Expanded Public Works Programme
[EPWP] Policy

Kaap Agulhas Munisipaliteit
Cape Agulhas Municipality
U Masipala Wase Cape Agulhas

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GLOSSARY OF TERMS / DEFINITIONS

EPWP – THE EXPANDED PUBLIC WORKS PROGRAMME

The Expanded Public Works Programme [EPWP] is a nation-wide National Government programme to draw significant numbers of unemployed into productive work, accompanied by training, so that they increase their capacity to earn an income and become more competitive in the job market.

LABOUR-INTENSIVE PROJECTS

Labour-intensive construction is the economically efficient employment of as great a proportion of labour as is technically feasible throughout the construction process to achieve the standard demanded by the specification; the result being significant increase in employment being generated per unit of expenditure by comparison with conventional equipment-intensive methods.

PERSON-DAYS OF EMPLOYMENT

The aggregate of the number of people who worked on a project multiplied by the number of days each person worked;

JOB OPPORTUNITY

Paid work can be created for an individual on any EPWP project, depending on the duration of a project that may differ from time to time and will be indicated on his/her employment contract.
Beneficiaries must be given training and skills development to further develop their skill levels during their job opportunities on the EPWP program.
All workers must be appointed from the Cape Agulhas Municipal Database which will be compiled and maintained by Cape Agulhas Municipality for unemployed persons within the municipal jurisdiction. Applicants will be rotated to allow the optimum number of unemployed people to benefit from the project.

DEMOGRAPHIC CHARACTERISTICS OF WORKERS

The number of workers that fall within the following categories must be recorded:

- Youth [18-35 years of age]
- Women
- People with disabilities
1. **STATEMENT OF PURPOSE**

The purpose of this policy document is to provide a framework for the implementation of the Expanded Public Works Programme [EPWP] with the Cape Agulhas Municipality [CAM], which includes the operations of the entire municipal directorate directly affected by the programme.

The thrust of this policy framework is to create work opportunities for the unemployed using the Cape Agulhas expenditure in the short to medium term [about 3 – 5 years], in line with the government directive. It is also envisaged that, the incentive will kick-in over this period and this will allow the municipality to sustain the implementation of this programme over the long-term.

EPWP is a nationwide short and medium term government initiative aimed at alleviating poverty by utilising public sector budgets to draw significant numbers of the unemployed into productive work whilst enabling these workers to gain skills while they work.

The Cape Agulhas Municipality’s policy on EPWP should be formally adopted by Council and should include a process to review and reporting on progress periodically to Council. The Cape Agulhas Municipality through its co-ordinating Directorate will co-operate with other spheres of Government to ensure effective and compliance for a successful and impactful programme.

2. **POLICY OBJECTIVES**

EPWP projects and programmes must be identified, using labour-intensive methods with predetermined key deliverables over a given timeframe in the *environmental, social and economic sectors*. This is to be achieved by channeling a substantial amount of the municipal annual budget allocation [capital projects, setting up a special vote to kickstart the programme] towards implementation by -

2.1 Implementing **labour-intensive infrastructure projects** that can create short-term jobs for the unemployed within the local communities projects to be identified in the CAPEX budget and negotiated with budget holders;

2.2 **Capacitating SMME’s and emerging contractors** within the local communities by facilitating the **transfer of skills** [managerial, technical and financial] through an **appropriate Learnership Programme**;

2.3 Maximising the percentage of the Cape Agulhas Municipality’s annual total budget spent and retained within local communities by promoting the **procurement of goods and services from local manufacturers, suppliers and service providers**;
2.4 Engaging Area management / operational departments of the Cape Agulhas Municipality in identifying labour-intensive projects and recruitment of suitable people based on defined target. Setting aside funds \[\text{initial kick-start } \text{R1 million – one million rands}\] to roll-out the programme;

2.5 Entrenching the EPWP methodology within the IDP – a methodology that expands the current service delivery model of goods and services to ensure shared growth;

2.6 Ensuring developmental integration across all sectors, re-engineer planning, design and implementation of projects / programmes within the existing municipal operational and capital projects;

2.7 Establishing the Cape Agulhas EPWP as an approved socio-economic developmental and poverty alleviation programme with sustainable exit strategies that maximise SMME development, employment creation and skills development.

