



INGQUZA HILL LOCAL MUNICIPALITY



EPWP POLICY

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ACRONYMS

MIS	Management Information system
MM	Municipal Manager
DOL	Department of Labour
DPLG	Department of Provincial and Local Government
MIG	Municipal Infrastructure Grant
ISD	Institutional Social Development
DORA	Division of Revenue Act
NLMA	Ingquza Hill Local Municipality Area
IDP	Integrated Development Plan
KPI	Key Performance Indicators
LIC	Labour Intensive Construction (methods)
PMU	Project Management Unit
SCM	Supply Chain Management (Procurement policies)
SETA	Sector Education & Training Authority
SMME	Small Micro to Medium Enterprises
FTE	Full Time Equivalent

GLOSSARY OF TERMS / DEFINITIONS

MIG – Municipal Infrastructure Grant

The Municipal Infrastructure Grant (MIG) 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,

Labour - Intensive Projects

The definition “Labour – intensive” is the economically efficient employment of a greater proportion of labour where economically and technically feasible to execute projects in all sectors throughout the IHLM, without compromising cost, time and quality. The result being a significant increase in employment generated per unit of expenditure.

Key Performance Indicator (KPI)

A qualitative 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, salaries, social impact studies, etc.

Community Liaison Officer (CLO)

The CLO is a member of the targeted community, recommended by the ward committee and appointed by the contractor to assist in the selection of local labour and is guided by the Public Body approved CLO policy on Infrastructure projects.

Job Opportunities

Payment received for work done (DPW Definition)

1. INTRODUCTION

1.1. The National EPWP framework provides that local government develop an EPWP policy that is embedded within the Integrated Development Plan. The policy is expected to promote EPWP principles and the re-structuring of local government activities to facilitate and create greater employment opportunities per unit of expenditure.

1.2. It further provides that EPWP projects and programmes must be identified within each department, which can be implemented using labor-intensive or community based service delivery methods, with predetermined key deliverables over a given timeframe in the infrastructure, Environmental, Social & Economic Sectors:

❖ EPWP Infrastructure Sector:

To increasing the labour intensive construction of public infrastructure projects:-

- low volume roads(Activities labelled LIC)
- sidewalks
- storm-water management
- trenching
- materials supply etc.

❖ EPWP Environmental Sector:

To creating work opportunities in public environmental, agriculture and arts programs:

- Working for water (alien plant removal)
- Working for wetlands
- Working for coast, tourism
- Domestic waste collection
- Agri-business initiatives

❖ **EPWP Social Sector:**

To creating work opportunities through the public sector social programs of Early Childhood Development and Home Based Care etc.

❖ **EPWP Economic Sector:**

To develop of small businesses and cooperatives utilising government expenditure on goods and services such as:

- Catering
- Security
- Uniforms
- Cleaning etc

1.1 . The Expanded Public Works Programme is about the reorientation of line function budgets (capital and operations & maintenance) so that expenditure by government results in increased employment opportunities and training, particularly for unemployed and unskilled labour. The main objectives of the programme are to create an enabling environment to:

- (a) Create employment opportunities for the unemployment within local communities through the implementation of an EPWP implementation plan which collectively cuts across the different sectors inter alia, the Infrastructure, Social, Environmental and Economic Sectors.
- (b) Develop skills within communities through EPWP training programmes, by accredited training providers aimed at developing sustainable skills and capacity within communities.
- (c) Develop SMME's to execute EPWP work by facilitating the transfer of technical, managerial and financial skills through relevant SETA & DoL courses, in properly structured learnership programmes.
- (d) Of the total annual budget spent, maximize the percentage retained within local communities in the form of wages. Promote the procurement of goods and services from local manufactures, suppliers and service providers.
- (e) Adopt and align cluster and departmental annual business plans to the EPWP in-line with prioritized socio-economic objectives.
- (f) Using clearly defined key performance indicators – monitor, evaluate and report all EPWP initiatives, including those being implemented using Provincial and National Government budgets.

