South African CitiesNetwork

2019-2020

The State of the **Expanded Public Works Programme** in South African Cities

public works & infrastructure
Department:
Public Works and Infrastructure
REPUBLIC OF SOUTH AFRICA

EXPANDED PUBLIC WORKS PROGRAMME

The State of the **Expanded Public Works Programme** in South African Cities

2019-2020

Contents

List of Figures 2
List of Tables 3
List of Acronyms 5
Acknowledgements 6
Foreword 7
Executive Summary 9

1. Introduction and Background 13
1.1 Cities and sustainability in a South African context 13
1.2 About the EPWP, the SACN, and the EPWP Reference Group 14
1.3 About this report 15
1.4 Methodology 15

2. The EPWP Context and Overview 16
2.1 The evolving EPWP 16
2.2 Overview of the EPWP's implementation 2019/20 16
2.3 Challenges faced, successes, solutions and adaptations 17

3. Implementation of EPWP 20
3.1 Number of projects implemented 20
3.2 Gross number of Work Opportunities created 22
3.3 Person-Years of work including training (Full-Time Equivalent) 25
3.4 Expenditure on EPWP (including professional fees) 28
3.5 Total wages paid out to employees on EPWP projects 29
3.6 Average manual worker's minimum daily wage rate 30
3.7 Integrated Grant expenditure 31
3.8 Demographics of employment 32
3.9 Sector analysis 34

4. City Analysis 39
4.1 Buffalo City Metropolitan Municipality 39
4.2 City of Cape Town 44
4.3 City of Ekurhuleni 50
4.4 eThekwini Municipality 55
4.5 City of Johannesburg 61
4.6 Mangaung Metropolitan Municipality 66
4.7 Msunduzi Municipality 72
4.8 Nelson Mandela Bay Municipality 76
4.9 City of Tshwane 80

5. Integrated Analysis, Future Trends and Directions 85
5.1 Comparative analysis of member cities 85
5.2 Successes and challenges 87
5.3 Shared knowledge towards resilience and adaptability 91

6. Conclusion 94
7. References 96

List of Figures

Figure 1:	The four sectors of the EPWP	14
Figure 2:	Work Opportunities per EPWP phase	16
Figure 3:	Check-in	17
Figure 4:	Status in cities	18
Figure 5:	Challenges	19
Figure 6:	Successes & mitigations	19
Figure 7:	Number of EPWP projects implemented (2019/20)	21
Figure 8:	Projects implemented by the nine cities as a percentage of total EPWP projects in their respective provinces (2019/20)	21
Figure 9:	Number of projects implemented in cities, showing the 2015/16, 2016/17, 2017/18, 2018/19 and 2019/20 annual reporting phases	22
Figure 10:	Work Opportunity targets versus Work Opportunities achieved for the nine cities (2019/20)	24
Figure 11:	Work Opportunity performance changes between 2018/19 and 2019/20	24
Figure 12:	Number of Work Opportunities created from 2015/16 to 2019/20	24
Figure 13:	FTE targets versus FTEs achieved (2019/20)	26
Figure 14:	FTEs achieved from 2015/16 to 2019/20	26
Figure 15:	Number of WOs required to create a single FTE (2019/20)	27
Figure 16:	Total number of person-years of work including training (2019/20)	27
Figure 17:	Expenditure including professional fees from 2015/16 to 2019/20	29
Figure 18:	Total wages paid out for 2018/19 and 2019/20	30
Figure 19:	Minimum daily wage rate from 2015/16 to 2019/20	30
Figure 20:	EPWP Integrated Grant allocations from 2015/16 to 2019/20	31
Figure 21:	EPWP Integrated Grant allocations, expenditure, and percentage of allocation expended.	32
Figure 22:	Demographics of EPWP beneficiaries in the nine cities (2019/20)	33
Figure 23:	Work Opportunities created in each sector (2019/20)	34
Figure 24:	Work Opportunity targets versus achievements in the Infrastructure sector (2019/20)	35
Figure 25:	Infrastructure sector WO achievements from 2015/16 to 2019/20	35
Figure 26:	Work Opportunity targets versus achievements in the Environment and Culture sector (2019/20)	36
Figure 27:	Environment and Culture sector WO achievements from 2015/16 to 2019/20	37
Figure 28:	Work Opportunity targets versus achievements in the Social sector (2019/20)	37
Figure 29:	Social sector WO achievements from 2015/16 to 2019/20	38
Figure 30:	Buffalo City Metropolitan Municipality institutional arrangements	40
Figure 31:	City of Cape Town EPWP unit institutional arrangements	45
Figure 32:	City of Ekurhuleni higher-level institutional arrangements	50
Figure 33:	City of Ekurhuleni EPWP unit institutional arrangements	51
Figure 34:	eThekwini Municipality higher-level institutional arrangements	55
Figure 35:	eThekwini Municipality EPWP unit institutional arrangements	56
Figure 36:	City of Johannesburg institutional arrangements	61
Figure 37:	City of Johannesburg EPWP unit structure	62
Figure 38:	Mangaung Metropolitan Municipality institutional arrangements	67
Figure 39:	Msunduzi Municipality EPWP institutional arrangements	72
Figure 40:	Nelson Mandela Bay Municipality institutional arrangements	76
Figure 41:	City of Tshwane higher-level institutional arrangements	80
Figure 42:	City of Tshwane divisional institutional arrangements	81
Figure 43:	Comparative analysis of focus areas and performance for the City of Cape Town, eThekwini Municipality, City of Ekurhuleni and the City of Johannesburg	86
Figure 44:	Comparative analysis and focus areas for the City of Tshwane, Nelson Mandela Bay Municipality, Buffalo City Metropolitan Municipality, Msunduzi Municipality and Mangaung Metropolitan Municipality	87

List of Tables

Table 1:	Work Opportunity targets for all spheres of government (2015/16 to 2019/20)	23
Table 2:	Work Opportunity targets by sector (2015/16 to 2019/20)	23
Table 3:	FTE targets for all spheres of government (2015/16 to 2019/20)	25
Table 4:	FTE targets by sector (2015/16 to 2019/20)	25
Table 5:	Five-year trend in person-years of training reported by the cities (2015/16 to 2019/20)	28
Table 6:	Allocated project budget and expenditure including professional fees (2019/20)	29
Table 7:	Demographics of EPWP beneficiaries in the nine cities (2015/16 to 2019/20)	33
Table 8:	Buffalo City Metropolitan Municipality progress against EPWP indicators (2019/20)	41
Table 9:	City of Cape Town progress against EPWP indicators (2019/20)	46
Table 10:	City of Ekurhuleni progress against EPWP indicators (2019/20)	52
Table 11:	eThekwini Municipality progress against EPWP indicators (2019/20)	57
Table 12:	City of Johannesburg progress against EPWP indicators (2019/20)	63
Table 13:	Mangaung Metropolitan Municipality progress against EPWP indicators (2019/20)	68
Table 14:	Msunduzi Municipality progress against EPWP indicators (2019/20)	73
Table 15:	Nelson Mandela Bay Municipality progress against EPWP indicators (2019/20)	77
Table 16:	City of Tshwane progress against EPWP indicators (2019/20)	82
Table 17:	City focus areas and performance percentages	86
Table 18:	Summary of city institutional arrangements	88

List of Acronyms

COVID-19	Coronavirus disease 2019
DPWI	National Department of Public Works and Infrastructure
EPCPD	eThekwini Environmental Planning and Climat Protection Department
EPWP	Expanded Public Works Programme
EPWP RS	EPWP Reporting System
FTE	Full-Time Equivalent
GDP	Gross Domestic Product
IDP	Integrated Development Plan
IG	Integrated Grant
IPTN	Integrated Public Transport Network
JCPZ	Johannesburg City Parks and Zoo
M&E	Monitoring and Evaluation
MMC	Member of the Mayoral Committee
PPE	Personal Protective Equipment
PWD	Person with Disabilities
RG	SACN-EPWP Reference Group
RUL	Remaining Useful Life
SACN	South African Cities Network
SCM	Supply Chain Management
SDGs	Sustainable Development Goals
SMME	Small, Medium and Micro Enterprises
SOP	Standard Operating Procedures
Q4	Quarter 4
UN	United Nations
VLP	Vuk'Uphile Learnership Programme
WO	Work Opportunity

Acknowledgements

The effective compilation of this 2019/20 Annual Report was enabled by the commitment, valued insights and important content direction of the Expanded Public Works Programme Managers from the nine cities comprising the South African Cities Network: Buffalo City, City of Cape Town, Ekurhuleni, eThekwini, Johannesburg, Mangaung, Msunduzi, Nelson Mandela Bay and Tshwane. The project further relies on the financial contribution and guidance of the Department of Public Works and Infrastructure. Recognition and appreciation are also due to officials from across the different spheres of government who have provided data and other valued inputs for this report. A special acknowledgement to the DPWI EPWP unit – the Monitoring and Evaluation Department, in particular – who provided access to reports and primary data.

Chief Editor(s) / Project Manager(s): Ignatius Ariyo (DPWI), Nomfundo Faith Dlamini (SACN)

Project Management Support Team: Sadhna Bhana (SACN), Kopano Ntsoane (SACN)

Report Compiled by: Dr Vanessa Weyer (Institute of Natural Resources), Paul Jones (LUMEC)

Contributors: Michelle Browne (Institute of Natural Resources), Sim'lindile Mahlaba (Institute of Natural Resources), Joanne Parker (LUMEC)

Copy editing: Dave Buchanan

Design & layout: Hothouse South Africa

Photography credits: All photos in the publication are attributable to DPWI and SACN unless otherwise indicated.

This report is published by:
South African Cities Network
16th floor, Joburg Metro Building
158 Civic Boulevard
Braamfontein
Johannesburg, SOUTH AFRICA

PO Box 32160
2017 Braamfontein
Johannesburg, SOUTH AFRICA

+27 (0)11 407 6471
info@sacities.net

www.sacities.net

ISBN No. 978-0-620-94396-3

© SACN (South African Cities Network). 2020. The State of the Expanded Public Works Programme in South African Cities 2019/20. A report of the Expanded Public Works Programme Reference Group. Johannesburg: SACN.

Available online at www.sacities.net

Foreword

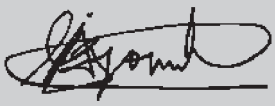
South Africa is facing an unemployment crisis, which is being further exacerbated by the COVID-19 pandemic. Of the 1.2 million youth entering the labour market annually; it is estimated that only one third will receive employment, further education, or training (SONA, 2020). The Expanded Public Works Programme (EPWP) is one of the initiatives within a broader government strategy aimed at reducing poverty through the reduction of unemployment. The EPWP has its origins in the 2003 Growth and Development Summit (GDS), where four themes were adopted, one of which was 'Creating more jobs, better jobs, and decent work for all'. The GDS noted that the EPWP "can provide poverty and income relief through temporary work for the unemployed to carry out socially useful activities". A central principle of the EPWP is to use labour-intensive methods to optimise job opportunities, while at the same time optimising training, where feasible, to enable participants to exit the programme with sufficient skills and experience to enter the job market.

Since its inception in 2004, the EPWP has gone through three phases of five-year intervals: Phase I (2004-2009); Phase II (2009-2014); and Phase III (2014-2019). The EPWP is currently in Phase IV, which started in April 2019 and will run until March 2024. The EPWP Phase IV target is to create approximately 5 million work opportunities. The EPWP continues to provide a valuable source of employment for approximately 1 million people across South Africa annually, with a total budget of R2.7 billion in 2019/20 increasing to R2.9 billion in 2020/21 (DPWI, 2018).

Cities are the growth engines of the South African economy. Almost 43% of the working-age population (16-64 years of age) resides within the nine metropolitan areas. Global projections suggest that 60% of the world population will reside in urban areas by 2030 (United Nations, 2018). South African cities, more so now than ever before, need to continue to create employment opportunities, develop skills and deliver services, to avoid joblessness, homelessness, crime, and other social challenges. The importance and value of the EPWP in assisting with these objectives cannot be overstated.

The SACN-EPWP Reference Group has established itself as a driving initiative within the South African Cities Network (SACN) member cities, offering valuable support, ensuring knowledge sharing and learning, showcasing the successes of the cities and promoting innovative implementation of the EPWP. As the EPWP continues with the implementation of Phase IV, it is evident that several cities have matured in their planning, implementation, and management of their EPWP projects. Some cities have been particularly successful in establishing strong EPWP institutional structures, and in developing private and institutional partnerships; pathways towards increased employment, and entrepreneurial business creation for participants exiting the programme. This highlights the enormous potential that the EPWP has, and emphasises that projects need to be designed with such considerations in mind. It is important that cities continue to share such successes and learnings.

Cities must continue to focus on stronger EPWP institutional arrangements, and improve in the reporting of infrastructure sector projects, training and skills development, with a stronger exit strategy. But although ongoing improvement is required to ensure that the EPWP in the cities continues to provide much-needed benefits, numerous successes have been achieved in this 2019/20 reporting period.



Ignatius Ariyo
Deputy Director General: EPWP

Sithole M. Mbanga
Chief Executive Officer: SACN

Executive **Summary**

The success of the Expanded Public Works Programme (EPWP) in the cities of the South African Cities Network (SACN), and the innovation and learning that have emerged through the EPWP-SACN Reference Group (RG), have been captured in 15 'State of the Expanded Public Works Programme in South African Cities' reports covering the period from 2004 to 2019. This publication, for the 2019/2020 period running from 1 April 2019 to 31 March 2020, constitutes the 16th annual report.

The aim of this report is to highlight and analyse the progress and implementation of the EPWP by the SACN Cities in the 2019/20 year, as the EPWP transitions into Phase IV; and to further examine the integrated analysis of the programme, looking at future directions and trends. The eight member cities of the SACN include the cities of Johannesburg, Tshwane, and Ekurhuleni; the metropolitan municipalities of Buffalo City and Mangaung; and the municipalities of eThekwini, Msunduzi and Nelson Mandela Bay. The City of Cape Town, although not currently a SACN member city, has been included in this report for comparative analysis purposes.

South Africa is currently experiencing flat economic growth, with a flat year-on-year Gross Domestic Product (GDP) growth of only 0.2% in 2019 (Statistics South Africa, 2020a). The economy was expected to grow by 0.9% in 2020, according to the National Treasury (National Treasury South Africa, 2020); however, the economy declined by 2% in the first quarter of 2020 (until end of March 2020). Quarter-on-quarter, for the first quarter of 2020, the number of employed persons declined by 38 000 ,and the number of 'not-economically active' persons increased by 159 000 (Statistics South Africa, 2020b). During the 2020 State of the Nation Address, President Cyril Ramaphosa announced that 1.2 million young people enter the labour market each year, and that of these, two thirds will not receive employment, education or training – and that "this is a crisis" (South African Government, 2020).

South Africa is currently experiencing flat economic growth, with a flat year-on-year Gross Domestic Product (GDP) growth of only 0.2% in 2019. (Statistics South Africa, 2020a).

This situation of economic decline and severe employment challenges, along with a reduced public-sector wage bill, places added pressure on existing government employment programmes. The EPWP continues to provide a valuable source of employment for approximately 1.4 million people across South Africa annually, with a total budget of R2.7 billion in 2019/20, increasing to R2.9 billion in 2020/21 (DPWI, 2018). The EPWP grant for Municipalities was R730 million in 2019/20, and R782 million in 2020/21: approximately 27% of total EPWP expenditure (National Treasury South Africa, 2020). Cities continue to be the growth engines of the South African economy.

In light of the current situation facing South Africa, and in addressing the challenges that have arisen and will continue to arise as part of increasing urbanisation, South African cities will continue to be critical to the creation of employment opportunities, supporting skills development, training initiatives, and accelerated service delivery. As such, the importance of the EPWP programme and its value to our cities cannot be overstated.

The methodology applied to develop this report included: (1) a quantitative desktop study, and (2) a qualitative consultative process.

The quantitative desktop study involved the review and analysis of relevant documents sourced from the SACN member cities, as well as from the EPWP and SACN websites. Statistical data was obtained from the Department of Public Works and Infrastructure (DPWI) EPWP Quarterly Reports, particularly the 2019/20 Quarter 4 consolidated report. These reports are compiled based on input data recorded via the EPWP Reporting System (EPWP RS), which EPWP stakeholders use to report on their EPWP projects. The minutes and discussions recorded in the quarterly RG meetings over the 2019/20 year were also used as data sources.

The qualitative consultative process utilised a questionnaire, which included a set of questions to which city representatives were asked to respond during virtual interviews. The questionnaire was designed to supplement and verify the quantitative data gathered. Cities were also asked for details pertaining to: challenges they had faced, and solutions, adaptations and successes (particularly in light of COVID-19, as the pandemic unfolded in March 2020); flagship case studies; Monitoring and Evaluation (M&E); and continual improvement aspects. Cities were given an opportunity to provide input into the report progressively during its development. The DPWI was requested to provide clarity on and to verify the data collected and the methods used for data analysis.

From Section 3, some key findings were extracted regarding the progress of the SACN cities in their implementation of the EPWP during the 2019/20 financial year, in terms of their EPWP objectives and in relation to nine EPWP indicators. These findings include:

(1) Number of projects implemented

During the 2019/20 year, the cities implemented 1 514 EPWP projects, across the infrastructure, environment and culture and social sectors. Collectively, the cities have contributed 65% of all projects implemented by metropolitan and district municipalities in South Africa. The average number of projects implemented in the 2019/20 annual reporting period for all cities (168) decreased by 43 projects compared to the 2018/19 reporting period (211). However, this number is still greater than in the previous reporting phases of 2015/16 (145), 2016/17 (135) and 2017/18 (76). Eight of the nine cities implemented fewer projects than in the 2018/19 year; Ekurhuleni was the only city to increase their number of projects implemented. Though this is certainly a decrease across the cities, in terms of overall projects implemented the 2019/20 year reflects a decrease of only 383 from the 1 897 projects implemented in the 2018/19 reporting period. Also, in the 2018/19 annual report it was noted that under-reporting was a recurring issue throughout Phase III of the programme, and it appears to be an ongoing issue; this may explain some of the decrease noted in the number of projects implemented.

(2) Gross number of Work Opportunities created

For 2019/20, the average Work Opportunity (WO) target versus number achieved fell short by 3 055 WOs; and the average number of WOs created in the 2019/20 period fell by 1 730 compared to 2018/19. An insight that has emerged from the evaluation of the EPWP for the five previous years is that WO targets are generally too high, and are not aligned with the capacity of the implementing cities. A further issue is that the cities under-report EPWP key success indicators and variances in their reporting practices.

(3) Person-Years of work including training (Full-Time Equivalent)

The average Full-Time Equivalent (FTE) targets versus those achieved for 2019/20 fell short by 1 353, and the average FTEs created for the 2019/20 period increased by 173 compared to 2018/19. On average, the cities achieved`67% of their FTE targets for 2019/20; for the 2018/19 reporting period only 41% were achieved, which shows an overall improvement. The eThekwini Municipality substantially exceeded its FTE targets, lifting the city group average; behind them was the City of Cape Town.

As noted by the DPWI (2019), the EPWP requires strengthening of its scope for participants to access employment opportunities beyond the EPWP. The EPWP provides training and enterprise development to support EPWP participants to access employment opportunities beyond the EPWP, but also to bolster their livelihoods when such employment opportunities are not available to them. However, the resources available for training are limited, and the provision of accredited training in South Africa is costly. This is evident from the 2019/20 reporting period; although training increased in this period, there is still much room for improvement. Only two cities – the City of Cape Town, and Ekurhuleni – are responsible for the majority percentage share of person-years of work including training, for all the cities. Currently there is a strong focus on job creation via projects; less attention is paid to developing projects that provide jobs and training simultaneously. Cities should investigate partnering with private enterprises and higher education and accreditation institutions, to implement training programmes that give participants qualifications and skills that can be used in the broader economy.

(4) Expenditure on EPWP (including professional fees)

Although the cities' expenditure has fluctuated over the last five years, the average expenditure over the last two reporting periods has been remarkably similar. Total expenditure of R1 250.75 million was reported in 2019/20, compared to R1 112.93 million in 2018/19. In the 2019/20 reporting period, four cities (Ekurhuleni, eThekwini, City of Tshwane, and City of Cape Town) increased their expenditure from that of the 2018/19 reporting period. The remaining five cities decreased their expenditure.

(5) Total wages paid out to employees on EPWP projects

The total wages paid out in 2019/20 amounted to R907.62 million, compared to R810.60 million in 2018/19.

(6) Average manual worker minimum daily wage rate

The average minimum daily wage rate increased to R196.61 for 2019/20, compared to R177.84 for 2018/19.

(7) Integrated Grant Expenditure

The Integrated Grant (IG) allocation for eThekwini has increased consistently over the last five years, from 2015/16 to 2019/20. Of the remainder, Buffalo City, Msunduzi and Nelson Mandela Bay showed an increase in their IG allocation for 2019/20, while the other cities showed a decrease. The cities are consistently spending most of their IG allocations, with the average for all cities being 76%. Buffalo City, eThekwini and the City of Tshwane spent 100% of their allocations.

(8) Demographics of employment

The demographic averages of EPWP beneficiaries for all cities were 55.01% women, 49.74% youth, and 0.22% people with disabilities. Five of the nine cities created at least 55% of their WOs for the youth and for women; persons with disabilities accounted for less than 2% for all cities.

(9) Sector analysis

The Environment and Culture sector created the most WOs. This was followed by the Infrastructure sector, and then the Social sector.

In terms of WO targets versus achievements: (1) regarding the Infrastructure sector, the cities did not meet their WO targets, and there were 2 960 fewer WOs than in 2018/19; (2) for the Environment and Culture sector, four of the nine cities achieved and exceeded their WO targets, as did their overall average – however, the average performance of the cities decreased marginally between 2018/19 and 2019/20, by 3 920 WOs; (3) in the Social sector, the overall average WOs achieved for all nine cities exceeded the WO target set – however, the average performance of the cities decreased marginally in 2019/20 compared to 2018/19, with 1 837 fewer Social Sector WOs recorded.

Successes, challenges, and future directions

As the EPWP approaches its 20th year since implementation in 2003, many of the Cities have shown a level of maturity in the planning, implementation and management of their programme and projects. In certain cases, the programme has been integrated deep into Municipal structures, received widespread buy-in and support, and been successful in providing much-needed skills, income support, employment opportunities, and development of public assets and community services. There is a common understanding among the Cities that the EPWP has been successful in creating employment opportunities – as indicated during City interviews, in which 'finding employment' was the highest-rated positive impact achieved. Development of public assets and community services was also considered a significant positive impact, while it was agreed that a lot more work needs to be done towards training of participants and creating better exit strategies for participants. Although continuous improvements are required to ensure that the EPWP continues to provide much-needed opportunities in the Cities, numerous successes have been achieved through the large number of EPWP projects implemented in the 2019/20 period.

The number of projects implemented across the Cities increased significantly between 2015/16 and 2019/20, from 688 projects in 2015/16 to 1 514 in 2019/20. Most Cities more than doubled their number of projects implemented over this period, with Work Opportunities also increasing from 16 600 in 2015/16 to 25 000 in 2019/20. Expenditure on the other hand only increased by 15%, indicating that across the Cities, a level of maturity is being achieved within the broader EPWP programme.

The number of projects implemented across the Cities increased significantly between 2015/16 and 2019/20, from 688 projects in 2015/16 to 1 514 in 2019/20.

Cities continue to face challenges and achieve successes to varying degrees, which has caused some Cities to rapidly improve the effectiveness of their EPWP programmes, while others have remained relatively stagnant. This has been exacerbated and become more evident recently, because of the difficult conditions COVID-19 has presented. The Cities generally agree that in order to continually improve implementation and management of their EPWP programmes, and become more resilient and adaptable to future changes, more needs to be done to share the successes and challenges of the various programmes and projects being implemented. The 2019/20 Annual Report therefore draws on the learnings of the Cities in terms of both programme improvements and adaptability to change.

The most significant learning that has been shared by Cities, echoed throughout this report, focuses on institutional structuring. It is evident that the Cities that have been more successful at implementing the EPWP have managed not only to institutionalise the programme into their existing municipal structures, processes and systems, but also to gain widespread buy-in. A formalised structure which allows for a dedicated EPWP champion with strong support from departmental heads and senior managers, and a direct line of reporting to administrative or political leadership, has elevated the importance of the EPWP within these Cities. Further, strong buy-in from political leadership and across all units and administrative structures has proven essential to driving a successful programme, while embedding the EPWP into City documents and scorecards has allowed for greater levels of support and accountability, which assists in meeting targets and encouraging more accurate reporting.

Reporting has been highlighted as a challenge for most Cities, in one way or another. Accurate reporting of targets and achievements in the EPWP is critical for the longevity of the programme. To improve and become more resilient, it is imperative that Cities are able to gauge accurately whether or not targets have been met. Under-reporting due to

non-functioning systems or processes – where, for example, departmental managers do not report targets to an EPWP steering committee – will continue to stifle the effectiveness of the programme. Learnings from Cities show that targets that are integrated into the scorecards of senior managers and divided between departments allow for the EPWP programme to become part of the broader City targets and aspirations. Cities are therefore encouraged to strengthen systems and processes for their internal reporting of the EPWP and for the integration of the EPWP and its targets into City plans and scorecards. This can be supported by the development of Standard Operating Procedures (SOPs) for monitoring and evaluating the performance and compliance of the EPWP.

The allocation of the budgets and timeframes of the EPWP have both been raised as potential hindrances to the overall, longer-term sustainability of the programme. Some Cities find it difficult to implement projects on an annual basis, and require a longer implementation period for specific projects. In the same vein, it was suggested that the 12-month IG allocation period is also too short, and that in certain instances, extended time periods for projects and aligned or continuous funding in relation to these projects could lead to improved planning and greater commitment from stakeholders. In relation to internal budgeting, given that departments often have mixed budgets, there is a need for a more intentional allocation of budgets to EPWP projects, while additional budget allocations and financial support would assist Cities with smaller allocations to improve performance.

Cities have noted that the provision of support from National Government could assist them to become more resilient. In addition, Cities can learn from one another, specifically around a more strategic approach to the development of EPWP programmes and projects. Some Cities have been successful in partnering with and leveraging funding from the private sector and providing a path towards employment and towards the establishment of entrepreneurial businesses after participants exit the programme. This highlights the great potential that the EPWP has, and indicates that projects should be designed with such considerations in mind, rather than trying to slot the EPWP into existing projects. Projects should also consider how they can be developed to be more labour-intensive and absorptive, how they can be made sustainable over longer timeframes to ensure more meaningful training is provided, and how they can provide opportunities for people with disabilities. Additionally, Cities must make sure that Ward Councillors and other critical stakeholders are consulted as a key element of EPWP project implementation. Further, communication with both internal and external stakeholders is an approach that ensures broader buy-in for the EPWP, and can assist in reducing the stigma attached to the programme in certain Cities.

Cities can learn from one another, specifically around a more strategic approach to the development of EPWP programmes and projects.

A final (yet extremely critical) key learning is that Cities must focus more specifically on an exit strategy for EPWP participants. This is currently a challenge, and a dedicated approach is required to address this, both from the public and the private sector point of view. It is a shared value among Cities that participants should be afforded employment opportunities on their exit from the programme. However, in some Cities there is still the perception that the EPWP is a short-term, temporary employment opportunity. As such, there is a desperate need for shared learnings and knowledge around how to truly elevate participants' skills during projects, coupled with the creation of positions within Cities, and partnerships with the private sector, to absorb participants once projects are completed.

Moving into the 2020/21 period, it is expected that Cities will continue to face similar challenges, as they face increasing budgetary pressures, rising unemployment, and increasing demand for skills development and training programmes for the unemployed. The analysis provided in this 2019/20 Annual Report is particularly useful in framing the way forward. Success factors experienced by Cities, particularly around institutional structuring, reporting, project development, training, and creating an exit strategy, will form the focus of the detailed City investigations for the next period. This will ensure that the EPWP programme continues to adapt and become resilient in the face of all opportunities and challenges, both current and still to come.

1 Introduction and Background

1.1 Cities and sustainability in a South African context

South Africa is currently experiencing the greatest economic decline in its history. Off the back of flat growth in 2019, with year-on-year Gross Domestic Product (GDP) at only 0.2% (Statistics South Africa, 2020a), the economy was expected to grow at 0.9% in 2020 (National Treasury South Africa, 2020). However, the National State of Disaster declared on 29 March 2020 due to the global Coronavirus disease 2019 (COVID-19) crisis saw the South African economy declining by an unprecedented 51% in the second quarter (April-June) of 2020 (Statistics South Africa, 2020a). Quarter on quarter, for the second quarter of 2020 employment declined by 2.2 million people, with the number of 'non-economically active' persons increasing by a staggering 5.2 million people (Statistics South Africa, 2020b). This resulted in a labour absorption rate[1] of 36% and a labour force participation rate[2] of 47%, down from 42% and 60% respectively over the same period in 2019 (Statistics South Africa, 2020b).

In a State of the Nation Address, President Cyril Ramaphosa announced that 1.2 million young people enter the labour market each year; and of these, two thirds will not receive employment, education or training – and that "this is a crisis" (South African Government, 2020). This was before the full impact of COVID-19 had been felt. To further exacerbate the challenge of employment creation, the 2020 National Budget indicated that R160 billion would be cut from the wage bill of national and provincial departments and national public entities (National Treasury South Africa, 2020).

This situation – of unprecedented economic decline, a huge reduction in employment, a massive number of people leaving the labour market – significantly lowered labour absorption potential, and a reduced public-sector wage bill puts added pressure on existing government employment programmes, more than ever before. The EPWP continues to provide a valuable source of employment for approximately 1.4 million people annually across South Africa, with a total budget of R2.7 billion in 2019/20 increasing to R2.9 billion in 2020/21 (DPWI, 2018). The EPWP grant for municipalities was R730 million in 2019/20 and R782 million in 2020/2021, approximately 27% of total EPWP expenditure (National Treasury South Africa, 2020).

Cities continue to be the growth engines of the South African economy, indicated by the fact that almost 42% of the total population and 43% of the working-age population (16-64 years of age) reside within the eight metropolitan areas[3], while only 36% of the total 'non-economically active' population reside in these same metros (Statistics South Africa, 2020b). With projections suggesting that 60% of the global population will reside in urban areas by 2030 (United Nations, 2018), cities in South Africa must continue to create employment opportunities to avoid further joblessness, and associated social challenges such as homelessness, crime and substance abuse.

In light of the situation facing South Africa, and in addressing the challenges that have and will continue to arise as part of increasing urbanisation, South African cities will continue to be critical to creating employment opportunities, supporting skills development and training initiatives, and accelerating service delivery. As such, the importance of the EPWP programme and its value to cities cannot be overstated. In the 2019/20 year, the EPWP created 84 734 Work Opportunities (WOs) within the nine Cities through 1 514 projects across the Infrastructure, Environment and Culture, and Social sectors. The beneficiaries of these WOs were 58% youth and 64% women, again indicating the importance of the programme in addressing the challenges that exist. Additionally, 25 000 person-years of training were conducted.

Not only do the Cities need to continue and enhance employment creation and skills development programmes and service delivery; they also need to respond to other challenges that are arising due to rapid urbanisation. Goal 11 of the UN's Sustainable Development Goals (SDGs) speaks to the development of sustainable cities and communities through "investment in public transport, creating green public spaces, and improving urban planning and management in participatory and inclusive ways" (United Nations, 2015). Accordingly, cities need to constantly evaluate and reflect on policies, strategies, and programmes to ensure alignment with and contribution towards the creation of sustainable cities. Within the context of the EPWP, the Cities must pioneer new approaches and ensure that job opportunities are aligned with the priorities of sustainable cities. The EPWP programme therefore remains an important government-led intervention not only to tackle the core challenges of unemployment and poverty, but also to ensure that in addressing these challenges, broader sustainable development priorities are addressed.

1.2 About the EPWP, the SACN, and the EPWP Reference Group

The EPWP was established in 2003, having its origins in the Growth and Development Summit. It is mandated by Cabinet to create WOs according to set targets, contributing to Government Policy Priorities in terms of decent work and sustainable livelihoods, education, health, rural development, food security, land reform, and in the fight against crime and corruption. The EPWP subscribes to "Decent employment through inclusive economic growth". A central principle of the Programme is that it uses labour-intensive methods to optimise job opportunities. It also involves a training component, with the overall objective that, while the employment is temporary, the beneficiaries will exit with skills and experience that will assist them to enter the formal job market.

The EPWP is executed in all nine provinces, across all their district and local municipalities and metros, and is focused on four sectors, shown in Figure 1.

FIGURE 1: **The four sectors of the EPWP**

The National Department of Public Works and Infrastructure (DPWI) is the champion of the EPWP and provides national policy leadership and direction on the design, framework and implementation of the EPWP. The EPWP branch within the DPWI is responsible for: overall coordinating and implementing of support, developing funding frameworks, providing technical support to participating public bodies, and Monitoring and Evaluation (M&E).

The South African Cities Network (SACN) was established in 2002, and is an established network of South African cities and partners that encourages the exchange of information, experience and best practices on urban development and city management.

The eight member cities are the Cities of Johannesburg, Tshwane, and Ekurhuleni; the metropolitan municipalities of Buffalo City and Mangaung; and the municipalities of eThekwini, Msunduzi and Nelson Mandela Bay. The City of Cape Town, although not currently a SACN member city, has been included in this report for comparative analysis purposes.

The SACN is focused on enabling cities to be inclusive, sustainable, productive and well-governed. To this end, the SACN has established the following mandate:

(1) Promote good governance and management in SACN cities;

(2) Analyse strategic challenges facing South African cities, particularly in the context of global economic integration and national development challenges;

(3) Collect, collate, analyse, assess, disseminate and apply the experience of large-city government in a South African context; and

(4) Promote shared-learning partnerships between different spheres of Government to support the management of South African cities.

The SACN's two key programmatic themes are Productive and Inclusive Cities. Productive Cities enable local economies that provide the majority of residents with opportunities to make a reasonable living. The Inclusive Cities theme revolves around whether residents have the opportunities and capacity to share equitably in the social benefits of city life – a key aspect of which is access to employment or livelihood. The EPWP and its implementation in cities has been a relevant and practical mechanism for achieving both these key outcomes.

In recognition of the value of the EPWP in delivering against SACN objectives, the role of the SACN in mobilising its members to implement the EPWP, and the potential to improve the implementation of the Programme, the relationship between the SACN and the DPWI was formalised via the establishment of a Memorandum of Understanding and the formation of the SACN-EPWP Reference Group (RG), in 2005. The RG includes representatives from the SACN member cities and seeks to improve the efficiency and efficacy of the EPWPs in these cities via cross-pollination of practice and experiences. The RG meets quarterly in a forum where experiences and knowledge are exchanged.