3. SOCIO-ECONOMIC BACKGROUND

The Cape Agulhas economy has had a positive growth in the past five (5) years due to high performance of some of the sectors. This growth in these sectors cannot cater for new labour entrants or the rising of in-migration of predominantly low-skilled people. This negative scenario is therefore responsible for underdevelopment in the area, and includes -

3.1 The continued rise of unemployment levels as it is estimated 5000 of the economically active people are unemployed;

3.2 The decline in the ability of the formal sector to absorb new entrants to the labour force. It must be noted that the demand for highly skilled is on the rise but the rate in which skills are provided remains stagnant;

3.3 The variation in the levels of unemployment geographically and between the highly economic concentration between the main town of Cape Agulhas. The levels of unemployment exceed the average [Bredasdorp as the main economic centre and the towns of Struisbaai, Arniston, Napier, Elim, Klipdale and Protem] by margins. Therefore unemployment levels are much higher in the outlying areas.

3.4 The alignment of violence, increase in petty and social crimes has led to extreme levels of instability in townships [living conditions and overcrowding resulting in unsafe and environmentally degraded places in townships]. This is prevalent amongst the younger age groups who are heavily depended on drugs, illegal activities and are less educated;

3.5 The increase in poverty levels are attributed to low income levels and in some cases no stable income at all.
These aspects necessitate a move by the Municipality to prioritise job creation in line with National Government’s vision. It is also within this context that former President Mbeki during his state of the Nation address on 14 February 2003 formally announced the launch of the Expanded Public Works Programme [EPWP].

EPWP is one of the government’s short- to medium term initiatives which focuses on the use of government expenditure to alleviate poverty and reduce unemployment. The EPWP intended objectives can be attained through provision of work opportunities coupled with training. Training is a key element of the programme not only as an exit strategy but also a way of increasing the future employability of the beneficiaries / participants.

In essence EPWP involves re-orientating line function budgets so that municipal expenditure results in more work opportunities, particularly for unskilled labour. Funding of the programme can be achieved through the normal budget of the Municipality.

4. SECTORS IDENTIFIED FOR EMPLOYMENT OPPORTUNITIES

- Infrastructure – Increase the labour-intensity of infrastructure projects;
- Environment and Culture – work opportunities in cleaning and arts;
- Social – opportunities in public social programmes; and
- Economic – developing SMME’s and emerging service providers.

To date the Municipality has made significant contribution to the creation of employment opportunities through initiatives such as;
- Working for Water
- Cleaning projects
- Local Labour [LLPP]
- Township renewal projects
- Working for the coast
- Reservists – Protection Services.

The implementation of EPWP will build on the above initiatives. What is interesting in this programme is that EPWP is not restricted to the creation of infrastructure only.

5. CO-ORDINATION WITHIN THE MUNICIPALITY

- EPWP will be co-ordinated and managed within the Office of the Municipal Manager
- Champion of the programme exist namely Michael Dennis, John Daniels Infrastructure Champion, Luzeth Smit Social Sector Champion and the Director Technical Services in his capacity as the [MIG] Municipal Infrastructure Grant implementor.
• High level EPWP Integration and Reporting will consist of the Municipal Manager, Manager Economic Development, Chairperson of the Portfolio, Michael Dennis – EPWP Champion and Norwood Kotze – Director Technical Services.
• Standing discussion item discussion at Executive Management Team [EMT] and the Top Management Team [TMT].
• Monthly update and a quarterly report for Council consideration.

6. LEGAL FRAMEWORK

6.1 The Constitution

The Constitution of South Africa sets out a broad framework for local government. In accordance with this framework the objectives of local government are to:

• Provide democratic and accountable governance of local communities;
• Ensure the provision of services to the community in a suitable manner for the benefit of present and future generations;
• Promote social and economic development;
• Promote a safe and healthy environment; and
• Encourage the involvement of communities and community based organisations in the matters of local government.

6.2 Integrated Development Planning

In addiction to providing traditional services such as water and sanitation, municipalities have an expanded role to play. They must also initiate, plan, lead and manage development. The development role of municipalities in described in the Municipal System Act [Act 32 of 2000]. The Systems Act has resulted in the development of the Integrated Development Plan [IDP] as a key strategic planning document. The IDP guides and informs all planning and infrastructure development activities.

Project co-ordination, reporting and drive will be the responsibility of the Economic and Development Directorate.

