

# **SOL PLAATJE MUNICIPALITY**



## **EXPANDED PUBLIC WORKS PROGRAMME (EPWP) POLICY FRAMEWORK**

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In terms of resolution C94/04/16*

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## **1. GLOSSARY OF TERMS / DEFINITIONS**

### **EPWP - The Expanded Public Works Programme**

The Expanded Public Works Programme (EPWP) is a nation-wide Government programme aiming at drawing significant numbers of unemployed into productive work, so that they increase their capacity to earn an income.

### **EPWP Project**

Deliberate attempt by public sector bodies and Non-Governmental Organizations to use expenditure on goods and services to create work opportunities within the four sectors (Infrastructure, Social, Environment & Culture and Non State) of EPWP for the unemployed on a temporary basis under the Code of Good Practice for EPWP. Training will be applied where it is a pre-requisite to perform the task.

### **EPWP Worker/Beneficiary**

An unskilled or semi-skilled person working temporarily or on a contract basis on an EPWP designed project.

### **Labour-intensive**

Methods of construction involving a mix of machines and labour, where labour utilizing hand tools and light plant and the equipment, is preferred to the use of heavy machines, where technical and economically feasible. (Note: The normal emphasis on the cost effectiveness and quality of the asset must be retained)

### **By hand**

It refers to the use of tools, which are manually operated and powered.

### **Key Performance Indicator (KPI)**

A qualitative or quantitative measure of a service or activity used to compare actual performance against set standard or other target. In the context of EPWP, the key performance indicators relate to worker demographics, project budget, training days, wages, social impact studies, etc.

**Work Opportunity**

Paid work created for an individual on any EPWP project for any period of time.

**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.

**Full Time Equivalent**

Person-years of employment = total number of person days of employment created for targeted labour during the year divided by 230.

**Project Wage**

Minimum Daily Wage Rate (whether task-rated or time rated) paid per beneficiary and as determined by the Project Steering Committee. The minimum daily rate cannot be less than the minimum wage rate as specified in the Ministerial Determination for EPWP. The minimum wage rate is adjusted annually in November, in line with inflation.

**Task-rated worker**

Means worker in which a worker is paid a fix rate for performing a task.

**Time-rated worker**

Means worker in which a worker is paid on the basis of the length of the time worked.

**Person-Days of Training**

The number of Training Person-days is the number of people who attended training multiplied by the number of days of training. A distinction must be made between accredited and non-accredited training person-days.

### **Community Liaison Officer (CLO)**

The CLO is a member of the targeted community. The CLO is selected either by ward committee or the Municipality in conjunction with the Local Municipality subsequently contracted by the contractor to provide social facilitation services.. The CLO will be the link between the community and the project.

### **Demographic Characteristics of Workers**

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

- Youth (16 –35 years of age)
- Women
- People with disabilities

### **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

### **Capital Expenditure (CAPEX)**

Expenditure used to create new assets or to increase the capacity of existing assets beyond their original design capacity or service potential. CAPEX increases the value of an asset.

### **Cash flow**

The stream of costs and/or benefits over time resulting from a project investment or ownership of an asset.

## 2. LIST OF ABBREVIATION

SPLM	Sol Plaatje Local Municipality
DPW	Department of Public Works
DORA	Division of Revenue Act
IDP	Integrated Development Plan
KPI	Key Performance Indicators
CAPEX	Capital Expenditure
EPWP	Expanded Public Works Programme
CETA	Construction Education and Training Authority
SETA	Sector Education and Training Authority
SAQA	South African Qualifications Authority
SMME	Small Micro to Medium Enterprises
MMC	Member of the Mayoral Committee
PFMA	Public Finance Management Act
MFMA	Municipal Finance Management Act
PSC	Project Steering Committee
COIDA	Compensation of Injuries and Diseases Act
UIF	Unemployment Insurance Fund
OHSA	Occupation Health and Safety Act.
MINMEC	Minister and Members of Executive Committee of Public Works
MEC	Member of the Executive Committee
MM	Municipal Manager
NCC	National Coordination Committee
NSC	National Steering Committee
DSC	District Steering Committee
ED	Enterprise Development

DoL	Department of Labour
CI	Corporate Identity
SCM	Supply Chain Management
FTE	Full Time Equivalent
LIC	Labour Intensive Construction
CIDB	Construction Industry Development Board
ECSA	Engineering Council of South Africa
NQF	National Qualifications Framework
SANS	South African National Standard
SPWP	Special Public Works Programme



### **3. BACKGROUND**

#### **3.1 EPWP BACKGROUND**

Job creation and skills development remain key priorities of the South African Government. The Expanded Public Works Programme (EPWP) is a Cabinet endorsed Programme aimed at creating 4.5 million work opportunities by 2014. The Programme is implemented by all spheres of government, across four (4) defined sectors, namely the Infrastructure, Social, Non-State and Environment and Culture sectors. The Programme's overall coordinator is the National Department of Public Works (DPW).