1.3 About this report

The success of the EPWP in the cities, and the innovation and learning that has emerged through the RG, has been captured in 15 'State of the Expanded Public Works Programme in South African Cities' reports covering the time from 2004 to 2019. This report constitutes the 16th annual report, for the 2019/20 period, which runs from 1 April 2019 to 31 March 2020.

The aim of this report is to highlight and analyse the progress and implementation of the EPWP by the cities in the 2019/20 year, as the EPWP transitions into Phase IV; and to further examine the integrated analysis of the programme, looking at future directions and trends.

The report is structured into six sections:

Section 1. Introduction and Background, which provides background to the reader on the South African and SACN cities context; the EPWP, SACN, and RG; and the project methodology.

Section 2. The EPWP Context, which describes the history and evolution of the EPWP; its implementation against defined objectives; and its challenges faced, solutions, adaptations and successes.

Section 3. Overall EPWP Analysis, which analyses the cities' progress in terms of nine key indicators: (1) number of projects implemented; (2) gross number of WOs created; (3) person-years of work, including training; (4) expenditure on EPWP (including professional fees); (5) total wages paid out to employees on EPWP projects; (6) manual workers' average minimum daily wage rate; (7) Integrated Grant (IG) expenditure; (8) demographics of employment; and (9) sector analysis.

Section 4. Member City Analysis, which describes the SACN cities in terms of their instructional arrangements and policy targets; city statistics; challenges faced, solutions, adaptations, and successes; flagship case studies; M&E; and continual improvement.

Section 5. Integrated Analysis, Future Trends and Directions, which compares cities to understand which key indicators each city is focusing on, their drivers of success and their challenges. Shared knowledge and experience, city integration and resilience, and the ability of cities to adapt to challenges are discussed further.

Section 6. Conclusions

1.4 Methodology

The methodology applied to develop this report included a quantitative desktop study, and a qualitative consultative process.

The quantitative desktop study involved the review and analysis of relevant documents sourced from the SACN member cities, as well as from the EPWP and SACN websites. Statistical data was obtained from the DPWI EPWP Quarterly Reports, particularly the 2019/20 Quarter 4 (Q4) consolidated report. These reports are compiled based on input data recorded via the EPWP Reporting System (EPWP RS), which EPWP stakeholders use to report on their EPWP projects. The minutes and discussion noted from the quarterly RG meetings over the 2019/20 year were also used as data sources.

The qualitative consultative process utilised a questionnaire, which included a set of questions to which city representatives were asked to respond during virtual interviews. The questionnaire was designed to supplement and verify the quantitative data gathered. Cities were also asked for details pertaining to challenges they had faced, solutions, adaptations and successes – particularly in light of COVID-19, as the pandemic unfolded in March 2020; flagship case studies; M&E; and continual improvement aspects. Cities were given an opportunity to provide input into the report progressively during its development. The DPWI were further requested to provide clarity on and to verify the data collected and the methods used for data analysis.

Notes

1 'Labour absorption rate' is the proportion of the working-age population that is employed.
2 'Labour force participation rate' is the proportion of the working-age population that is either employed or unemployed (essentially, the labour force).
3 Buffalo City Metropolitan Municipality, City of Cape Town, City of Ekurhuleni, eThekwini Municipality, City of Johannesburg, Mangaung Metropolitan Municipality, Nelson Mandela Bay Municipality, and City of Tshwane.

2 The EPWP Context and Overview

2.1 The evolving EPWP

The EPWP originated in 2004 as a South African government programme, with its primary objective at that time being to reduce poverty and curb rising unemployment. The programme was designed initially to use public budgets to provide the unemployed with short-term work opportunities. As the programme has evolved, focus has shifted towards other objectives: to provide training, thus enabling participants to find gainful employment at exit, and to provide useful public assets and much-needed services to the community. A delicate balance exists between these objectives, with each affecting the others, and not all objectives being equally achievable. For example, as noted by Jeremy Cronin, Deputy Minister of the DPWI, prioritising resource allocation to achieve one objective may be expected to negatively impact the other two.

Since 2004 the EPWP has gone through three phases of five-year intervals: Phase I (2004-2009); Phase II (2009-2014); and Phase III (2014-2019). It is now entering Phase IV. The objective of the EPWP in Phase IV is to provide work opportunities and income support to poor and unemployed people through the labour-intensive delivery of public and community assets and services, thereby contributing to development. In EPWP Phase IV, the programme targets the creation of 5 million work opportunities (WOs).

Figure 2 illustrates the progress made through the EPWP over Phases I to III in terms of WOs created, which have increased over the period from 1.6 million (2009) to 4.5 million (2019), an increase of 281%.

FIGURE 2: **Work Opportunities per EPWP phase**

EPWP Work Opportunities Target	EPWP Work Opportunities Created
PHASE I (2004-2009)	PHASE I (2004-2009)
1 million	1.6 million
PHASE II (2009-2014)	PHASE II (2009-2014)
4.5 million	4.0 million
PHASE III (2014-2019)	PHASE III (2014-2019)
6 million	4.5 million

2.2 Overview of the EPWP's implementation 2019/20

Performance

Overall, the EPWP achieved 101% of the WO annual target for the 19/20 financial year, which was the first year of EPWP Phase IV. The sectors performed as follows:

- Non-State Sector at 108%;
- Infrastructure Sector at 90%;
- Social Sector at 102%; and
- Environment & Culture Sector at 110%.

Learnings

- It is difficult for the EPWP at national level to dictate institutional structures to cities, considering the different spheres of government and different circumstances in each city.

- Experience has shown that it is more beneficial when a city's EPWP is housed within the city manager's structures, or within an economic development unit/department, than in the mayor's office, as the programme is then less affected by changes in political structures or governance, and has greater oversight of the implementation of programmes in different departments.
- Cities generally showed improvements in the 2019/20 financial year; however, some cities could improve their performance. Low performance could be related to institutional arrangements (e.g. some cities are under administration) and/or mainstreaming difficulties.
- Under- and incorrect reporting is an ongoing difficulty. If reporting could be improved, the qualitative aspect of EPWP could be focused on more.
- In some cases no targets were defined, as no budgets were set for these. Past performance can be examined to set future targets.

2.3 Challenges faced, successes, solutions and adaptations

The onset of the COVID-19 pandemic in March 2020 – the last month of the EPWP 2019/20 financial year – can be regarded as one of the greatest challenges ever faced by the EPWP programme. On 26 March 2020, the country entered a Level 5 hard lockdown to slow down the spread of COVID-19. Cities and EPWP programme managers were caught unaware, and were left scrambling to respond and adapt and find solutions, in extremely short time frames. Most EPWP projects were halted, and only essential services projects continued to run. Project reporting was also affected, resulting in under- and non-reporting occurring. Project managers were requested to work from home and had to adapt to using unfamiliar technology, while many in-the-field workers were prevented from working, and yet still had to be paid. Inevitably, project deliverables were delayed, and many EPWP budgets were re-directed to essential COVID-19 reactive needs. The onset of COVID-19 and the associated challenges faced by the EPWP as the national disaster unfolded are pertinent to this 2019/20 annual report; however, the adaptation mechanisms followed are more relevant to the 2020/21 period, and these adaptations will be discussed in a future issue of this report.

In response to COVID-19, the DPWI rapidly developed COVID-19 guiding policies for their programmes. Innovative thinking was required; new programmes and projects had to be developed that could include social distancing, among other factors. The downside of this rapid response has been that limited time was available to conduct detailed feasibility studies and to do proper pre-planning. The DPWI acknowledges that many issues may have been overlooked due to this hasty approach, and that amendments to programmes will be made as required.

During the 51st RG meeting, held on 26 June 2020, cities were asked to fill in a group mural board (Figures 3-6) reporting on their experiences relating to COVID-19, under these headings: (1) Check-in – using one word to describe how they were experiencing the COVID-19 outbreak; (2) Status in Cities – commenting via a 'traffic light' on the status of their EPWP projects and work; (3) Challenges – describing challenges and constraints faced due to COVID-19; and (4) Successes & Mitigations – describing significant successes and improvement interventions.

FIGURE 3: **Check-in**

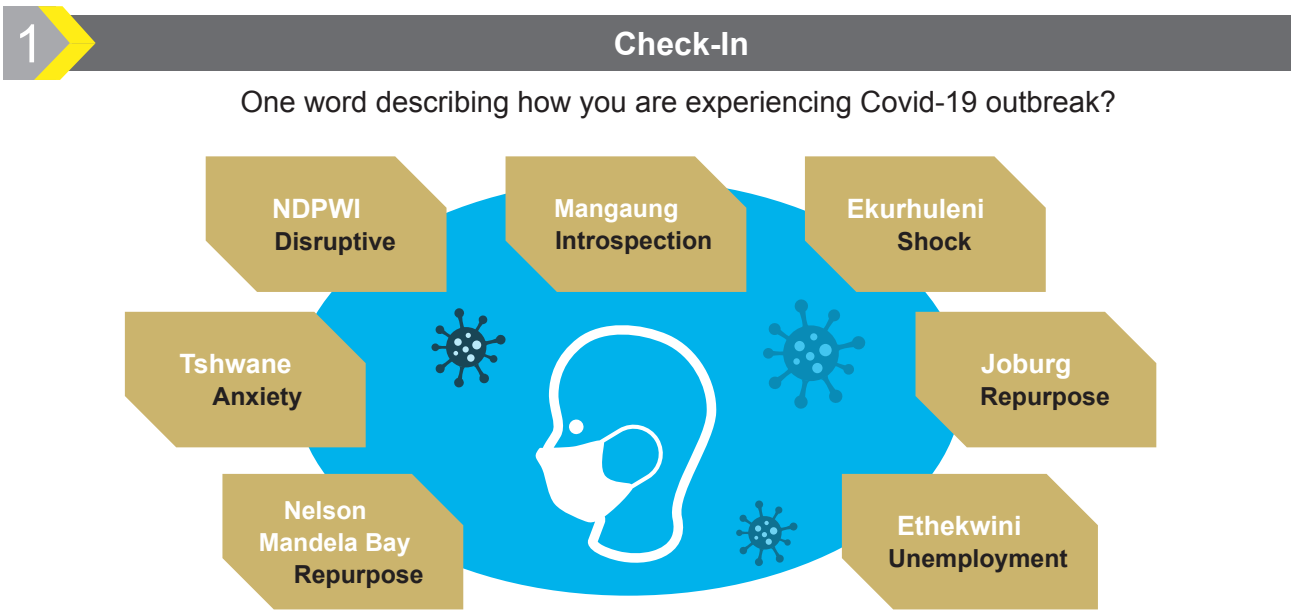


FIGURE 4: **Status in cities**

2 Status in Cities

Comment on the traffic light that indicates the current status of EPWP projects and work in your city?

FIGURE 5: **Challenges**

3 Challenges

What major challenges/constraints are you experiencing as a result of the COVID-19 outbreak?

TSHWANE Budget redirected for COVID-19 responses	Data capturing halted & project stoppage	Inability to access project sites & reduction in workers on sites	Movement restrictions hindered selection of potentia recruits	**NDPWI** Disruptions in reporting, work opportunities & roll-out of programmes	Challenges managing the elements pertaining to workers & policies
NELSON MANDELA BAY Cannot escape the lockdown	Most projects delayed in terms of implementation	Workplace readiness is not yet there and team is expecting people back at work by 1 July	**MANGAUNG** City put under administration which halted & delayed projects	COVID-19 worsened the situation	Understaffed and working under rotation
JOHANNESBURG City halted the implementation of projects	Rebasing of budgets towards COVID-19	Challenge with obtaining correspondence with entities to understand how they've been affected	**ETHEKWINI** Significant setbacks	Staff has been skeleton but due to start work from 1 June	Organogram has a few vacancies, impacting delivery
EKHURULENI General inability to report on all projects and WO's created	Reductions in number of people working due to lockdown restrictions	Budget decreases – R4 billion cuts			

FIGURE 6: **Successes & Mitigations**

4 Successes & Mitigations

What have been the significant successes, and what interventions can be made for improvement?

ETHEKWINI Control measures in place	COVID-19 EPWP Policy in place	Technical support to be reinstated	Using graduate trainees for data collection	**TSHWANE** PPE provided for participants
JOHANNESBURG EPP programme review	Level of innovation is slowly improving in city	Considering reporting system designed for the city	Developed draft recruitment guidelines informed by national	Recovery plan in place	Engagements with regions to prevent losses in WOs
NELSON MANDELA BAY Executive & City Manager's KPIs Include EPWP performance	EPWP represented on supply chain committees	Implemented projects with the Department of Health; caregivers working with the Department in contact tracing	**MANGAUNG** Hopeful for the new financial year	Working with the new administration to resolve delays & issues	Intervention from SALGA & NDPWI to assist with councillor buy-in
EKHURULENI Staff working on a rotational basis	Improvements in infrastructure sector – doubled in performance	New senior appointment is assisting with the management of the programme		

3 Implementation of EPWP

This section of the report highlights the progress of the eight SACN cities in their implementation of the EPWP during the 2019/20 financial year (1 April 2019 to 31 March 2020). The City of Cape Town has been included for comparative and knowledge-sharing purposes.

Each city's progress is assessed in terms of their EPWP objectives in relation to nine EPWP indicators:

(1) Number of projects implemented;

(2) Gross number of WOs created;

(3) Person-years of work, including training – Full-Time Equivalent (FTE);

(4) Expenditure on EPWP (including professional fees);

(5) Wages paid to employees on EPWP projects;

(6) Average manual workers' minimum daily wage rate;

(7) Integrated Grant expenditure;

(8) Demographics of employment; and

(9) Sector analysis.

Also included in this section is a review of the trends for the cumulative Phase III of the EPWP against each performance indicator.

The definitions (DPWI, 2020b; EPWP, 2005) for each of the nine indicators are provided at the start of each section.

The analysis and figures that follow use data extracted from the DPWI EPWP Q4 Consolidated Report for 2019/20 (DPWI, 2020b), and previous State of the EPWP in South African Cities annual reports (SACN, 2016; 2017; 2018; 2019). The Q4 Consolidated Report is based on data received from national and provincial departments and from municipalities.

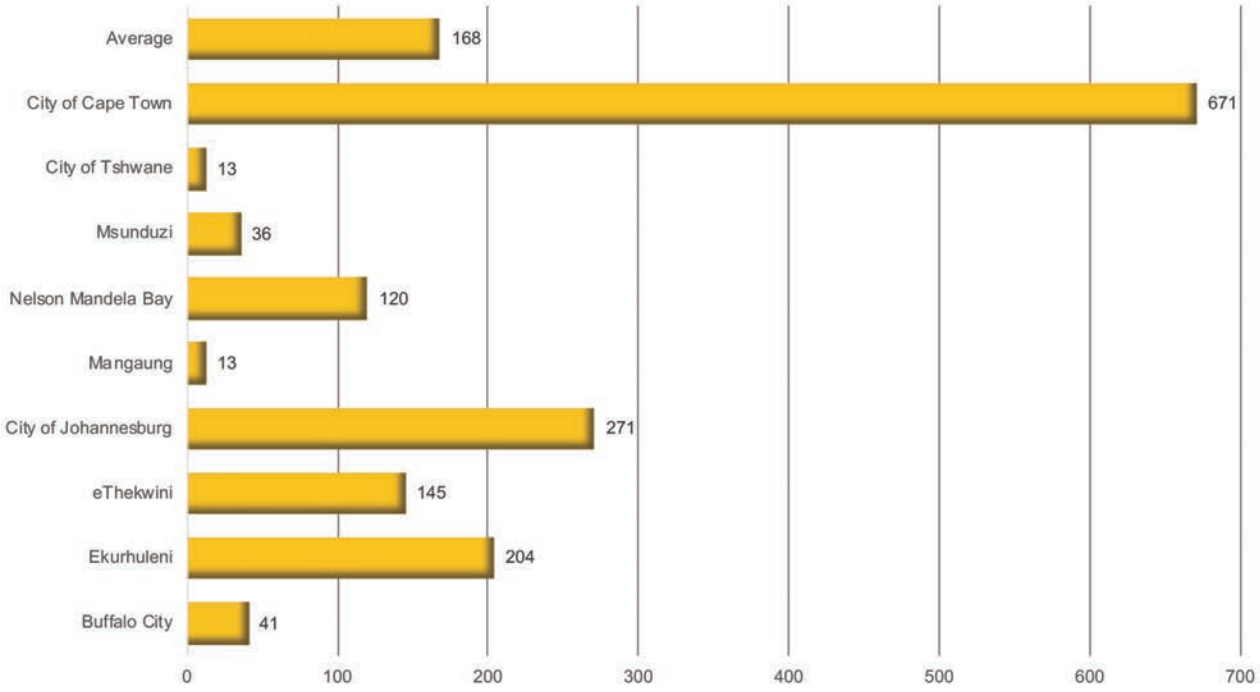
3.1 Number of projects implemented

INDICATOR DEFINITION:

Projects implemented by cities across infrastructure, environment and culture, and social sectors.

During the 2019/20 year the cities implemented 1514 EPWP projects across the infrastructure, environment and culture, and social sectors. The number of projects implemented by each city and the average number of projects implemented are shown in Figure 7.

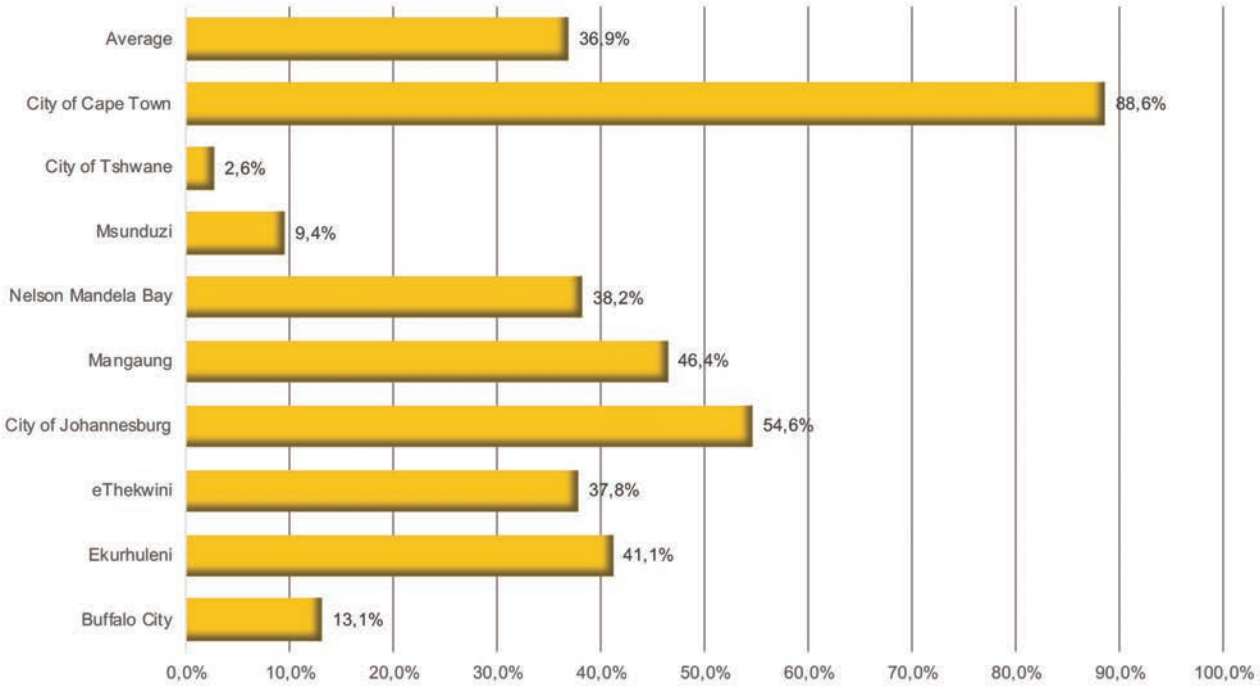
FIGURE 7: **Number of EPWP projects implemented (2019/20)**



The City of Tshwane, Mangaung, Msunduzi and Buffalo City implemented the lowest number of projects compared to the other cities. Generally speaking, these cities have experienced institutional and political leadership challenges as they are all currently under administration.

Collectively the nine cities have contributed 65% of all projects implemented by metropolitan and district municipalities in South Africa. The projects implemented by each city as a percentage of the total EPWP projects in their respective provinces for 2019/20 are shown in Figure 8.

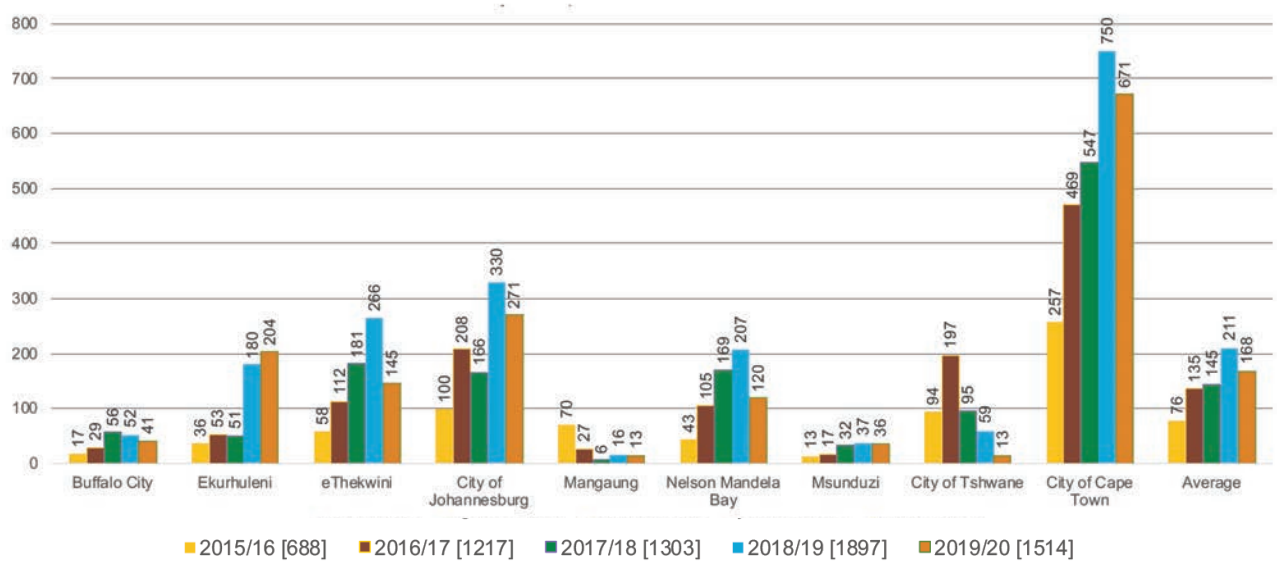
FIGURE 8: **Projects implemented by the nine cities as a percentage of total EPWP projects in their respective provinces (2019/20)**



From these percentages it is evident that the cities make a significant contribution to job creation and the economy in their provinces, and in South Africa. This is not surprising when one considers that over 42% of the country's population resides in the eight metropolitan municipalities (Statistics South Africa, 2020b); and that cities receive considerably higher budget allocations, and therefore have the resources and capacity to implement more EPWP projects and create higher numbers of WOs.

Figure 9 shows the changes in projects implemented reported over the 2015/16, 2016/17, 2017/18. 2018/19 and 2019/20 annual reporting phases.

FIGURE 9: Number of projects implemented in cities, showing the 2015/16, 2016/17, 2017/18, 2018/19 and 2019/20 annual reporting phases



The average number of projects implemented in the 2019/20 annual reporting period for all cities (168) decreased by 43 projects compared to the 2018/19 reporting period (211). However, this is still greater than the previous reporting phases of 2015/16 (145), 2016/17 (135) and 2017/18 (76).

Eight of the nine cities implemented fewer projects than they did in the 2018/19 year (Buffalo City, eThekwini, City of Johannesburg, Mangaung, Nelson Mandela Bay, Msunduzi, City of Tshwane, and City of Cape Town); Ekurhuleni was the only city that implemented more. Although this indicates an overall decrease in the number of projects implemented, it is a decrease of only 383 projects compared to the 1 897 projects implemented in the 2018/19 reporting period. In the 2018/19 annual report it was noted that under-reporting was a recurring issue throughout Phase III of the programme; this appears to be an ongoing issue, which probably accounts for the decrease noted in the number of projects implemented.

The number of projects implemented forms a baseline that other EPWP reporting and performance indicators may be evaluated against. For example, the number of projects reported on the DPWI M&E system will affect the number of WOs that can be captured. Conversely, an inability to report on the number of projects implemented will result in under-reporting of WOs created for that reporting period. Each indicator cannot be evaluated in isolation and must be assessed in conjunction with all other indicators.

3.2 Gross number of Work Opportunities created

INDICATOR DEFINITION:

This is the OVERALL NUMBER OF WOs that the reporting body has reported on. A Work Opportunity is paid work created for an individual for any period. The same individual can be employed on different projects and each period of employment will be counted as a work opportunity. A work opportunity in the Infrastructure Sector has an average duration of four months; and in the Environment and Culture Sector, an average duration of six months (DPWI, 2020b).

Tables 1 and 2 show the national WO targets for 2015/16 to 2019/20 for all spheres of government and sectors, as set by the DPWI.

TABLE 1: Work Opportunity targets for all spheres of government (2015/16 to 2019/20)

Period	Municipal	Provincial	National	Total
2015/16	310 992	380 172	436 022	1 127 186
2016/17	347 578	382 869	612 707	1 343 154
2017/18	395 238	391 252	620 246	1 406 736
2018/19	428 875	397 778	629 187	1 455 840
2019/20	251 232	310 957	419 307	981 497
TOTAL	**1 733 915**	**1 863 028**	**2 717 469**	**6 314 412**

Source: DPWI, 2015; 2019

TABLE 2: Work Opportunity targets by sector (2015/16 to 2019/20)

Period	Infrastructure	Environment & Culture	Social	Non-state	Total
2015/16	447 671	229 208	205 307	245 000	1 127 186
2016/17	488 636	230 550	205 968	418 000	1 343 154
2017/18	546 067	231 173	210 496	419 000	1 406 736
2018/19	589 473	232 923	214 444	419 000	1 455 840
2019/20	321 260	181 458	171 703	307 076	981 497
TOTAL	**2 391 109**	**1 105 321**	**1 007 918**	**1 808 076**	**6 314 424**

Source: (DPWI, 2015, 2019)

Figure 10 shows WO targets versus WOs achieved for the nine cities (2019/20). Insights that have emerged from the evaluation of the EPWP for the five previous years is that WO targets are generally too high, and are not aligned with the capacity of the implementing cities. A further issue is the under-reporting of the EPWP key success indicators, as well as variances in reporting practices by the cities. Therefore, the results displayed may not be a true reflection of what is occurring.

Figure 11 shows the percentage WO performance changes between 2018/19 and 2019/20.

Figure 12 shows the number of WOs created over a five-year period, from 2015/16 to 2019/20, for all cities. In previous years, the number of WOs increased each year; however, for the 2019/20 reporting period there was a decrease of some 15 567 WOs from the 2018/19 reporting period.

FIGURE 10: Work Opportunity targets versus Work Opportunities achieved for the nine cities (2019/20)

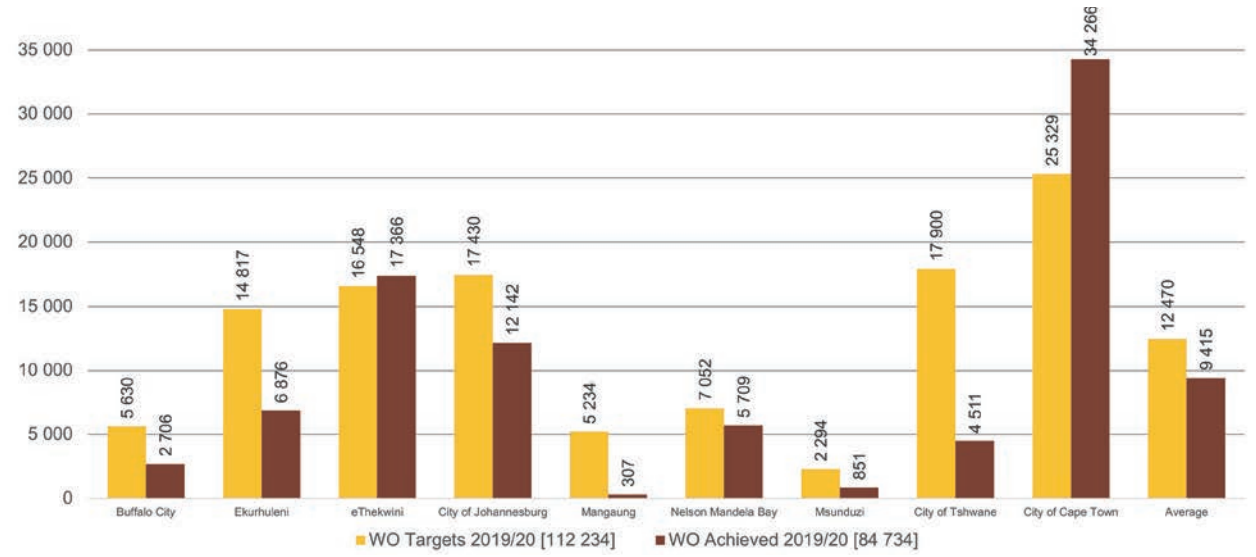


FIGURE 11: Work Opportunity performance changes between 2018/19 and 2019/20

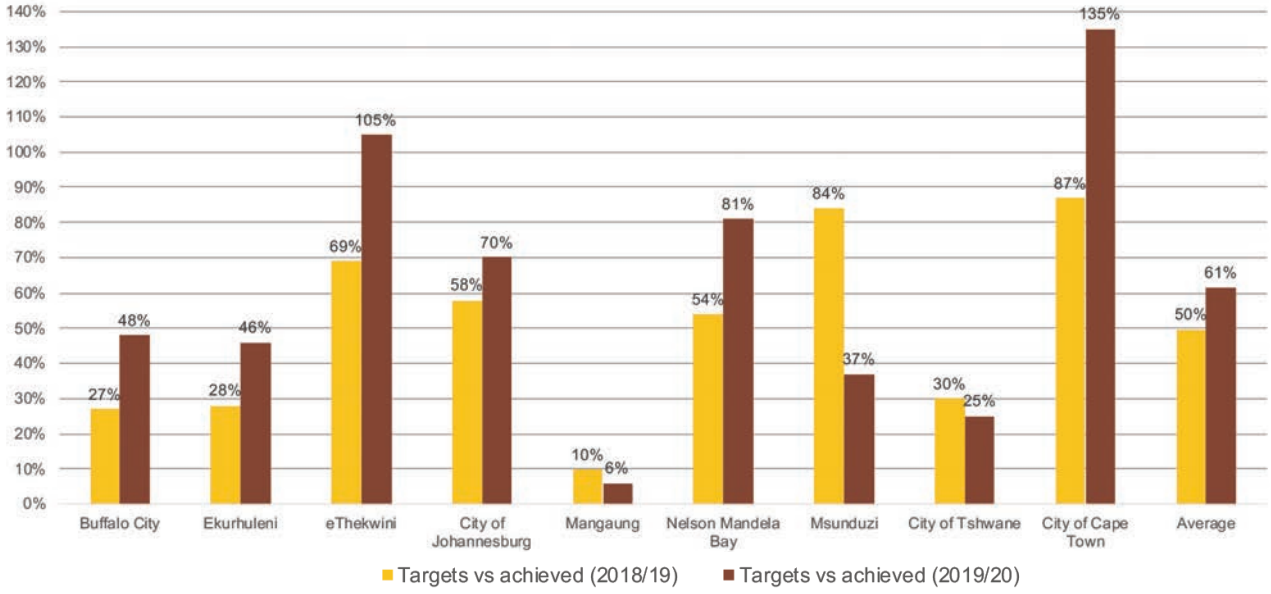
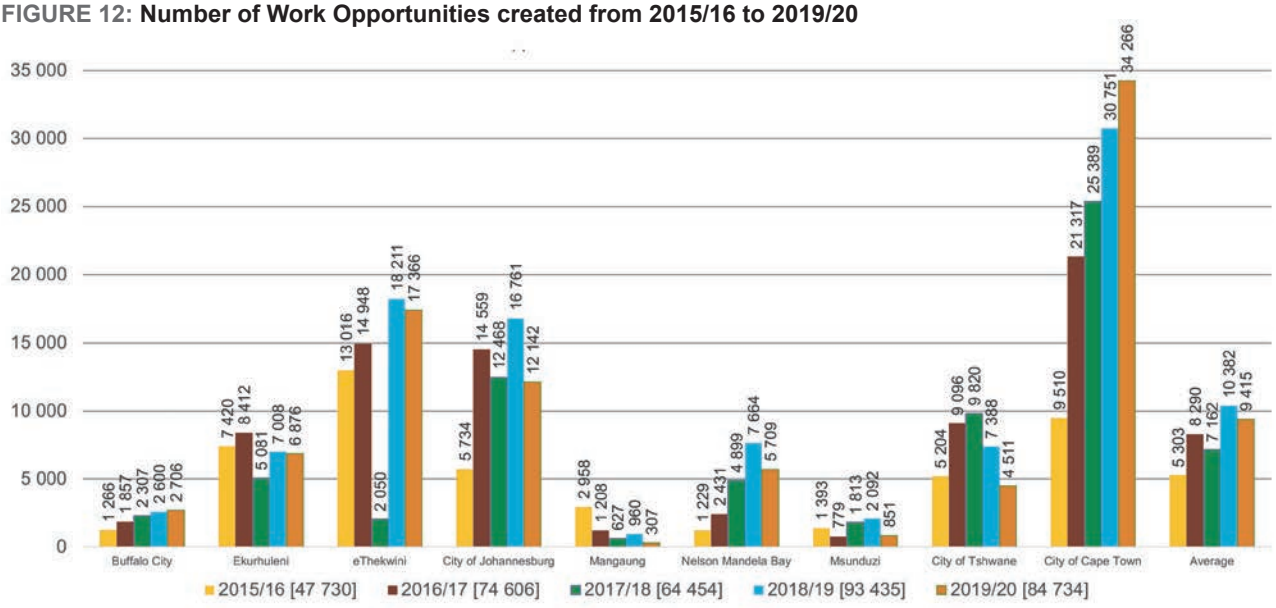


FIGURE 12: Number of Work Opportunities created from 2015/16 to 2019/20



3.3 Person-Years of work including training (Full-Time Equivalent)

INDICATOR DEFINITION:

Each EPWP project employs a given number of participants, with the aim of meeting set targets, which are measured as WOs. The duration of each WO is used as an indication of how sustainable each EPWP job is, captured in the form of FTEs. An FTE is used to measure the contribution of the WOs towards permanent jobs created over one year.