6.3 Financial Support to Municipalities

The Division of Revenue Act [DORA] makes provision for assisting municipality [and provincial] governments by transferring funds to them for specific purposes. In terms of Regulation 21 of the Division of Revenue Act, the Minister of Finance has to publish the conditions associated with the funding allocations made to municipalities. The Municipal Infrastructure Grant [MIG], which is a consolidated grant mechanism, was approved by Cabinet on 05 March 2003. The fundamental feature of the MIG is that each year the bulk of the funds will be allocated to municipalities on the basis of a formula. The MIG is a conditional grant subject to a
number of conditions, of which poverty alleviation is a condition associated with EPWP that must be adhered to. One of the elements of the formula used to calculate the total allocation to municipalities relates to past performance in implementing the EPWP. Successful implementation of the EPWP will impact positively on future MIG funding allocations for the Cape Agulhas Municipality.

### 6.4 Conditions of Employment

The Minister of Labour has in terms of Section 50 of the Basic Conditions of Employment Act, made a Ministerial Determination which establishes conditions of employment for employees in Special Public Works Programmes. Task-based and time-based payments to participants in the EPWP will be set in terms of this Ministerial Determination. The Code of Good Practice for employment conditions of work for Special Public Works Programmes. This code does not impose any legal obligations in addition to those in the Basic Conditions of Employment Act. Its purpose is to give guidance to employers on key legal provisions in the Act. The Code provides guidelines for the protection of workers engaged in Special Public Works Programmes, taking into account the need for workers to have basic rights, the objectives of the programme and the resource implications for Government.

The Cape Agulhas Municipality will determine the minimum wages to ensure parity is achieved for the same of similar jobs within the Municipality’s area.

### 7 INSTITUTIONAL ARRANGEMENTS

The Programme cuts across all Directorates. Each directorate will have to make systematic and conscious effort in utilising their budgets to achieve the intended impact. That of engaging the employed into productive work, gain life and job specific skills and increase chance of getting out of the marginalized pool of unemployed people.

### 8 ORGANISATIONAL STRUCTURE

The programme will be co-ordinated and managed within the Office of the Municipal Manager which will establish an EPWP unit that can be capacitated over a period of time an in accordance with its success.

8.1 The EPWP Co-ordination Committee will consist of the Manager – LED, Municipal Manager, The Chairperson of the Portfolio Committee, EPWP Champion [Driver].
8.2 Perceived structure over short- to medium term

CAPE AGULHAS MUNICIPALITY
EPWP UNIT

<table>
<thead>
<tr>
<th>INFRASTRUCTURE</th>
<th>SOCIAL</th>
<th>ENVIRONMENT &amp; CULTURE</th>
<th>ECONOMIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low volumes roads</td>
<td>Early childhood development</td>
<td>Working for Water</td>
<td>Emerging Contractor/Service</td>
</tr>
<tr>
<td>Sidewalks</td>
<td>Home Based Care</td>
<td>Working for Coast</td>
<td>provider assistance</td>
</tr>
<tr>
<td>Storm water</td>
<td></td>
<td>Domestic waste collection</td>
<td>Security</td>
</tr>
<tr>
<td>Management</td>
<td></td>
<td>Agri-business initiatives</td>
<td>Cleaning</td>
</tr>
<tr>
<td>MIG Grant</td>
<td></td>
<td>Cleaning projects</td>
<td></td>
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8.3 The EPWP Unit will be responsible for:

- Municipality – wide co-ordination of EPWP related issues;
- Regularly review the Municipal policy in line with relevant legislation and improvement in project delivery;
- Setting EPWP targets;
- Create and enabling environment for the successful implementation of the Municipal EPWP;
- Ensure proper management and guidance for the project selection and execution;
- Document EPWP related discussions and assumptions;
- Facilitate communication amongst stakeholders;
- Overall monitoring, evaluation and reporting of the Programme; and
- Reporting to EMT, Council and TMT.

8.4 The EPWP Driver – Champion will;

- Liase with other directorates within the Municipality;
- Keep abreast with sector specific developments;
- Liase with and represent the Cape Agulhas Municipality on the relevant Provincial EPWP Co-ordinating Committees;
- Monitor, evaluate and report on progress and specific KPI’s and
- Disseminate information internally as when needed.

