

...CHALLENGES

6. Attraction and retention of client departments.
7. Obtaining acceptance of the new paradigm shift brought by the introduction of user charges.
8. Alignment of user charges to market related rentals.
9. Lack of immovable asset risk management.
Capacity constrains (scarcity skills).



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**EXPANDED PUBLIC WORKS PROGRAMME
CONTRIBUTING TO A NATION AT WORK**

Scaling up the EPWP



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Meetings with the Minister (July)

Following areas for scaling up were identified by the Minister:

- Maintenance and rehabilitation of building using youth
- EPWP opportunities in major Capital Projects
- Maintenance by youth cooperatives
- Township cleaning and waste management
- Rural Road Maintenance
- Involvement of SOE's

Unit has started working on these and linking them to other existing initiatives



Key Initiatives for Scaling up

1. DPW Capital and Maintenance Projects
2. Building and National Youth Service
3. Early Childhood Development
4. Home and Community Based Care
5. Large Infrastructure Projects
6. Construction and Maintenance of Access Roads
7. Vukuphile Contractor Learnership Programme
8. Involvement of State Owned Enterprises
9. EPWP Waste management initiative
10. Other



1- DPW Capital and Maintenance Projects

Infrastructure Sector

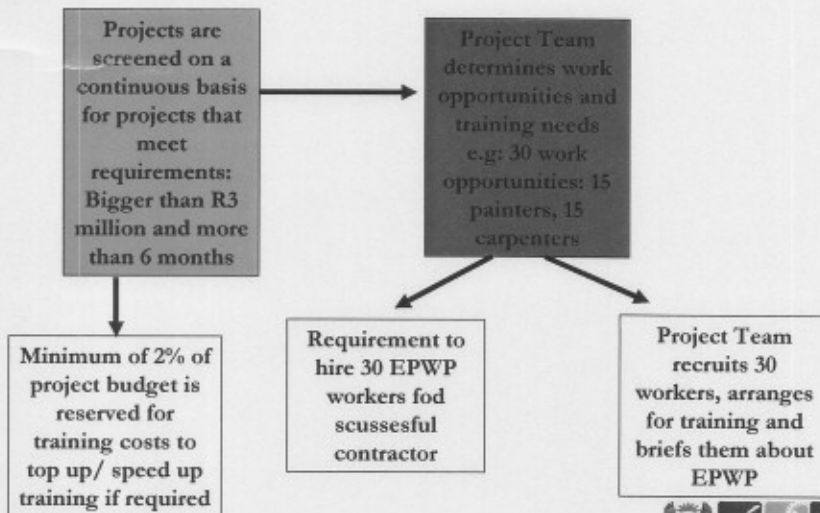


1- DPW Capital and Building Maintenance Projects

- Ensure that DPW's leads in the EPWP by utilising its project portfolio to contribute to the EPWP
- All projects that:
 - Have a budget of more than R3 million
 - And have a duration of more than 6 months
- Should be made part of EPWP



Mechanism



Key Projects currently identified:

- RKT: Church Square, Education Head Office, DEAT Head Office
- Appropriate RAMP projects
- Other Capital Projects: Pan African Parliament, Prisons
- Ongoing process to engage with other sections

Decisions required :

1. Instruction to all branches that:
 - a. Projects that meet above criteria should be planned to be part of EPWP
 - b. 2% of project budget should be reserved for training of workers
2. Current Project team to include IDT and new Service provider to be appointed
3. Long term internal capacity to be created at Head Office and Regional Offices



2- Involving youth in DPW's Building activities

Infrastructure Sector



Establishing a National Youth Service- EPWP Programme

- To start off with each DPW Regional Office will be requested to identify one project/ cluster of projects to be made an EPWP-NYS Project
- This entails:
 - Project(s) should be able to provide work for approximately 50 youth for a 9 month period
 - Project(s) will be implemented by NYS Accredited Provider
 - NYS Provider may bring in specialist skills if required
 - Project and part of technical training to be funded from project budget
 - Additional NYS (Youth Development) component to be funded from through Proposals to UYF and DOL



Project Implementation

- NYS accredited Service Provider tenders and is awarded the complete project
- Recruits and trains youth
- Implements the building and maintenance work and brings in additional specialist skills as required
- Training continues during project implementation but is scheduled by service provider who acts as the contractor and includes entrepreneurial and cooperative training
- Supervision of quality of work done by relevant professionals. Overall project oversight done by DPW Project managers/ EPWP Unit



Exit opportunities and strategies for youth in the programme

- After one year in NYS, good opportunity for like minded youth who now know each other to form a cooperative and DPW to consider putting tenders out for coops
- Others may use the accumulated unit standards and enter into a learnership
- Other may want to start companies and go into programmes like Vukuphile or ECDP
- Others may enter into formal employment with construction companies, training providers or NYS providers



Social Sector



- Initial focus is on the expansion of Home and Community Based Care (HCBC) and ECD which are both highly labour intensive
- The DBSA study will determine and cost additional work opportunities available in the sector. The study would also recommend the management requirements for expanding and massifying the social sector. The study will be concluded in November 2006. The preliminary results will be presented on 25 October 2006.



