

MBHASHE LOCAL MUNICIPALITY



EXPANDED PUBLIC WORKS PROGRAMME POLICY

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 may increase their capacity to earn an income.

EPWP Project

A 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.

Labour-intensive

Methods of construction involving an extensive use of labour, as opposed to the heavy machinery.

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.

By hand

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

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.

Demographic Characteristics of Workers

The number of workers that fall within the following categories:

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

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.

Task-rated pay

Means of payment where a worker is paid a fix rate for performing a task.

Time-rated pay

Means of payment where a worker is paid on the basis of the length of the time worked.

Person-Days of Training

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.

2. LIST OF ABBREVIATION

ADM	Amathole District Municipality
MLM	Mbhashe 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

PSC	Project Steering Committee
COIDA	Compensation of Injuries and Diseases Act
UIF	Unemployment Insurance Fund
OHS Act	Occupational 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
MFMA	Municipal Finance Management Act
NSC	National Steering Committee
RSC	Regional Steering Committee
SCM	Supply Chain Management

3. INTRODUCTION

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 6 million work opportunities by 2019. 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 Mbhashe 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 as stated in the Integrated Development Plan (IDP) 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 a specific role and targets for each municipality in terms of the Programme. Cabinet approved the implementation of Phase 3 for another 5- year period (2014/15 to 2018/19) with increased targets and more focused and specific objectives.

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.

4. 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 a substantial amount of the overall 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;
 - implement the Programme in all EPWP sectors;
 - inform all Departments and Units within the municipality on how their functions should contribute towards achieving the EPWP objectives; (clarify the support function roles further within the municipality)
 - 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:
 - Establishing EPWP forum within the municipality
 - Appoint personnel (supervisors per unit and Data capturers) to work with the coordinator of the programme;
- Guiding the implementation of the Programme by:

- providing guidance on employment conditions, skills development and enterprise 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. Legislative and Policy Frameworks

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, ;
- Code of Good Practice for employment and conditions of work for Expanded Public Works Programme;
- Expanded Public Works Programme (EPWP) Institutional Arrangement Framework, (2012);
- National Development Plan (2030 Vision);
- New Growth Path 2010.
- Municipal Supply Chain Policy (Mbhashe LM)

6. Scope of Application

The provisions of this Policy apply to all Departments, Agents or Contractors 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 the internal departments

7.1 Political Leadership of the EPWP

At both national and provincial levels, the programme is coordinated at a political leadership level, in the form of the President and Premier respectively. It should be the intention of Mphashe Local Municipality to identify a political champion of the programme in the form of the Executive Mayor, who may delegate the function to the Portfolio Councillor (serving in the Executive Committee).

7.2 Technical Management of the EPWP

At a technical level, the following capacity should be created to coordinate and implement the Programme:

- The Municipal Manager should act as overall technical coordinator of the programme, with certain duties delegated to the affected directorate(s), as decided by the accounting officer from time to time.
- The Municipal Manager may delegate parts or the whole function of EPWP to any Manager reporting directly to him/her.

7.3 Governance Structures under EPWP

As there are different structures and committees operating at all spheres of government, it is suggested that at Mphashe Municipal level, we establish an EPWP coordinating committee (EPWP Steering Committee) with the following responsibilities:-

- Coordinate all the activities of the EPWP and job creation initiatives in Mphashe, where all the internal departments would be represented.
- Receive and process reports and feedbacks from the PSC and RSC meetings
- Work out targets for job creation both institutionally and departmentally
- Monitor the meeting of the set targets
- Prepare regular reports to the Council, RSC and PSC.

7.4 Roles and Responsibilities

7.4.1 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. The Executive Mayor will decide where to locate the EPWP within the institution from time to time and ensures that the prescripts of EPWP are adhered to at all times.

7.4.2 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 may:

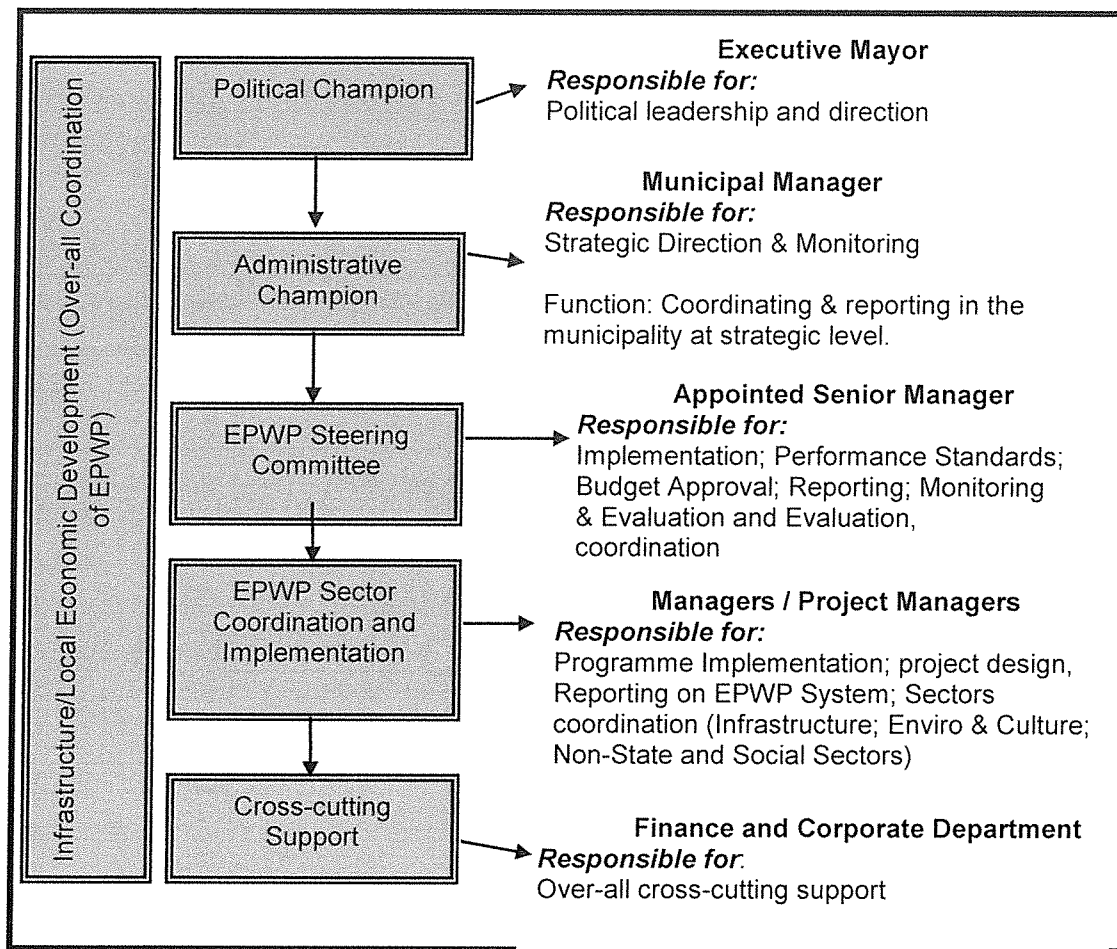
- Appoint a person at the Senior Manager level to coordinate the Programme across all Departments;
- Ensure that all Senior Manager and Manager of the Municipality have EPWP targets and or compliance matters in their annual performance contracts;
- Ensure that EPWP is incorporated in the IDP of the Municipality;
- Ensure that EPWP and job creation in general are part of the annual Strategic Planning Session and the annual targets and performance against the previous year targets are set/ given; and
- Review and monitor on a monthly basis, the EPWP reporting at the Management Meeting.

7.4.3 Overall Coordinator of EPWP in MLM

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 in the Municipality;
 - provide a monthly reporting template which will capture EPWP work opportunities, FTEs and training;
 - 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;
 - monitor that EPWP coordinators brand and profile EPWP projects; and
 - Monitor the municipality's performance with regard to its performance on the incentive.
 - Report on the EPWP performance at the Management meeting, on a monthly basis;
 - Prepare EPWP relevant inputs into Mayoral and MM statements and speeches;
 - Address implementation challenges across the sectors.
 - Identify corrective measures, especially in terms of the Municipality not reaching its targets and compliance concerns

Figure 2: Overall coordination of EPWP within MLM



8. EPWP Sectors Overview

There are four sectors of EPWP and all the participating bodies are encouraged to participate in all the sectors, as outlined below:-

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, but not limited to the following:

- 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.)
- Coastal management (Working for the Coast)
- 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);

8.4 Non-State Sector Programmes:

The objectives of the Sector are to create an avenue where NPO's; NGOs; and CBOs can assist government 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 programmes 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 to develop small business including cooperatives, through business development support services and access to market in the form of Learnerships 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 MLM. Task and time rates must comply with the terms of the Ministerial Determination on EPWP.

9.8 EPWP Targets for the MLM

In line with the Protocol Agreement between the Executive Mayor and the Minister of Public Works, the minimum EPWP work opportunity targets will be set out for each financial year and will be expressed in the IDP document of Council.

Departments and Sectors may set targets above these minimum on the availability of projects and budgets. These targets will be reviewed annually depending on the availability of budget and will be appendix to the policy.

10. Training Requirements

10.1 Training of Participants

Training of participants 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 3: 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 Participants Recruitment

The Municipality will prioritise the EPWP target groups during the recruitment of participants and these shall be set annually, targeting women (55%), youth (55%) and persons with disabilities (2%).

Targeting to be done through a combination of;

Geographical Targeting: Focus on poor communities and those with high number of unemployment

Self-Targeting: Through EPWP minimum wage rate

Community Targeting: Community selects those most in need through based on transparent criteria and process

Ward Councillors shall be at the centre of the recruitment process, in terms of identifying qualifying beneficiaries in their respective wards.

EPWP participants 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 participants 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 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.

12.1 Payment of the Wages

The Municipality will employ local labour and pay minimum daily wages as regulated by the Department of Public Works.

The daily wages may be revised to a higher level should the Council desire to increase such daily wages having considered affordability of council and minimum living wage. The council reserve the right to pay the minimum daily wages as gazetted by the Department of Public Works.

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 policy will apply, unless where The National Treasury has granted the 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

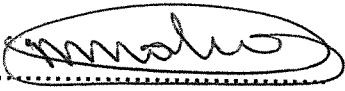
The policy must be endorsed by the Council to ensure that it is binding and everybody complies.

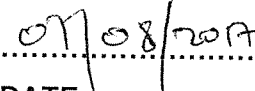
16. Review of the Policy

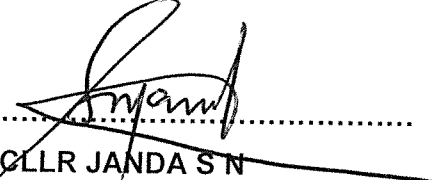
The policy will be reviewed annually or as and when required.


AUTHENTICATION

The policy was adopted by council and signed by:-

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 Mr NAKO M
 ACTING MUNICIPAL MANAGER

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 DATE

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 CLLR JANDA S N
 MAYOR

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 DATE