The Programme is implemented in the context of strategic Government initiatives which includes the New Growth Path (NGP). The NGP outlines key job drivers, such as *targeting more labour-absorbing activities across the main economic sectors; and substantial public investment in infrastructure both to create employment directly, in construction, operation and maintenance as well as the production of inputs, and indirectly by improving efficiency across the economy.*

#### **3.2 Rationale for the EPWP Municipal Policy**

The persistently high rate of unemployment in South Africa is one of the most pressing socio-economic challenges facing the Government and similarly Sol Plaatje Local Municipality. High youth unemployment in particular means young people are not acquiring the skills or experience needed to drive the economy forward. Job creation and skills development will remain key priorities for the Municipality.

Cabinet has adopted EPWP as a primary vehicle for creation of work opportunities and has endorsed a conceptual framework which designates a specific role and targets for each municipality in terms of the Programme. In order to mainstream the Programme through the Municipality, an EPWP policy is required to guide on the implementation of EPWP within the Municipality.

For the EPWP to be effective the Programme needs to be incorporated in all activities of the Municipality. This will require that every project as per the IDP will promote EPWP principles and re-structure project activities to facilitate and create greater employment opportunities per unit of expenditure, where possible.

This policy is has been formulated, with the intention to close the identified gaps and challenges on the implementation of EPWP, strengthen the existing interventions and introduce new ones.

### **3.3 Challenges facing the Municipality to implement the EPWP.**

The EPWP has been implemented at a small scale within the Municipality yet with commendable outcomes in terms of the involvement of local communities in delivering local assets, transfer of wages, the creation of sustainable livelihoods and a reduction of poverty and crime.

Although the Programme has been introduced at a small scale within the Municipality, it has the potential to follow suit in terms of the achievements of several comparable municipalities by addressing the following:

- Capacity in terms of designing projects labour-intensively.
- Institutionalization of EPWP within the Municipality
- Dedicated coordination capacity within the Municipality.
- Achievement of longer duration of work opportunities targets.

## **4. POLICY GOALS AND OBJECTIVES**

### **4.1 Policy Goal**

The goal of this Policy is to:

“Enhance the delivery capacity of the Municipality with regard to EPWP by addressing challenges, providing an integrated and coordinated approach to support the implementation of EPWP for the holistic development our community”.

## 4.2 EPWP Municipal Policy Objectives

The objective of this Policy document is to provide a framework within which the Municipality and its departments implement the EPWP. This policy document is aimed at providing an enabling environment for the Municipality to increase the implementation of EPWP, through the re-orientation of its line budgets and channelling the annual budget allocation and human resources towards the implementation of EPWP. Through this policy the Municipality aims to achieve the following:

- **Mainstreaming the implementation of the EPWP by:**
  - adopting the EPWP as an approved delivery strategy for project implementation by including EPWP guidelines and principles;
  - implement the Programme in all EPWP sectors;
  - addressing under reporting on the EPWP;
  - developing skills within communities through the provision of training, with the emphasis on accredited programmes;
  - entrenching the EPWP methodology to all IDP projects, where applicable; and
  - Re-engineering the planning, designing and implementing of projects in line with EPWP.
  
- **Institutionalising the Programme by:**
  - Guiding on the EPWP Governance Structures within the Municipality;
  - clarifying the role of each Department in terms of EPWP;
  - informing all Departments within Municipality on how their functions should contribute towards achieving the EPWP objectives; and
  - securing ownership from all Departments to lead on the implementation of the EPWP, with the support from Project Management Unit (PMU) within the Municipality.

- **Guiding the implementation of the Programme by:**
  - providing guidance on employment conditions and skills development;
  - promoting the adaptation of supply chain and procurement policies in line with EPWP;
  - maximising the percentage of the annual total budget spent and retained within local communities through employing and capacitating local labour and small businesses; and
  - defining key performance indicators to monitor, evaluate and report all EPWP initiatives.

## 5. LEGAL FRAMEWORK

The development of this policy is informed and guided by the following legislative and policy prescripts:

- The Constitution of South Africa (Act 108 of 1996);
- The Integrated Development Plan (2012 – 2017);
- Municipal Finance Management Act (Act 56 of 2003);
- Division of Revenue Act (depending on the applicable year);
- The Municipal Systems Act (Act 32 of 2000);
- The Basic Conditions of Employment Act (Act 75 of 1997);
- Skills Development Act (Act 37 of 2008);
- 2003 Cabinet Memo which approves the implementation of EPWP;
- EPWP Phase 2: Consolidated Programme Overview, 2009;
- Ministerial Determination 4: Expanded Public Works Programme, No. 35310 Gazetted 4 May 2012;
- Code of Good Practice for employment and conditions of work for Expanded Public Works Programme, no 34032, gazetted 18 February 2011;
- Expanded Public Works Programme (EPWP) Institutional Arrangement Framework, (2012);
- The EPWP Incentive Agreement (depending on the applicable year);
- National Development Plan 2011; and
- New Growth Path 2010.

## **6. SCOPE OF THE POLICY**

The provisions of this Policy apply to all departments and service providers working or contracted to the Municipality.

## **7. EPWP Institutional Arrangement**

This refers to the overall coordination of EPWP and contextualises the governance structures and accountability within the Programme across all spheres of Government, as far as it impacts on the Municipality.

