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

Figure 45 shows the EPWP indicators defined in the guidelines document.

FIGURE 45

DEFINITIONS

of EPWP indicators¹³



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. However, it is 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.

Endnotes

- 1 <https://www.gov.za/speeches/president-cyril-ramaphosa-jobs-summit-4-oct-2018-0000>
- 2 http://www.statssa.gov.za/?page_id=1856&PPN=P0277&SCH=7326
- 3 <https://www.gov.za/sites/default/files/Executive%20Summary-NDP%202030%20-%20Our%20future%20-%20make%20it%20work.pdf>
- 4 <https://www.timeslive.co.za/politics/2018-06-20-national-development-plan-target-is-far-off/>
- 5 <http://pmg-assets.s3-website-eu-west-1.amazonaws.com/140909epwp.ppt>
- 6 NDPW, 2014. EPWP Phase III Environment & Culture Sector Plan (2014/15 – 2018/19), June 2014, https://www.environment.gov.za/sites/default/files/reports/epwpphase3environment_culturesector.pdf
- 7 NDPW EPWP M&E reports, <http://www.epwp.gov.za/documents.html#reports>
- 8 SACN State of the Expanded Public Works Programme in South African Cities reports (2009/10 – 2016/17), <http://www.sacities.net/knowledge-products/publications>
- 9 NDPW, 2016. EPWP Monitoring, Evaluation and Reporting. 5th EPWP Summit, 15-17 November 2016, http://www.epwp.gov.za/documents/Summit/2016/Day_One/EPWP%20Monitoring.Evaluation.ReportingSummit%20Presentation.Final.pdf
- 10 SACN. 2019. State of Urban Safety in South African Cities Report 2018/19. A report of the Urban Safety Reference Group. South African Cities Network: Johannesburg. Available online at www.sacities.net and www.saferspaces.org.za.
- 11 Dr Kate Philip, 2018, Innovation in Public Employment: To strengthen development impacts, [https://csp.treasury.gov.za/Resource Centre/](https://csp.treasury.gov.za/Resource%20Centre/)
- 12 <https://www.senate.gov/reference/resources/pdf/WPAStateGuides.pdf>
- 13 Guidelines for the Implementation of Labour-Intensive Infrastructure Projects under EPWP. http://www.epwp.gov.za/archives/technical_legalguidelines.pdf

Notes

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