ONE PERSON-YEAR OF WORK - FTE = 230 paid working days, including paid training days (DPWI, 2020b).

Training is funded through the Department of Higher Education and Training's National Skills Fund (NSF) or from project budgets. The training funded through the NSF is accredited, while training funded through project budgets is not necessarily accredited (EPWP, 2005).

The number of TRAINING PERSON-DAYS is calculated by multiplying the number of people who attended training by the number of days of training. For any other training, one training day equates to at least seven hours of formal training. However, it is important to draw a distinction between accredited and non-accredited training person-days (EPWP, 2005).

Person-years of training are calculated as person-days of training divided by 365 days.

Full-Time Equivalent

Tables 3 & 4 show the national FTE targets for 2015/16 to 2019/20 for all spheres of government and sectors, as set by the DPWI.

TABLE 3: FTE targets for all spheres of government (2015/16 to 2019/20)

Period	Municipal	Provincial	National	Total
2015/16	100 882	171 689	177 891	450 462
2016/17	113 590	172 114	234 021	519 724
2017/18	129 912	175 476	268 701	574 089
2018/19	141 995	178 242	217 609	537 846
2019/20	88 277	163 577	204 669	456 523
TOTAL	**574 656**	**861 098**	**1 102 891**	**2 538 645**

Source: (DPWI, 2015; 2019)

TABLE 4: FTE targets by sector (2015/16 to 2019/20)

Period	Infrastructure	Environment & Culture	Social	None-state	Total
2015/16	146 061	87 441	113 706	103 254	450 462
2016/17	159 419	89 671	113 119	157 515	519 724
2017/18	178 147	91 957	114 992	188 993	574 089
2018/19	191 975	94 301	116 577	188 993	591 846
2019/20	114 069	78 807	115 462	148 185	456 523
TOTAL	**789 671**	**442 177**	**573 856**	**786 940**	**2 592 644**

Source: (DPWI, 2015, 2019)

Figures 13 and 14 illustrate the performance of the cities with regards to FTE targets versus those achieved for 2019/20, and for a five-year period from 2015/16 to 2019/20, respectively.

FIGURE 13: FTE targets versus FTEs achieved (2019/20)

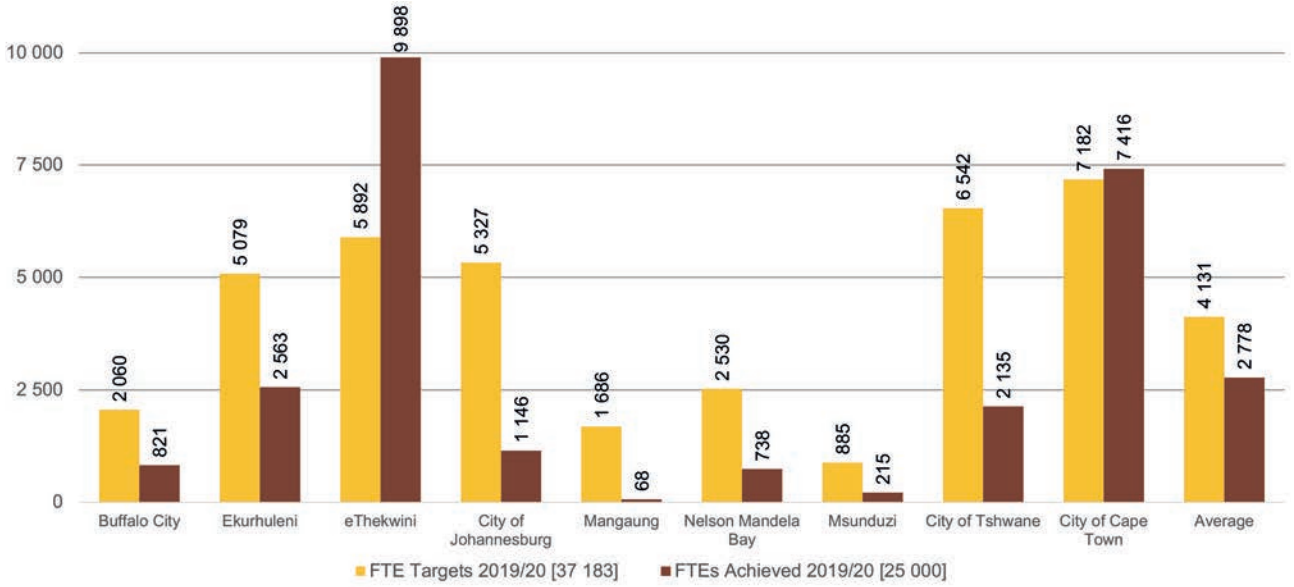
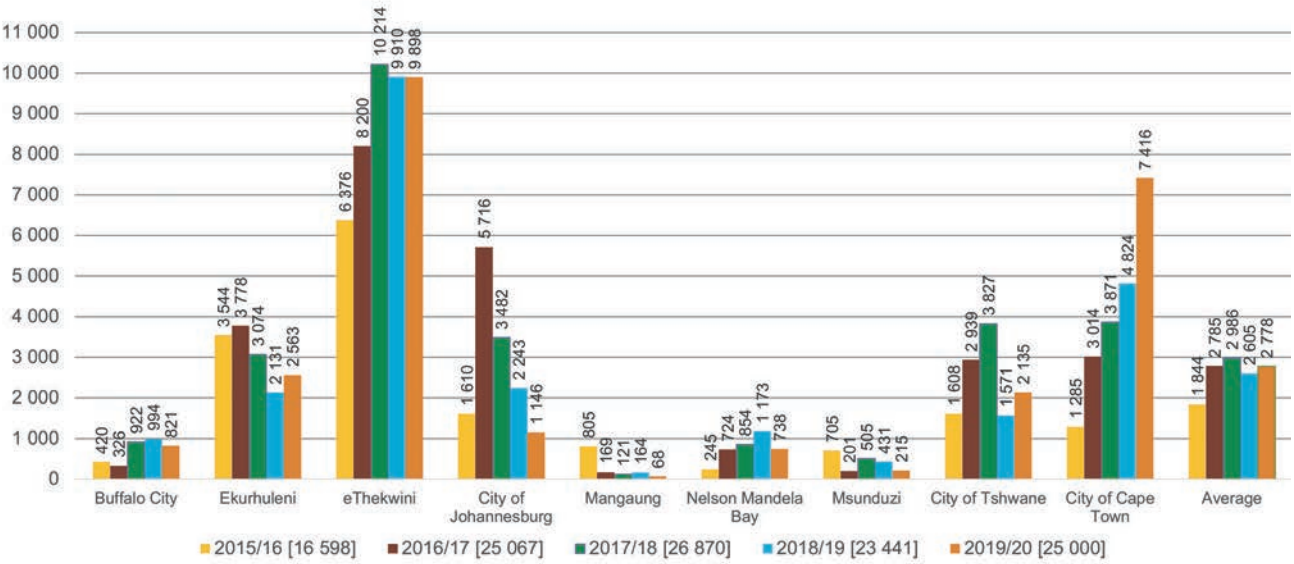


FIGURE 14: FTEs achieved from 2015/16 to 2019/20

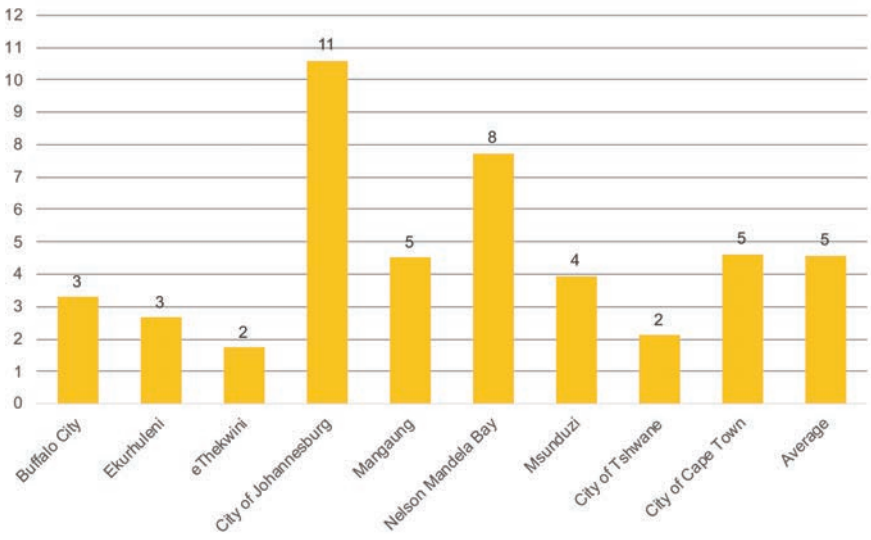


On average the cities achieved 67% of their FTE targets for 2019/20; while for the 2018/19 reporting period, 41% was achieved, which shows an overall improvement. eThekwini Municipality substantially exceeded its FTE targets, lifting the city group average, followed by the City of Cape Town.

Figure 15 shows the ratio of FTEs to WOs in 2019/20, indicating the number of WOs required to create a single FTE – that is, how many work opportunities it would take to create 230 person-days of work.

The increase in the total number of FTEs created by the nine cities between 2018/19 and 2019/20 seen in Figure 14 has resulted in an increase in the WO-to-FTE ratio, from 4.0 to 5.0. The City of Johannesburg has created a relatively low number of FTEs as a proportion of its WOs created – the city created one FTE for every 11 WOs. Compare this to eThekwini and the City of Tshwane, where one FTE was created for just two WOs – it takes fewer WOs to create the equivalent of 230 person-days of employment. eThekwini's projects – high-performing, in terms of WOs reported – have longer durations, as they involve maintenance or ongoing types of work.

FIGURE 15: **Number of WOs required to create a single FTE (2019/20)**



Training

As noted by the DPWI (2019), the EPWP requires strengthening of its scope for participants to access employment opportunities beyond the EPWP, as well as strengthening of participants' livelihoods when such employment opportunities are not available to them. The EPWP provides training and enterprise development for both these objectives. However, the resources available for training are limited, and the provision of accredited training in South Africa is costly. This was evident in the 2019/20 reporting period, in which only two cities – the City of Cape Town, and Ekurhuleni – represent the vast majority percentage share of person-years of work including training for all cities (Figure 16).

FIGURE 16: **Total number of person-years of work including training (2019/20)**

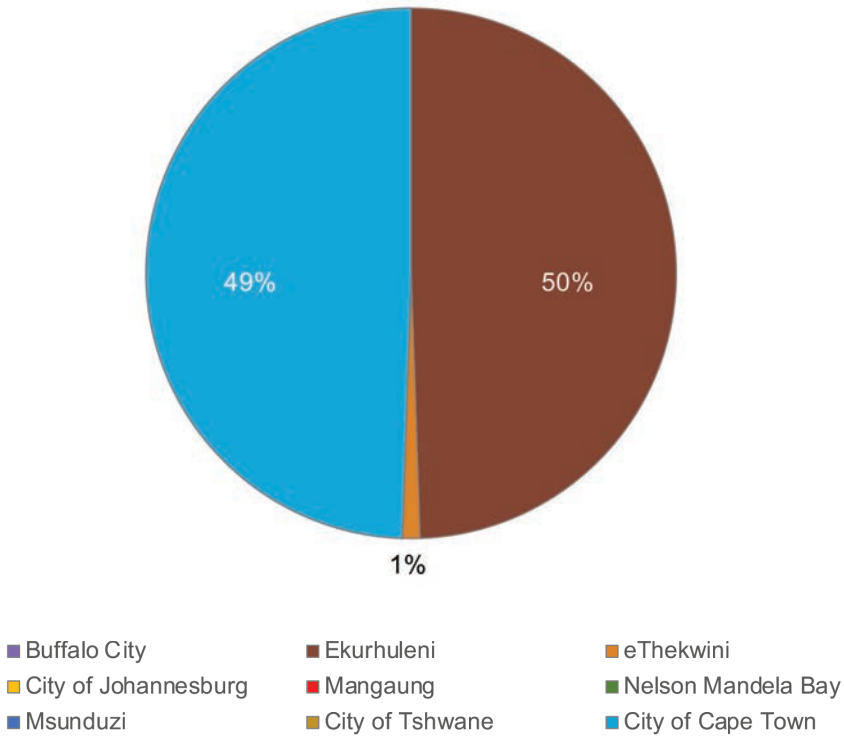


Table 5 shows the trend in terms of the cities' performance against training over a five-year period (2015/16 to 2018/19) of the EPWP. Person-years of training are calculated as person-days of training divided by 365 days. Therefore, a low number of training days results in several instances of training years that are close to zero. Nelson Mandela Bay is an example.

TABLE 5: Five-year trend in person-years of training reported by the cities (2015/16 to 2019/20)

City	2015/16	2016/17	2017/18	2018/19	2019/20
Buffalo City	0	0	2	0	0
City of Cape Town	0	0	36	38	93
City of Johannesburg	27	0	0	0	0
City of Tshwane	0	4	2	0	0
Ekurhuleni	0	0	2	2	93
eThekwini	1	6	3	3	2
Mangaung	0	0	0	0	0
Msunduzi	2	0	0	0	0
Nelson Mandela Bay	0	0	0	0	0
Average	3.3	1.1	5	4.8	21

Although training increased in the 2019/20 reporting period, there is much room for improvement. As mentioned, the City of Cape Town and Ekurhuleni are the two main leaders in terms of training, while other cities require improvements in their training focus. Currently there is a strong focus on job creation via projects, and not enough attention paid to developing projects that provide jobs and training simultaneously. Cities should further investigate partnering with private enterprises and higher education and accreditation institutions, to implement training programmes that give participants qualifications and skills that can be used in the broader economy.

3.4 Expenditure on EPWP (including professional fees)

INDICATOR DEFINITION:

Actual EXPENDITURE relates to expenditure on the project by the contractor, plus expenditure by the professional service provider appointed to design and supervise the project. It excludes expenditure on government management and administration (EPWP, 2005).

The cities are allocated EPWP budgets year-on-year for the implementation of the programme. In addition to infrastructure spend, budget is also allocated for professional fees, wages and training. The budgets and expenditure (including professional fees) for the nine cities are presented in Table 6.

The table ranks budget allocation per city against total expenditure for each city at the end of the 2019/20 financial year, shown as a percentage of expenditure relative to budget allocation.

It is important to note that the figures shown for expenditure are dependent on the accuracy of what was reported on the EPWP RS.

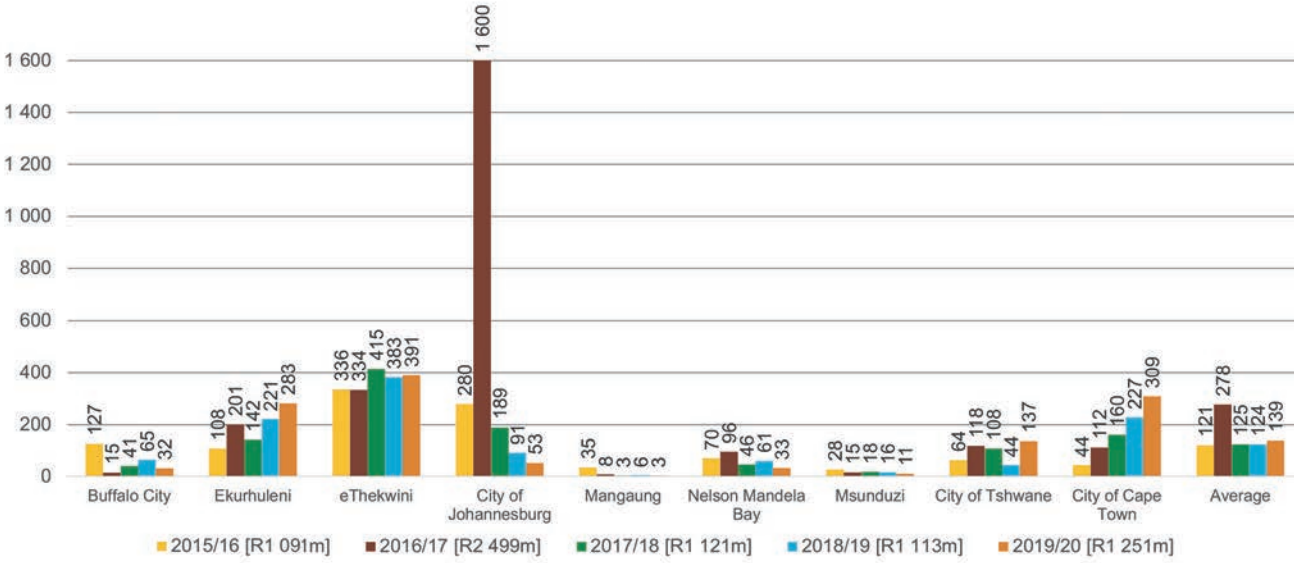
Rankings of the cities in terms of expenditure achieved are not always a function of having received higher budget allocations; the 'Ranking by %' column indicates the successes that the smaller cities are able to achieve.

Expenditure (including professional fees) from 2015/16 to 2019/20 is shown in Figure 17. Although the cities' expenditure has fluctuated over the last five years, the average expenditure over the last two reporting periods (2018/19 and 2019/20) has been very similar, the later reporting period having recorded a total expenditure of R1 250.75 million, compared to R1 112.93 million in 2018/19. In the 2019/20 reporting period four cities increased their expenditure (Ekurhuleni, eThekwini, City of Tshwane and City of Cape Town) since the 2018/19 reporting period. The remaining five cities decreased their expenditure.

TABLE 6: **Allocated project budget and expenditure including professional fees (2019/20)**

City	Allocated Project Budget incl. prof. fees (R)	Ranking by amount	Expenditure incl. prof. fees (R)	Expenditure achieved (%)	Ranking by %
Buffalo City	477 803 034	7	32 046 889	6.71	6
Ekurhuleni	3 057 148 197	2	282 663 926	9.25	3
eThekwini	1 866 276 792	4	391 143 721	20.96	2
City of Johannesburg	2 142 382 390	3	52 794 291	2.46	8
Mangaung	108 428 533	9	3 046 409	2.81	7
Nelson Mandela Bay	400 431 967	8	32 590 878	8.14	4
Msunduzi	543 623 181	5	10 550 203	1.94	9
City of Tshwane	535 302 726	6	137 039 421	25.60	1
City of Cape Town	4 356 763 561	1	308 879 939	7.09	5
Average	**1 498 684 487**		**138 972 853**	**9 cities**	
Sum	**13 488 160 381**		**1 250 755 677**	**9 cities**	

FIGURE 17: **Expenditure including professional fees from 2015/16 to 2019/20**



3.5 Total wages paid out to employees on EPWP projects

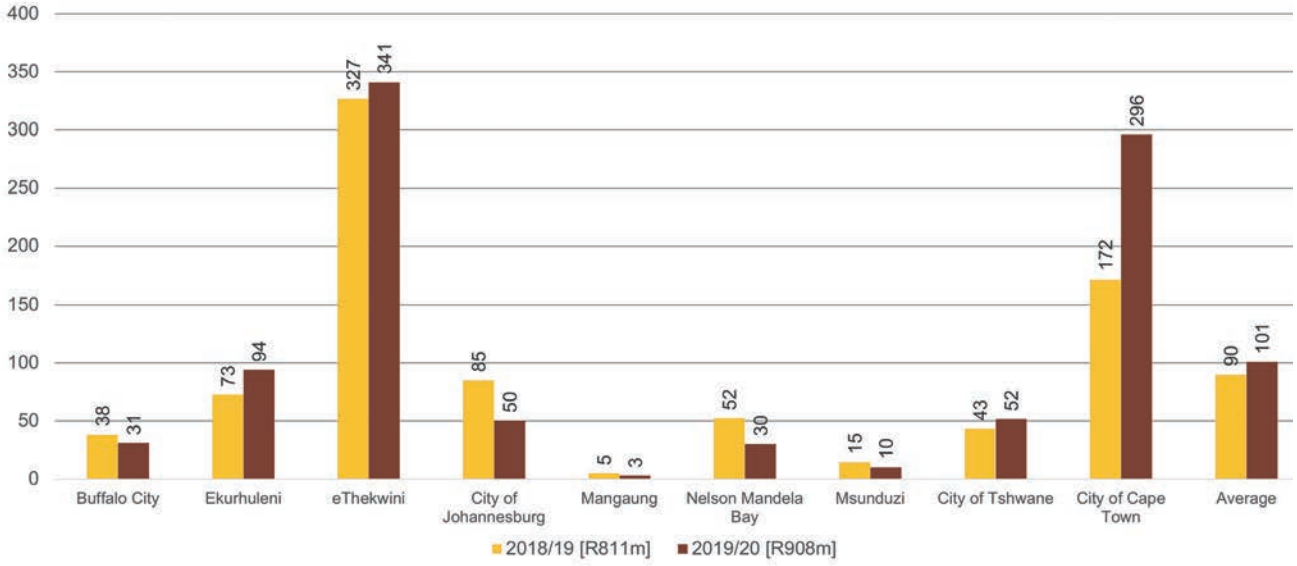
INDICATOR DEFINITION:

Calculated WAGES PAID OUT to employees on EPWP projects is calculated by multiplying the minimum wage rate by the person-days of work (DPWI, 2020b).

One of the governing principles of the EPWP is social protection; it seeks to provide an income for the poor in the form of wages, while providing training and work experience. Total wages paid per city are calculated as the product of the number of WOs and the wage rate per EPWP employee. As such, an increase in wage rate will result in an increase in total wages paid out; similarly with an increase in number of WOs. Conversely, a decrease in either number of WOs or wage rate could result in a decrease in total wages paid out.

The total wage figure paid to EPWP employees by each of the nine cities in 2019/20 compared to 2018/19 is shown in Figure 18.

FIGURE 18: Total wages paid out for 2018/19 and 2019/20



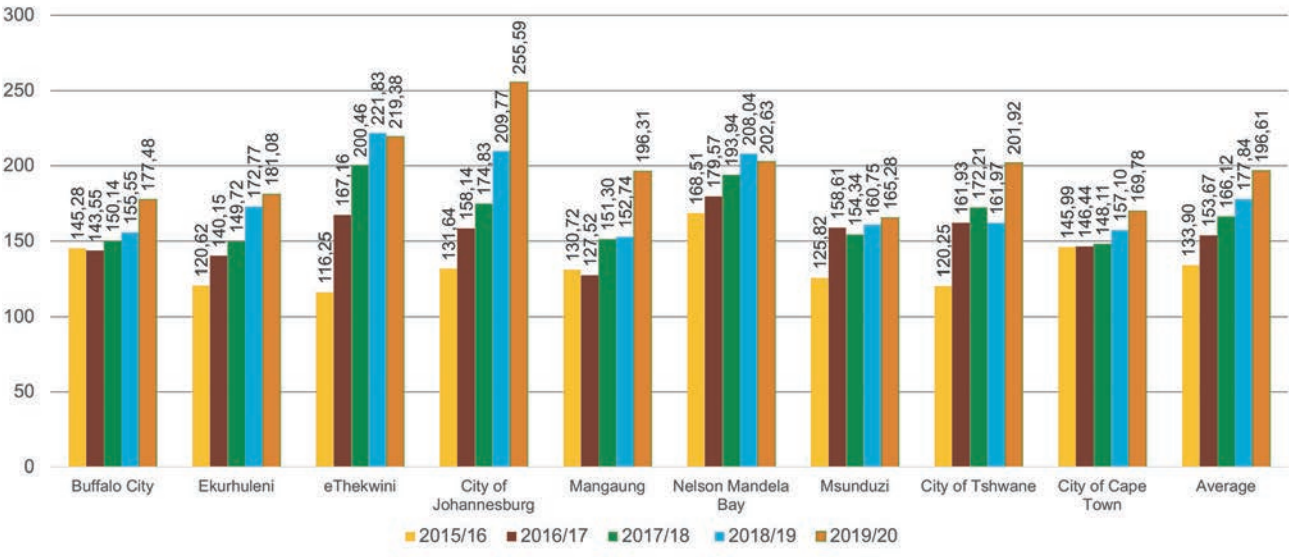
3.6 Average manual worker's minimum daily wage rate

INDICATOR DEFINITION:

MINIMUM DAILY WAGE RATE is the daily wage (whether task-rated or time-rated) per individual project (EPWP, 2005).

The average manual worker's minimum daily wage rate varies between cities, from project to project. The cities have made allowance for inflation and the increased cost of living from one year to the next. Since part of the objective of the EPWP in meeting the DPWI objectives is to contribute to poverty alleviation through job creation, higher wage rates would imply a greater impact on meeting this goal. This is more evidence that the EPWP continues to have a positive impact on the livelihoods of participants. Nelson Mandela Bay and eThekwini were the only two cities to decrease their minimum daily wage rate in the 2019/20 reporting period from 2018/19 (Figure 19).

FIGURE 19: Minimum daily wage rate (Rands) from 2015/16 to 2019/20



3.7 Integrated Grant expenditure

INDICATOR DEFINITION:

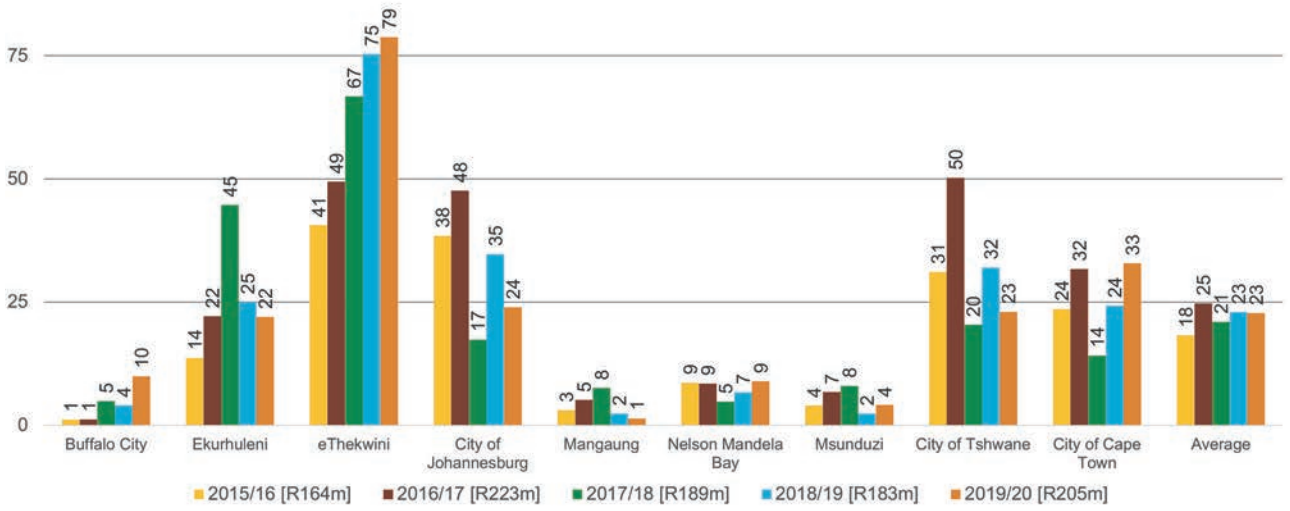
A conditional grant allocated to eligible public bodies to expand job creation efforts in specific focus areas, where labour-intensive delivery methods can be maximised. It is referred to as 'integrated' because it allows the grant to be used for EPWP purposes across more than one sector (DPWI, 2020a).

The EPWP Integrated Grant (IG) aims to fund labour-intensive projects. It re-focuses the element of performance in terms of creating a minimum number of FTEs with existing budget allocations and achieving a minimum labour intensity. The IG is allocated as follows:

- The IG is designed to provide additional funds to those public bodies creating more work using their available budgets.
- The size of the IG, to Provincial departments, is partly determined by the labour intensity of their EPWP programmes/ projects in the previous financial year.
- In general, the planning process for the grant requires public bodies to identify projects that have a labour intensity above a certain minimum (10% for the Infrastructure Sector; 35% for the Environment and Culture Sector; and 35% for the Social Sector) to be funded from the grant. This is then reviewed by the DPWI for further input into project design. This process was adopted to directly influence the labour intensity of EPWP programmes/projects – not just in terms of the level of wages, but more importantly in terms of the magnitude of work created.
- The Technical Support Programme developed by the DPWI deploys dedicated, focused technical support to public bodies; these technical support teams are equipped with a set of tools and guidelines for planning labour-intensive construction and delivery (DPWI, 2020a).

Figure 20 shows the IG allocations of the cities from 2015/16 to 2019/20. The IG allocation for eThekwini has increased consistently over the last five years. Buffalo City, Msunduzi and Nelson Mandela Bay showed an increase in their IG allocations for 2019/20, whilst the other cities showed a decrease in their IG allocations.

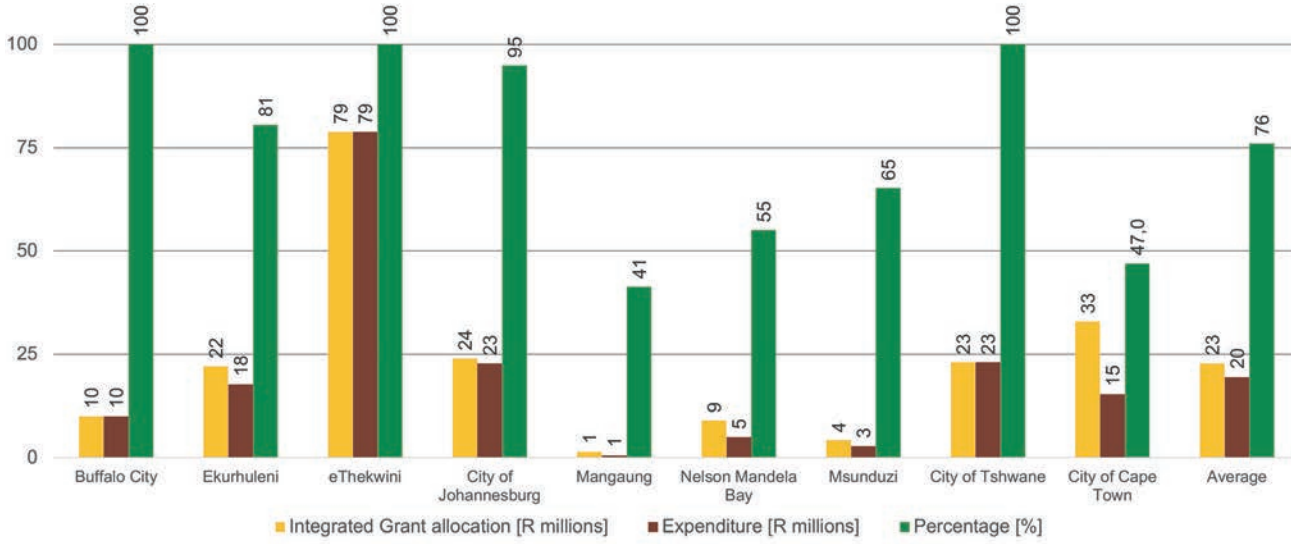
FIGURE 20: **EPWP Integrated Grant allocations (R millions) from 2015/16 to 2019/20**



In general, the planning process for the grant requires public bodies to identify projects that have a labour intensity above a certain minimum.

Figure 21 shows the IG allocations and expenditure of the nine cities in 2019/20, as well as percentage of IG allocation expended.

FIGURE 21: **EPWP Integrated Grant allocations, expenditure, and percentage of allocation expended.**



The cities consistently spend most of their IG allocations, with the average percentage spent overall being 76%. Buffalo City, eThekwini, and the City of Tshwane spent 100% of their allocations.

3.8 Demographics of employment

INDICATOR DEFINITION:

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

- youth (18-35 years of age);
- women; and
- persons with disabilities (PWD) (EPWP, 2005).

The cities are further evaluated against their ability to meet employment targets in relation to these demographic indicators. The targets set for Phase III include youth 55%, women 55%, and Persons with Disabilities (PWDs) 2%.

It should be noted that a worker can fall into more than one, or several of these categories, for example a disabled young woman. For this reason, percentages reported cannot be summed to 100%.

The definition of a PWD is based on the United Nations (UN) definition, which states that a PWD is “any person unable to ensure by himself or herself, wholly or partly, the necessities of a normal individual and/or social life, as a result of a deficiency, either congenital or not, in his or her physical or mental capabilities.” Participants are requested to declare their disabilities when entering the programme, thus aiding reporting. The RG has indicated that this reliance on self-declaration has been one of the challenges leading to under-reporting of PWDs. It has been reported by the member cities that participants are often reluctant to declare their disabilities; thus, numbers reported do not necessarily reflect the reality of project demographics in the cities. Furthermore, at times participants are discouraged from participating in the EPWP and from declaring their disabilities, as terminology used by cities may vary between cities and may be politically incorrect. There have been further instances where people receiving social grants have (mistakenly) not been afforded the opportunity of participating in the EPWP. Therefore, it may appear that cities are underperforming in the PWD category, whereas in reality this may be due to unreported or incorrectly recorded data, as well as misunderstandings.

Figure 22 shows the demographic distribution of the EPWP beneficiaries across the nine cities, as reported in the 2019/20 financial year.