### **7.1 Political Leadership of the EPWP at National and Provincial Sphere**

The Minister of Public Works has been mandated by Cabinet to champion the EPWP, and thereby is responsible to provide overall coordination and leadership on the policy, design and implementation of the EPWP. The Minister reports to Cabinet on progress in implementing the EPWP and achieving the EPWP targets and also mobilises resources and political support at National, Provincial and Local spheres. At provincial level, the Premier provides leadership and direction on the implementation of the EPWP in the province. The Premier appoints a Member of the Executive Committee (MEC) to coordinate and lead the EPWP in the Province. MECs of Public Works, are mandated to promote EPWP, ensure effective coordination and participating of public bodies and monitor performance. MECs must also ensure that EPWP aligns with key economic policies and programmes of the provinces.

### **7.2 Technical Management of the EPWP**

At a technical level, the following capacity has been created to coordinate and implement the Programme:

- The Minister of Public Works has mandated the Director-General of DPW to create an EPWP Branch that is responsible for the overall coordination of the Programme. The EPWP is headed by a Deputy Director-General. This branch has technical capacity across the sectors, training, monitoring and evaluation and small business development. The Branch develops policy, funding mechanisms, guidelines and provides monitoring and evaluation expertise. Capacity has been created at a regional level to ensure cooperation between the National and Provincial spheres in terms

of EPWP and the transfer of knowledge with regard to the above mentioned areas of specialisation.

- The Northern Cape MEC for Roads and Public Works has mandated the Head of Department to create a Provincial EPWP Unit, which is responsible for the overall coordination and achievement of EPWP at a provincial level. This Unit is headed by a Chief Director. The Unit ensures that all public bodies in the Province participate in the EPWP, manages EPWP sectoral coordination and facilitates monitoring and evaluation at a provincial level. Capacity has been created at a regional level within the province to ensure a sound inter-face between the national and local sphere.

### **7.3 Governance Structures under EPWP**

Different structures and committees have been established nationally, provincially and locally to coordinate and monitor EPWP implementation at different spheres of Government. These include amongst others:

- National Coordinating Committee (NCC) brings together all key National sphere policymakers, all nine (9) EPWP Provincial Coordinating Departments, such as the Northern Cape Provincial Department of Roads and Public Works, and sector champions from the National Departments: of Social Development, Environmental Affairs, Transport and Cooperative Governance. This is the highest decision making body in the Programme, which meets on a quarterly basis. The resolutions from this Committee are presented to the Minister of Public Works, and in turn the Portfolio Committee of Public Works and the various Clusters of Government.
- National Sector Committee (NSC): Each sector has a NSC which is chaired by DPW, DSD and DEA for the infrastructure, social and environment and culture sectors respectively. The decisions of the NCC are shared with all Departments that form part of the NSC. The NSCs brings together all sector specific contributing Departments from National and Provincial sphere to discuss sector specific issues such as funding, reporting, the enabling environment where sector progress and challenges are discussed. These are the highest sector decision making structures. These Committees sit on a quarterly basis.

- Provincial Steering Committees (PSCs): is the coming together of the municipalities and departments in the province to account on the progress made in terms of job creation targets and challenges. Monitor and evaluate the implementation of EPWP in the province. The decisions of the NCC are shared with all Departments and municipalities that form part of the PSC within the Northern Cape. Best practises are shared with Public Bodies for replication. The PSC sit bi-monthly.
- Provincial Sector Coordinating Committees (PSCCs): These Committees lead and champion EPWP different Sector Programmes in the province and monitor the implementation of those programmes. The committees sit on a monthly basis.
- Regional Steering Committees (RSCs): Coordinate all sectors at a Municipality level. Consider expansion programmes to upscale job opportunities. Quarterly reports for each municipality are presented and discussed, best practise are also shared by public bodies.