2. LEGAL FRAMEWORK

The legal framework within which the municipality adopts the EPWP is as follows:

- (a) The Constitution of South Africa Act 108 of 1996
- (b) The Intergovernmental Relations Framework Act 13 of 2005
- © The Integrated Development Plan – IDP
- (d) The Division of Revenue Act
- (e) Development duties of municipalities: Section 153

2.1 The Constitution of South Africa Act 108 of 1996

Objectives of Local Government

Chapter 7, Section 152 (1) and (2) sets out a broad framework for the functions of the local government, in accordance with this framework the objectives of local government is to.

- Provide democratic and accountable government for local communities,
- Ensure the provision of services to the community in a sustainable 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.
- A municipality must strive, within its financial and administrative capacity to achieve the above-mentioned objectives.

2.2 Developmental duties of municipalities: Section 153

A municipality must:

- Structure and manage its administration, and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; and
- Participate in national and provincial development programmes.

2.3 Intergovernmental Relations Framework Act 13 of 2005

The object of this act provides the principles of cooperative government, as set out in Chapter 3 of the constitution. This is to promote and facilitate intergovernmental relations, for local government, to implement national policy/legislation. Cited in the act's preamble are, challenges facing our country as a developmental state, that need government to address poverty, underdevelopment, marginalisation of people and communities and other legacies of apartheid and discrimination.

2.4 Integrated Development Plan – IDP

The Municipal Systems Act 32 of 2000, promotes the development of an Integrated Development Plan (IDP) as a key strategic planning document, guiding and informing all planning and development activities in Public Body Municipality. Articulated in the IDP are eight key challenges that are facing the Municipality:

- Low economic growth and unemployment
- Poor access to basic household services
- High Levels of Poverty
- Low levels of literacy and skills development
- People affected by HIV/Aids
- Exposure to unacceptable high levels of crime and risk
- Unsustainable development practices
- Ineffective, inefficient, inward looking local government

2.5 Division of Revenue Bill

The Municipal Infrastructure Grant (MIG) is an infrastructure grant direct from national government and aims to provide a basic level of service (Water, sanitation and access to services), to the poorest of the poor.

Schedule 4 funding allocation conditions are prescriptive for municipalities to adhere to the labour intensive construction methods in terms of the EPWP guidelines agreed to between Department of Public Works, National Treasury and SALGA.

3. AIM OF THE POLICY

The aim of this policy is to institute a sustainable Expanded Public Works Programme (EPWP) within the Ingquza Hill Local Municipality as provided in the EPWP National framework. The fundamental objectives of the policy are to:

- 3.1 Inform all Clusters and Units within the Ingquza Hill Local Municipality on how their functions should contribute towards the EPWP.
- 3.2 Establish Ingquza Hill EPWP as an approved social – economic developmental and poverty alleviation programme with sustainable exit strategies that maximize SMME development, employment creation and skills development.
- 3.3 Entrench the EPWP methodology within the IDP – a methodology that expands the current service delivery of goods and services to ensure shared economic growth.
- 3.4 Maximize the percentage of the total annual budget spent and retained within local communities in the form of wages. Where feasible, and within SCM regulations, promote the procurement of goods and services from local manufacturers, suppliers and service providers.

- 3.5 Ensure developmental integration across all sectors and re – engineer how we plan, design and implement projects / programmes within the existing municipal operational and capital budgets, to maximize greater employment opportunities per unit of expenditure.

3. PROVISIONS FOR THE IMPLEMENTATION OF THE EPWP

4.1 INCLUSION OF EPWP IN CLUSTER PLANS

- 4.1.1 Each cluster will develop and be responsible for implementing their individual sector plans and ensure EPWP compliance in terms of the respective national sector EPWP guidelines.
- 4.1.2 The National EPWP guidelines cover procurement procedures, suggested interventions, required stakeholders skills and roles & responsibilities.