FIGURE 22: Demographics of EPWP beneficiaries in the nine cities (2019/20)

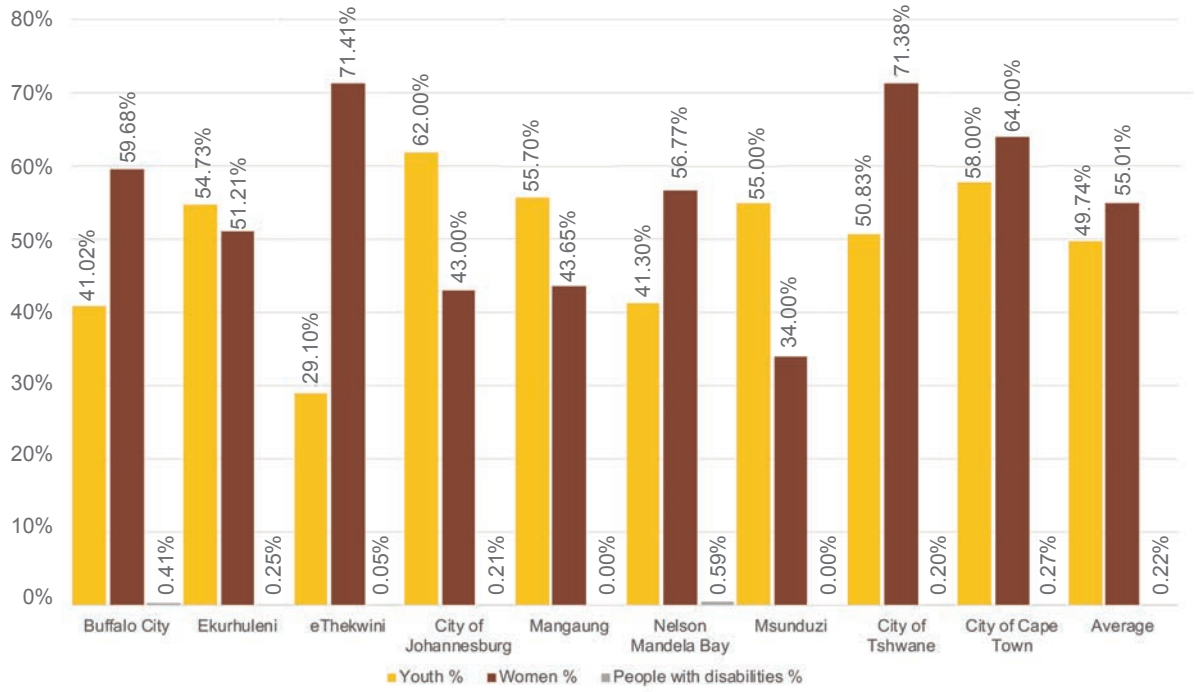


Table 7 shows each city's performance, in the 2015/16 to 2019/20 financial reporting period, as a percentage of the demographic targets for Phase III of the EPWP

TABLE 7: Demographics of EPWP beneficiaries in the nine cities (2015/16 to 2019/20)

	2015/16			2016/17			2017/18			2018/19			2019/20		
City	**% Youth**	**% Women**	**% PWDs**	**% Youth**	**% Women**	**% PWDs**	**% Youth**	**% Women**	**% PWDs**	**% Youth**	**% Women**	**% PWDs**	**% Youth**	**% Women**	**% PWDs**
Buffalo City	40	47	6,79	36	49	1,29	43	46	0,74	40	55	0,85	41	60	0,41
Ekurhuleni	59	61	0,21	59	63	0,22	66	57	0,59	62	54	0,50	55	51	0,25
eThekwini	28	69	0,21	33	69	0,40	37	61	0,28	32	66	0,23	29	71	0,05
City of Johannesburg	63	43	0,68	63	36	0,75	62	43	0,26	61	48	0,58	62	43	0,21
Mangaung	54	44	0,88	45	49	0,66	53	59	0,32	54	54	0,21	56	44	0,00
Nelson Mandela Bay	50	38	0,16	55	42	0,49	52	45	0,47	49	52	0,86	41	57	0,59
Msunduzi	49	61	0,21	49	58	1,28	54	53	0,77	55	58	0,38	55	34	0,00
City of Tshwane	52	55	0,67	47	47	1,14	38	64	0,67	43	57	0,27	51	71	0,20
City of Cape Town	57	59	0,25	57	62	0,57	59	63	0,53	57	63	0,48	58	64	0,27

Note: Percentage amounts for youth and women >60% are colour-coded green, indicating high target achievements. Those from 55% to 59% are colour-coded yellow, indicating target achievement was met or exceeded; while those <55% are colour-coded pink, indicating targets set were not achieved. For PWDs, cities which achieved >2% are colour-coded green, those >1% are colour-coded yellow, and those <1% are colour-coded pink. These ranges are based on the targets set for Phase III (youth 55%, women 55%, and PWDs 2%).

Five of the nine cities created at least 55% WOs for youth and for women, while none of the nine cities attained at least 2% WOs for PWDs.

3.9 Sector analysis

INDICATOR DEFINITION:

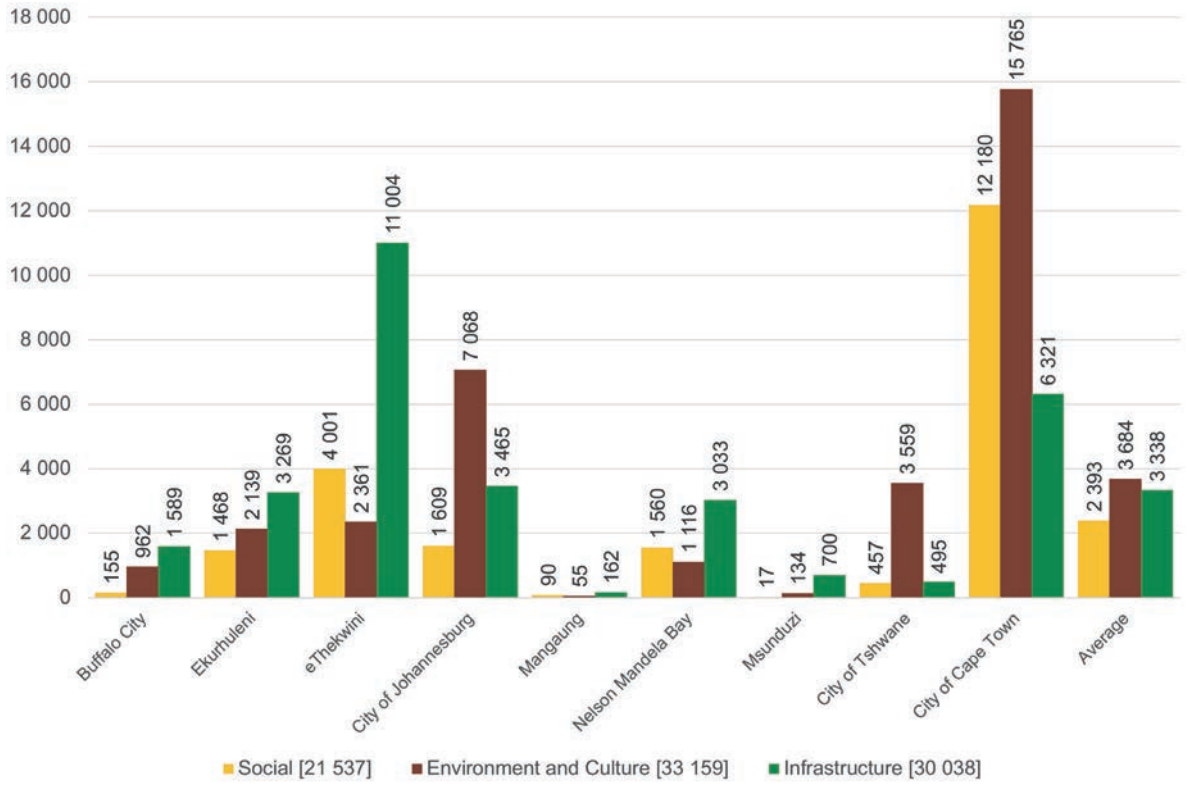
The EPWP is focused on four sectors:

- infrastructure;
- non-state;
- environment and culture; and
- social (EPWP, 2005).

This section of the report focuses on the sectors in which the nine cities are implementing EPWP projects. The Environment and Culture sector is the predominant sector in which projects are being implemented. This is followed closely by the Infrastructure sector, and then the Social sector.

Figure 23 shows the WOs reported by each of the nine cities in the Infrastructure, Environment and Culture, and Social sectors. The Environment and Culture sector created the most WOs, followed by the Infrastructure sector and lastly by the Social sector.

FIGURE 23: **Work Opportunities created in each sector (2019/20)**



Infrastructure Sector

The Infrastructure sector is led by the DPWI, which collaborates with the Departments of Transport, Cooperative Governance, Water Affairs and Sanitation, Human Settlements, Mineral Resources, and Energy. The provinces and municipalities implement most of the Infrastructure projects.

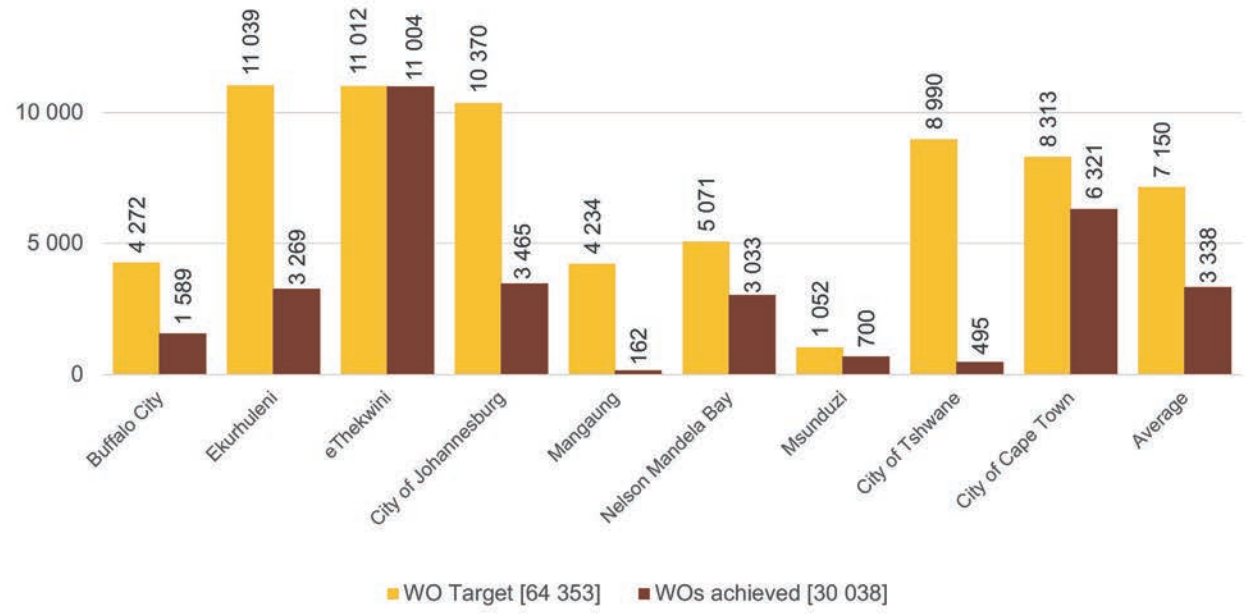
The Infrastructure sector involves the use of labour-intensive methods in the construction and maintenance of public-sector-funded Infrastructure projects. Labour-intensive Infrastructure projects under the EPWP entail:

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

The continued growth of the Infrastructure sector will depend on the extent to which some of the underperforming provinces and municipalities can improve their performance, by implementing more labour-intensive projects. The establishment of dedicated labour-intensive maintenance programmes that have the potential to provide regular employment to large numbers of people, especially in rural areas, will assist further.

Figure 24 shows the Infrastructure sector WO targets for the 2019/20 financial year against the number of WOs reported by each city.

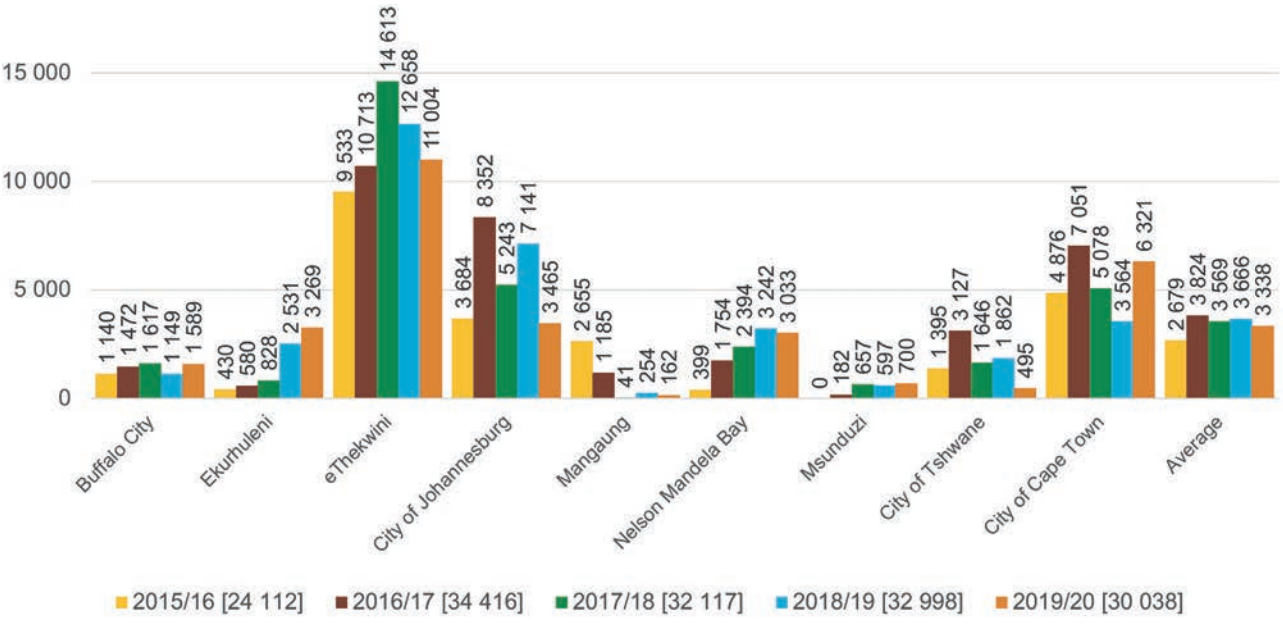
FIGURE 24: Work Opportunity targets versus achievements in the Infrastructure sector (2019/20)



As with overall performance against WO targets in 2019/20, the cities did not meet their targets for the Infrastructure sector. This could be attributed to under-reporting; it is also possible that targets may have been set too high and did not take into consideration the capacity of the cities to meet those targets.

Figure 25 shows the Infrastructure sector WO achievements from 2015/16 to 2019/20. For 2019/20 there were 2 960 fewer Infrastructure WOs than for 2018/20, a marginal decrease. Buffalo City, Ekurhuleni and the City of Cape Town increased their number of Infrastructure WOs, while the other cities recorded a decrease.

FIGURE 25: Infrastructure sector WO achievements from 2015/16 to 2019/20



Environment and Culture Sector

The Environment and Culture sector builds, protects and restores South Africa's natural and cultural heritage; and in so doing, creates medium to long-term employment and social benefits, while at the same time responding to climate-change challenges and creating resilience.

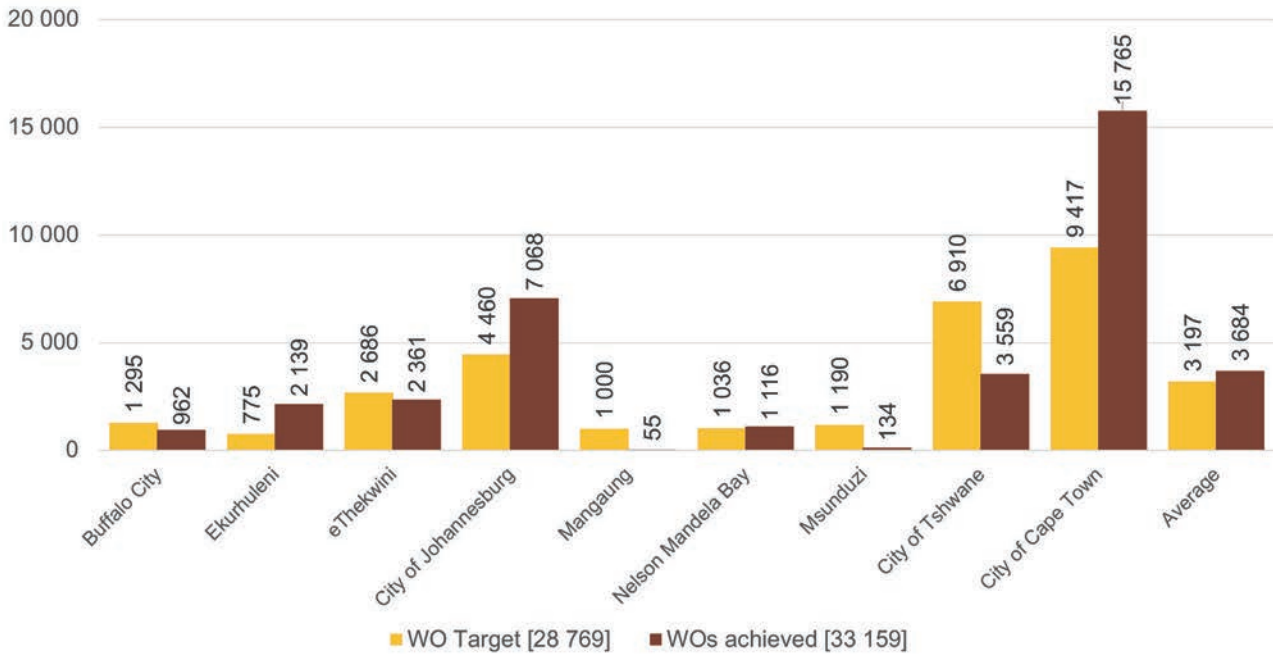
The key aim of the sector is to deliver programmes that create WOs, and to link people with opportunities and resources that will enable their participation in the economy, through generating outputs and positive outcomes in the areas of environment, heritage (including tourism development) and biodiversity.

The objectives of the sector are:

- to create jobs and provide training, and through these jobs, facilitate long-term employment;
- to link marginalised people with opportunities and resources, to enable their participation in the developed 'mainstream economy';
- to integrate sustainable rural development and urban renewal;
- to create land-based livelihoods;
- to promote community-based natural-resource management;
- to develop natural resources and cultural heritage;
- to rehabilitate natural resources and protect biodiversity; and
- to promote tourism.

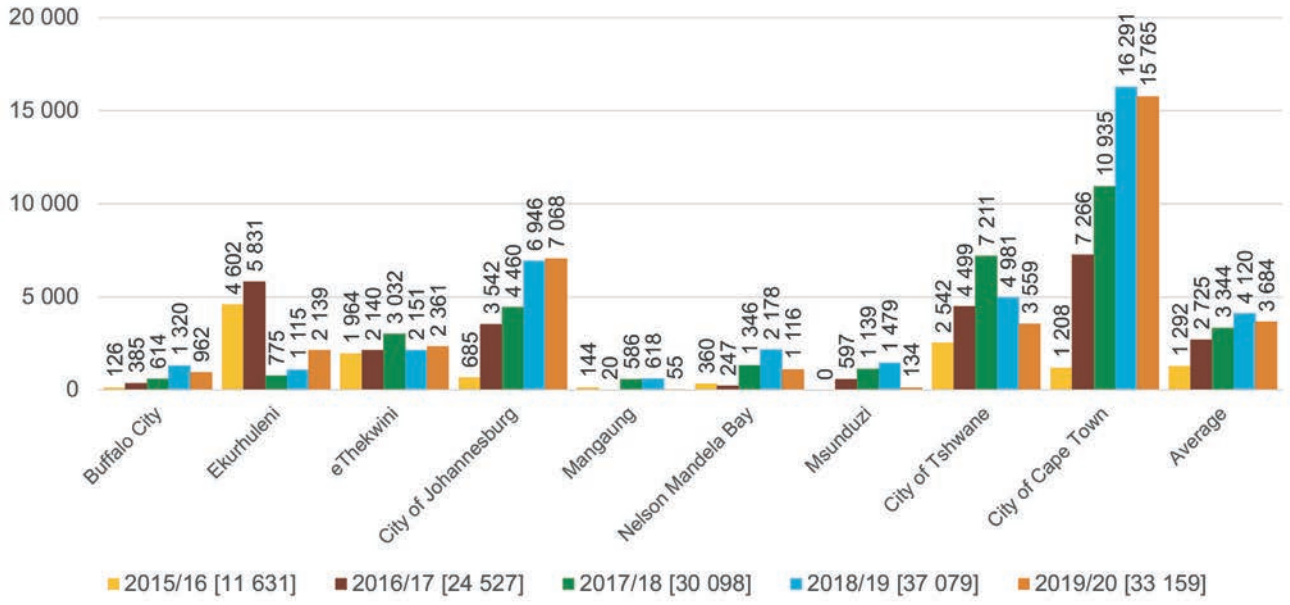
The nine cities appear to be improving their performance in the Environment and Culture sector (Figure 26). In the last financial year, four of the nine cities achieved and exceeded their WO targets; as did the overall average WOs achieved for all nine cities.

FIGURE 26: Work Opportunity targets versus achievements in the Environment and Culture sector (2019/20)



However as shown in Figure 27, the average performance of the cities decreased marginally in 2019/20 from 2018/19, with 3 920 fewer Environment and Culture sector WOs recorded. The City of Johannesburg, eThekwini and Ekurhuleni showed an increase in their number of Environment and Culture sector WOs in 2019/20 compared to 2018/19, while other cities showed a decrease.

FIGURE 27: **Environment and Culture sector WO achievements from 2015/16 to 2019/20**

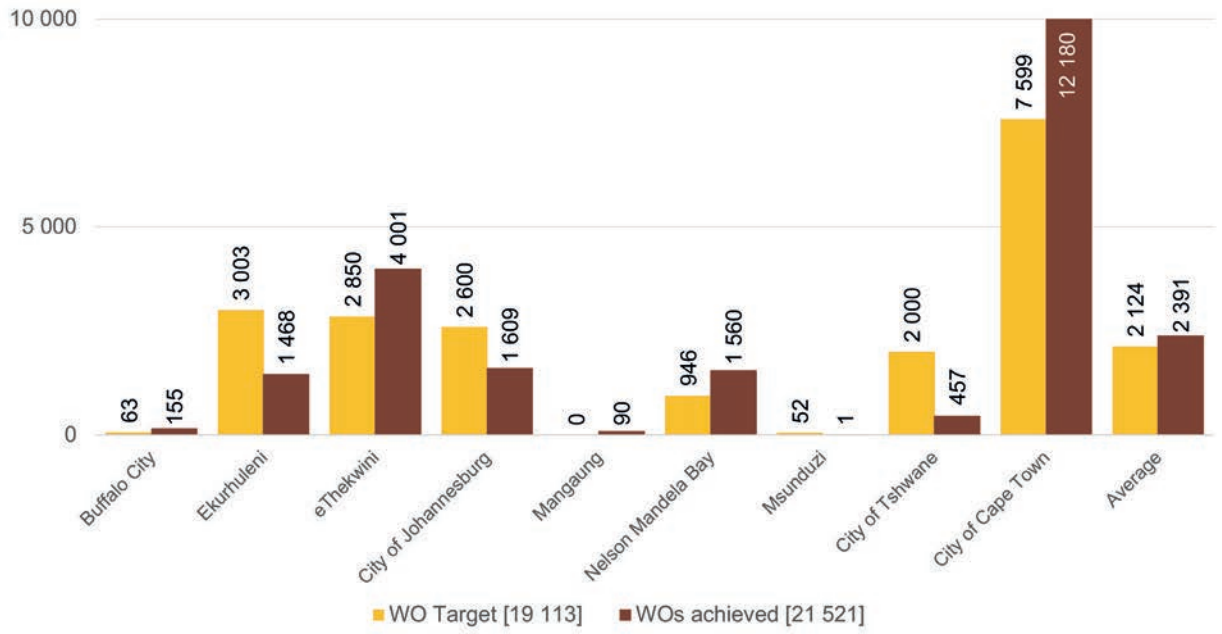


Social Sector

The social cluster comprises the Departments of Social Development, Education, and Health. Much of the work of these three departments relies on the input of volunteers and civil society organisations, and is suitable for the development of the EPWP.

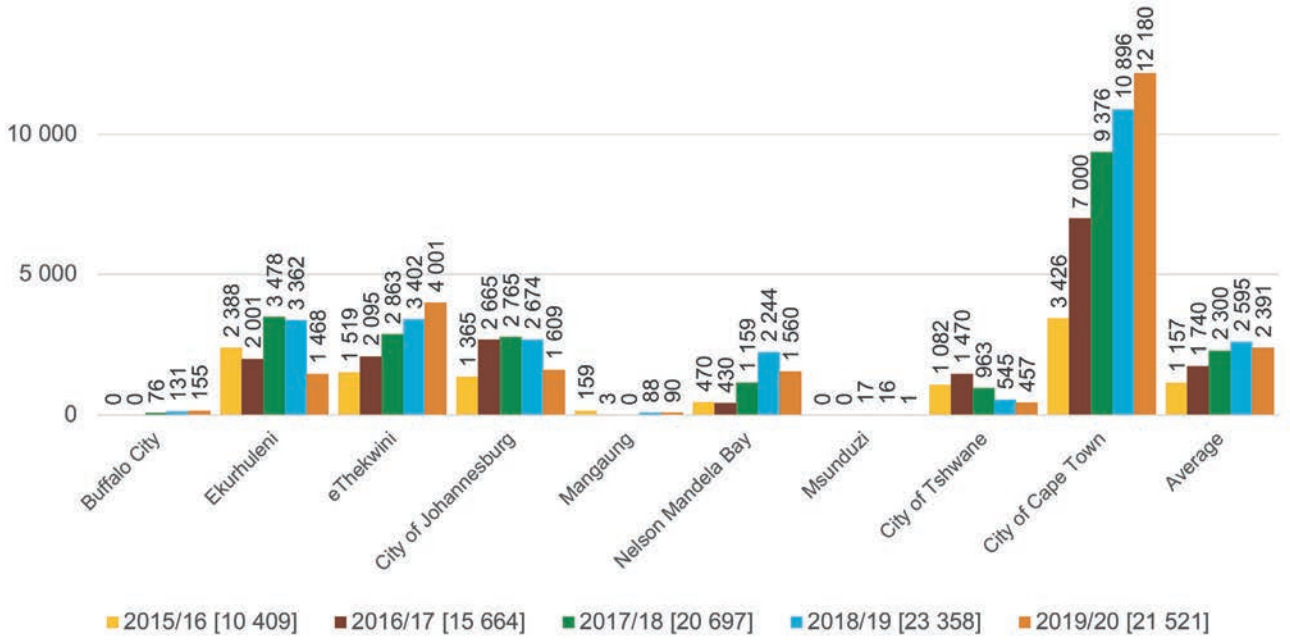
Figure 28 shows the WO performance of the nine cities in the Social sector for the 2019/20 financial year. The overall average WOs achieved for all nine cities exceed the set WO target. Five of the nine cities achieved and exceeded their WO targets.

FIGURE 28: **Work Opportunity targets versus achievements in the Social sector (2019/20)**



In Figure 29, the average performance of the cities decreased marginally in 2019/20 from 2018/19, with 1 837 fewer Social sector WOs recorded. Buffalo City, eThekwini, Mangaung and the City of Cape Town showed an increase in their Social sector WOs in 2019/20 compared to 2018/19, while the other cities showed a decrease.

FIGURE 29: Social sector WO achievements from 2015/16 to 2019/20



4 City Analysis

BUFFALO CITY METROPOLITAN MUNICIPALITY

4.1 Buffalo City Metropolitan Municipality

4.1.1 Institutional arrangements, policy and implementation

The institutional structure currently in operation in the city was adopted in the 2013-14 financial year, and has remained unchanged (Figure 30). The structure has the following objective:

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

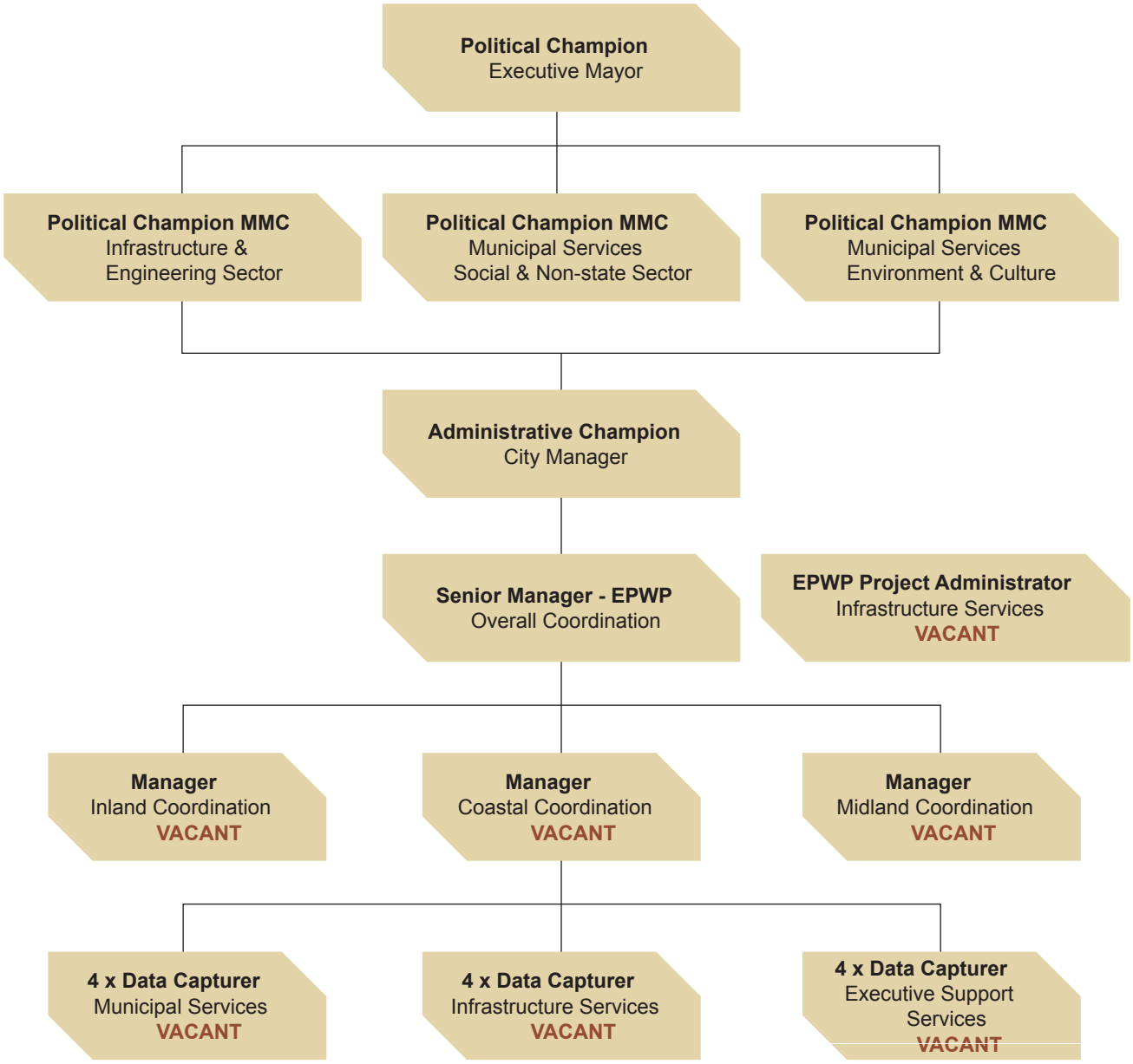
> The Executive Mayor is responsible for appointing three Members of the Mayoral Committee (MMCs) to champion and lead the programme within the city.

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

As noted by the city, one difficulty being experienced with the institutional structure is that many positions are vacant, and the city's EPWP is generally understaffed, with few permanent positions occupied. To improve the institutional structure, the city would like to see more full-time staff appointed and fewer vacant positions. In addition, more resources and workstations are required for EPWP staff.

Buffalo City Metropolitan Municipal Council adopted the Phase III EPWP Policy in 2013, through a Council Resolution. The policy has been used as a legal framework to guide and regulate the implementation of the EPWP. The municipality has also drafted policy to be aligned with Phase IV, which has been presented to the Mayoral Committee and the EPWP Steering Committee for approval.

FIGURE 30: **Buffalo City Metropolitan Municipality institutional arrangements**



4.1.2 City statistics

TABLE 8: Buffalo City Metropolitan Municipality progress against EPWP indicators (2019/20)

EPWP Indicators	Amount			
Number of projects implemented	41			
Gross number of WOs created	2 706			
Person-years of work including training (FTE)	821			
Allocated project budget (including professional fees)	R477 803 034			
Expenditure on EPWP (including professional fees)	R32 046 889			
Expenditure % achieved	6.71%			
Wages paid out to employees on EPWP projects	R31 082 792			
Average manual workers minimum daily wage rate	R177.48			
IG allocations	R9 956 000			
IG expenditure	R9 956 000			
IG % achieved	100%			
Demographics of employment	Youth 41%	Women 60%	PWDs 0.41%	
Sector analysis:	Infrastructure	Environment & Culture	Social	Non-state
Projects implemented	28	9	4	0
WOs	1 589	962	155	0
FTE	481	267	73	0

4.1.3 Challenges and successes

Challenges

- Difficulties were experienced with councillors interfering in operational matters pertaining to the EPWP.
- Unemployed people often perceive the EPWP unit to be an employment bureau or recruitment centre.
- Labour unions often seek to use the EPWP to manipulate recruitment processes.

Successes

- Directorates have agreed to set aside budget allocations for EPWP projects.
- The EPWP Special Mayoral Committee was established.
- The EPWP quarterly reports are a standing Council agenda Item.

COVID-19 related

- The EPWP Survey Service Programme was launched as a complementary and support initiative to the COVID-19 city response plan.
- In March 2020, when South Africa entered Level 5 lockdown in response to COVID-19, the city experienced difficulties communicating national requirements to participants.
- The pandemic has helped prepare the city for future natural disasters.

4.1.4 Lessons learnt and continual improvement

- Consultations with ward councillors should be prioritised as one of the key elements in EPWP project implementation.
- Efforts are under way to improve coordination, and to lobby and advocate for the EPWP, with special attention paid to current and proposed infrastructure projects.
- Political buy-in is required for the EPWP.

4.1.5 Flagship project/s

Call 2 Action Good Green Deeds Cleaning & Beautification Programme

Sector: Environment & Culture

Approximate value: R2.5 million

Stipend value: R140 per person per day x 20 days

WOs & FTEs: WOs 150, and FTEs 112

Project summary:

The project is a first-of-its-kind public-private partnership that has combined a business initiative with municipal service responsibilities on waste management, environmental management and awareness, to improve the ability of the city to offer comprehensive municipal services. The project has been implemented across all three regions in the city – coastal, inland and midlands – and all the city's 50 wards have benefited.

Objectives:

- To enhance the city's Solid Waste Department's capacity for litter, refuse management and environmental management.
- To improve the general state of the city regarding keeping it clean, with parks, cemeteries, public open spaces and roads maintained and properly cared for.
- To ensure that while creating WOs, the EPWP positively contributes to the maintenance and management of public facilities and infrastructure.

Recruitment strategy:

Recruitment is done at ward level; in conjunction with members of the ward and the community, the ward councillor identifies participants to be enrolled in the project. Participant lists are then submitted to the EPWP Unit for administration purposes, including conducting EPWP inductions and education workshops.