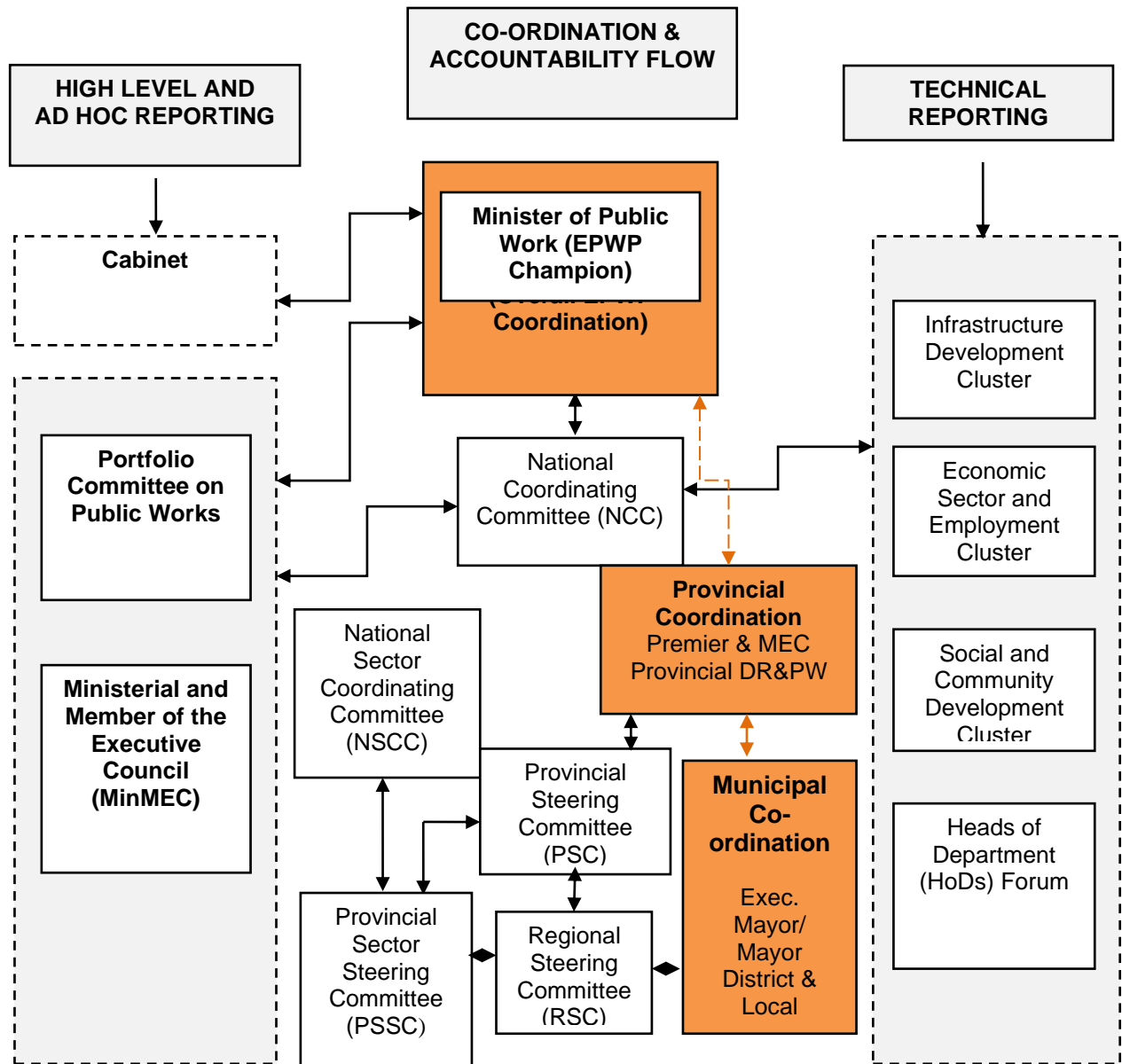
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The EPWP Coordinating structure is depicted in figure 1 below:

Figure 1: Overall Coordination of EPWP

# EXPANDED PUBLIC WORKS PROGRAMME (EPWP) CO-ORDINATION FLOW & REPORTING



## **7.4 EPWP Coordination within the Sol Plaatje Local Municipality**

EPWP cuts across all the Departments and Units of the Municipality. Each Department must 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 marginalised pool of unemployed people.

## **7.5 Roles and Responsibilities**

### **7.5.1 Political Champion: The Executive Mayor**

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

### **7.5.2 Administrative Champion: The Municipal Manager**

The Municipal Manager (MM) as the Administrative champion is responsible for the overall coordination of EPWP in the Municipality. This Municipal Policy provides for the following institutional arrangements within the Municipality. The MM must:

- Appoint the Project Management Unit Manager to coordinate the Programme across all Departments;
- Ensure that all Directors of the Municipality have EPWP targets and or compliance matters in their annual performance contracts/agreements;
- Ensure that EPWP is incorporated in the IDP of the Municipality;
- Review and monitor on a monthly basis, the EPWP reporting at the Management Meeting.

### **7.5.3 Overall Coordinator of EPWP in SPLM: PMU**

The appointed overall coordinator of EPWP within the Municipality will be responsible for:

- Establishing appropriate EPWP capacity within his/her Department. This capacity will:

- provide an understanding of EPWP within the Municipality;
- provide a monthly reporting template which will capture EPWP work opportunities, FTEs and training;
- Capture EPWP data onto the MIS
- consolidate the monthly reports submitted by the respective sector coordinators for the Management meeting;
- crowd-in technical support from National and Provincial Departments for example, on the designing of contracts and monitoring implementation;
- provide regular feedback on the performance of the municipality in terms of the Programme;
- attend, represent the Municipality at the PSC and RSC and provide feedback to the Municipality;
- attend EPWP Municipal Summit on an annual basis;
- sample contract documents to ensure that labour-intensive principles are included contracts;
- provide standard EPWP clauses to be incorporated into tender documentation, which also include training requirements; and
- monitor the municipality's performance with regard to its performance on the incentive.
- Prepare EPWP relevant inputs into Mayoral and MM statements and speeches;
- Assist with addressing implementation challenges across the sectors.
- Identify corrective measures, especially in terms of the Municipality not reaching its targets and compliance concerns

#### **7.5.4 Sector Coordination and Departmental Responsibilities**

The appointed Coordinators within the directorates are responsible for;

- Designing EPWP relevant projects and incorporated EPWP principles into the contracts;
- Reporting monthly, as per the template provided by the Office of the PMU;
- Ensuring that appointed contractor adheres to required EPWP specified conditions in the contracts;
- Preparing and keeping of project files for Audit purposes
- Keeping abreast with sector specific developments;
- Liaising and representing the SPLM on the relevant provincial EPWP Committees;
- Sector Coordinators are also responsible for programmes design, implementation and reporting to PMU office
- Monitor, evaluate and report on sector specific Key Performance Indicators (KPIs) to the Head of Department.