5. Funding Existing Labour-Intensive Programs

To date, the Municipality is making a significant contribution to labour-intensive employment through infrastructure projects but can increase contribution through a number of projects / programmes, including inter alia:-

• Operating Budget Expenditure

- Cooperatives maintaining certain council properties
- Waste collection cooperatives
- Grass cutting cooperatives
- Public Body Roads Maintenance Program

• Capital Budget Expenditure

- Procurement of goods and services
- Sustainable community livelihood program (SCLP)
- Water and Sanitation Construction Projects*
- Rural Roads upgrading Projects

• SMME Development

- Informal trade support
- Outsourcing of capital and operating budget and functions to SMMEs
- EPWP Construction Contractor Development Programme

• Other EPWP Type Programs

- Coast Care and land care program
- Lifesaving in Municipal beaches
- Early Childhood Development (ECD) and Home Based Care (HBC)
- Municipality's Agricultural development programme (emerging agri-business enterprises and food security model).

6 EPWP FUNDING

6.1 The Expanded public works Programme does not receive special grant funding from National or Provincial Government. As a municipality, line departments in all sectors must allocate a portion of their normal budgets to service delivery models that are identified as labour intensive and in line with EPWP principles. Notwithstanding the above, there are a number of EPWP programmes funded by National and Provincial sector departments that the municipality is not accessing as yet.

6.2 Municipal capital works budgets and operations & maintenance budgets must reflect the identified EPWP projects, targeting five (5) years of the multiyear municipal budgets in incremental percentages.

The targets set by the Municipality can only be realized once technically feasible projects are designed to be constructed/implemented using Labour Intensive methods/LIC.

The accounting officer to sign the Incentive agreement with the Department of Roads and Public Works to commit the Municipality to be eligible for Incentive allocation

7. IDENTIFYING EPWP PROJECTS – Heads/Deputy Heads

The emphasis of is in the infrastructure sector. A line department's core function is service delivery and as such, is key to the long-term success of the EPWP programme. It is therefore the responsibility of all line department Heads / Deputy Heads to ensure that in their departments they:

- Select of a suitable project/s for EPWP Labour Intensive implementation.
- Identification of project/s, which are suitable for inclusion in learnerships and SMME developmental programmes.
- The planning, design and packaging of EPWP compliant labour-intensive projects.
- Develop a data base of task rates specific to the different types of infrastructure.
- The recording and provision of information to MIS and Web base system(WBS) on the number of employment opportunities created per unit expenditure of the total budget and the availability of local labour skills training etc. (The required

EPWP specific KPI's have already been built into MIS and Web base system(WBS))

- Monitoring and evaluation of the EPWP projects.
- Community liaison throughout the project lifecycle.

7.1.1 Unbundling labour intensive projects

A technical pre-feasibility analysis needs to be done on projects to initially establish if they are suitable for labour intensive construction. The aim of the feasibility analysis is to produce indicative information regarding scope and scale of the project, together with associated cost and time. An appropriate choice of project is essential for future success of the program. All potential labour intensive projects (construction) must be assessed in terms of its:

- Location of project
- Type of project
- Size of contract
- Extent to which labour-intensive methods may productively be used in different types of construction
- Scale of project/programme lead times
- Relation between duration of programme and overhead costs.

The emphasis of the feasibility study is to interrogate the project on the operations and activities that are labour intensive, e.g. for the earthworks labour intensive operation; it will be excavation, loading, hauling, unloading and spreading (ELHUS) operations. The community must be fully involved and agreement reached upon the following: nature of the project, level of service, method of service delivery availability of labour, selection of trainees and workers, wage rates and conditions of employment.

8. INSTITUTIONAL ARRANGEMENTS

i. Public Body EPWP Internal Coordination

In line with National Government EPWP institutional organizational structure of the municipality must consist of a Work group consisting of Municipal Manager nominated champion for each cluster. The Work group must also include representatives from Skills Development and Supply Chain Management. A nominated councilor will provide a political support to the programme. The clusters within the EPWP working group and the task group is aligned to the existing operational clusters within the Municipality and correlate with their service delivery functions. Members of the work group (nominated officials) are involved with the execution of the program.

ii. Institutional Social Development (ISD)

The Municipal ISD Officer together with Department that implementing the project will liaise with the community during the initiation of the project.