Implementation strategy:

Part of the programme is implemented using the Public Private Partnership Agreement with the Border Kei Chamber of Business, Buffalo City Metropolitan Municipality, Buffalo City Development Agency, and Keep Buffalo City Clean. A service-level agreement is in place which stipulates and regulates the roles and responsibilities of each entity in the partnership. A steering committee manages the project and is supported by a technical team of data capturers, project administrators, supervisors and team leaders. Weekly site meetings are held for M&E, in which progress, challenges and solutions implemented are reported on. Each site team consists of a maximum of 10 EPWP site participants who are allocated a team leader.

Successes and challenges:

The success of the project is measurable in many areas. In particular: (1) all 50 wards have had equal benefit in terms of the WOs created; (2) project participants are visible, and so is their work, with regard to general maintenance of the city's roads, parks, cemeteries, taxi ranks, etc; (3) Municipal services (particularly solid waste) have been enhanced, and consequently, overtime pay for solid waste personnel has been reduced; (4) community protests regarding waste management have been minimised; and (5) the city's willingness to increase its own contribution and create more WOs has improved.

Socio-economic impact:

The project has been able to: provide a consistent and sustainable source of income to households who were living in poverty; and has improved the way the city performs its solid waste management, refuse collection, maintenance of parks, cemeteries and recreation facilities, etc. Communities have begun to appreciate the response by the city, particularly regarding waste collection, and illegal waste dumping has decreased. The general look and feel of public facilities and amenities and their maintenance have improved, and concerns raised by the business community have been addressed.

Environmental & sustainability impact:

The city's response to environment management has improved.

> The general look and feel of public facilities and amenities and their maintenance have improved.

CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

4.2 City of Cape Town

4.2.1 Institutional arrangements, policy and implementation

The EPWP office in the city includes institutional arrangements (Figure 31) as follows:

- An Executive Management Team;
- An Executive Director: Social Services;
- An EPWP Working Group consisting of stakeholder (payroll, human resources and finance) departmental support managers and a representative from each sector; and
- An EPWP Coordinators Forum comprising line department representatives, who outline issues and share knowledge on implementing the EPWP within their offices.

Any EPWP-related issues requiring urgent attention are escalated to the Executive Director: Social Services and then addressed by the Executive Management Team.

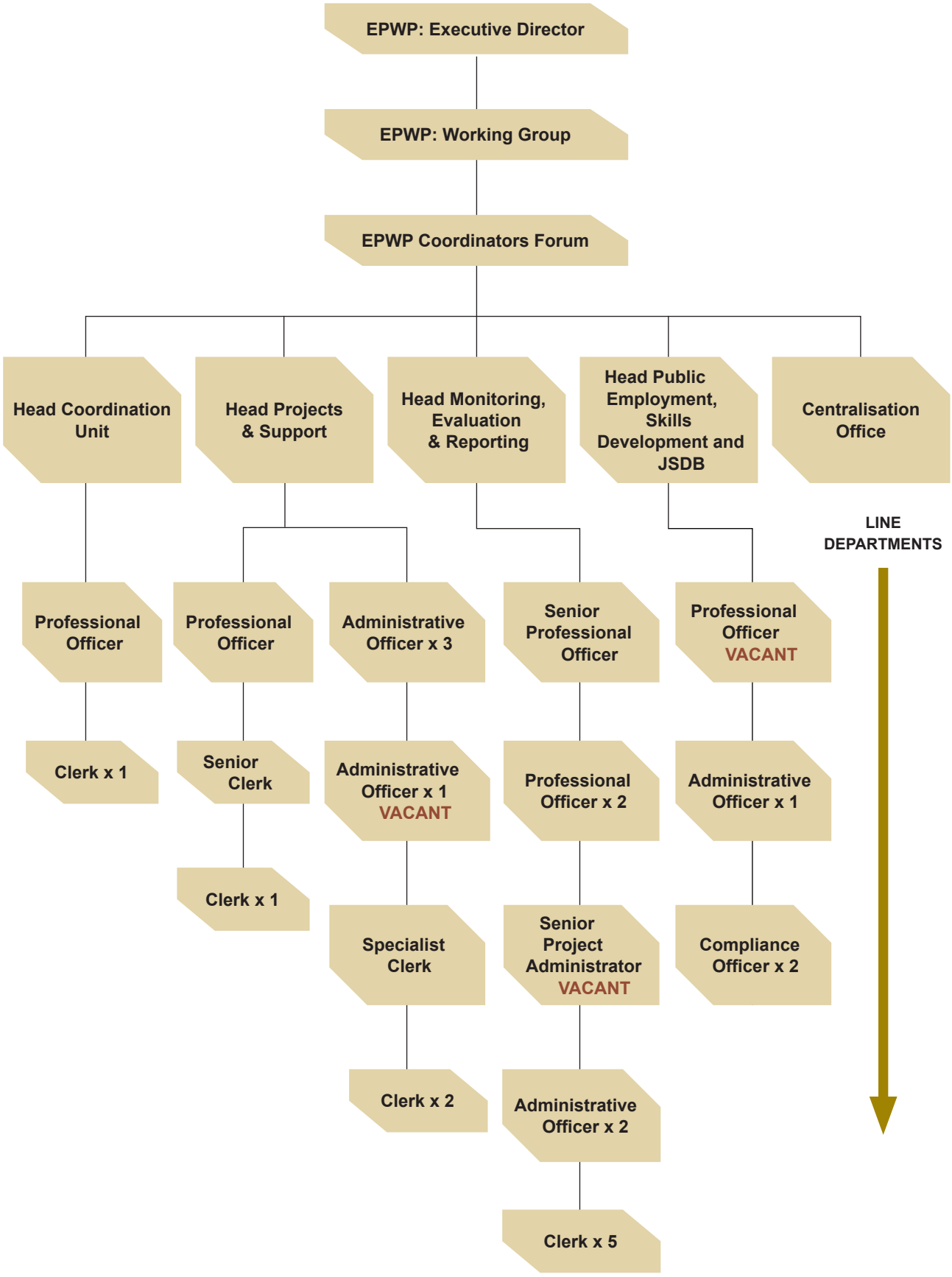
As noted by the city, its institutional structure has helped achieve deliverables and outcomes, primarily because the EPWP has political support and community buy-in within the city. This has been achieved by setting examples and by word-of-mouth; the positives of the EPWP are communicated widely. The city further strives to ensure that there is a coordinating structure that resembles the main EPWP department's structure to drive and coordinate EPWP projects and programmes. Forums have been set up, and forum meetings are chaired by the EPWP manager. Items discussed at meetings include: the endorsement of proposals and/or tools; project implementation strategies; operational challenges and issues; and successes. All EPWP managers are held accountable. The EPWP has been institutionalised in the city and is included in all city documents and score cards.

The EPWP has been institutionalised in the city and is included in all city documents and score cards.

The city experiences few difficulties regarding its institutional structure. People were sceptical initially but have since adapted to and accepted the programme. The EPWP has been running in the city for more than10 years.

Although the city has developed an overall guiding EPWP training policy/framework, approved by the EPWP Executive Director – which mandates the EPWP to drive other departments to develop their own internal policies/frameworks – to improve outcomes, the overall training policy/framework must still be approved for the entire city and by all Executive Directors in the various departments, who are required to be co-signatories. For project implementers, support services managers must have similar frameworks approved as part of the services they must deliver.

FIGURE 31: **City of Cape Town EPWP unit institutional arrangements**



4.2.2 City statistics

TABLE 9: City of Cape Town progress against EPWP indicators (2019/20)

EPWP Indicators	Amount			
Number of projects implemented	671			
Gross number of WOs created	34 266			
Person-years of work including training (FTE)	7 416			
Allocated project budget (including professional fees)	R4 356 763 561			
Expenditure on EPWP (including professional fees)	R308 879 939			
Expenditure % achieved	7.09%			
Wages paid out to employees on EPWP projects	R296 069 821			
Average manual workers minimum daily wage rate	R169.78			
IG allocations	R32 877 000			
IG expenditure	R15 300 000			
IG % achieved	47%			
Demographics of employment	Youth 58%	Women 64%	PWDs 0.27%	
Sector analysis:	Infrastructure	Environment & Culture	Social	Non-state
Projects implemented	190	200	281	0
WOs	6 321	15 765	12 180	0
FTE	1 461	3 416	2 539	0

Integrated Grant Allocation

The IG was allocated to all EPWP programmes.

4.2.3 Challenges and successes

Challenges

- The overall training policy/framework must be approved for the entire city and by all Executive Directors in the various departments, who must be co-signatories.

- The EPWP targets are difficult to attain, and under-reporting in the city is an ongoing problem. The city often experiences difficulties with the national EPWP RS being unstable. Pilot studies could be investigated to determine if decentralising the EPWP RS could provide a viable solution.
- Skills development and training projects are generally expensive, therefore more difficult to implement.
- The city often finds it difficult to implement projects on an annual basis, over the EPWP-required 12-month time period. Longer implementation time periods should be considered for specific projects. The IG allocation's 12-month time period for use is similarly too short. By extending time periods, projects and programmes under the EPWP could gain improved planning, and participants and other stakeholders will be more committed.

Successes

- The EPWP has political support and community buy-in within the city.
- Very few positions are vacant.
- There is a coordinating structure that resembles the main EPWP department's structure.
- Forums have been set up and regular chaired meetings are held.
- All EPWP managers are held accountable.
- The EPWP has been institutionalised in the city and is included in all city documents and score cards.

COVID-19 related

- At the start of COVID-19, when South Africa entered its national level 5 lockdown, the EPWP department was fortunate to have a resilience officer, who requested that the EPWP manager develop a policy and engage with addressing challenging COVID-19-related situations.
- Liaison with the DPWI to ensure the safety of participants took place at the start of COVID-19. Payroll adjustments and negotiated working arrangements were also managed appropriately.
- COVID-19 awareness raising and educational projects were successfully developed and implemented.

4.2.4 Lessons learnt and continual improvement

- The city acknowledges that there is always room for improvement, and that communication is regarded as a critical component required for successful outcomes in the EPWP.
- The SACN-EPWP Reference Group (RG) is a valuable mechanism for city collaboration, learning and support.

4.2.5 Flagship project/s

Public Employment and Skills Development Programme, 2019/20 (includes 15 Projects)

Project showcased in this report: Hout Bay Dune Rehabilitation project

Sector: Cross-sectoral: Environment & Culture, Social and Infrastructure

Approximate value: 15 projects, each R200-300 million

Stipend value: R120 per person per day

WOs & FTEs: WOs 9, for Hout Bay Dune Rehabilitation Project only

Project summary:

Included in the programme are 15 projects, designed to fill identified sector gaps and to provide participants with skills facilitating employment at exit. Project durations are aimed at being short- to medium-term, i.e. 18-36 months; or longer if possible, to allow for upskilling and facilitate exit. A significant number of participants have been introduced to the working world through this programme. The programme aims to make participants less dependent on EPWP projects, thus enabling them to exit the EPWP with skills and be marketable.

The Hout Bay Dune Rehabilitation project is one of the 15 projects chosen for showcasing in this report. The project covers approximately 50-70 000m² of re-profiled, netted and planted dune, which has significantly reduced the accumulation of sand on city infrastructure and private properties in the Hout Bay area. Work opportunities were created for 10 workers, who

were selected from the local sub-council's jobseekers database. This project received a 2020 South African Landscapers Institute (SALI) gold award in the categories of: specialised landscaping, water-wise landscaping and environmental landscaping.

The project started as an ordinary EPWP project but was later converted to a training skills development project, implemented under the city's 'Training Framework' document. The project has been operating for over 18 months. Apart from participants attaining life skills and adult education, they also exit the project with NQF level 1: Ornamental Horticulture Learnership certification, and qualify to provide contracted services if opportunities arise for the maintenance of the dune systems in future. Future job opportunities could also include working in the horticultural industry and at nurseries, or subcontracting to bigger companies to do specific dune work or plant propagation. Due to the project's success, the city intends expanding the project to other areas.

Other projects included in the overall programme include:

- **Graduate Training Programme**, which assists participants to attain degrees and diplomas. Approximately 20 out of 30 participants received employment or further opportunities on exiting the programme.
- **Safety Environment project**, which trains participants (via a training academy) in law enforcement, to become law enforcement officers/cadets.
- The Green Economy.

Objectives:

- To ensure that EPWP participants meet the minimum requirements for productive readiness, i.e. that they have matric, are computer literate, have personal life skills, have been introduced to financial life skills, and are introduced to entrepreneurship, at accredited levels. These are baseline skills based on the EPWP Training Framework document.

Recruitment strategy:

The city's EPWP Recruitment Policy, which has been in existence for the last nine years, is the main policy followed regarding recruitment. This is linked to the city's Training Framework document. The policy refers to a 2011 computerised database which eliminates human interference in recruitment by randomising participant selection. The city's approach to recruitment meets the national guidelines, and value-add is included.

Implementation strategy:

Implementation occurs as per the City of Cape Town's policy document titled 'Implementation of the EPWP: Policy No. 12421, 2017'.

Successes and challenges:

The programme started small, but has since grown to include first two, then eight and currently 15 projects, which is above target. Awareness of the Training Framework document is facilitated. One of the sub-projects within the 15 projects has employed 3 000 participants over three years (project value R100 million). Private-sector and other external partners play a key role in facilitating project implementation. The city has a dedicated sister organisation which facilitates this. The city actively markets its projects in magazines and on their web site and social media, thus creating added awareness of and buy-in to the programme. The Training Framework has helped integrate and guide the programme. The city is currently reviewing its policies and frameworks for Phase IV. The city has a well-developed and long-running EPWP programme; valuable lessons learnt can be shared with other cities.

One of the sub-projects within the 15 projects has employed 3 000 participants over three years (project value R100 million).

However, some processes and the recruitment policy could be simplified, for improved understanding. For example, there are too many templates. Communication is key and this can always be improved, particularly between implementing departments and the EPWP. Quarterly meetings with programme implementers, departments, and the EPWP department are held to enhance communication.

Reporting is an ongoing challenge.

Socio-economic impact:

Apart from providing short-term employment, the programme has facilitated the provision of basic life and technical skills, thus enabling participants to find employment at exit. In addition, valuable community services are provided.

Environmental & sustainability impact:

The projects in the programme are sector-driven; identified sector gaps are filled. The most noteworthy example of improving environmental and suitability city impacts is the Hout Bay Dune Rehabilitation project. This project is not only improving ecosystem services, but participants are being trained on environmental issues and awareness, and these attributes in turn are transferred to communities.

This project is not only improving ecosystem services, but participants are being trained on environmental issues and awareness, and these attributes in turn are transferred to communities.

4.3 City of Ekurhuleni

4.3.1 Institutional arrangements, policy and implementation

There has not been much change in the institutional arrangements of the City of Ekurhuleni (Figures 32 & 33). The steering committee is chaired by a representative from the City Manager's office. All steering committee members are Divisional Head level and appointed by the City Manager.

FIGURE 32: **City of Ekurhuleni higher-level institutional arrangements**

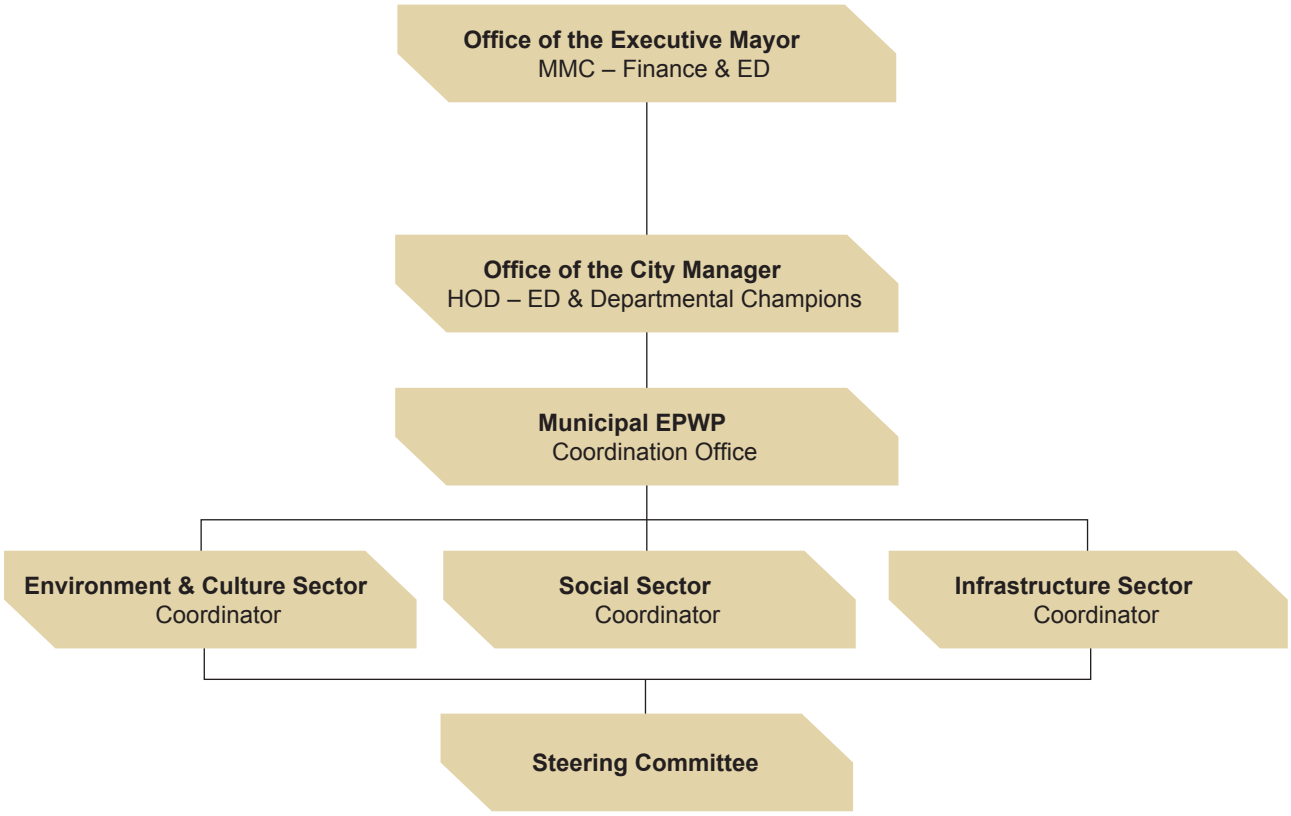
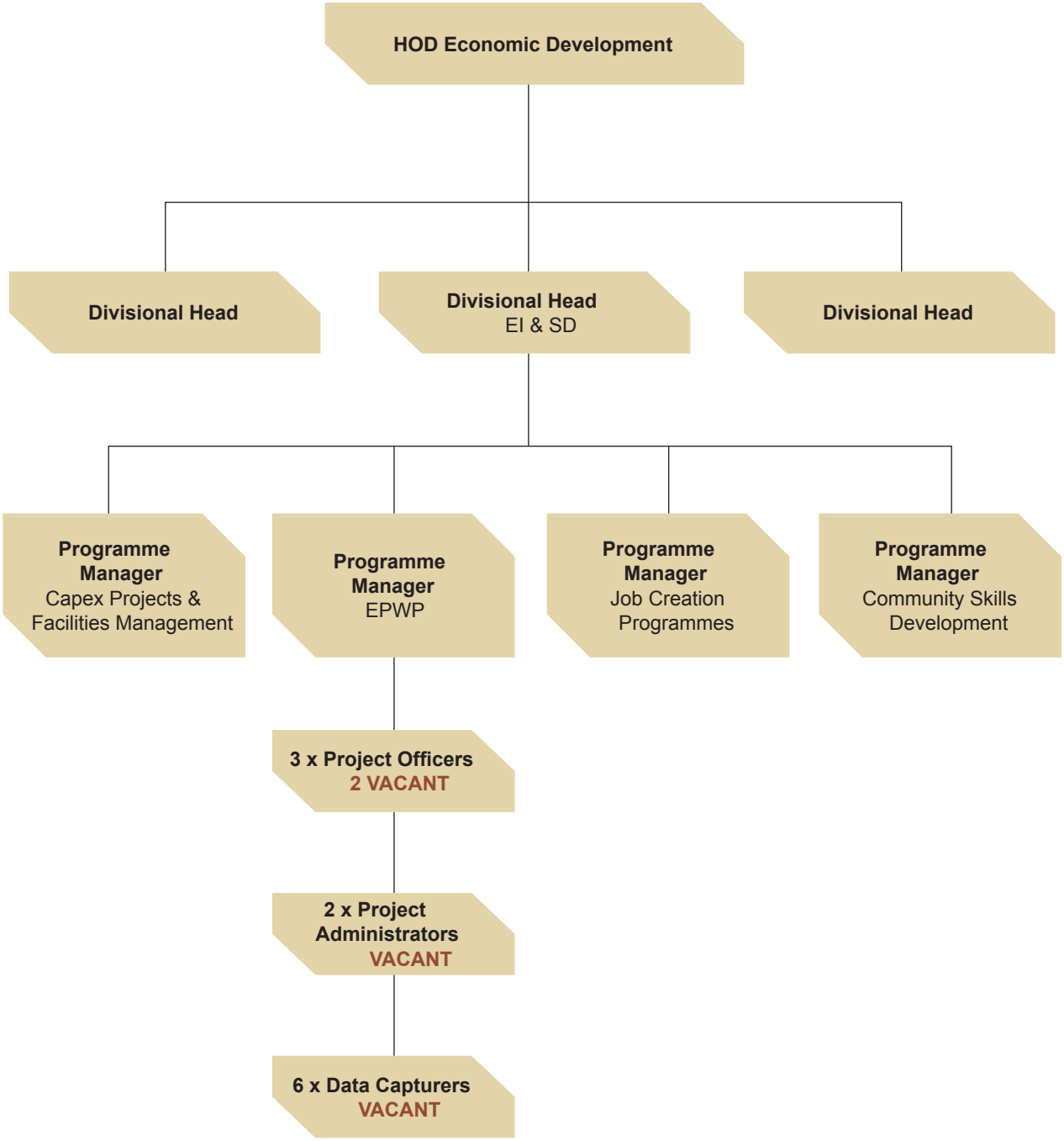


FIGURE 33: **City of Ekurhuleni EPWP unit institutional arrangements**



As noted by the city, its institutional structure has helped achieve deliverables and outcomes, as the EPWP chairperson is in the office of the City Manager and because targets are included in senior managers' scorecards. City departments and their senior managers participate in the EPWP steering committee.

A difficulty in the institutional structure is that some positions are still vacant; and that departments still face issues of accountability and responsibility, and power struggles exist, as the departments are accountable for the programme, but the steering committee makes the decisions.

To improve outcomes all parties must work together, and vacant position should be filled. This may require additional funding.

Regarding policy changes, the city is still working on its policy to include the Phase IV requirements. Progress has been slow due to COVID-19.

4.3.2 City statistics

TABLE 10: **City of Ekurhuleni progress against EPWP indicators (2019/20)**

EPWP Indicators	Amount			
Number of projects implemented	204			
Gross number of WOs created	6 876			
Person-years of work including training (FTE)	2 563			
Allocated project budget (including professional fees)	R3 057 148 197			
Expenditure on EPWP (including professional fees)	R282 663 926			
Expenditure % achieved	9.25%			
Wages paid out to employees on EPWP projects	R94 041 247			
Average manual workers minimum daily wage rate	R181.08			
IG allocations	R22 022 000			
IG expenditure	R22 022 000			
IG % achieved	100%			
Demographics of employment	Youth 54.73%	Women 51.21%	PWDs 0.25%	
Sector analysis:	Infrastructure	Environment & Culture	Social	Non-state
Projects implemented	169	30	5	0
WOs	3 269	2 139	1 468	0
FTE	1 147	533	883	0

- The City received an IG of R22 022 000 in 2019/20. The grant was fully spent at the end of May 2020.
- Through the IG funding, 831 WOs were created.

Integrated Grant Allocation

The IG was used for three projects: the Maintenance of Economic Infrastructure programme, the Development of Plumbing Apprentices programme, and the Rodents Project.

4.3.3 Challenges and successes

Challenges

- Under-reporting is generally an ongoing issue in most sectors. Information is often not passed on from project managers to the reporting department.
- As many of the Social sector projects are long-term, participants often demand full-time employment at exit, which is not possible. The implementation of Social projects has thus declined, to avoid this expectation.
- The coordination of projects that are implemented by national and provincial departments within the city is an ongoing issue.

Successes

- The city is endeavouring to attain additional staff for the EPWP unit.
- The city has been able to collect data from departments. There has been an improvement in implementation and reporting in the programme for the Infrastructure sector. Employment has more than doubled from previous years for the Infrastructure sector.
- The EPWP steering committee is fully operational.
- The City is working on the inclusion of EPWP clauses in the tender documents.
- The EPWP Policy is under revision.

COVID-19 related

- COVID-19 has set the city back.
- COVID-19 has affected performance and reporting.
- EPWP participants in certain projects were re-directed to assist with COVID-19, for example participants were used to deliver food parcels.
- Businesses were registered that required special permits to operate during the lockdown.
- There is a great need for adaptation especially where technology is concerned.

4.3.4 Lessons learnt and continual improvement

- The city must still develop and approve documents to enhance project implementation; these include policies, recruitment guidelines and tender documents.
- Project managers must design projects up front with the EPWP in mind, and not just slot the EPWP in after projects are designed.
- There is a need to train project managers to include labour-intensive work in projects.
- Reporting must be improved.
- There is a need for improved external M&E of EPWP projects.
- There is a need for assistance for project planning at the inception phase.
- Cross-learning and support between SACN cities is beneficial.

4.3.5 Flagship project/s

Maintenance of Economic Infrastructure and EPWP Data Capturing

Sector: Infrastructure

Approximate value: R23 million

Stipend value: R16 million total value

WOs & FTEs: WOs 520 and FTEs 392

Project summary:

Business centres for Small, Medium and Micro Enterprises (SMMEs) and informal traders were built by the city's Economic Development Department. These centres are used mainly for small-scale production and retail services for local communities. Nineteen centres were identified where there was a need to keep the infrastructure sound and hygienic for the users, and to improve business confidence among the traders. Without this intervention, there was a risk that the centres would become dilapidated and unusable. The programme was initiated as a corrective measure to help clean these areas daily, to ascertain if there were non-functional or damaged services, and to report these to the Economic Development Department for repairs.

Participants within the wards or within a maximum distance of five kilometres of the trading areas were identified, with priority given to employing the youth and women to work on the project daily for a year. A supervisor was employed per trading area and allocated three to five general workers, depending on the size of the site. Three administrators were also appointed to take care of the three major service areas of the city, namely East, North and South. The administrators were further tasked with responsibility for attendance registers, cleaning materials and tools required for sites to operate, etc.

Participants were required to bag refuse each morning for collection by the city's waste trucks for disposal, and to report service malfunctions for required repairs.

Objectives:

- To ensure infrastructure in city-owned formal and informal trading areas are kept clean, hygienic and well-maintained. This included toilets and water and electrical services.

Recruitment strategy:

At the time, the programme did not have guidelines for recruitment. Recruitment was done via the placement of advertisements in proposed project/ward areas, and by selecting applicants from these areas. Priority was given to youth and women.

Implementation strategy:

The project was implemented throughout the city, and participants were placed in trading areas. Participants were required to assess problem areas regularly, and to report issues of concern to the department. Participants also assisted with waste disposal. Where there was a need for professional repairs, these were undertaken by artisans from the office of Community Enterprise Development.

Successes and challenges:

The project improved business confidence within the local communities, as trading areas became cleaner and more hygienic. Traders were encouraged by the city demonstrating interest in their well-being, and the community felt safer and more comfortable when buying in these areas.

Participants employed at supervisor and administrator levels attained management experience in dealing with employees, traders and the community. This included involvement in worker disciplinary hearings, and interactions with the Finance and Human Resources Department.

From the inception, there was dissatisfaction among the communities concerning the appointment of participants, as the method was altered; employment was no longer done through the councillors, but through advertisements. This was exacerbated by the fact that approved city recruitment guidelines were not in place. The national guideline documents had to be used to assist with resolving this issue.

Placing work responsibilities with administrators and supervisors became a challenge; the department had to intervene to strengthen disciplinary rules for both employees and supervisors who did not attend work daily, and to ensure that general workers respected their supervisors.

Storing materials in public spaces was a further challenge, due to theft. As a solution, participants took their tools home. At the end of the project, it was difficult to account for unused tools and materials.

Socio-economic impact:

Cleanliness was improved in informal trading areas, enabling the community to buy locally in clean trading spaces. The traders' health was previously at risk due to poor hygiene; this situation has since been improved. In addition, jobs were created, infrastructure was maintained, working conditions were improved and usable ablution facilities were provided.

Environmental & sustainability impact:

- Waste management. Including removal of discarded boxes, vegetable clippings and food waste
- Improved health and hygiene

4.4 eThekwini Municipality

4.4.1 Institutional arrangements, policy and implementation

No changes have been made to the EPWP institutional arrangements over the last four financial periods (Figure 34 & 35). The EPWP unit structure was approved in 2018/19. The Mayor is the political champion for the programme in the city, while the City Manager is the administrative champion.

FIGURE 34: **eThekwini Municipality higher-level institutional arrangements**

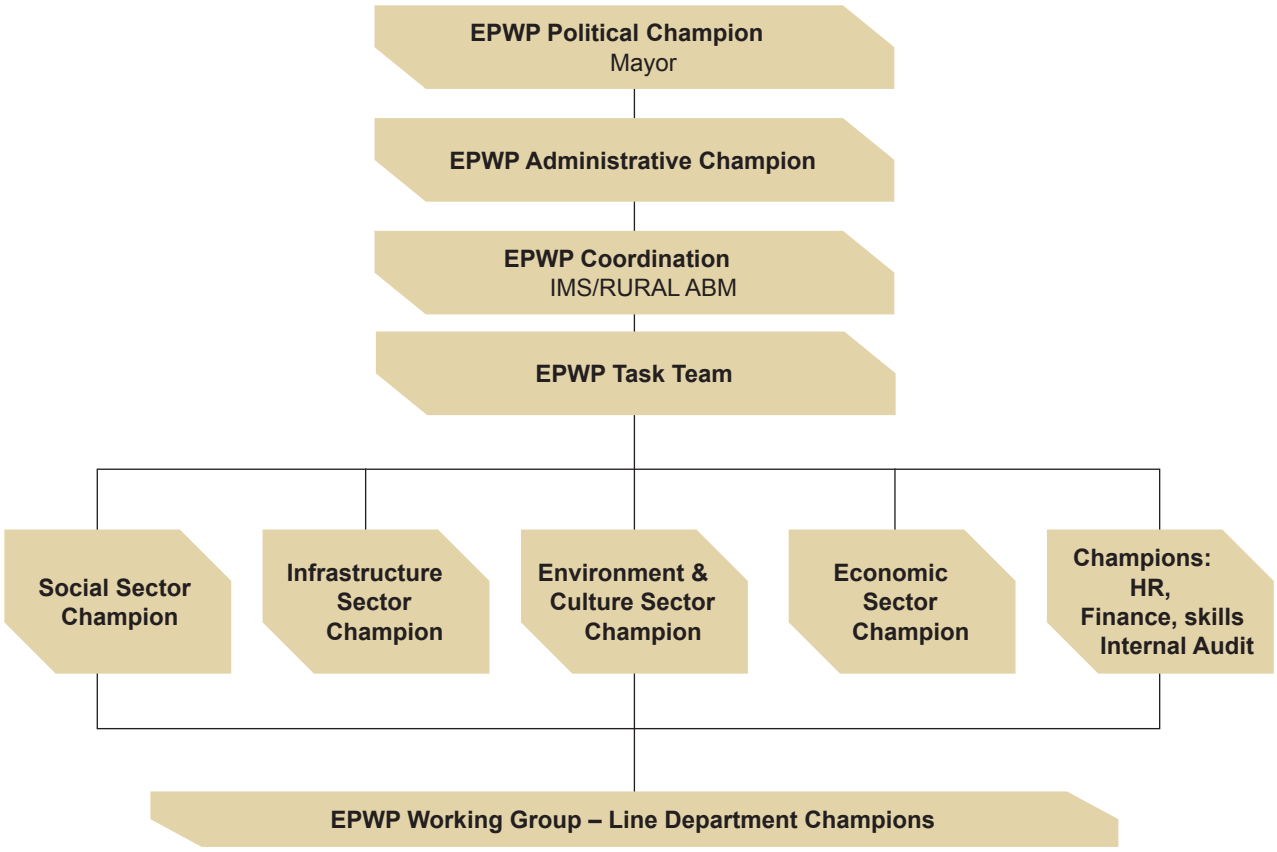
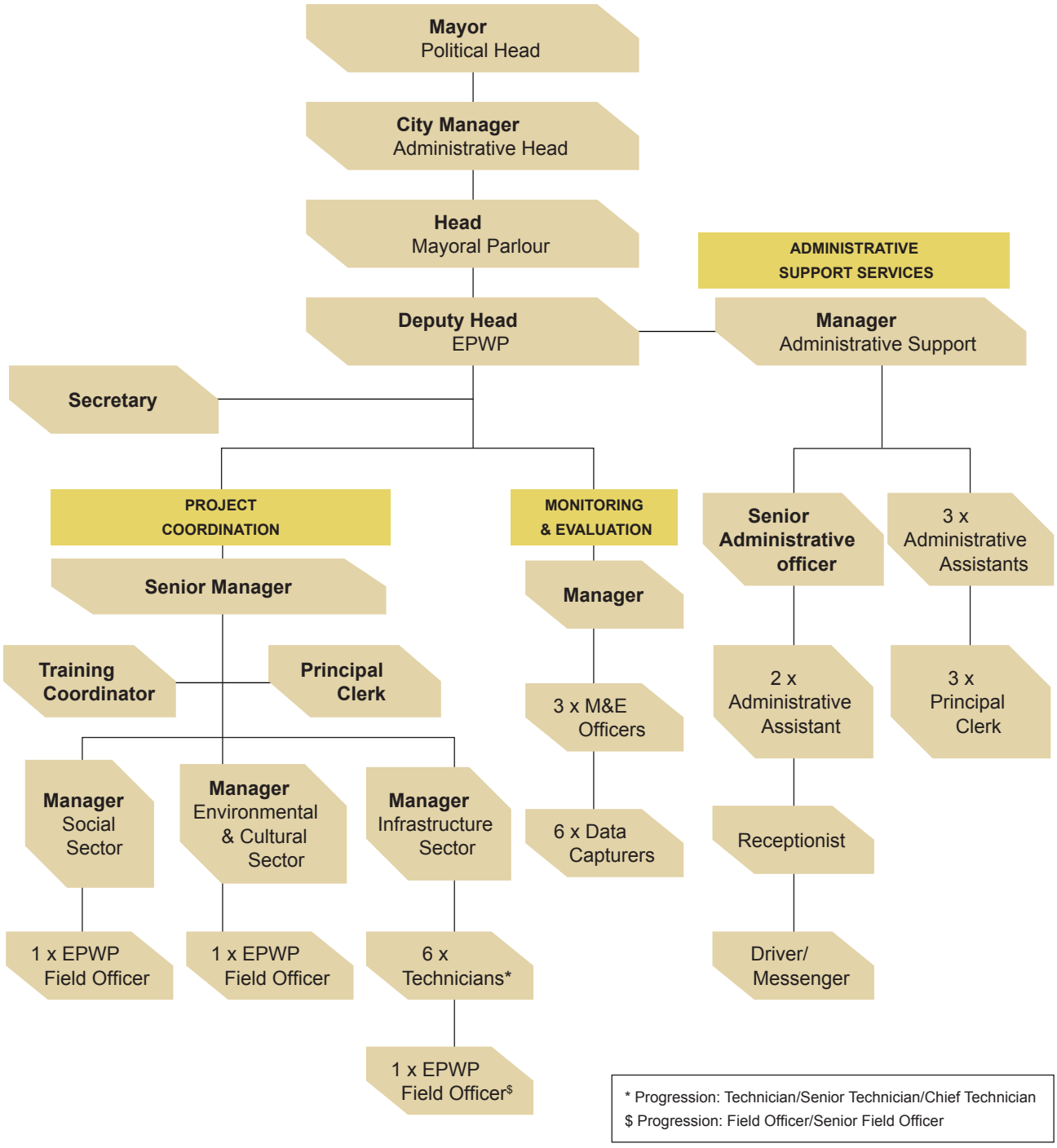


FIGURE 35: **eThekwini Municipality EPWP unit institutional arrangements**



As noted by the city, a difficulty in the institutional structure is that there are no EPWP representatives situated in the implementing line department and entities. The line departments are reluctant to submit data for EPWP capture, which is attributable to too many audits conducted. Shortage of staff to carry out audit queries is a further challenge. Key positions remain vacant.