The directorates are expected to contribute to sector specific objectives and targets by:

- Appointing dedicated EPWP “Co-ordinators”;
- Selecting suitable projects for inclusion in the SPLM’s EPWP Implementation Plan;
- Participating in setting uniform task or daily rates for beneficiaries to be employed on labour intensive projects;
- Identifying projects which are suitable for inclusion in the SPLM’s Learnership programmes;
- Ensuring that the planning, design and contract administration of labour intensive works are carried out by consultants who have completed the necessary skills training;
- Monitoring and reporting on the implementation of EPWP projects.
- Ensuring that there is labour intensive component in most projects and inclusion of such EPWP conditions in projects going out on tender.
- Ensuring that all EPWP projects within Directorates are compliant to the Department of Labour’s legislations and the Ministerial Determination on Expanded Public Works Programme.

All Departments will have the responsibility of implementing EPWP and hence all Departmental Heads will have EPWP Targets in their Implementation Plans and Performance Contracts, which will be cascaded down to officials of the departments.

#### **7.5.5 EPWP Steering Committee**

The Municipality will form an EPWP Steering Committee to be responsible for the strategic direction and coordination of EPWP issues. The Steering Committee is formed by: Head of Departments (Relevant Directors), PMU; Project Coordinators and chaired by the PMU Manager. This Committee will focus on the following sectors:

- Infrastructure Sector
- Environment and Culture Sector
- Social Sector
- Community Services
- Finance and Corporate Departments
- Communication
- Strategy, Economic Development and Planning
- Local Economic Development Department

## 7.5.6 Responsibilities of the EPWP Steering Committee

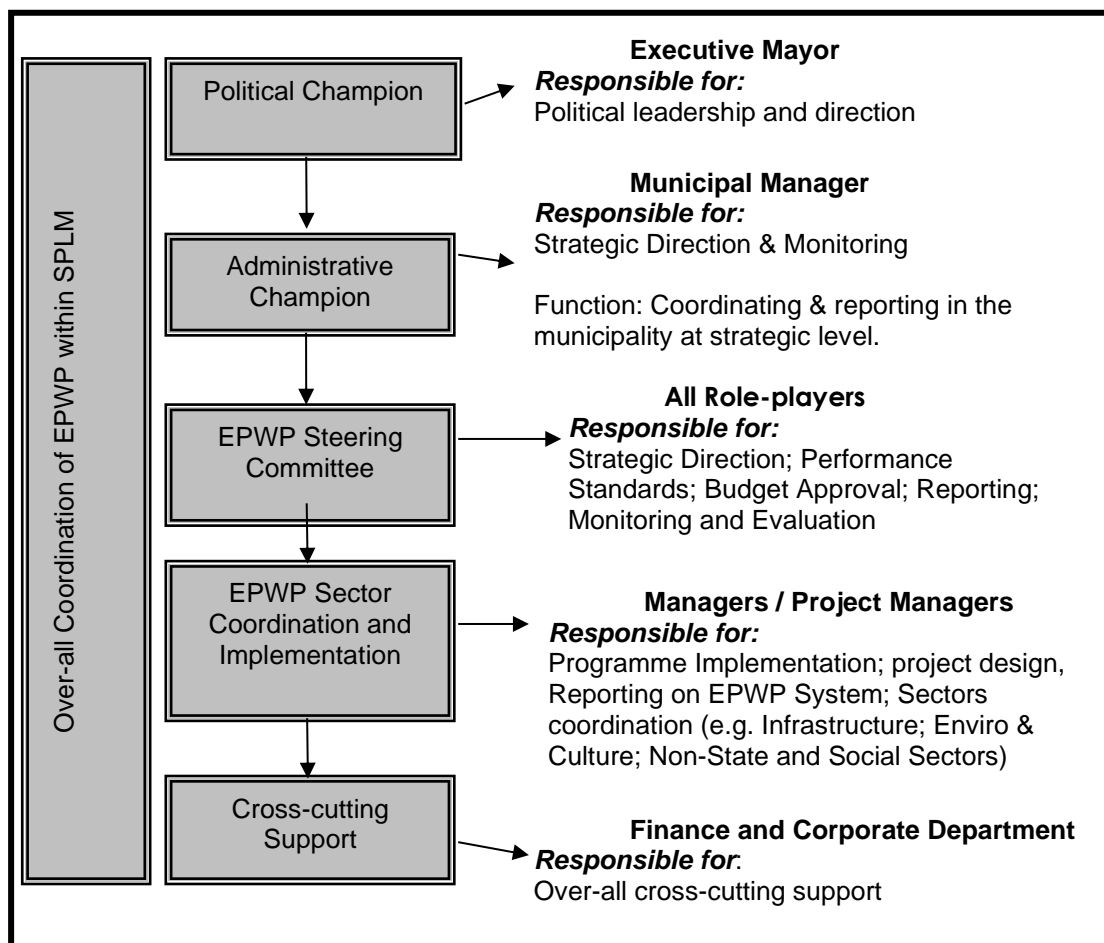
The responsibility of the Steering Committee is to:

- Coordinate the overall municipal-wide EPWP and related issues;
- Review of the Municipality's EPWP Policy;
- Set EPWP targets for each department and Sectors;
- Create an enabling environment for the successful implementation monitoring and evaluation of the Programme;
- Set Performance Standards; and
- Compile an EPWP Management Plan.

The Management Plan includes the outputs for each sector and will be used to:

- Guide the execution of the EPWP, including project selection;
- Document EPWP related decisions and assumptions;
- Define Sector reviews;
- Facilitate communication among stakeholders; and
- Provide a baseline for progress measurement and programme control.

**Figure 2: Overall coordination of EPWP within SPLM**



## **8. EPWP Sectors Overview**

The objectives of the programme and its day-to-day activities guide on which sector does the programme belongs to.

### **8.1 The Environment and Culture Sector Programmes:**

The aim of the Sector is to: 'Build South Africa's natural, social and cultural heritage, and in doing so, dynamically uses this heritage to create both medium and long term work and social benefits.' Examples of projects in the Environment and Culture Sector include:

- Sustainable land based livelihoods (Greening, Working for Water & Wetlands etc.)
- Tourism and creative industries (Working for Tourism, etc.)
- Parks and beautification (People and Parks, Cemetery Maintenance, Community Parks, etc.)
- Sustainable energy (Working for Energy)

### **8.2 Social Sector programmes:**

The objectives of the Sector is to contribute to the overall Government objectives of improving the delivery of health services, early childhood development, community crime prevention, school nutrition and other social development oriented services through programmes such as:

- Community safety programmes (crime reporting, crowd control, school patrol, disaster emergency response, fire fighting, floods Impact support and community safety officials)
- Home community based care (home community based care Services (TB, HIV/Aids) and pharmaceutical assistants,
- Early Childhood Development (early childhood development, homework services, literacy programs, peer education, social issues awareness and career guidance)
- Sports and recreation (life guards, sports academy, seasonal employment: holiday resorts and nature reserves).

- Social Services (domestic violence, rape counselling and support, child labour, suicide counselling, abuse counselling and support, substance abuse). Graduate development programmes (updating indigent register and debt collection).

### **8.3 Infrastructure Sector programmes:**

The Infrastructure sector is aimed to promote the use of labour-intensive methods in the construction and maintenance of public infrastructure. Infrastructure Sector Programmes includes:

- Road construction;
- General construction and maintenance (construction of buildings, dams, reservoirs etc. and their maintenance);
- Storm water programmes (storm water drainage systems);
- Water and sanitation projects;
- National youth services (aimed at developing and training youth between the age of 18 and 35 years on artisan trades in the built environment);
- Learnership aimed at training and developing contractors and supervisors in labour-intensive methods of construction; and
- Large Projects (aimed at providing support to public bodies in the implementation of projects with a value of greater than R 30 million labour-intensively).

### **8.4 Non-State Sector:**

The objectives of the Sector are to create an avenue where NPO's; NGOs; and CBOs can assist government in in the overall Government objectives of Job creation through socially constructive activities in their local communities. The Municipality will support the delivery of the Non-State Sector through measures such as facilitating and mobilising NPOs.

### **8.5 Cross-Cutting Support Programmes**

EPWP in the different Sectors will include the following:

### **8.5.1 Training:**

This refers to capacity building and skills development of both officials and EPWP beneficiaries. Accredited training aligned to the National Qualifications Framework will be prioritised to enhance the placement of beneficiaries beyond the EPWP projects.

The training provided will depend on the type of projects implemented and may vary from learnerships, skills programmes to artisan development programmes. The municipality will optimise on various funding pockets for training including the National Skills Fund (NSF) and the training of municipal officials on Labour Intensive methods will be prioritised to ensure that the municipal projects are designed and implemented labour intensively. Municipal Funding will also be utilised to support training.

### **8.5.2 Enterprise Development:**

This refers to any form of intervention aimed develop small business including cooperatives, through business development support services and access to market in the form of Learnership and targeted procurement). The municipality will capacitate SMME's and emerging contractors within local communities by facilitating the transfer of sustainable technical, managerial and financial skills through appropriate Learnership Programmes and SMMEs development initiatives. It will also maximise the percentage of the annual total budget spent and retained within local communities by promoting the procurement of goods and services from local manufacturers, suppliers and service providers.