- The ISD officer will monitor and evaluate the infrastructure project to improve community participation
- The ISD Officer will ensure creation of job opportunities to alleviate poverty
- The ISD Officer will ensure project sustainability
- The ISD Officer will attend to all the queries of the community regarding the project.

iii. Establishment of PSC

- PSC will be established by the community (men, women and youth) through the ward councilor.
- The municipality ISD officer will also form part of PSC.
- PSC members to be paid an amount of R 250.00 per seating.

iv. Employment

- i. Labour will be sourced from local unemployed giving preference to youth, women and disabled individuals.
- ii. There will be no rotation, employment will be valid for the project duration.
- iii. Employees must ID documents or passports to ensure that they legal citizens.
- iv. Employees must have bank accounts for direct payments.
- v. Minimum rate for general labour will be R120.00, Semi-skilled will be R150.00 and will be R 170.00 per day.
- vi. CLO and security will be R 3500.00.
- vii. Rentals will be R700 for Office, site camp and rooms for rentals.
- viii. Basic conditions of employment Act, 1997 and Ministerial determination for Expanded Public Works Programmes will determine conditions of employment for people working under EPWP projects/programmes.

9. Procurement / contract documentation

It is incumbent of the Municipality to ensure that all service providers, suppliers, contractors and consultants are aware of the EPWP conditions and guidelines prior to quoting, tendering etc on EPWP identified services, contracts / projects. It is important to note that only contractors and consultants with the appropriate NQF qualifications in labour-intensive technologies may be appointed EPWP projects.

EPWP conditions also vary depending on the types of services required by line departments whether capital or operational and as such need to be assessed separately.

a. The appointment of Consulting Engineers and Contractors

The Municipality must ensure that:

- i. The design of the labour intensive works by consultants is overseen by persons in their employ who have completed the necessary skills training (see table 1)
- ii. Works contracts are administered by persons in the employ of consultants who have completed the necessary skills training (see table 1); and
- iii. Works contracts are awarded to contractors who have in their employ managers who have completed the necessary skills training (see table1).

Personnel	NQF	Unit Standard Title	Skills Programme Description
Senior management and professionals	7	Develop and Promote Labour-Intensive Construction Strategies	Skills Programme against this single unit standard
Middle (technical)	5	Manage Labour-Intensive Construction Projects	Skills Programme against this single unit standard
Middle (admin)	5	Manage Labour-Intensive Construction Projects	Skills Programme against this single unit standard

Table 1

i. Consultants (table2)

The person responsible for the design and documentation of the labour intensive works, must be qualified in the NQF level 7 unit standard "Develop and Promote Labour Intensive Construction Strategies". The person, who is responsible to the employer for the administration of the contract, must be qualified in the NQF level 5 unit standard "Manage Labour Intensive Construction Projects".

Table 2: Skills Programme for Consultants

Personnel	NQF	Unit standard Title	Skills Programme Description
Administrator / Site Supervisor	5	Manage Labour Intensive Construction Projects	Supervisor Skills Programme against this single unit standard
Designer	7	Develop and Promote Labour- Intensive Construction Strategies	Skills Programme against this single unit standard

ii. Contractors

Contractors having a CIDB contractor grading designation of 5CE and higher shall only engage supervisory and management staff in labour intensive works who have completed the skills programme as outlined in Table 2.

Contractors having a CIDB contractor grading designation of 1CE, 2CE, 3CE and 4CE shall have personally completed the skills programme for the NQF level 2 unit standards. All other site supervisory staff in the employ of emerging contractors must have completed the skills programme for the NQF level 4 unit standards.