Institutional arrangements could be improved by changing people's mindsets, for example relating to the importance of environmental issues. Additional funding and budgets could assist further with growing the EPWP in the city. Institutional arrangements are considered ineffective, and a more structured EPWP infrastructure is needed. The termination of technical support has left a void.

The 2018 approved eThekwini EPWP Phase III policy has been effectively implemented, and this policy provides the EPWP unit with direction. The Phase IV policy is still to be drafted, and recruitment guidelines are to be reviewed and implemented.

4.4.2 City statistics

TABLE 11: eThekwini Municipality progress against EPWP indicators (2019/20)

EPWP Indicator	Amount			
Number of projects implemented	145			
Gross number of WOs created	17 366			
Person-Years of work including training (FTE)	9 898			
Allocated project budget (including professional fees)	R1 866 276 792			
Expenditure on EPWP (including professional fees)	R391 143 721			
Expenditure % achieved	20.96%			
Wages paid out to employees on EPWP projects	R341 130 787			
Average manual workers minimum daily wage rate	R219.38			
IG allocations	R78 757 000			
IG expenditure	R78 757 000			
IG % achieved	100%			
Demographics of employment	Youth 29.10%	Women 71.41%	PWDs 0.05%	
Sector analysis:	Infrastructure	Environment & Culture	Social	Non-state
Projects implemented	131	12	1	0
WOs	11 004	2 361	4 001	0
FTEs	4 940	1 188	3 770	0

Integrated Grant Allocation

The IG was used for promoting assets and services within the city, and for six projects, which ran over a 12-month period. Approximately 7% of the IG allocation goes towards the administration of the EPWP. More than R160 million to offset the Integrated Budget deficit has been approved by Council.

4.4.3 Challenges and successes

Challenges

- The termination of technical support has left a void.
- The SCM Tender alignment has not progressed.
- Defining exit strategies is proving to be challenging.
- There is a demand for permanent employment at exit.

Successes

- The Mayor, Councillor Mxolisi Kaunda, has pledged his full support to the EPWP.
- The EPWP department is headed by a proactive Acting Senior Manager.
- Senior management undergo continual induction regarding the workings of the EPWP.
- The city has exceeded its national annual targets for WOs.
- The EPWP is being improved in the city, with various control measures being implemented.
- The current manual payroll payment system is being migrated into a formal City payroll. The integration of the EPWP payroll into the city's main payroll will allow for stricter controls and management.
- Approximately 200 participants have exited the EPWP and have been permanently employed in various city units. Efforts are under way to further absorb participants into an Artisan Training Programme via eThekwini's Municipal Academy.
- Graduate trainees are used to assist with data collection and capture.
- Regular operational and progress meetings are held with EPWP admin staff.
- Through the EPWP, the city can sustain various programmes such as the Military Veterans, Youth Office, etc, which struggle to run independently due to budget and other logistical issues.

COVID-19 related

- The city has been set back by COVID-19.
- Projects have not been adequately reported on during COVID-19.
- The city successfully implemented COVID-19 guidelines in accordance with WHO guidelines and regulations.

4.4.4 Lessons learnt and continual improvement

- National technical support should be reinstated.
- There is a need for the establishment of a technical task team to manage the EPWP exit strategy through absorption and other means for long-standing EPWP participants.

4.4.5 Flagship project/s

Working for Ecosystems

Including Alien Invasive Plant Identification and Training

Sector: Environment & Culture

Approximate value: R35 million for the main project, and R114 000 for the training programme

Stipend value: Teams comprise approximately 12-15 participants, and stipend values are as follows:

- Contractor: R358.19;
- Supervisor: R209.05;
- First aider: R116.70;
- Health and safety representative: R116.70;
- General workers: R116.70;
- Driver: R123.50;
- Travel rate: R4.24/km; and
- Training cost: R900/person.

WOs & FTEs: WOs 303, and FTEs 70

Project summary:

The 'Working for Ecosystems' project concept was initiated in 2006, and has gradually become an ongoing initiative. The project currently incorporates approximately 10 sites in the municipality approved by the department for invasive alien weed clearing. The project functions to improve the lives of people employed by providing jobs, education and training, while also providing improvements in ecological services.

Objectives:

- To control alien invasive plant species in eThekwini Municipality, targeting areas of biodiversity value and properties owned by the municipality to ensure the protection of municipal assets.
- To restore ecosystem functionality by removing alien invasive plant species, thus safeguarding ecosystem services.

Recruitment strategy:

The project aims to recruit participants from local disadvantaged communities, particularly those residing directly adjacent to sites. Where this is not possible, community leaders (Ward Councillors, Traditional Authority, etc.) were consulted and requests were made to bring in participants from other areas. This process conformed to EPWP standards and principles.

Implementation strategy:

The project was run through the Environmental Planning and Climate Protection Department (EPCPD) of eThekwini Municipality. The EPCPD select sites, which may also be recommended to them, that are of biodiversity importance or value. Landowners are verified, consultation is initiated with the community leadership in the areas where work is to be done, a request for participants is made, and contracts are formalised. Selected participants are then trained before work commences on site.

Consultation is initiated with the community leadership in the areas where work is to be done, a request for participants is made, and contracts are formalised.

Once a site has been identified and work commences, the project protocol is to maintain the presence of the team on the site for as long as possible. During the initial clearing phase, the need for the team to be there on site is high; during the follow-up phase, when there are fewer invasive aliens, the need for the team to be there is reduced. The project teams gradually reduce their presence on the site but do not leave altogether, thus avoiding the risk of leaving sites unattended. In the follow-up phase, teams visit sites once or twice per month or quarter.

Successes and challenges:

As at the end of September 2020, invasive alien plant control had been conducted over approximately 1 435ha, including 72.8ha of initial clearing, 898ha of follow-up; and emerging-weed control over 20.1ha. The project provided 11 training courses to beneficiaries, 656 person-days of training, 20 120 person-days of field work, and 303 WOs.

Illegal sand mining often occurs in cleared areas, which is counterproductive to the objectives of the project. To address the issue with communities and their leadership, the department utilises partnerships with the Department of Mineral Resources and law enforcement agencies. When illegal sand-mining cases go to court, project work is discontinued.

A further difficulty is that when a site's condition improves, landowners use the improved site state as an opportunity to change the site's land use, without consultation.

Another challenge is that community leaders often request that beneficiaries are regularly rotated. This means that participants must then be re-trained, requiring extra resources and increasing project costs.

Participants often enter the programme due to poverty, but exit the programme with adequate skills to attain jobs, thus enabling them to escape the cycle of poverty.

Socio-economic impact:

The project has facilitated participants attaining credit ratings to allow them to purchase vehicles etc. Participants are trained in other self-development and life skills, e.g. financial and health and safety skills. Participants often enter the programme due to poverty, but exit the programme with adequate skills to attain jobs, thus enabling them to escape the cycle of poverty. The municipality has an agreement with a service provider who employs participants in the programme as SMMEs. Fourteen companies have formed because of this agreement, and a 15th will be finalised shortly.

Environmental & sustainability impact:

The project creates sustainable outcomes by removing alien invasive plant species. The project differentiates between alien and indigenous plant species, and this knowledge is shared with participants. Ecosystem services at sites are returning to normal as threats are removed.

4.5 City of Johannesburg

4.5.1 Institutional arrangements, policy and implementation

The EPWP Advisory and Coordination Office is strategically housed at the Department of Economic Development (Figure 36), which is a driver of economic growth. Figure 37 shows the city's overall EPWP coordination structure.

FIGURE 36: **City of Johannesburg institutional arrangements**

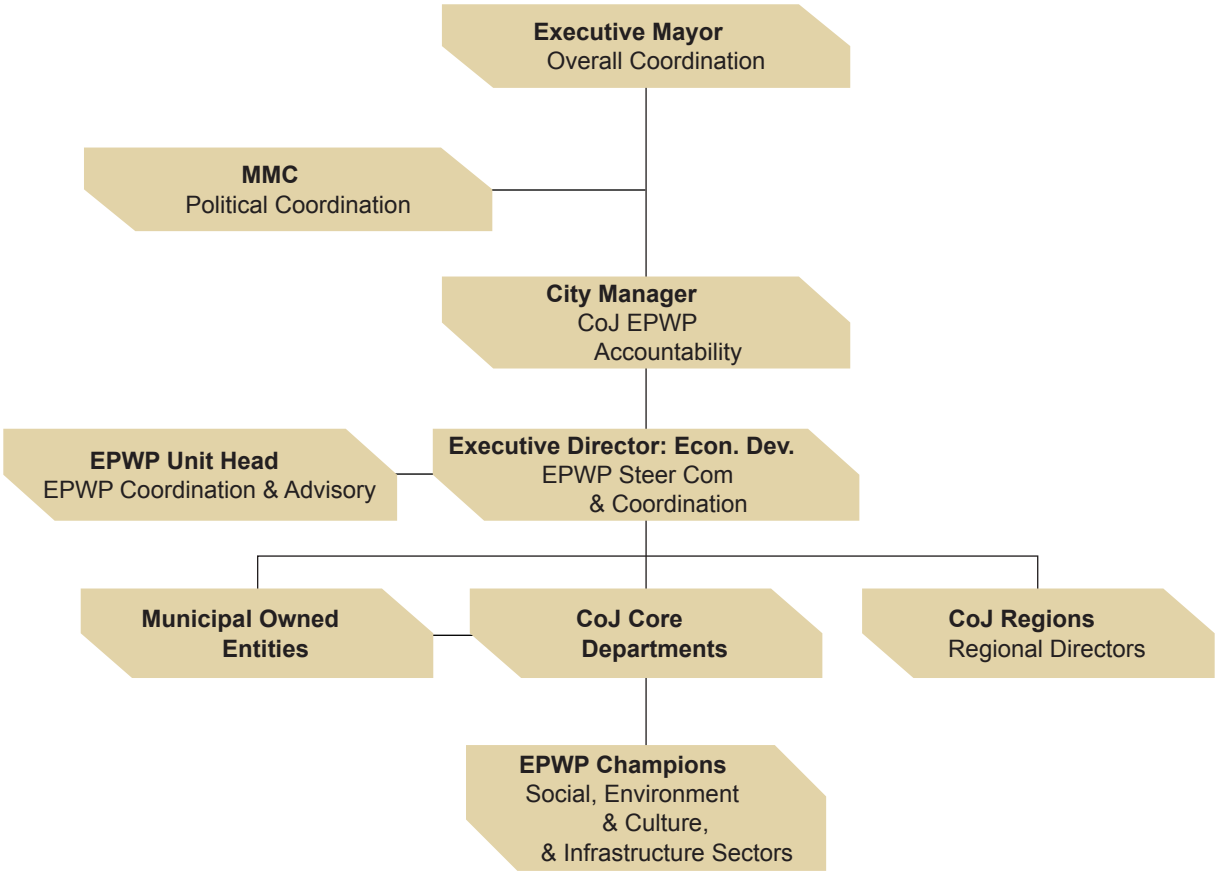
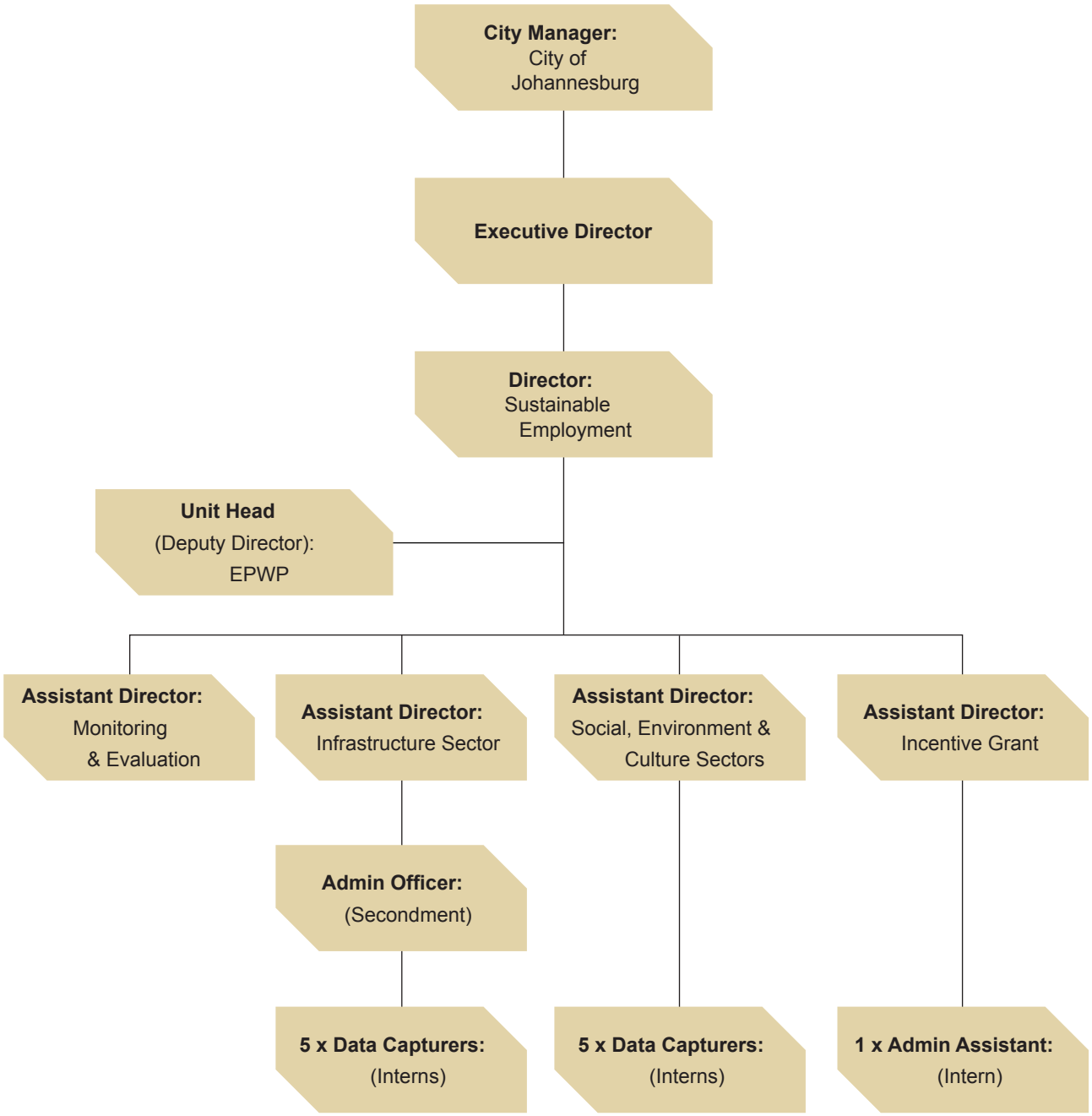


FIGURE 37: **City of Johannesburg EPWP unit structure**



As noted by the city, its institutional structure has helped achieve deliverables and outcomes as EPWP officials are centrally located and report directly to city managers. These managers require that departments include the EPWP on their scorecards, and that projects are reported on. A difficulty of the institutional structure is that there are no EPWP representatives situated in the implementing department and entities. This has been identified as a challenge in terms of attaining buy-in from departments, resulting in under-reporting, even though projects are being implemented and participants are working within projects, and means that departments do not become familiar with the EPWP processes. However, EPWP champions from the various departments and Municipal-Owned Entities play a coordination role in ensuring that report consolidation is done, as well as collation of documents. Institutional arrangements could be improved by appointing a dedicated EPWP official within each implementing department, which would improve EPWP project planning, implementation and reporting. Furthermore, vacant positions should be filled.

The EPWP Phase IV Policy review process is under way; however, it was halted due to COVID-19. The city is currently developing a Recruitment Guideline, which will be incorporated into the policy as an Annexure.

4.5.2 City statistics

The City of Johannesburg's 2019/20 progress against the EPWP indicators is shown in Table 12.

TABLE 12: **City of Johannesburg progress against EPWP indicators (2019/20)**

EPWP Indicators	Amount			
Number of projects implemented	271			
Gross number of WOs created	12 142			
Person-Years of work including training (FTE)	1 146			
Allocated project budget (including professional fees)	R2 142 382 390			
Expenditure on EPWP (including professional fees)	R52 794 291			
Expenditure % achieved	2.46%			
Wages paid out to employees on EPWP projects	R50 285 909			
Average manual workers minimum daily wage rate	R255.59			
IG allocations	R23 955 000			
IG expenditure	R22 730 000			
IG % achieved	94.89%			
Demographics of employment	Youth 62%	Women 43%	PWDs 0,21%	
Sector analysis:	Infrastructure	Environment & Culture	Social	Non-state
Projects implemented	246	13	12	0
WOs	3 465	7 068	1 609	0
FTEs	374	502	271	0

Integrated Grant Allocation

The IG is used to incentivise work on projects across the city departments and Municipal-Owned Entities. During the year under review, the bulk of the allocation was channelled to the Johannesburg City Parks and Zoo (JCPZ) to implement the Parks and Beautification Programme. The intention was to fund a project that is highly labour intensive, and which would boost the overall performance of the city.

4.5.3 Challenges and successes

Challenges

- Like other cities, the city experienced a political paradigm shift, which created confusion on what to report on for the EPWP. The city has remained politically and administratively committed, and performance levels continue to improve.

Successes

- Political will has been received for the EPWP.
- EPWP targets have been incorporated into Head of Department scorecards, business plans and Integrated Development Plans.
- Compliance enforcement has been attained through a Practice Note or Instruction Note.
- The EPWP is a standing agenda item in various executive forums.
- EPWP requirements are incorporated in tender documents.
- There is an Internal EPWP M&E Standard Operating Procedure.
- Departments and other entities are required to provide monthly feedback reports on compliance.

COVID-19 related

- The city halted most projects at the onset of COVID-19.
- Budgets were redirected towards COVID-19 needs.
- Reporting was halted due to lockdown measures.
- The start of the pandemic created uncertainty, particularly with not knowing if participants could work, and if so, how.
- Difficulties were experienced with online working; in particular this was not possible with infrastructure projects, which require physical attendance.
- Tourism projects were halted.
- Participant numbers were reduced and work outputs slowed.
- The pandemic has improved hygiene and health and safety awareness among participants.

4.5.4 Lessons learnt and continual improvement

- The city is in the process of finalising the 2020/21 EPWP targets for all departments and entities.
- A database for opportunity seekers is in development and was due for a soft launch in July 2020.
- EPWP Recruitment Guidelines are being developed in line with the opportunity-seekers' database.
- Capex/Opex senior managers should be involved to support EPWP champions. Their involvement could also extend to inclusion in the RG meetings.
- Having dedicated EPWP budgets is considered important. Departments often have mixed budgets and need to be more intentional with the allocation of budgets to EPWP projects. The JCPZ is the only entity that has a dedicated EPWP budget.
- The RG and its meetings are considered highly supportive.
- The city could benefit from additional resources and tools, particularly computers.

4.5.5 Flagship project/s

Aeroton 1.4ML Water Tower

Sector: Infrastructure

Approximate value: R35 million

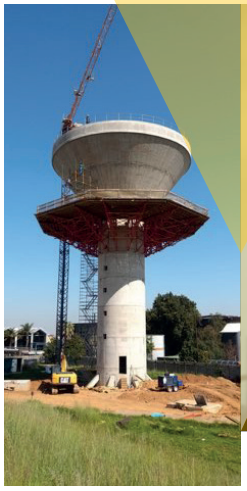
Stipend value: General workers: R34.45/hr, R275.60/day, R5 512/month.

WOs & FTEs: WOs 24, and FTEs 1.21

Project summary:

The design philosophy of this project was to reduce direct feeds into the reticulation network from the Rand Water Bulk Supply, by providing a storage facility with adequate capacity to cater for future water demands, and to supply at least four hours of storage of the annual average daily demand of the supply zone.

The tower improves bulk distribution into the network and dynamic pressure to the higher-lying areas in the supply zone, and reduces pressure on the existing Aeroton Reservoir currently being fed directly from Rand Water.



The tower has increased water storage capacity, improved water pressure in the area and created local jobs during construction.

Objectives:

To reduce the direct feed from the Rand Water supply into the reticulation network by providing a storage facility with adequate capacity to provide storage within the sub-districts and improve distribution in the network.

Recruitment strategy:

The project was advertised with the facilitation of the Joburg Water Stakeholder relations office and the Regional office (via community centre notice boards, libraries, and council offices). The closing timeline for the advert was seven to 14 days. Required documentation (including CVs) was submitted through the regional office and shortlisting was conducted by the regional office and contractor, and with the assistance of the project team representative.

Implementation strategy:

Successful applicants were appointed by the contractor.

Successes and challenges:

A good working relationship was established among the project team (client, consultant team, labourers and SMMEs). Project meetings were held on a monthly basis (or as required), where issues and challenges were addressed. This good communication ensured that the team had a clear vision of what was required for the project's success.

Challenges were experienced with the installation of the bulk power supply, with long-lead-item orders taking longer, and with community conflicts in relation to sub-contracting matters.

Socio-economic impact:

The tower has increased water storage capacity, improved water pressure in the area, created local jobs during construction, empowered SMMEs through skills transfer, and addressed the needs of the community.

Environmental & sustainability impact:

Additional water storage has been facilitated.

MANGAUNG
AT THE HEART OF IT ALL

METRO MUNICIPALITY
METRO MUNISIPALITEIT
LEKGOTLA LA MOTSE

4.6 Mangaung Metropolitan Municipality

4.6.1 Institutional arrangements, policy and implementation

In the Mangaung Metropolitan Municipality, the Executive Mayor is normally the political champion within the EPWP institutional structures, while the City Manager is the administrative champion (Figure 38). The City Manager ensures that all Heads of Department have the EPWP as an item in their performance contracts/agreements; that the EPWP is incorporated in the development plan of the Municipality; that each directorate incorporates the EPWP FTE targets into their project plans; and that the coordination M&E and implementation of the EPWP within the municipality are effective to meet their EPWP targets. Mangaung does not have a structure specific to the EPWP. The following directorates were identified as potential contributors to EPWP WOs: Social Services, Engineering Services, Fleet & Waste Management, Human Settlement and Housing, Corporate Services, Office of the Executive Mayor – Mayoral Projects, Planning, Economic Development and Rural Development, and Centlec.

It must be noted that Mangaung is currently under administration. The city therefore has a city manager who now reports to an administrator.

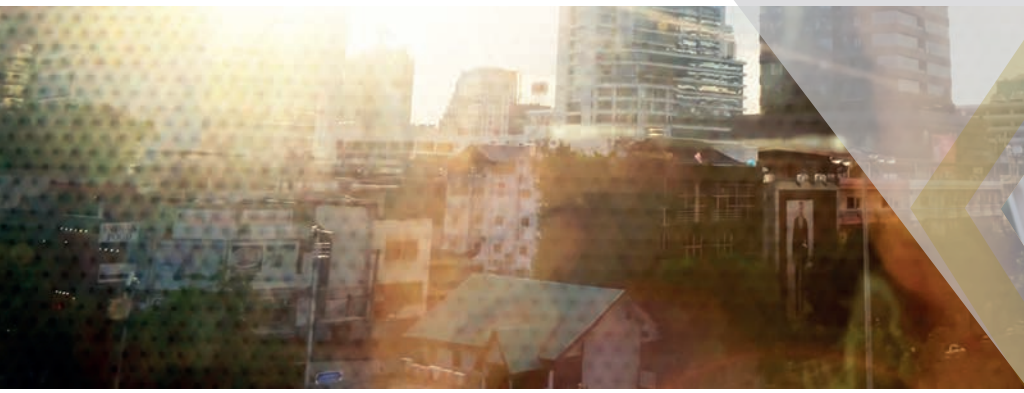
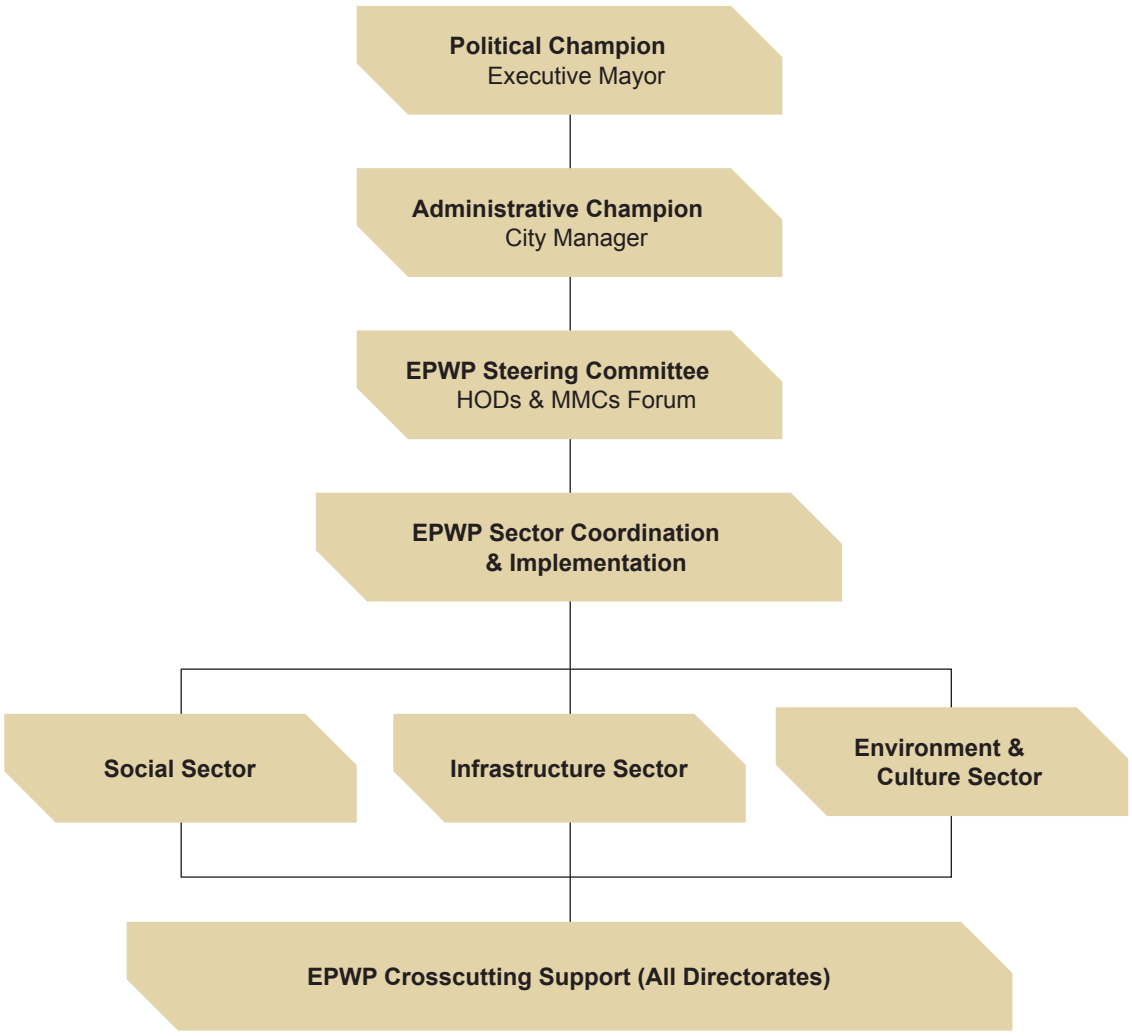


FIGURE 38: **Mangaung Metropolitan Municipality institutional arrangements**



As noted by the city, a difficulty with the limited institutional structure is that its lack of capacity to coordinate causes challenges for the implementation of the EPWP in the city. Positions are mostly vacant, and the EPWP is severely understaffed.

The City's EPWP policy was endorsed in 2016, although policy revisions must be made to align with and meet the requirements of Phase IV. Furthermore, limited implementation of the EPWP policy poses a threat to effectively managing the EPWP.

A difficulty with the limited institutional structure is that its lack of capacity to coordinate causes challenges for the implementation of the EPWP in the city.

4.6.2 City statistics

TABLE 13: **Mangaung Metropolitan Municipality progress against EPWP indicators (2019/20)**

EPWP Indicators	Amount			
Number of projects implemented	13			
Gross number of WOs created	307			
Person-Years of work including training (FTE)	68			
Allocated project budget (including professional fees)	R108 428 533			
Expenditure on EPWP (including professional fees)	R3 046 409			
Expenditure % achieved	2.81%			
Wages paid out to employees on EPWP projects	R2 972 010			
Average manual workers minimum daily wage rate	R196.31			
IG allocations	R1 382 000			
IG expenditure	R571 000			
IG % achieved	41.32%			
Demographics of employment	Youth 55.70%	Women 43.65%	PWDs 0.00%	
Sector analysis:	Infrastructure	Environment & Culture	Social	Non-state
Projects implemented	11	1	1	0
WOs	162	55	90	0
FTEs	48	11	9	0

Integrated Grant Allocation

The IG was used mainly for participant stipends, and for purchasing and supplying the participants with Personal Protective Equipment. No capital items were purchased. The grant was spent on only the operational components of projects.

4.6.3 Challenges and successes

Challenges

- The city is under administration and is facing financial constraints. The city requires support and assistance.
- The non-implementation of the EPWP policy, particularly regarding the optimal implementation of the institutional arrangements.
- The absence of a formal EPWP structure and a lack of capacity.
- Non-reporting of WOs.
- Delays to project inception dates.
- A lack of understanding of outcomes expected from implementing the EPWP.
- Under-reporting is an issue.
- Money allocated is not being spent, and spending is not being recorded.
- Lack of political buy-in.

Successes

- Although Mangaung faces many challenges, it is one of the RG's most active participants. The EPWP champions remain positive and committed.

COVID-19 related

- Most EPWP staff worked from home during the Level 5 national lockdown.
- The city was put under administration before COVID-19, but the pandemic has worsened the situation.
- Budgets have been cut and negatively impacted.
- At the start of COVID-19, most EPWP activities, interventions, plans etc. were halted.
- However, COVID-19 did provide an opportunity for reflection on which aspects of the EPWP were working and which needed adaptation.
- COVID-19 served to reinforce the fact that the EPWP is a highly relevant and critical programme, particularly during times of national disaster and widespread unemployment.
- COVID-19 served to fast-track technological adaptation and out-of-the box thinking.

4.6.4 Lessons learnt and continual improvement

- There is a need to have proper institutional arrangements in place; to continuously workshop with departments, so they can be more cooperative in terms of the provision of information and reporting; to include a clause pertaining to the EPWP in every service provider's contract, to send through information; to provide capacity for overall coordination; and to include EPWP targets on senior managers' scorecards.
- The EPWP department should manage the programme to allow for better alignment, coordination and consistency.
- It is important to have economic development strategies that promote the labour-intensive sectors of local economies.
- The SACN, DPWI and the RG provide valuable support to Mangaung.
- Projects should be designed and planned up front, and labour-intensive methods should be promoted for inclusion in projects.
- Participants should be afforded opportunities for absorption at exit.
- Research is required on how to include more people with disabilities in projects, on developing more labour-intensive projects, and for partnering with the private sector to absorb participants into the job market at exit.

Projects should be designed and planned up front, and labour-intensive methods should be promoted for inclusion in projects.

4.6.5 Flagship project/s

Integrated Public Transport Network, Moshoeshoe Truck Route Part A

Sector: Infrastructure

Approximate value: R36 million

Stipend value: R27.50/hr, R4 900/month

WOs & FTEs: WOs 21

Project summary:

Among other objectives, the Integrated Public Transport Network (IPTN) project involves the upgrading of Moshoeshoe Street. The project starts at the Maphisa Road/Moshoeshoe Street Intersection and ends at the M10/Moshoeshoe Street intersection, with a total length of 1.1km. The existing road is being removed and replaced by a new road. The construction works include paving, kerbs, channels, and the construction of the road from the roadbed up until the last base cover, which is the asphalt.

Objectives:

To promote efficiency, productivity, compliance and sustainability.

Recruitment strategy:

Local labourers were recruited with the assistance of the ward councillor, together with municipal personnel, with community involvement encouraged.

Implementation strategy:

Advice from all relevant stakeholders was collected prior to the commencement of the project, and throughout project implementation.

Successes and challenges:

The project has created community employment. The skills training programme that the project offers ensures that participants are empowered and equipped to apply for future employment opportunities as skilled labourers.

Labourers and management generally have a good working relationship; however, some labour strikes have occurred due to delays in salary payment, resulting in project delays.

A 10-month project was proposed initially; however, given the challenges faced, the project is still ongoing. Design changes and other inputs and outputs are required from project engineers.

Socio-economic impact:

As a result of road construction activities, adjacent businesses were affected. However, the new road will benefit businesses once it is fully operational.

Environmental & sustainability impact:

City infrastructure has been maintained and improved, thus promoting economic development and activity and ensuring city sustainability.