### **8.5.3 Communication and Branding**

The Municipality will ensure that all the projects are branded; profiled and comply to the EPWP Corporate Identity (CI) Manual as provided by NDPW. On annual bases, the Municipality will submit entries for the Kamoso Awards hosted by both National and Provincial Departments of Public Works.



## **9. Key Performance Indicators (KPIs)**

The following KPIs are applicable to the implementation of all projects which form part of the EPWP:

### **9.1 Employment Opportunities**

The number of employment opportunities created, irrespective of the duration of each of the jobs, during the period under review.

### **9.2 Person-days of Employment**

The number of person-days of employment created during the period under review. This is calculated by aggregating the duration of each of the job opportunities created and dividing the total by the appropriate unit (days, weeks or months). The result is the number of person-days for any given review period.

### **9.3 Project Budgets**

The total expenditure aggregated for all EPWP projects inclusive of all the sectors, Infrastructure, Environment and Culture, Social and Non State Sectors.

### **9.4 Person-Training Days**

The total number of training opportunities aggregated and expressed in the equivalent number of person-training days.

### **9.5 Demographics**

The number of work opportunities created for women, the youth and people with disabilities expressed as a ratio of the total number of work opportunities created for any given period, for each of the four sectors.

## **9.6 Expenditure Retained within Local Communities**

The amount of the budget spent and retained within local communities through the procurement of goods and services from local manufacturers, suppliers and service providers is recorded for a given period.

## **9.7 Project Task Rates**

Where applicable, rates for the same or similar tasks will have to be uniform for the SPLM. Task and time rates must comply with the terms of the Ministerial Determination on EPWP.

## **9.8 EPWP Targets for the SPLM**

In line with the Protocol Agreement between the Executive Mayor and the Minister of Public Works, the minimum EPWP work opportunity targets must be determined on an annual basis. Departments and Sectors may set targets on the availability of projects and budgets. These targets will be reviewed annually subject to the availability and adequacy of the of the budget.

## **10. Training Requirements**

### **10.1 Training of Beneficiaries**

Training of beneficiaries will be provided through the project budget or through the National Skill Fund (NSF) from the Department of Higher Education and Training in partnership with the National Department of Public Works. Workers will be paid a daily allowance/stipend by the contractor (included in the project cost) whilst attending training.

### **10.2 Consultants and Contractors**

All consultants and Contractors implementing and managing Labour-Intensive projects for the Municipality, training on Labour-Intensive Methods (LIC) is mandatory. Staff members and Management are required to have completed skills programmes as depicted in Tables 2 and 3.

**Table 2: Training Requirements for Private Sector Consultants**

	Position	NQF	Unit Standard Title
1	Person responsible for the design and documentation	7	Develop and promote labour intensive construction strategies
2	Person responsible for contract administration	5	Manage labour-intensive construction projects

**Table 4: Training Requirements for Private Sector Contractors**

	Position	NQF	Unit Standard Title
1	Site Agent / Site Manager	5	Manage labour-intensive construction projects

#### **11. Target Groups and Beneficiaries Recruitment**

The Municipality will prioritise the EPWP target groups during the recruitment of beneficiaries at least to be women (55%); youth (40%) and persons with disabilities (2%).

EPWP beneficiaries must be:

- South African citizens with a valid bar-coded Identity Document;
- Residents of designated area where project is being implemented;
- Persons from indigent households; and
- Households with no income and priority given to one individual per household.

#### **12. Conditions of Employment**

EPWP beneficiaries will be employed under the conditions of employment stipulated in the Ministerial Determination and Code of Good Practice for EPWP. The Municipality will ensure that its projects fully comply with Labour Legislations such as the Unemployment Insurance Fund (UIF), Compensation of Injuries and Diseases Act (COIDA), and Occupation Health and Safety Act (OHSA).

Specific clauses addressing Labour Legislations compliance will be put in all EPWP Municipal contracts with service providers.

### **13. EPWP Incentives**

The Municipal Manager on an annual basis will sign the Incentives Agreement with the National Department of Public Works in which the Municipality agrees to receive and utilise the EPWP Incentive Grant on the basis of the stipulations, requirements, conditions and obligations assigned to the agreement. By signing the Incentive Grant Agreement, the Municipality confirms its willingness to receive the grant as well as its undertaking to put in place measures to abide by the requirements of the progress reporting, audit and disbursement procedures.

### **14. Supply Chain Management (SCM) Processes**

The legislations and policies governing public sector procurement will be adhered to in the implementation of EPWP within the Municipality. The Municipal Finance Management Act (MFMA, 2003) and the Municipal procurement policies will apply, unless where The National Treasury has granted permission to deviate from the stipulated SCM processes.

#### **14.1 Reporting Process**

The Municipality will adhere to the EPWP Monitoring and Evaluation reporting processes by ensuring the following:

- Register the project on the EPWP Reporting System
- Recording of the data at the project level using templates provided by DRPW.
- Verify if the information/data is correct.
- Capture the project data on the EPWP Reporting System on a monthly basis.
- Correct all the non-compliant projects within a week after the Data Dump and analysis report has been received.
- Project files should be kept for auditing purposes

**15. Endorsement of the Policy**

The policy must be endorsed by the Council to ensure that it is binding and everybody complies.