Table 3: Skills Programme for Contractors

Personnel	NQF	Unit standard Title	Skills Programme Description
Team Leader / Admin Supervisor		Apply Labour-Intensive Construction Systems and Techniques to Work Activities	
Personnel	NQF	Unit Standard Titles	Skills Programme Description

Team Leader/ Supervisor	2	Apply labour-intensive construction systems and techniques to work activities	This unit standard must be completed, and
		Use labour-intensive construction methods to construct and maintain roads and stormwater drainage	any one of the listed unit standards must be completed
		Use labour-intensive construction methods to construct, repair and maintain structures.	
Foreman/ Supervisor	4	Implement labour-intensive construction systems and techniques	This unit standard must be completed, and
		Use labour-intensive construction methods to construct and maintain roads and stormwater drainage	any one of the listed unit standards
		Use labour-intensive construction methods to construct, repair and maintain structures	
Site Agent / Manager	5	Manage Labour-Intensive Construction Processes	Skills Programme against this single unit standard

Guidelines for the Implementation of Labour-Intensive Infrastructure Projects under the EPWP (2nd edition – July 2005)

This comprehensive document (available from the PMU) focuses on the infrastructure sector and covers the following aspects in detail:

i. Responsibilities of the public body

- Selection of projects
- Setting of the rate of pay:
“Employment of labour is done in accordance with the Code of Good Practice for Employment and Conditions of Work for Special Public Works Programmes (clause 10.4), the public body must set a rate of pay (task-rate) for workers to be employed on the labour-intensive projects”
- Appointment of consulting engineers and contractors. As per section (8.3.2 & 8.3.3 above)

ii. Contract Documentation for Consulting Engineers and Contractors for Labour intensive construction projects

- Contract Documentation for Consulting Engineering Services
- Contract Documentation for the Works
- Conditions of tender
- Conditions of contract
- Scope of work
- Schedules of quantities

iii. Design Checklist

The design checklist chapter is comprehensive and covers all design aspects for the various infrastructure disciplines. It lists types of infrastructure suitable for LIC and there is a list of numerous references to other publications on LIC relative to the South African situation.

Further to the above, the document the “Public Body Municipality Labour Intensive Construction Procedures” dated April 2005, forms the basis for the infrastructures projects implementation procedure within Public Body specifically. This document obviously only focuses on the infrastructure sector and is available from the Project Management Unit.

iv. MONITORING AND EVALUATION

a. Monitoring Indicators

- The national EPWP Unit developed an overall monitoring and evaluation strategy; six core monitoring indicators are reported:
 1. Job Opportunities
 2. Person days of Employment
 3. Demographic targets (Women, Youth, and People with Disabilities)
 4. Training days
 5. Project Budgets
 6. Project Wage Rates

- The Consultants and project managers must collate the data obtained from the contractor/service providers and ensure it is captured on MIS and Web base system (WBS).
- The members of the work group collect or download data from on a MIS and Web base system (WBS) monthly basis and submit it to the task group. The Cluster Champions collate all EPWP reports for the compilation of the sector progress reports on a quarterly basis for onward submission to the Department of Public Works by the Project Management Unit.
- A consolidated EPWP report, monitoring progress of all sectors for the municipality is required by national department of Public Works on a quarterly basis, to ensure that overall the municipality is achieving the targeted outcomes of the programme.
- The responsible officials must collect the data obtained from the contractor /service providers and ensure it is captured on MIS.

- The members of the work group collect or download data for a monthly basis and submit it to the task group. The cluster Champions collate all EPWP reports for the compilation of the sector progress reports on a quarterly basis for onward submission to the Department of Public Works.
- In addition there will be an annual report that that will reflect : achievements , challenges and best practices for the reporting period as well as an outline of goals and activities for the following year.

ANNEXURE A. – ROLES & RESPONSIBILITIES

1. EPWP TASK GROUP

The Task group will be chaired by the EPWP Co-coordinator and meetings will be held on a quarterly basis.

1.1. Task Group Roles and Responsibilities are to:

- 1.1.1. Facilitate the EPWP cluster implementation plans and revise annually.
- 1.1.2. Ensure the ongoing achievement of the EPWP objectives across all clusters.
- 1.1.3. Facilitate integrated implementation of all new EPWP cluster / sector initiatives.
- 1.1.4. Liaise with external stakeholder – national and provincial EPWP lead departments.
- 1.1.5. Ensure that information on the extent and impact of the EPWP is communicated to all the Stakeholder including the ward councilors.
- 1.1.6. Collectively submit progress evaluation reports to EPWP unit of the DPW and DPLG.