8.5 Directors will be responsible for:
• Ensuring that information on the extent and impact of the EPWP in the Municipality is communicated to all the stakeholders including ward councilors / committees;
• Keep a record and provide information to a central database on emerging contractors and local labour in the Municipality;
• Create awareness amongst staff about the benefits of labour-intensive infrastructure projects while at the same time dispelling and misconceptions on the quality of the works created;
• Timeously plan for the execution and implementation of programmes in line with achievable timeframes.

9  KEY PERFORMANCE INDICATORS [KPI]

The KPI’s to be achieved in the implementation of the EPWP will be as follows:

9.1  Employment Opportunities

The number of employment opportunities created, irrespective of the duration of each job within the financial year.

9.2  Person – Days of Employment

The number of person – days of employment created during the said financial year.

9.3  Project Budgets

The total expenditure inclusive of EPWP projects inclusive of all the sectors i.e. infrastructure, social, environment and culture including economic.

9.4  Demographics and Cape Agulhas wide

The number of jobs created for women, youth and people with disability including equitable distribution within the Cape Agulhas main economic towns.

9.5  Emerging Suppliers / Contractors

The number of service providers trained, through appropriate learnerships and total monetary value of contracts awarded.

9.6  Expenditure Retained within Local Communities

The amount of the budget spent and retained within local communities through procurement of goods and services from local service providers is recorded for the said financial year.
9.7  Remuneration and Tasks

Payment of beneficiaries will be standard according to the defined minimum and maximum [as stipulated by the fund. Other rates will be determined based on signed MOA’s.

To ensure compliance with the requirements of the EPWP including those of the conditional grants such as MIG, proper and efficient recording, monitoring and evaluation reports are to be recorded through the appropriate system [MIS].

10  EPWP IN CONTEXT FOR THE CAPE MUNICIPALITY

The IDP remains the principal strategic planning instrument and the process remains the vehicle for:

- Facilitating community participation in the planning process;
- Identifying community needs; and
- The prioritisation and integration of these needs.

These essences of the policy objectives stated earlier in the policy document can be summarised by the following key words:

- Creation of short-term jobs for the unemployed through labour-intensive means;
- Development of skills;
- Development of SMME’s and emerging service providers / contractors through appropriate learnerships; and
- Procurement of goods and services by local service providers;

The approach going forward and to be adopted by the Cape Agulhas Municipality is to unbundle existing and new projects [where possible and appropriate] into smaller projects, in order to meet the requirement, achieve the set KPI’s of the EPWP. The Municipality shall endeavour to achieve through its CAPEX, OPEX and Supply Chain by identifying elements suitable for inclusion in the Municipality’s EPWP.

10.1 Scoping

This process entails a process that ensures that all endeavours executed by the Cape Agulhas Municipality and within Directorates satisfy the EPWP objectives and are included in the plan.

10.2 Time Management

All projects executed through EPWP will include a time plan indicating project management aspects with timelines for each EPWP project within the said financial year.
10.3 Cost Management

- The EPWP component of each project budget is accurately determined and allocated;
- Establish the baseline / target for the financial year;
- Control and manage by assessing performance;
- Ensure targets are achieved, recorded to qualify for incentives.

10.4 Communication / Reporting

The Cape Agulhas Municipality’s EPWP Unit will be responsible for appropriate generation; collection and distribution of project information. The format content and frequency of progress reports including distribution of minutes, and financial reporting on EPWP to council and other Provincial and National organs of state. HR, will be responsible for reporting on the monthly appointments made of EPWP beneficiaries to council.

10.5 Labour–intensive Approach

The guidelines for the implementation of Labour-intensive Infrastructure Projects provide a framework for the implementation of Labour-intensive projects under EPWP and gives guidance on:

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

10.6 Other departments can assist in:

- The identification and selection of projects;
- Ensuring that the planning, design and contract administration of labour-intensive works are carried out by consultants who have in their employ persons who are competent in this work;
- Monitoring and reporting of achievements;
- Liaise and co-operate with data capturers for appropriate reporting;
- Education of contractor.

11. REVISION

This Policy must be reviewed annually.
12 CONCLUSION

The implementation of the policy depends largely on support and co-operation. Record keeping is key submission and presentation should be ensured at all times. The Municipality will at its very best achieve its development goals with minimum effort. It is therefore recommended that council approves the implementation of the policy and note the report emanating thereafter.