Integrated Public Transport Network, Fort Hare Truck Route Part A

Sector: Infrastructure

Approximate value: R48 million

Stipend value: R27.50/hr, R4 900/month

WOs & FTEs: Values not available due to challenges with a lack of reporting by implementing agents.

Project summary:

This IPTN project includes the upgrading of the existing public transport bus route road, to handle high-volume traffic. The works include the construction of a double asphalt carriageway, the shifting of old services, the installation of new sidewalks and kerbs, and the addition of bus stops along the route. The improved route will provide ease of access to the city centre and to public transport. Provision has been made for disabled persons, via the provision of user-friendly sidewalks suitable for wheelchairs and blind persons.

Objectives:

- Upgrading of the current access route from the rural township areas to the city centre.
- Upgrading of the sidewalks to accommodate the disabled.
- Access to public transport via the trunk route connecting city nodes.

Recruitment strategy:

The main contractor is not tasked with recruitment. The ward councillors and the appointed CLO supply the main contractor with a list of participants to employ and remunerate.

Implementation strategy:

The project originally commenced as a nine-month project but has since been extended. Stakeholders, including the client, engineers, taxi associations and local businesses, are actively involved.

Successes and challenges:

Local labour and political involvement created situations such that the main contractor had to deviate from certain BCEA and EPWP rules to alleviate striking and work stoppages. Grievances included disputes relating to work hours, wages, leave and discipline.

Socio-economic impact:

The project created improved ease of access to public transport, jobs and training for the local community.

Environmental & sustainability impact:

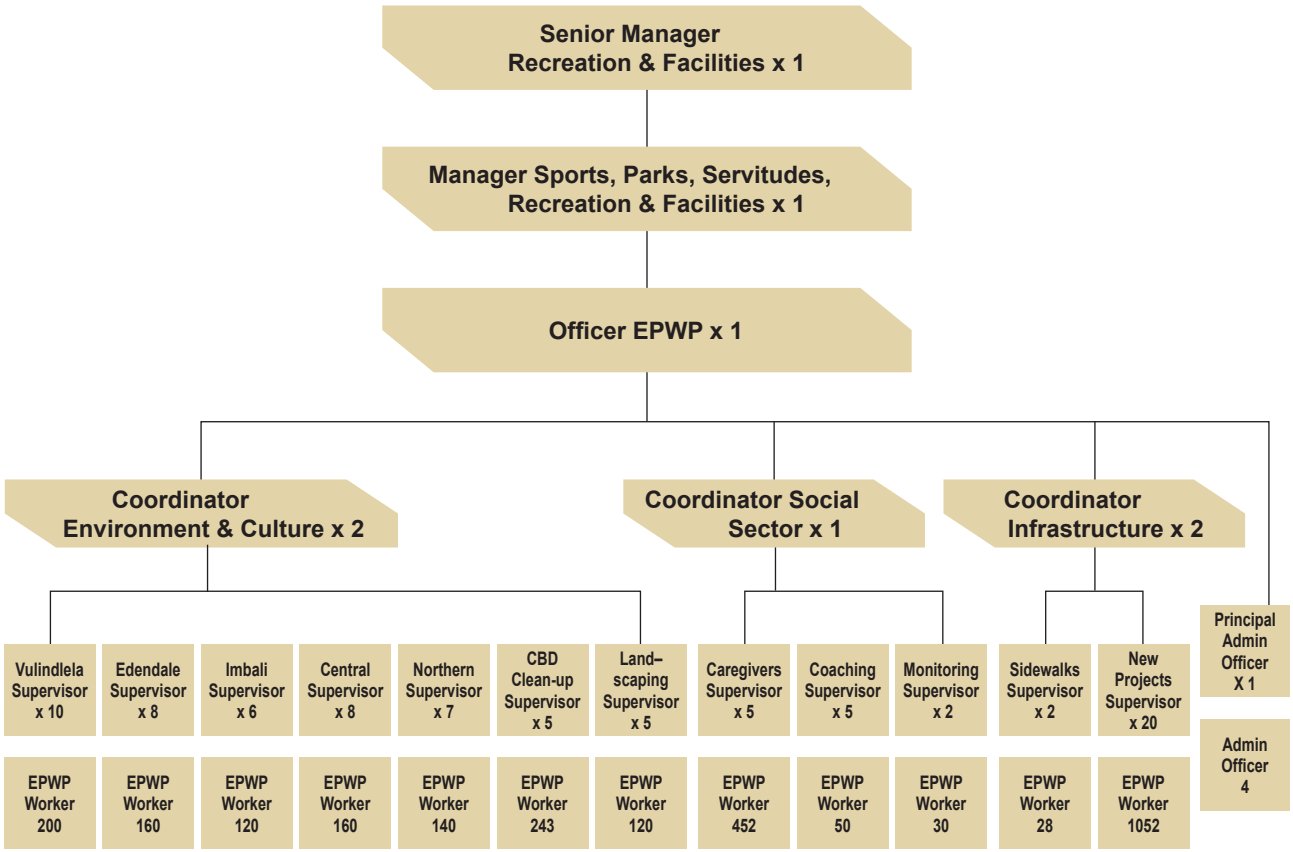
City infrastructure has been maintained and improved, thus promoting economic development and activity and ensuring city sustainability.

4.7 Msunduzi Municipality

4.7.1 Institutional arrangements, policy and implementation

The EPWP office in Msunduzi Municipality falls under the Community Services Department, with the Mayor acting as the political champion. The administrative champion for the programme is the Manager for Parks, Sports and Recreation. A draft institutional structure has been formulated which will be tested in the forthcoming financial year (Figure 39).

FIGURE 39: **Msunduzi Municipality EPWP institutional arrangements**



As noted by the city, its institutional structure has been inadequate. Institutional arrangements could be improved by amending the institutional structure as required, based on lessons learnt to facilitate implementing the EPWP.

The city's EPWP policy was initially adopted in September 2013. Further amendments were made in February 2015, to ensure that the policy was aligned with Phase III of the EPWP along with its targets. An EPWP Policy with Phase IV targets has since been amended and approved by structures of the Municipality for effective execution of the programme.

4.7.2 City statistics

TABLE 14: **Msunduzi Municipality progress against EPWP indicators (2019/20)**

EPWP Indicators	Amount			
Number of projects implemented	36			
Gross number of WOs created	851			
Person-Years of work including training (FTE)	215			
Allocated project budget (including professional fees)	R543 623 181			
Expenditure on EPWP (including professional fees)	R10 550 203			
Expenditure % achieved	1.94%			
Wages paid out to employees on EPWP projects	R10 249 691			
Average manual workers minimum daily wage rate	R165.28			
IG allocations	R4 200 000			
IG expenditure	R2 739 000			
IG % achieved	65.21%			
Demographics of employment	Youth 55%	Women 34%	PWDs 0%	
Sector analysis:	Infrastructure	Environment & Culture	Social	Non-state
Projects implemented	32	3	1	0
WOs	700	134	17	0
FTEs	207	7	1	0

Integrated Grant Allocation

The IG was used mainly for stipends. In the next financial year, the city would like to use the IG for infrastructure projects such as sidewalk improvements.

4.7.3 Challenges and successes

Challenges

- Contracts for data capturers have not been renewed for the past 12 months, which destabilises the effectiveness of the programme.
- There is non-representation of PWDs.
- The EPWP is viewed as a 'just-by-the-way' programme, and often does not have adequate buy-in.
- Under-reporting.
- Poor institutional structure.
- EPWP participants are stigmatised as being disadvantaged and not good enough to fill other positions in the municipality.
- The EPWP is not included in all departments and business entities.

Successes

- The successful implementation of infrastructure projects through the EPWP has added value through the creation of sustainable assets, and the transference of relevant skills to participants.
- Public assets that have been developed through the EPWP during the financial year include basic sanitation VIP toilets; the construction of a community hall in Ward 17; the construction of a reservoir in Ward 39; the construction of sidewalks, bus shelters and the Woodhouse pedestrian walkway; and the replacement of defective sewerage systems.

COVID-19 related

- Reporting has been affected.
- COVID-19 has forced the city EPWP to adapt and become technologically compliant.
- Participants have not worked for many months, yet salaries have been paid.

4.7.4 Lessons learnt and continual improvement

- Political and departmental buy-in is required.
- Improvements to the M&E of the programme are required.
- The technical support provided has gradually improved the performance of the Municipality.
- The programme needs to be de-stigmatised.
- EPWP awareness must be created within all departments and administrative structures.
- The RG provides valuable support, and lessons learnt are shared between cities.
- Budget allocation and financial support is required.

4.7.5 Flagship project/s

City, Traffic Islands, and Cemeteries Clean-up Programme

Sector: Environment & Culture

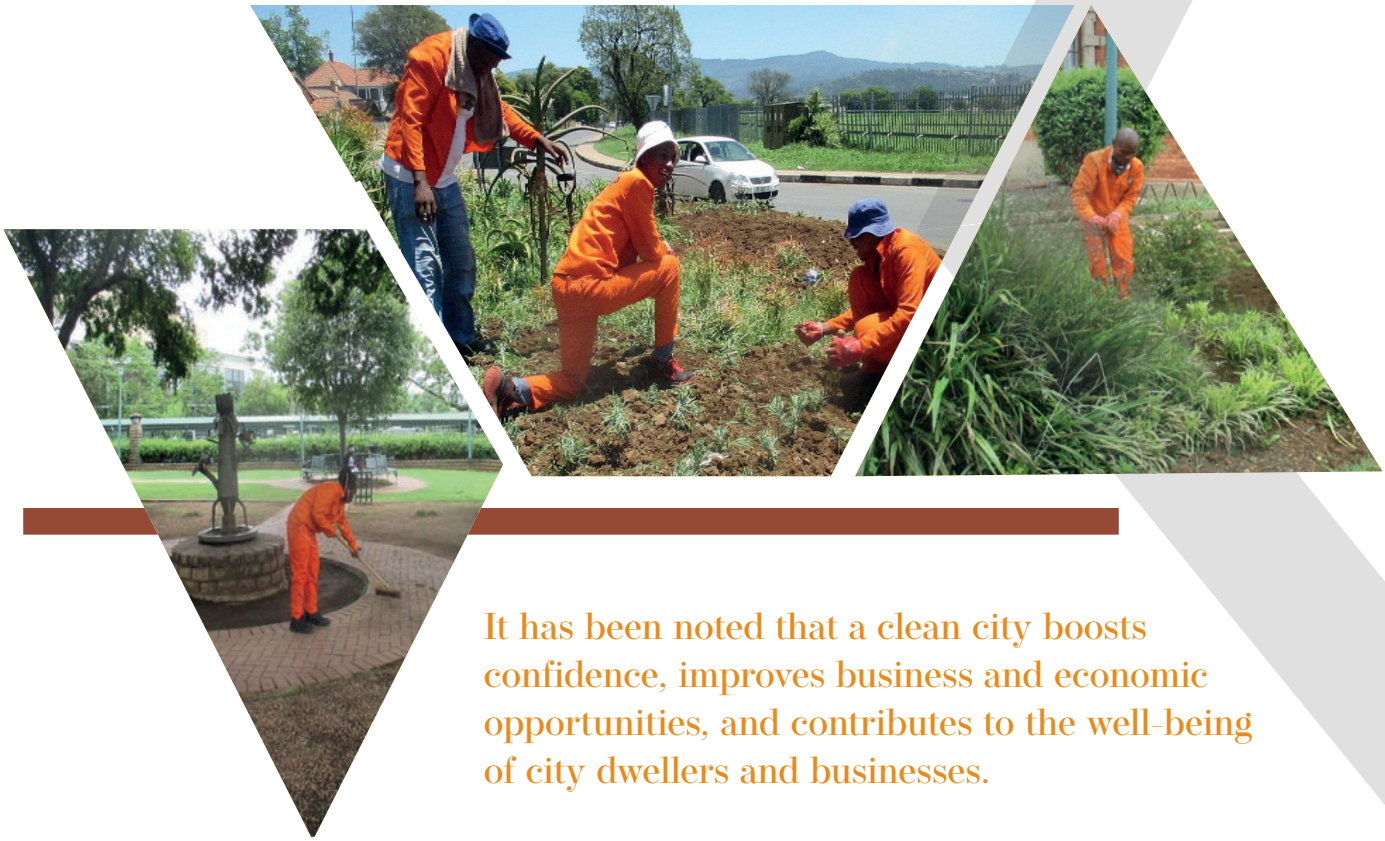
Approximate value: R4 million

Stipend value: R120 per person per day

WOs & FTEs: WOs 182

Project summary:

The project aims to keep the city clean, using EPWP participants to undertake physical interventions such as sweeping and litter picking. In addition, businesses are encouraged to assist by 'adopting' areas to look after in their precinct or vicinity, using their staff and resources for cleaning activities.



It has been noted that a clean city boosts confidence, improves business and economic opportunities, and contributes to the well-being of city dwellers and businesses.

Objectives:

- To keep the city clean and maintain standards.
- To complement city waste services. The city is struggling with keeping up with the need for increasing waste management services.

Recruitment strategy:

Participants were sought through structures, including via war rooms, within the ward councils. Households in need were identified via city human resources processes, i.e., via databases of the unemployed.

Implementation strategy:

Participants were required to attend an induction process, where they were informed of the objectives, the duration and the 'do's and don'ts' of the EPWP programme. Following this, participants were deployed to specific sections to implement projects.

Successes and challenges:

The city continues to make progress with this project. Difficulties were experienced in changing people's attitudes towards not littering. Participants often expected permanent employment at exit, which was not possible, and this created conflict and unrest. The project also experienced difficulties with participants dropping out, due to the stipend being low. Participants exiting the project often did not exit with adequate skills, due to the lack of a training focus in the project.

Socio-economic impact:

Participants were recruited from disadvantaged, unemployed communities, to provide income opportunities to individuals and households. Improvements were made in the city, and it has been noted that a clean city boosts confidence, improves business and economic opportunities, and contributes to the well-being of city dwellers and businesses.

Environmental & sustainability impact:

Litter was removed in the city. Educational campaigns were conducted to encourage city dwellers and shop owners not to litter, and to differentiate between recyclable and non-recyclable waste.

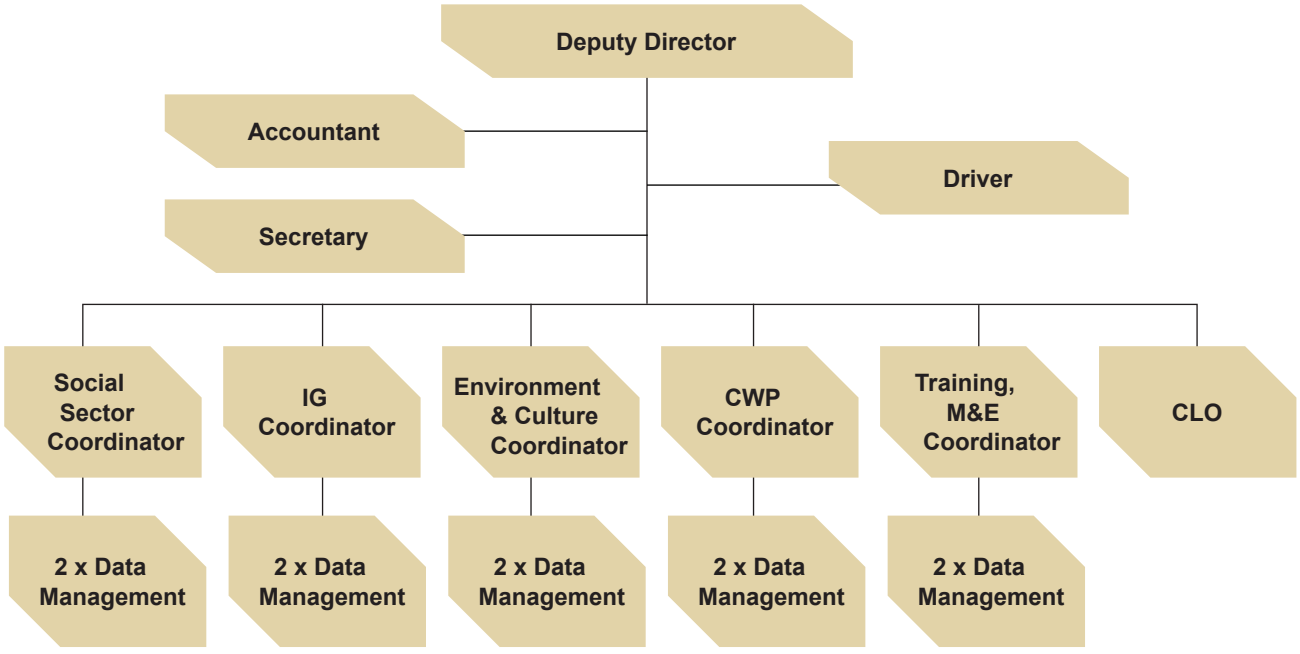
4.8 Nelson Mandela Bay Municipality

During the 2019-20 reporting period, Nelson Mandela Bay Municipality experienced several challenges, meaning that it was unable to provide the level of information and engagement the city would have liked in reflecting on the EPWP for the 2019-20 year. As a result, some of the sub-sections of the city analysis reflect less detail than the reporting for the other cities.

4.8.1 Institutional arrangements, policy, and implementation

Nelson Mandela Bay Municipality established an EPWP office in 2009/10, with its unit located in the city's Economic Development Department. The institutional arrangements for Nelson Mandela Bay Municipality remain unchanged from the previous financial year (Figure 40).

FIGURE 40: **Nelson Mandela Bay Municipality institutional arrangements**



Nelson Mandela Bay Municipality's Phase III EPWP policy was presented to Council for review in September 2017. The city adheres strictly to the EPWP policy.

4.8.2 City statistics

TABLE 15: **Nelson Mandela Bay Municipality progress against EPWP indicators (2019/20)**

EPWP Indicators	Amount			
Number of projects implemented	120			
Gross number of WOs created	5 709			
Person-Years of work including training (FTE)	738			
Allocated project budget (including professional fees)	R400 431 967			
Expenditure on EPWP (including professional fees)	R32 590 878			
Expenditure % achieved	8.14%			
Wages paid out to employees on EPWP projects	R30 140 425			
Average manual workers minimum daily wage rate	R202.63			
IG allocations	R8 950 000			
IG expenditure	R4 927 000			
IG % achieved	55.05%			
Demographics of employment	Youth 41.30%	Women 56.77%	PWDs 0.59%	
Sector analysis:	Infrastructure	Environment & Culture	Social	Non-state
Projects implemented	59	26	35	0
WOs	3 033	1 116	1 560	0
FTEs	345	259	134	0

4.8.3 Challenges and successes

Challenges

- The city has experienced staff loss and is working towards filling gaps.
- The city has a recovery plan to promote economic development, and encourages stakeholders to feature the EPWP prominently. However, budgets have not yet been approved.
- Nelson Mandela Bay's payroll system is integrated with its main institutional payroll system. This presents challenges, including delays in payments. Contracting has timelines, in terms of which people must be paid at set intervals.

COVID-19-related

- Projects were delayed and halted due to COVID-19.
- The city assisted with the Volkswagen field hospital.
- Caregivers were re-allocated to the Department of Health to assist with contact tracing.
- Spaza shops and informal traders were audited to ensure compliance with social distancing.

4.8.4 Lessons learnt and continual improvement

- The payroll system must be improved; and lessons can be learnt from other cities, particularly eThekwini Municipality.

4.8.5 Flagship project/s

Caregiving for the Elderly

Sector: Social

Approximate value: R3.7 million

Stipend value: Caregivers: R220 per person per day

Data collectors: R280 per person per day

Team leaders: R300 per person per day

Supervisors/Social workers: R450 per person per day

WOs & FTEs: WOs 67

Project summary:

The project was implemented in response to an identified need: (1) for home-based elderly care, particularly for those without family support, and (2) to provide support to child-headed families with absent parents. Caregivers were each allocated responsibility for several homes in their respective areas. They were provided with the necessary equipment, supplies and resources needed to execute their duties.

Objectives:

The objectives of the project were to provide daily/weekly basic medical and non-medical assistance to elderly and child-headed homes. Temporary employment was provided for members of the community in the ward where the programme was being implemented. Employability and self-employment prospects were enhanced. During COVID-19, the Provincial Department of Health was also assisted.

Recruitment strategy:

The standard EPWP Recruitment procedures were followed. In addition, due to the nature of the project, it was crucial that people with skills and previous experience as caregivers were afforded priority.

Implementation strategy:

The project was implemented over nine months, in several phases, which included: the identification and visiting of homes eligible to benefit from the programme; the recruitment, induction, and training of caregivers; the placement and commencement of caregivers; three cycles of monitoring and evaluation; two cycles of the continuation of the programme; and the preparation of a close-out report.

Successes and challenges:

The project aided sick, elderly and child-headed homes, particularly in instances where it was difficult for residents to attend health facilities. Working relations between stakeholders in the Nelson Mandela Bay Metro (Provincial Department of Health and Department of Social Development) were improved, especially during the COVID-19 peak waves.

Several challenges were experienced during the inception of the project. These included: a lack of resources, Personal Protective Equipment (PPE); a lack of trust from the community members; challenges with cooperation between the local

health clinics and caregivers; a lack of cooperation between councillors and project managers; safety issues for caregivers visiting clients in dangerous areas; and the high risk for caregivers in hot spots of contracting and potentially dying from COVID-19.

Socio-economic impact:

The project focused on providing a much-needed community service, while at the same time creating employment and training for caregivers and supporting their families.

Environmental & sustainability impact:

The project was a socially-based project.

The project aided sick, elderly and child-headed homes, particularly in instances where it was difficult for residents to attend health facilities.

4.9 City of Tshwane

4.9.1 Institutional arrangements, policy and implementation

The EPWP's higher-level institutional arrangements are shown in Figure 41, with the Executive Mayor being the political champion and City Manager being the administrative champion. The EPWP division is housed in the Community and Social Development Services Department, where it reports to the Head of the Department through its Divisional Head. The Head of Department reports directly to the Chief Operations Officer, who reports to the City Manager.

FIGURE 41: **City of Tshwane higher-level institutional arrangements**

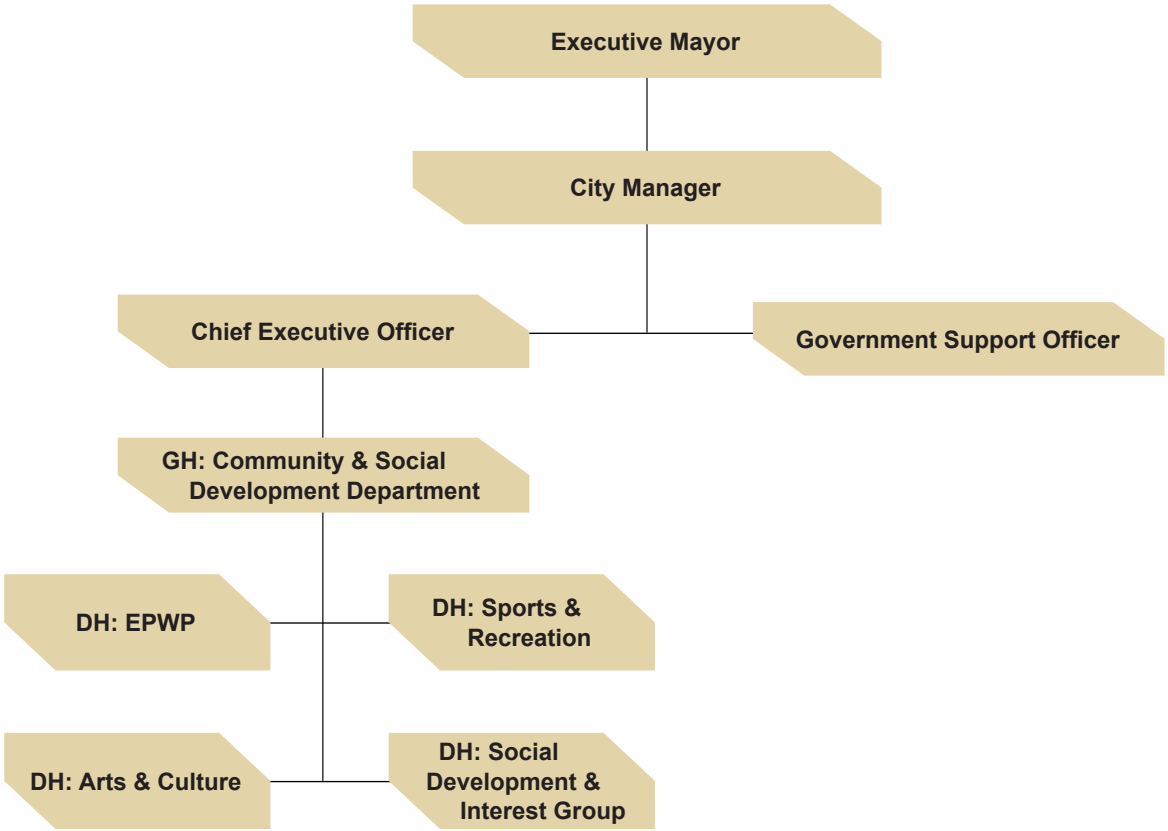
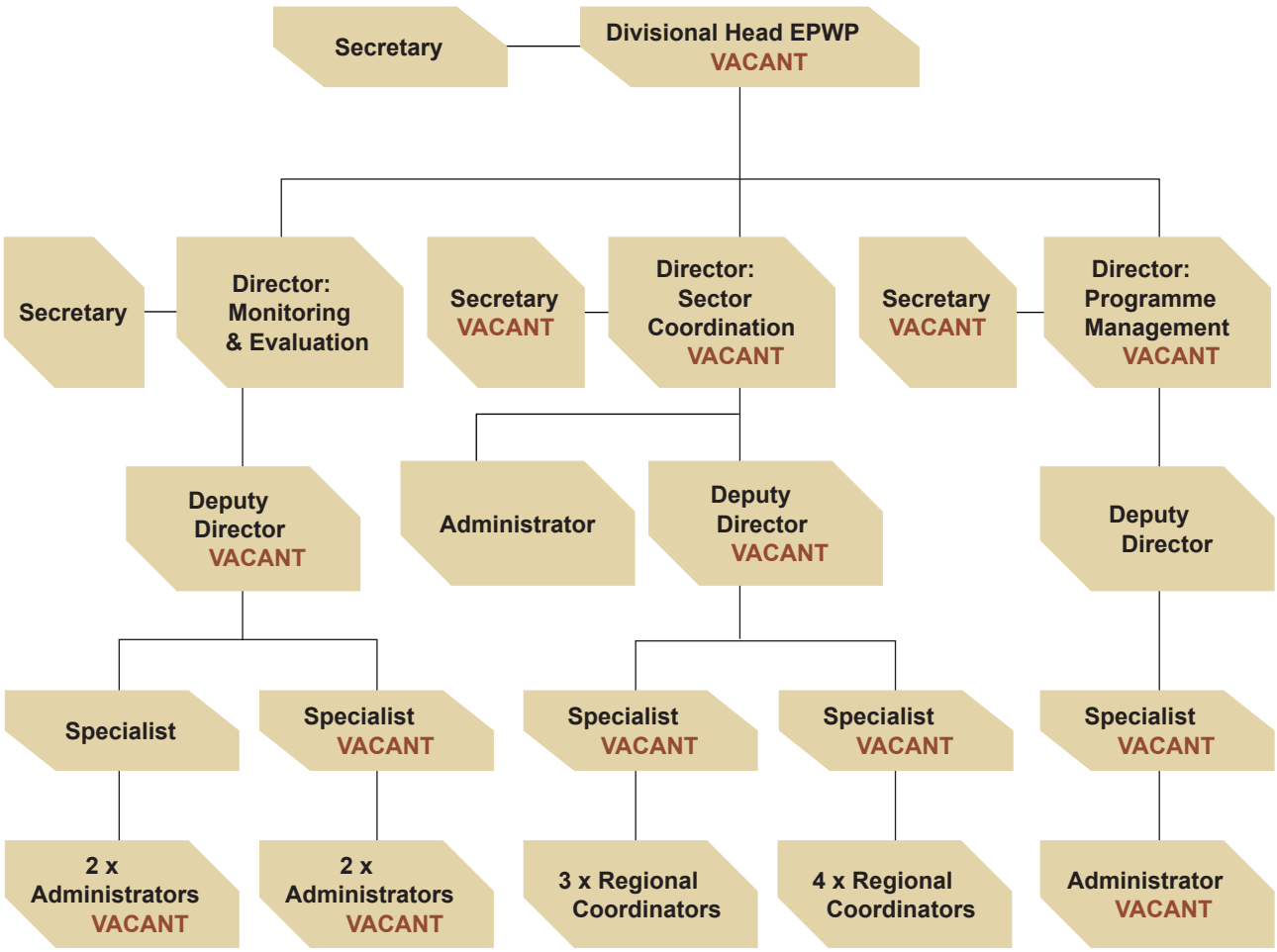


Figure 42 shows the operational structure for the EPWP division. The EPWP Steering Committee was established to facilitate EPWP coordination in the city. The committee comprises representatives (called 'EPWP champions') from departments and regions. The champions report their EPWP performance to the division monthly, through EPWP specialists. Specialists are assigned to different departments according to department mandates and relevant EPWP sectors.

As the city has been placed under administration, policies are unapproved. Currently the city does not have an Executive Mayor. Staff report to an Administrator, and one of the Administrators is the Acting City Manager.

FIGURE 42: City of Tshwane divisional institutional arrangements



As noted by the city, its institutional structure has helped the city to work with critical and influential departments. City targets are divided between all departments. Project targets are therefore perceived as city targets, rather than only EPWP targets. The EPWP may relocate to the Mayor's office or City Manager's office in the future, to encourage improved and accurate reporting.

The greatest difficulty being faced in the institutional structure is that the city has been placed under administration.

The EPWP Phase IV policy has been reviewed and is in the process of being approved. Among other functions, the policy provides background to the EPWP; the national and provincial perspective on the EPWP; internal coordination details for the city; an overview of the EPWP sectors; job creation targets; reporting processes; and details on the daily wage rate.

The EPWP may relocate to the Mayor's office or City Manager's office in the future, to encourage improved and accurate reporting.

4.9.2 City statistics 2019/20

TABLE 16: **City of Tshwane progress against EPWP indicators (2019/20)**

EPWP Indicators	Amount			
Number of projects implemented	13			
Gross number of WOs created	4 511			
Person-Years of work including training (FTE)	2 135			
Allocated project budget (including professional fees)	R535 302 726			
Expenditure on EPWP (including professional fees)	R137 039 421			
Expenditure % achieved	25.60%			
Wages paid out to employees on EPWP projects	R51 615 814			
Average manual workers minimum daily wage rate	R201.92			
IG allocations	R23 016 000			
IG expenditure	R23`016`000			
IG % achieved	100%			
Demographics of employment	Youth 50,83%	Women 71,38%	PWDs 0,20%	
Sector analysis:	Infrastructure	Environment & Culture	Social	Non-state
Projects implemented	10	2	1	0
WOs	495	3 559	457	0
FTE	145	1 600	390	0

Integrated Grant Allocation

The IG was used for the Gata lenna mayoral project, for wages only. The project is aimed at city cleaning and beautification across seven regions.

4.9.3 Challenges and successes

Challenges

- Data capturing is an ongoing issue.
- The inability of the EPWP RS V2 to do bulk uploading of supporting documents.
- Reporting and submission of source documents is not occurring efficiently.
- Community Forums often result in stoppage of projects.

- The city's capex spending is low, which affected the creation of WOs in the infrastructure sector.
- Recruitment of participants occurs using the random selection method. This is a good system, but has advantages and disadvantages. The system is a fair and transparent way of selecting participants; however, poor, marginalised people may often be overlooked.
- Targets are too high, and therefore difficult to meet.

Successes

- The second phase of the database recruitment system was launched.
- Ongoing registration of job seekers on the database was achieved.

COVID-19 related

- Lack of resources for staff to work from home made data capturing difficult.
- Budgets were cut or redirected.
- COVID-19 exposed the fact that most job seekers in the city database are from other provinces.
- EPWP participants viewed themselves as non-essential workers regardless of where they were based, even if they were based in clinics.

4.9.4 Lessons learnt and continual improvement

- The recruitment database is continuously being improved to respond to the needs of the departments.
- The programme should be relocated to a more senior and influential office (Mayor or City Manager's office), so as obtain political buy-in and support.
- Technical assistance is required to improve the city's performance.
- Research is required on how to improve training projects, and how to facilitate more participants achieving matric certificates.

4.9.5 Flagship project/s

Gata lenna Programme 2019/20

Sector: Environment & Culture

Approximate value: R76 million

Stipend value: R100 per day. Participants are employed for a duration of 12 months.

WOs & FTEs: WOs 3 549, and FTEs 1 596

Project summary:

The scope of work of the programme included:

- Litter picking, clearing of dumping sites, and the maintenance of open spaces;
- Cleaning and maintenance of city facilities; and
- Maintenance of cemeteries

Objectives:

- To alleviate poverty and reduce unemployment in disadvantaged, vulnerable communities
- To ensure cleanliness and the beautification of the city

Recruitment strategy:

The recruitment guidelines followed included the use of a database of job seekers. Participants were selected at random from this database. This selection was further informed by requests from departments for the number of people required.

Job opportunities created were reported to the EPWP department monthly. Participant termination, when required, was executed by the department that requested the participant.

Implementation strategy:

The project was initiated by the Mayor. The project benefited all city departments, as it rewarded them for participating in the EPWP.

Successes and challenges:

The project was successful, as most departments depended on the project for different activities. The project encouraged departmental integration. The success of the project was driven by public pressure, as the project outcomes were highly visible in the city.

A challenge for the project was that participants become dependent on the project and do not exit successfully. The project did not have a strong training focus for participants, but was more focused on job creation.

Socio-economic impact:

- The dignity, status and reputation of participants are improved.
- Participants are recruited locally; so their earnings are spent locally, within local communities, thus uplifting local economies.

Environmental & sustainability impact:

- Waste was removed from the environment.
- The project linked with the City's Environmental Department.

The success of the project was driven by public pressure, as the project outcomes were highly visible in the city.

5 **Integrated Analysis,** Future Trends and Directions

5.1 Comparative analysis of member cities

As the EPWP approaches its 20th year since first implementation in 2003, many cities have shown that a level of maturity has been achieved in the planning, implementation and management of EPWP projects. In certain cases, the programme has been integrated deep into municipal structures, has received widespread buy-in and support, and has been successful in providing much-needed skills, income support, employment opportunities, and the development of public assets and community services. There is a common understanding by the cities that the EPWP has been successful in creating employment opportunities. This is indicated by that fact that across all city interviews, 'finding employment' was considered the highest-rated positive impact achieved. Development of public assets and community services was also considered a significant positive impact, while it was agreed that a lot more work needs to be done towards increasing training of participants and creating better exit strategies for participants. Although continuous improvements are required to ensure that the EPWP in the cities continues to provide much-needed opportunities, numerous successes have been achieved through the large number of EPWP projects implemented.