Early Childhood Development (ECD)

- The Integrated ECD Plan has been approved and will be launched in October/November 2006
- 6000 ECD practitioners were targeted for training programme towards qualification in 2006/7. National overall rate of 60% has been recorded
- ECD qualifications have been reviewed and a draft of new qualifications and related unit standards have been completed and distributed for public comment
- Amounts of subsidies per child across Provinces have been increased from R2 to R4, R6, R8 and R11 in different provinces according to the availability of funds
- Municipalities are well positioned to ensure implementation. The sector is finalising a strategy for working with municipalities



Home Community Based Care (HCBC)

- Both Health and Social Development have expanded HCBC by increasing the number of care givers receiving stipends and training additional volunteers. It aims to train 19 393 care givers in 2006/7 and provide a total of 23 670 caregivers with stipends
- HWSETA is assisting with fast tracking of accrediting training service providers in provinces
- UYF partnership with DPW, Health and Social Development, NYC and PYC's is implementing the Community Care Worker Youth Service Project as part of the EPWP Social Sector in **all provinces**.



5. Large infrastructure projects

Infrastructure Sector

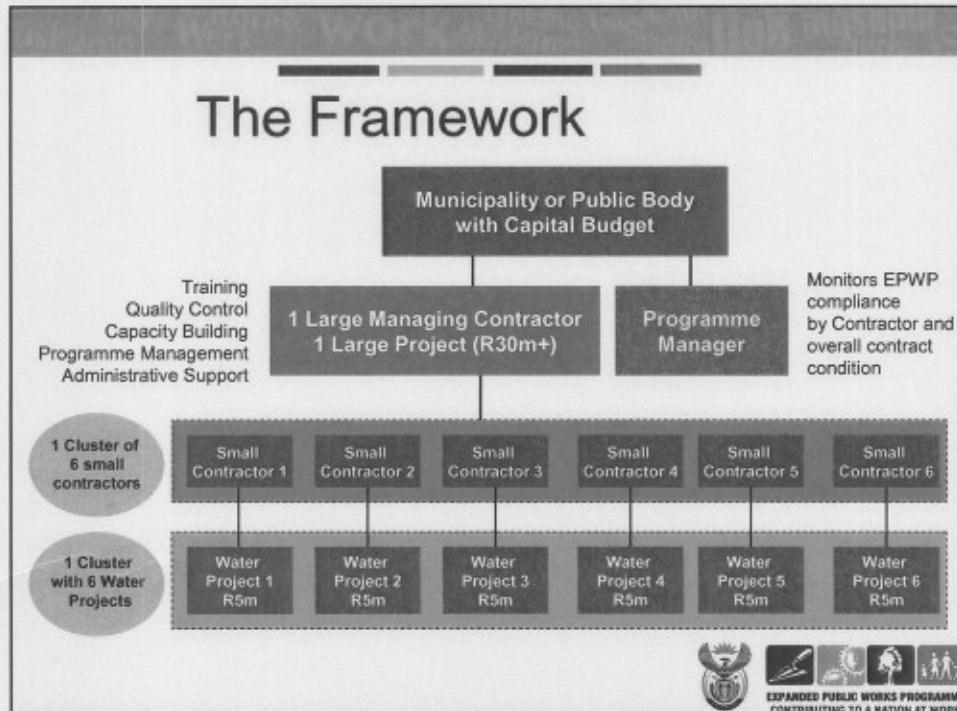


5. Large Infrastructure Projects

- Aims to ensure that EPWP not confined to small projects
- Also aims to mobilise more private sector capacity to contribute to EPWP/ Service Delivery, in line with Local Government Sector Strategy
- Projects structured as empowerment vehicles for small contractors to move up in the CIDB register
- Can assist municipalities with ensuring that they are able to spend their capital budgets
- Initiative to be piloted with eThekweni, OR Tambo, Nkangala and Free State DPW & T