1.2. Task Group Activities:

- 1.2.1. Guide and monitor the outputs of the EPWP work groups.
- 1.2.2. Identify EPWP projects / programmes; set targets and performance standards.
- 1.2.3. Plan sector training and capacity building, which includes identification of training needs for each sector, linking training to projects.
- 1.2.4. Identification of exit strategies within each sector.
- 1.2.5. Establish an effective monitoring and evaluation system for the sector; and submit regular sector reports to the national EPWP Unit
- 1.2.6. Beyond the five (5) years of the program, determine new initiatives and areas of improvements.
- 1.2.7. Facilitate the development of a database of LIC Task rates across all sectors as determined by the different line departments.

2. EPWP WORKING GROUP

EPWP Work group meetings to be held on a monthly basis

2.1 EPWP WORK GROUP activities:

- 2.1.1. Assist the cluster champion in compiling EPWP sectors plans.
- 2.1.2. Assist the Cluster champions in setting Cluster EPWP targets.
- 2.1.3. EPWP Project identification and budget allocation
- 2.1.4. Implementing Ingquza Hill EPWP sectors / cluster plans and related initiatives.
- 2.1.5. Review Unit plans for EPWP opportunities and align them accordingly.
- 2.1.6. Provide a baseline for progress measurement and programme control.
- 2.1.7. The overall monitoring, evaluation and reporting.

3. EPWP TRAINING COORDINATOR

The EPWP training coordinator is a representative from Skills Development Unit and is part of the Task Group. The coordinator implements “appropriate: training in terms of Ingquza Hill’s DOL Linkages Model for on-the-job / project training, for EPWP workers and potential SMME’s. Linkages Model includes technical skills as well as livelihood unit standards.

3.1 The EPWP TRAINING COORDINATOR:

- 3.1.1 Coordinates EPWP learnership programmes across all four sectors,
- 3.1.2 Liaises with relevant SETA’s and DOL and applies for funding and training,
- 3.1.3 Facilitates training for the relevant EPWP NQF sector training for officials,
- 3.1.4 Evaluates the relevance of training and exit opportunities, and
- 3.1.5 Monitors and reports on the overall status EPWP training.

The training needs vary from project to project, therefore, project stakeholders are expected to make their submissions through the Skills Development Unit EPWP cluster champions for consideration.

Heads / Deputy Heads – Identifying EPWP projects

A line department’s core function is service delivery and as such, is key to the long-term success of the EPWP programme. It is therefore the responsibility of the line department Heads / Deputy Heads to ensure that their project managers champion and facilitates the following for submission to the work groups:

- Selection of suitable projects for EPWP Labour Intensive construction or community based operations & maintenance partnerships in all sectors.
- Identification of projects, which are suitable for inclusion as on-site training for formal EPWP learnership and SMME developmental programmes.
- The planning, design and packaging of EPWP complaint projects.
- Develop a database of task rates specific to the different types relative to the infrastructure sector.
- The recording and provision of information to MIS on the number of employment opportunities created per unit expenditure of the total budget and the availability of local labour skills training etc. (The required EPWP specific KPI’s have already been built into MIS).
- Monitoring and evaluation of the EPWP type projects.
- Ensure appropriate community liaison throughout the project lifecycle.

REFERENCES:

- National Department of Public Works, July 2005: Guidelines for the implementation of labour intensive infrastructure projects under the Expanded Public Works Programme (EPWP)
- Public Body Municipality: Integrated Development Plan (IDP)
- Watermeyer: Labour-based construction, the development of emerging contractors and the RDP – several publications on the same subject
- National Department of Public Work EPWP sectors plans
- Public Body Indigence Policy Corporate Policy Unit Geographic Information & Policy Office (GIPO)
- Public Body, April 2005: Labour Intensive Construction Procedures.

Signed by:



J.P Mdingi

The Mayor

07/08/2017
Date