The number of projects implemented across the Cities has increased significantly between the 2015/2016 and 2019/2020 periods, from 688 projects in 2015/2016 to 1 514 in 2019/2020. Most cities more than doubled the number of projects implemented over this period, with Work Opportunities also increasing from 16 600 in 2015/2016 to 25 000 in 2019/2020. On the other hand, expenditure only increased by 15%, indicating that a level of maturity is being achieved within the broader EPWP programme across the cities. As demonstrated in the next section, cities face varying challenges and successes, which has caused some cities to rapidly improve the effectiveness of their EPWP programmes, while others have remained stagnant. This has been exacerbated and become more evident recently, considering the difficult conditions COVID-19 has presented. Before attempting to unpack the challenges and successes that are both common and unique to the cities, it is necessary to undertake a comparative analysis of the performance and focus areas of cities in the 2019/20 year.

Figures 43 & 44 show comparison radar charts of City focus areas and performance in relation to five key criteria: number of projects implemented, employment created, training undertaken, expenditure on EPWP, and total wages paid out. Cities are separated into two radar chart groupings according to their relative similarities and differences, for ease of comparison. Figures 43 & 44 are based on calculations, where a city's percentage contribution (Table 17) for each of the five criteria was calculated by dividing city totals by the total for all cities for each criterion, and expressing this as a percentage. It should be noted that the degree of performance shown correlates directly with the budgets allocated to cities. Some of the larger cities may be perceived as 'high-performing'; however, this may be due to them being allocated higher budgets compared to the smaller cities. Budget allocations for EPWP projects are based on city and population size, among other requirements. Figures 43 & 44 have value in that they provide an indication of which areas Cities focus more on, which demonstrates EPWP programme maturity and shows areas for improvement.

Some of the larger cities may be perceived as 'high-performing'; however, this may be due to them being allocated higher budgets compared to the smaller cities.

TABLE 17: **City focus areas and performance percentages**

	Projects Implemented (%)	Employment Created (%)	Training Undertaken (%)	Expenditure on EPWP (%)	Total Wages Paid Out (%)
Buffalo City	2.71	3.19	3.28	2.56	3.42
Ekurhuleni	13.47	8.11	10.25	22.60	10.36
eThekweni	9.58	20.49	39.59	31.27	37.59
City of Johannesburg	17.90	14.33	4.58	4.22	5.54
Mangaung	0.86	0.36	0.27	0.24	0.33
Nelson Mandela Bay	7.93	6.74	2.95	2.61	3.32
Msunduzi	2.38	1.00	0.86	0.84	1.13
Tshwane	0.86	5.32	8.54	10.96	5.69
City of Cape Town	44.32	40.44	29.66	24.70	32.62

FIGURE 43: **Comparative analysis of focus areas and performance for the City of Cape Town, eThekwini Municipality, City of Ekurhuleni and the City of Johannesburg**

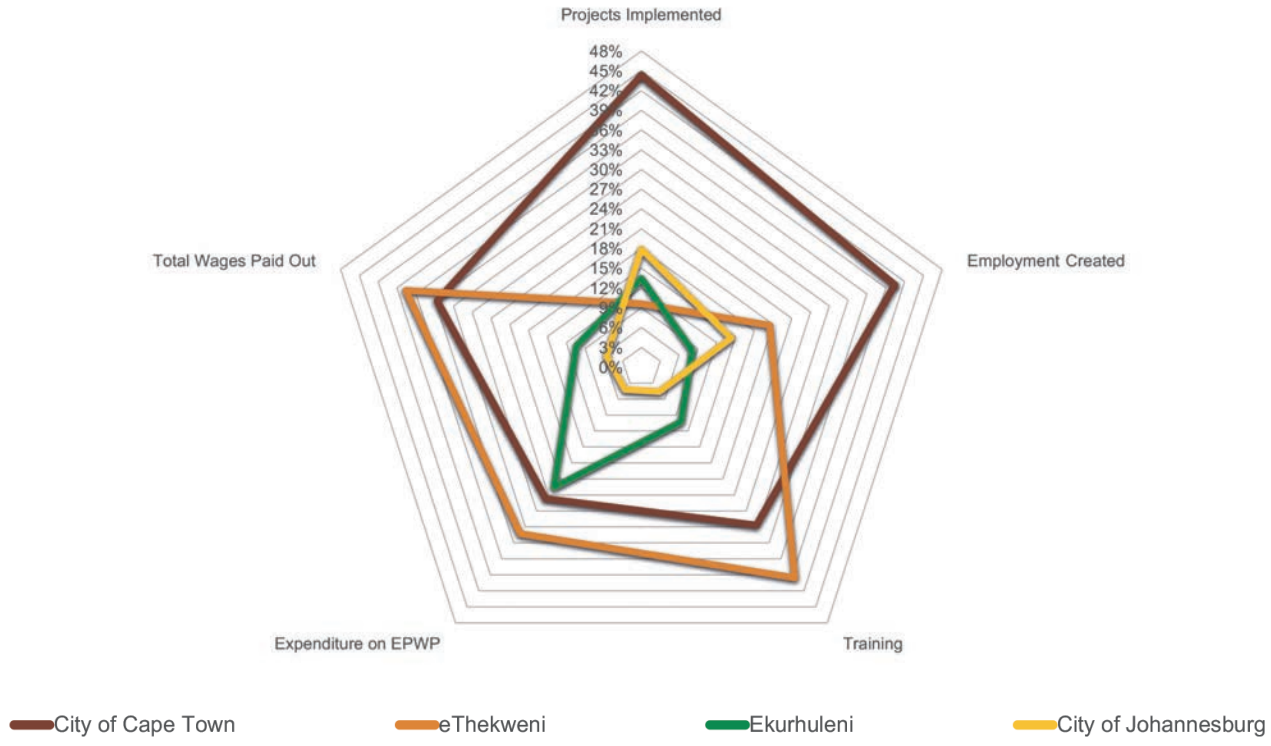


Figure 43 indicates that the City of Cape Town has generally been the best-performing city, with about a quarter of total expenditure on EPWP resulting in 44% of all projects implemented and 40% of employment opportunities created, with just less than a third of both total training and total wages paid out. The City of Cape Town has a strong focus on implementing projects, creating employment and training, showing high levels of programme maturity. eThekwini Municipality and the City of Ekurhuleni contributed 31% and 23% respectively to total EPWP expenditure. eThekwini Municipality contributed 38% to total wages paid out and 40% to total training, while only implementing approximately 10% of total EPWP projects and contributing 20% to total employment opportunities. It has a strong focus on training, with wages and expenditure increasing as a result due to the high costs associated with implementing training programmes. The City of Ekurhuleni's expenditure resulted in a more equal distribution, with 13% of total projects implemented and 10% to both total wages paid out and to training. The City of Johannesburg, although only contributing 4% to total EPWP expenditure, managed to implement 18% of total EPWP projects, and contributed 14% to total employment opportunities. The City of Johannesburg has a strong focus on projects and job creation.

FIGURE 44: **Comparative analysis and focus areas for the City of Tshwane, Nelson Mandela Bay Municipality, Buffalo City Metropolitan Municipality, Msunduzi Municipality and Mangaung Metropolitan Municipality**

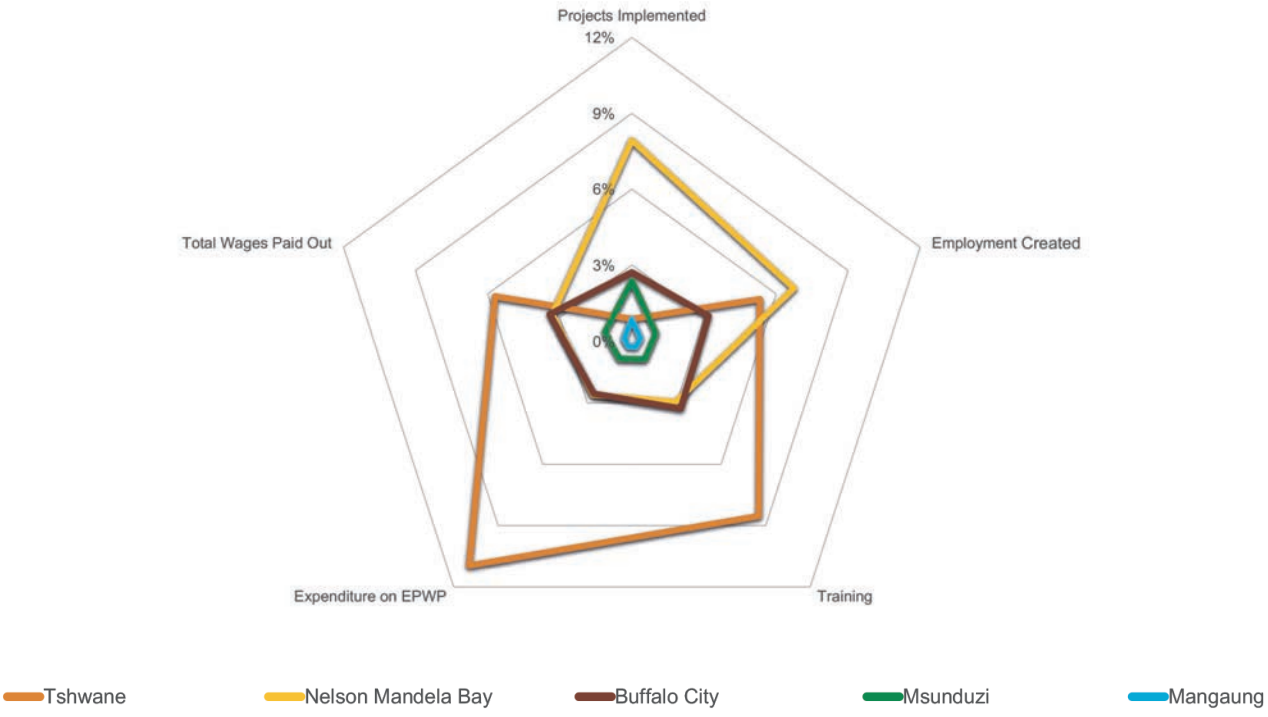


Figure 44 indicates that the City of Tshwane, Nelson Mandela Bay Municipality, Mangaung Metropolitan Municipality, Msunduzi Municipality and Buffalo City Metropolitan Municipality implemented the lowest number of projects compared to the other four cities. This could be due to lower budget allocations and the fact that these cities have generally experienced institutional and political leadership challenges, with some being placed under administration. The City of Tshwane contributed just over 10% towards total EPWP expenditure, which resulted in fewer than 1% of the total number of projects being implemented, an 8% contribution towards training and just over 5% to both employment created and total wages paid out. The City of Tshwane showed a strong focus on training, with associated higher costs. Nelson Mandela Bay Municipality, although only contributing less than 3% of total expenditure, implemented approximately 8% of the total projects and fewer than 7% of total employment opportunities. The city focused strongly on delivering projects and jobs. Buffalo City Metropolitan Municipality contributed to less than 3% of total expenditure, resulting in less than 4% of total wages paid out and over 3% of the training and employment created. Msunduzi spent less than 1% of the total expenditure, which resulted in approximately 3% of total projects implemented and 1% of total employment opportunities, while Mangaung had the lowest contribution in all focus areas.

5.2 Successes and challenges

The previous section has highlighted that performance between cities is relatively varied, with some having achieved a much greater level of maturity than others. There are numerous factors that have an influence over whether or not a city is able to leverage the opportunities presented by the EPWP to create sustained employment opportunities, create income, develop and transfer skills, and build public assets and community services. This section assesses the common successes and challenges among cities in implementing the EPWP, relative to their actual performance as presented above.

As discussed above, most cities have progressed towards establishing or enhancing their institutional structures to support the implementation and management of their EPWP programmes and their projects. However, cities have also highlighted various institutional challenges that have hindered their performance. Table 18 provides a summary of key elements of the institutional arrangements across the Cities.

Within Mangaung, for example, the EPWP Policy has not been implemented, particularly relating to the implementation of a dedicated EPWP institutional structure. Along with the fact that the city is currently under administration, this has resulted in a significant lack of capacity to implement EPWP projects, and even under-spending of EPWP allocations. On the other hand, the City of Cape Town, a relatively better-performing City in 2019/20, has institutionalised their EPWP to such an extent that they have an EPWP Office that resembles the national EPWP structure, with an executive management team, an executive director, and an EPWP Working Group and Coordinators Forum. Further, the City of Cape Town has reported

that it has few vacant positions, that the EPWP has been included in all City documents and scorecards, that the EPWP managers are held accountable, and that regular, chaired forum meetings are held. Notwithstanding these successes in EPWP implementation, institutional challenges still remain. For example, all executive directors in the various departments must be co-signatories to the overall training policy/framework.

TABLE 18: Summary of city institutional arrangements

Municipality	Administrative / City Champion	Political Champion / buy-in	Steering Committee / Working Group	EPWP targets in City Scorecards	EPWP in City Policies	Vacancies	Under Administration
Buffalo City	x	x	x		x	x	
City of Cape Town	x	x	x				
Ekurhuleni	x	x	x	x		x	
eThekwini	x	x	x		x	x	
Johannesburg	x	x	x	x	x		
Mangaung	x	x		x	x	x	x
Msunduzi	x	x			x		x
Nelson Mandela Bay	x				x	x	
Tshwane	x	x	x	x		x	x

Some other general instructional challenges faced include that within the eThekwini Municipality, although performance of the programme can be considered good, there are no EPWP representatives in line departments; although the city did report that one success has been the induction of senior managers to the EPWP (i.e. reporting) and that regular operational and progress meetings are held with EPWP admin staff. The City of Ekurhuleni reported that the coordination of projects implemented in the city by national and provincial departments is an ongoing issue. Ensuring accountability is a further issue, given that the EPWP Steering Committee makes decisions but the EPWP department is responsible for their implementation. The Msunduzi Municipality's EPWP institutional structure was noted as being poor; and as is the case at eThekwini Municipality, Msunduzi's EPWP is not included or represented in all departments or business entities. Further, Msunduzi Municipality noted that the EPWP is viewed as a 'just-by-the-way' programme, with limited buy-in.

As has been highlighted, vacant EPWP positions pose a challenge for most of the cities. Even eThekwini Municipality and the City of Ekurhuleni, two of the relatively better-performing cities, have stated that vacancies are currently a challenge. However, this situation is more concerning for Buffalo City Municipality, Mangaung Metropolitan Municipality and Nelson Mandela Bay Municipality, which have all struggled relative to other cities, and cite vacant positions or lack of capacity as a significant challenge.

As indicated above, institutionalising the programme has many benefits. However, the evidence shows that in addition to ensuring that the optimal institutional structure is in place, political buy-in is equally important. Interestingly, three of the top-performing EPWP cities in 2019/20 (City of Cape Town, eThekwini Municipality and City of Johannesburg) all reported that they had succeeded in ensuring political buy-in for the EPWP. This is considered essential not only in terms of the EPWP, but for the success of most programmes and projects. Political buy-in for the programme ensures that less resistance is felt from city leadership, senior managers and other departmental representatives, but also reduces the potential for interference or manipulation of the programme. The Buffalo City Metropolitan Municipality in particular experienced challenges, noting that their EPWP had been subjected to interference from councillors, while labour unions often tried to manipulate the EPWP recruitment process. Additionally, Tshwane has faced project stoppages due to interference from community forums. This highlights the need for broader political and community buy-in to EPWP projects.

Another area in which certain cities have progressed and others have remain stifled relates to the M&E and reporting of the EPWP. The City of Johannesburg, one of the top-performing Cities, has made significant strides in relation to M&E and reporting. They have indicated that EPWP targets have been incorporated into Head of Department scorecards, business plans, and into their Integrated Development Plan (IDP). Additionally, there is an internal EPWP M&E Standard Operating Procedure, while departments and entities are required to provide monthly feedback reports on compliance. The City of Tshwane has also noted that city targets are divided between all departments, and that EPWP projects and targets are therefore perceived as the city's targets rather than separate EPWP targets. Regardless of these successes, significant challenges remain. The City of Cape Town noted that EPWP targets are difficult to attain, and that under-reporting is a problem. The city also highlighted that they often experience difficulties with the national reporting system. The City of Tshwane noted that targets are too high and difficult to attain, that submission of reports and source documents does not occur efficiently, and that they have experienced challenges with the national reporting system, noting that it does not have the ability to bulk-upload supporting documents. Other cities, such as the City of Ekurhuleni and Mangaung Metropolitan Municipality, also highlighted the ongoing challenge of under-reporting, with Ekurhuleni noting that in its case, the cause is that information is often not passed on from project managers to the Steering Committee. eThekwini Municipality faced a similar challenge, indicating that line departments are reluctant to submit data for EPWP capture.

Another challenge relates to the perception that the EPWP is a short-term programme for creating temporary, unskilled employment opportunities. Because of this, having a clearly-defined exit strategy that allows for permanent opportunities to be created through the EPWP pipeline is an important consideration for cities. eThekwini Municipality noted that defining exit strategies and ensuring demand for permanent employment on exit from the programme has proved challenging. Despite this, however, it has managed to create approximately 200 permanent employment opportunities in various City units for persons that who have exited the EPWP programme, while efforts are under way to further absorb participants via the eThekwini Municipal Academy's Artisan Training Programme. In the City of Cape Town's Skills Development Programme, projects are designed to be 18 to 36 months long to allow for upskilling and to facilitate exit. In the case of the Hout Bay Dune Rehabilitation project, participants leave the programme with an NQF Level 1 Ornamental Horticulture Learnership certification, and even qualify to provide contracted services for the maintenance of the dune systems, if opportunities arise in the future. But there are challenges in relation to providing training and preparing participants for exit; EPWP planning and budgeting is done annually, and such programmes do require a longer timeframe and could benefit from longer-term, continuous funding.

Another challenge relates to the perception that the EPWP is a short-term programme for creating temporary, unskilled employment opportunities.

In relation to recruitment the cities also face challenges, with incorrect perceptions around what people consider the EPWP to be. Buffalo City Metropolitan Municipality reported that unemployed people often perceive the EPWP to be "an employment bureau or recruitment centre". The City of Tshwane, although reporting that their, 'random selection' recruitment method is a fair and transparent approach to selecting participants, noted that marginalised people are often overlooked. Msunduzi Municipality also stated that challenges remain in terms of ensuring broader participation. They noted the lack of inclusion of people with disabilities in their programme, and that participants often feel stigmatised, disadvantaged, and not good enough to fill other positions in the municipality. The City of Tshwane reported that they have launched the second phase of their database recruitment system, and that ongoing registration of job seekers is being achieved.

Another area in which the cities commonly experience successes and challenges is in relation to the integration of the EPWP into Supply Chain Management (SCM) and payroll systems. Regarding SCM processes, although eThekwini Municipality noted that tender alignment has not progressed in eThekwini, the City of Ekurhuleni reports that they are working towards the inclusion of EPWP clauses in tender documentation, while the City of Johannesburg has already incorporated such requirements. Nelson Mandela Bay Municipality has achieved integration of the EPWP payroll system into their main payroll system, which has created challenges if payments are delayed, for example when contractors have set timelines and require regular payments. eThekwini Municipality noted that their payroll system is currently being formalised and will allow for stricter controls and management, but that it has not yet experienced challenges in relation to this issue as Nelson Mandela Bay Municipality has.

The cities commonly experience successes and challenges in relation to the integration of the EPWP into Supply Chain Management (SCM) and payroll systems.

Before moving onto the shared learnings of the cities, and how each city's EPWP can become more resilient and adaptable to future challenges, it is important to briefly note the impact that COVID-19 has had on the EPWP in the cities. Although this annual report only covers the reporting period from 1 April 2019 to 31 March 2020, and so ends at the beginning of the COVID-19 Level 5 national lockdown, the cities have shared numerous lessons that should be taken into account. The most significant negative impact identified by the cities is that the lockdown halted operations, and reduced the number of participants in projects due to social distancing, etc. Additionally, budgets were redirected towards emergency response programmes, thereby placing even further pressure on already constrained budgets. Within the 2020/21 Annual Report, the full impact of COVID-19 on the EPWP in the cities will be explored in the 2020/21 Annual Report, and emerging adaptive strategies will be discussed.

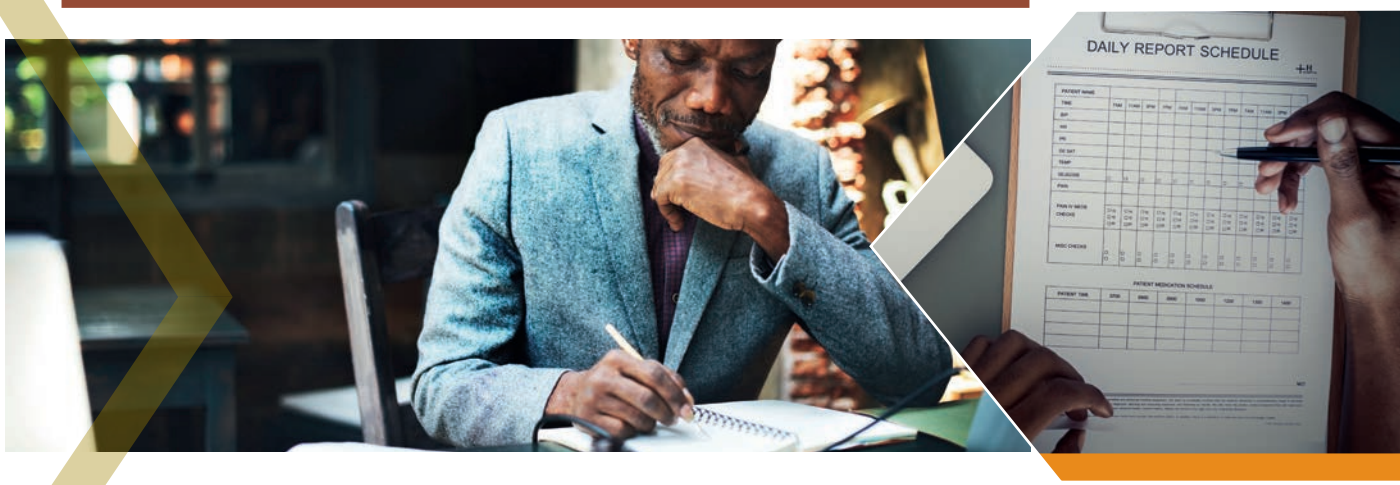
5.3 Shared knowledge towards resilience and adaptability

Most of the cities concur that the Reference Group provides a valuable platform for collaboration, learning and support. However, they also generally agree that to continually improve implementation and management of the EPWP, more needs to be done to share the successes and challenges of the various EPWP programmes and projects being implemented. This section provides a synopsis of the key knowledge that has been shared by the cities in the development of this report, towards ensuring that they become more resilient and adaptable to future changes. In addition to general learnings, the current COVID-19 pandemic has changed the way the world operates, and everyone has had to adapt and become more resilient in the face of strict new regulations; some lessons learned during the early stages of the national lockdown have been provided by the cities.

Perhaps the most significant learning that has been shared centres around institutional structuring, and is one that was voiced in the discussions of relative success versus constraints. It is evident that the more successful cities have not only managed to institutionalise the EPWP into their existing municipal structures, processes and systems, but have also managed to gain widespread buy-in. It's been shown that a formalised structure which allows for a dedicated EPWP champion with strong support from departmental heads and senior managers, and a direct line of reporting to administrative or political leadership, allows the status of the EPWP to be elevated. This is particularly evident in the Cities of Cape Town and Johannesburg. Further, strong buy-in from political leadership and across all units and administrative structures has proven important in all three of the better-performing cities, namely eThekwini Municipality, the City of Cape Town and the City of Johannesburg. The latter two cities have further managed to embed the EPWP into their city documents and scorecards. This allows for much greater levels of support and accountability, which assists in meeting targets and encouraging more accurate reporting.

Perhaps the most significant learning that has been shared centres around institutional structuring.

Reporting has been highlighted as a challenge for most cities, in one way or another. Accurate reporting of targets and achievements in the EPWP is critical for the longevity of the programmes. To improve and become more resilient, it is imperative that Cities are able to have an accurate understanding of whether targets have or have not been met. Under-reporting due to non-functioning systems or processes – where, for example, departmental managers do not report targets to an EPWP steering committee – will continue to stifle the effectiveness of the programme. Learnings from the City of Johannesburg and the City of Tshwane show that targets that are integrated into the scorecards of senior managers and divided between departments allow for the EPWP programme to become part of the broader City targets and aspirations, rather than continuing to be seen as a 'just by the way' programme, as noted by Msunduzi Municipality. For this reason, cities are encouraged to strengthen systems and processes for the internal reporting of the EPWP, and for the integration of the EPWP and its targets into City plans and scorecards. The development of Standard Operating Procedures (SOPs) for EPWP M&E and monthly feedback reports on compliance, as has been done in the City of Johannesburg, could assist to achieve this. In addition, this city has suggested that reporting should not be left to the discretion of the cities; they should be forced to report in order to obtain EPWP funding. This will enforce more accountability at departmental level. External reporting through the national reporting system has also been highlighted as a constraint; suggestions to ensure more resilience in future include improving external M&E for EPWP projects, and investigating the viability of a decentralised national reporting system.



The allocation of EPWP budgets and timeframes for the EPWP have both been raised as potential hindrances to the overall longer-term sustainability of the programme. The City of Cape Town noted that they often find it difficult to implement projects on an annual basis, and that a longer implementation period should be considered for specific projects. In a similar vein, it was raised that the 12-month IG allocation period is also too short. It was therefore suggested that in certain instances, extended time periods for projects and aligned/continuous funding in relation to these projects could lead to improved planning and greater commitment from stakeholders. From an internal budget perspective, the City of Johannesburg pointed out that dedicated EPWP budgets are important; departmental budgets are often mixed, and there is a need for a more intentional allocation of budgets to EPWP projects. Further, cities such as Msunduzi Municipality and Mangaung Metropolitan Municipality – both of which are currently under administration – have indicated that additional budget allocations and financial support would assist them to improve in the future.

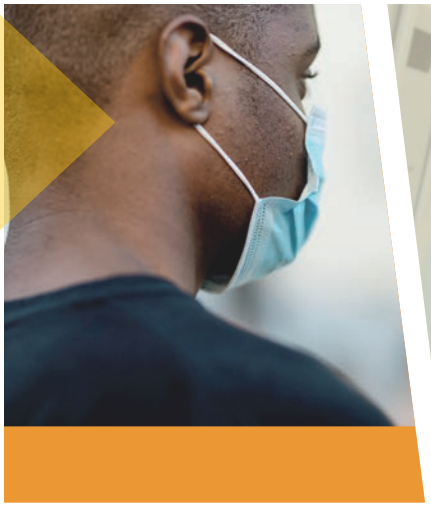
In addition to budget and timeframe considerations, support for cities from National Government has been identified as another mechanism that assists cities to become more resilient. However, the level to which this support is provided varies. eThekwini Municipality has suggested that national technical support be reinstated; the City of Tshwane too has stated that more technical support would assist its performance. Some of the cities agreed that more support during project inception would assist them to improve; it would allow for more comprehensive planning to be undertaken. Mangaung Metropolitan Municipality suggested that the EPWP department should manage the programme, to allow for better alignment, coordination, and consistency. Regardless of the varying views among the cities, it is evident that additional technical support would certainly assist to drive more successful projects.

A more strategic approach towards the development of the EPWP programmes and projects is another area where cities could learn from one another. For example, the City of Johannesburg's flagship artisan project has proved successful in partnering with and leveraging funding from the private sector, while simultaneously providing significant training to participants. It provides a path towards both employment (within the Municipality as well as via private sector partners) and the establishment of entrepreneurial businesses after participants exit the programme. This displays the great potential that the EPWP has, and indicates that projects must be designed and developed with such considerations in mind. Project managers must consider designing projects to include the EPWP from the outset, rather than trying to slot the EPWP into existing projects. Projects should also consider how they can be developed to be more labour-intensive and absorptive; how they can be made sustainable over longer timeframes, to ensure more meaningful training is provided; and how they can provide opportunities for people with disabilities. Additionally, the cities need to make sure that ward councillors and other critical stakeholders are consulted, as a key element of EPWP project implementation. Further, communication with both internal and external stakeholders is an approach that ensures broader buy-in for the EPWP and can assist in reducing the stigma attached to the programme in certain cities. The City of Cape Town has been successful in actively marketing their projects – in magazines, on websites and on social media – which assists to create broad awareness and buy-in.

Projects should also consider how they can be developed to be more labour-intensive and absorptive; how they can be made sustainable over longer timeframes...

The need to focus more specifically on an exit strategy for EPWP participants was raised numerous times. This is currently a challenge, and a dedicated approach is required to address it, from both a public- and a private-sector point of view. It is a shared value among cities that participants should be afforded employment opportunities on their exit from the programme. eThekwini Municipality has had relative success in absorbing approximately 200 participants into various city units, while (as mentioned above) through their flagship projects the City of Johannesburg has managed to create opportunities both for employment and for the establishment of small enterprises. However, in other cities there is still the perception that the EPWP is a short-term temporary-employment opportunity. Hence there is a desperate need for shared learning and knowledge around how to truly elevate participant skills during projects, coupled with the creation of positions within the cities and partnerships with the private sector to absorb participants once projects are completed. It was suggested by eThekwini Municipality that a technical task team could be established to manage such an exit strategy.

The COVID-19 pandemic has put immense pressure on our cities, highlighting the need for increased resilience for programmes and projects across all sectors, from social, cultural and environmental to infrastructural. Although the full impact of the reallocation of resources due to the COVID-19 response programmes and new regulations is yet to be truly felt, the cities have had to adapt to ensure the continuity of their projects and programmes. Of relevance to this 2019/20 annual report is the fact that in March 2020, a hard lockdown essentially put a stop to most EPWP projects. In certain cases, cities attempted to shift the focus of participant tasks – for example to delivering food parcels, working in clinics, etc. However, this was met with some resistance, and with new challenges, such as project leaders realising that certain participants were not from their project or city area. Additionally, social distancing and government regulations meant that the number of participants had to be limited. However, some cities did add that in response to the pandemic they have had to become more resilient, and adapt to new technologies and approaches; also, the health, safety and hygiene of participants has improved.



A hard lockdown essentially put a stop to most EPWP projects. In certain cases, cities attempted to shift the focus of participant tasks — for example to delivering food parcels, working in clinics, etc.

6 Conclusion

This 2019/20 annual report has highlighted the numerous successes and challenges that cities have faced in the implementation of their various EPWP projects. Many have made substantial progress; however, a number of challenges to EPWP implementation remain. In light of the COVID-19 pandemic, cities will not only have to work towards overcoming such challenges, but will also need to ensure that EPWP projects are improved, in order to create more opportunities as unemployment continues to rise.

The report emphasises the importance of the EPWP as a mechanism for income generation, for individuals and communities; and for creating employment opportunities, which is particularly significant in light of the mass unemployment and economic decline currently being experienced in South Africa. The EPWP provides skills development and training, and acts as a secure support base to enable participants to attain matric certificates and facilitate saving for tertiary studies (including diplomas and degrees) and for entrepreneurial business start-ups – thus ensuring participants exit the programme effectively. The EPWP achieves these objectives while also ensuring that valuable public services are provided. As such, the importance of ensuring that the EPWP is implemented effectively within all cities cannot be overstated.

The report emphasises the importance of the EPWP as a mechanism for income generation, for individuals and communities; and for creating employment opportunities.

It is expected that cities will continue to face similar challenges and more, exacerbated by the current COVID-19 pandemic. As we move into the 2020/21 period, increasing budgetary pressures, rising unemployment, and increasing demand for skills development and training will continue to put major pressure on cities. However, the analysis provided in this 2019/20 Annual Report is useful in framing the way forward; success factors experienced by cities – particularly around institutional structuring, reporting, project development, training and creation of exit strategies – will be the focus of the detailed city investigations for the next annual report, for 2020/21. This will ensure that the EPWP programme continues to adapt, taking existing and new opportunities and becoming more resilient in the face of the challenges ahead.

7 References

DPWI, 2015. Revised Strategic Plan 2015-2020. DPWI, Pretoria, (ZA), p. 155.
DPWI, 2018. Estimates of National Expenditure. DPWI, Johannesburg, (ZA), p. 22.
DPWI, 2019. EPWP Phase IV Business Plan 2019-2024. DPWI, Pretoria, (ZA), p. 56.
DPWI, 2020a. EPWP Inegrated Grant manual: 2019/20, version 11. DPWI, Johannesburg, (ZA), p. 56.
DPWI, 2020b. Expanded Public Works Programme (EPWP) annual performance report. DPWI, Johannesburg, (ZA), p. 26.
EPWP, 2005. Guidelines for the implementation of labour-intensive infrastructure projects under the Expanded Public Works Programme (EPWP), Second Edition. EPWP, Johannesburg, (ZA), p. 29.
National Treasury South Africa, 2020. Budget Review 2020. National Treasury South Africa, Pretoria, (ZA), p. 285.
SACN, 2016. The State of the Expanded Public Works Programme in South African Cities: 2015-2016. SACN, Johannesnurg, (ZA), p. 57.
SACN, 2017. The State of the Expanded Public Works Programme in South African Cities: 2016-2017. SACN, Johannesburg, (ZA), p. 49.
SACN, 2018. The State of the Expanded Public Works Programme in South African Cities: 2017-2018. SACN, Johannesburg, (ZA), p. 112.
SACN, 2019. The State of the Expanded Public Works Programme in South African Cities: 2018-2019. SACN, Johannesburg, (ZA), p. 118.
South African Government, 2020. State of the Nation Address in Numbers - February 2020. South African Government, (ZA).
Statistics South Africa, 2020a. Gross Domestic Product, First Quarter 2020, Pretoria, ZA, p. 20.
Statistics South Africa, 2020b. Quarterly Labour Force Survey, Quarter 1: 2020. Statistics South Africa, Pretoria, (ZA), p. 138.
United Nations, 2015. Transforming Our World: The 2030 Agenda for Sustainable Development. United Nations, Geneva, (CH), p. 41.
United Nations, D.o.E.a.S.A., Population Division, 2018. The World's Cities in 2018 – Data Booklet United Nations, Geneva, (CH), p. 35.

South African CitiesNetwork

www.sacities.net

Joburg Metro Building, 158 Civic Boulevard, Johannesburg | PO Box 32160, Braamfontein, 2017

Tel +27 11 407 6471 | Fax +27 11 403 5230