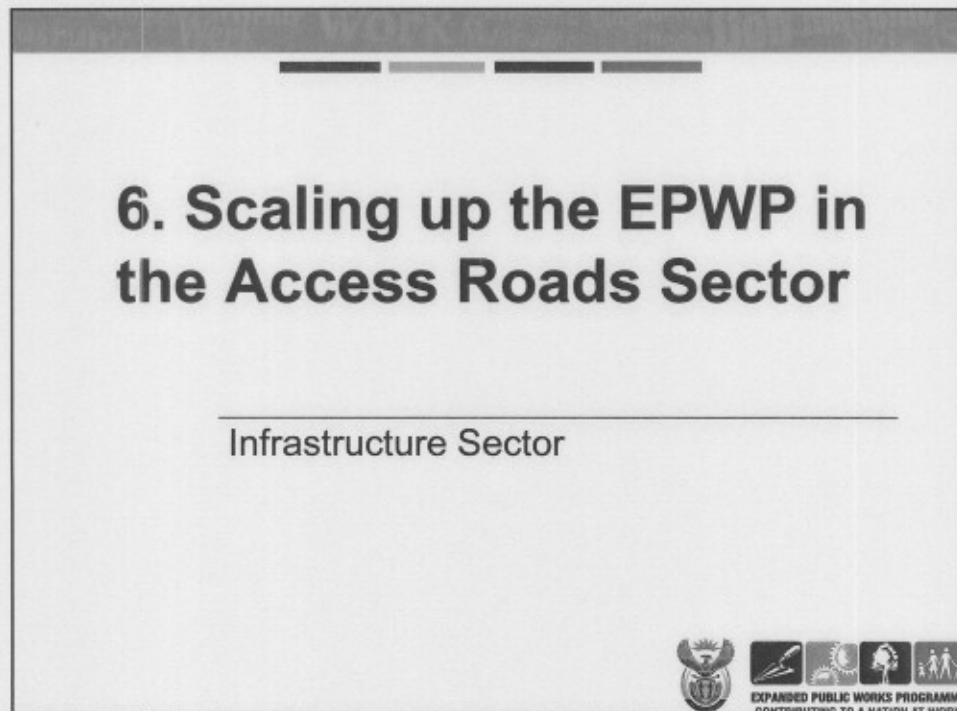


The Framework



6. Scaling up the EPWP in the Access Roads Sector

Infrastructure Sector



Background

- Cabinet Lekgotla of July 2005 required that EPWP be scaled up
- DPW prepared various proposals for scaling up of the EPWP
- At the same time DoT also submitted proposal for increased funds to the Access Roads Sector
- Proposals were combined into submission for R4.5 billion additional funds over MTEF to provincial road departments for scaling up EPWP
- Funds to be allocated through the Provincial Infrastructure Grant but earmarked for EPWP access roads
- Proposal was based on overall performance of road sector in spending of capital budgets and contributing to the EPWP
- However submission was too late for inclusion into 2006-07 Budget
- Agreed with National Treasury in June that the proposal must be updated for inclusion in 2007-08 MTEC/ Budget



Context: Provincial Road Departments

Provincial Road Departments are spending their Capital Budgets and have capacity to absorb more budgets:

- Collectively Provincial Road Departments spent 98.4% of Budgets
- Worst performing province still spent 91 % of its budget
- Good spending record needs to be considered in an environment of an overall increase of 25% in provincial road expenditure
- Road expenditure relatively easy to increase as project size is often easy to increase
- Huge potential to contribute to programmes like Zibambele



Context: Provincial Contribution to EPWP

Provincial Road Departments are Contributing to the EPWP

- Collectively Provincial Road Departments spent R726.6 million on EPWP Projects and Programmes
- Created 52 000 work opportunities in 2005-06
- Are implementing the EPWP through programmatic structures such as Vukuphile, Zibambele, Gundo Lashu etc. which incorporate long term planning and capacity building approaches
- Most provinces want to further increase their use of labour-intensive methods but are now facing choices about shifting investments to lower volume roads in order to increase their contribution to the EPWP



Context: Access Roads

RIFSA has indicated underinvestment in access road network

- Partially institutional: Lack of clarity whether roads are provincial or municipal assets
- Partially funding: District Municipalities lack funds to construct and maintain access roads
- Partially priorities: roads with higher economic rate of return get prioritised over roads with higher social rate of return (*or roads used by those with influence get priority over roads used by those with less influence*)
- Access Roads are highly amenable to use of Labour Intensive Construction methods
- Proposal wants funds allocated to access roads so that provinces invest in access roads where municipalities are not able to do so



Progress to date:

- Initial indications are that:
- R3 billion additional could be allocated through the PIG over the MTEF
- Funds would be earmarked for roads and have EPWP Conditions attached
- Provincial Road Departments should take care that other PIG Funds are not re-allocated to other departments

Way forward:

- DPW and DOT to engage and support provinces to ensure that R3 billion is spent on EPWP
- Implementation plan to be developed including additional resources to drive this process



7. Increasing the Scale of the Vuk'uphile Programme

Infrastructure Sector


vuk'uphile
CREATING OPPORTUNITIES