**16. Review of the Policy**

The policy will be reviewed annually or as and when required.

## ANNEXURE 1

### EPWP POLICY IMPLEMENTATION FRAMEWORK

#### Introduction

The Integrated Development Plan (IDP) remains the principal strategic planning instrument for SPLM and the IDP-process remains the vehicle for:

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

The essence of the policy objectives stated in this document are summarised by the following key words:

- **Creation of short term jobs** for the **unemployed by labour-intensive** methods of implementing projects;
- **Development of skills;**
- **Development of SMMEs** and **emerging contractors** through **appropriate learnerships;** and
- **Procurement of goods** and **services** from **local manufacturers, suppliers** and **service providers.**

As a general rule, all programmes and projects (CAPEX, OPEX and the procurement of goods and services) should be structured in line with the EPWP guidelines to increase labour intensity of any project and be included in Municipal EPWP Plan.

#### 1. Project Life Cycle

Projects are usually divided into a number of project phases. Collectively the project phases are known as the project life cycle. Each project phase consists of one or more stages. The completion of a project phase is usually marked by a review of the deliverables due and the project performance to date.

Using the built environment as an example, the project phases comprising the project life cycle of a typical infrastructure project can be described as follows:

- **Initial Phase** – Project Initiation Stage – Feasibility Stage
- **Development Phase** – Planning Stage – Design Stage
- **Procurement Phase** – Tender Stage – Adjudication Stage
- **Execution Phase** – Construction Stage – Close-out Stage

It is during the Initial and Development Phases of the project life cycle that appropriate interventions will result in the optimisation of the EPWP outcomes of a project. This concept is aptly illustrated by the structured approach followed whilst implementing labour-intensive projects.

The approach consists of the following steps:

- Compile a pre-feasibility report;
- Prepare a preliminary design report; and
- Complete the design.

Only projects that prove beyond doubt that they cannot have EPWP/labour intensive elements/content can be considered to be implemented out of EPWP conditions and a written approval must be obtained from the SPLM EPWP Coordinator to implement that project outside of EPWP conditions. .

### **1.1 Project Initiation and Feasibility Stages**

For all projects key elements that are addressed during the initiation and Feasibility stages include but not limited to the following:

- Suitability of the project for the application of labour-intensive methods;
- Commitment from the SPLM to the greater use of labour per unit of expenditure;
- Ability of the Consultant to produce suitable designs and documentation for labour-intensive construction;
- Acceptability of the project and availability of both skilled and unskilled Unemployed labour within the community; and

- Availability of contractors (both local and otherwise) to carry out the work.

## **1.2 Planning and Design Stages**

Job creating opportunities are optimised through the application of labour-intensive design guidelines during these stages of the project life cycle. Consultants appointed to carry out the design of labour-intensive works, must have completed the necessary Labour-Intensive Construction (LIC) NQF skills training as endorsed by the CETA.

## **2. Project management process**

The municipality has adopted its own project management process, this is not an attempt to provide a detailed project management tool but it focuses on the process of project management in the municipality to ensure that service delivery takes place. An assumption is made that project managers appointed to implement projects have the necessary project management skills.

Project management starts with the identification of a project through the IDP preparation/review process. A project is identified to be implemented to address the strategic objectives in the IDP. There are many different models for the phases a project goes through during its lifecycle. In simple terms a project has a beginning, middle and an end. Every project begins with a Concept, followed by a Definition, Planning, Execution and Closeout. The Project Management Processes adopted by the municipality has the following Phases:

- Project Identification
- Project Prioritisation and Approval by Executive Management Team (EMT) and finally by Council during the adoption of the IDP and Budget
- Project Planning (What must be done? Who will do it? How will it be done? When will it be done? How much will it cost? What do we need to do it?)
- Project Implementation.



- Monitor and Report on progress (Are we on target? If no, what must be done? Should the plan be changed?)
- Project Closing (Formal closing of the project after completion)
- Project Evaluation (What did we achieve? What was done well? What should be improved? What else did we learn? Apply lessons learned!)

### **3. Guidelines for the Implementation of EPWP Projects**

DPW will continuously provide Sector Guidelines on the implementation of EPWP projects.

#### **3.1 EMM Projects**

All the Departments are expected to contribute to the EPWP objectives and targets. International and local experience has shown that with well-trained supervisory staff and an appropriate employment framework, labour-intensive methods can be used to successfully implement projects and create additional work opportunities than using the conventional methods.

On the basis of this experience the Departments are required to carry out projects utilising labour-intensive methods. It is important to understand what is meant by *labour-intensive*, so by definition:

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

Therefore, labour-intensive projects are those projects in which the labour content has been optimised and will in most projects comprise between 30% and 80% of the project costs.

The approach to be adopted by the SPLM in the implementation of labour intensive projects is that existing and planned projects are reviewed to incorporate the philosophy of labour-intensive construction.

The “Guidelines for the Implementation of Labour-intensive Infrastructure Projects” provides a framework for the implementation of labour-intensive projects under the EPWP and gives guidance on;

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