## Local Economic Development: Exploring the Expanded Public Works Programmes as a leading contributor to the City of Cape Town's Economic Growth Strategy

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### 1. Abstract

Economic Growth Strategies (EGS) are at the centre of successful Local Economic Development (LED) – resulting in it being one of the core indicators of LED in any region, measurable by their adequacy and easiness to implement. It then becomes vital that any Local Government have an adequate and implementable EGS, which is a key indicator to the state of that Local Government's LED. At the centre of Economic Growth Strategies of most of the larger metropolitan areas in South Africa is the creation of an environment that will enhance economic growth that creates jobs. In order to drive this environment, the strategies of these Local Governments must be clear about the tools they will use and these tools must be related to the regions' competitive industries. However, the EGS of most municipalities in the country have been found to be inadequate and not easily implementable. The City of Cape Town's EGS is more adequate and implementable with areas for improvement.

The economy of South Africa has been struggling to create the desired growth and the subsequent jobs. The current orthodox economic methodologies and approaches to achieve the desired growth levels in the South African economy seem ineffective. The Expanded Public Works Programme (EPWP) was introduced in 2004 with the sole purpose of maximising employment in the country. In the years of its existence the programme has grown to take up some of the available space to stimulate the countries' economy, especially at the Local Government level. The paper explores the programme as a leading contributor to LED, and thus explores the factors that would make the programme a leading contributor to the City of Cape Town's EGS and LED.

### 2. Introduction

South Africa's legislative and policy frameworks, with specific reference to the Constitution and the Local Government Municipal Systems Act No. 32 of 2000, decree local government to provide the services and infrastructure that are necessary to meet the basic needs of the poor. Moreover, most of these legislative and policy documents try to be more specific in their decree to local government. However, Patterson (2008) cites that the concept of "developmental local government" was introduced four years into South Africa's democracy, in the White Paper on Local Government (1998). This concept is defined as: "Local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs, and improve the quality of their lives" (Patterson, 2008).

This can be easily interpreted to mean that in a developing country like South Africa, Local Government is legally required to always prioritise socio-economic engagements that are aimed at improving the quality of the lives of local citizens, especially the poor. With this noted, it is also important to note that the same White Paper on Local Government (1998) says that Local Government is not directly responsible for creating jobs – implying that Local Government's role is to ensure the creation of all the necessary platforms that would ensure job creation. This is why there is much focus on service delivery and infrastructure development that is solely meant at enabling other stakeholders to discharge their economic responsibilities, Local Government Municipal Systems Act (No. 32 of 2000).

However, with all of the above noted, internal government assessments of municipalities in the country leave much to be desired. To be specific, in one such assessment, Local Government is said to be extremely struggling to fulfil its developmental mandate, with some municipalities found to be failing altogether (CoGTA, 2009). Challenges pertaining to these failures are numerous and varied, including a lack of political leadership, corruption, a lack of policy coherence, or skills scarcity, to name but a very few (CoGTA, 2009).

The above means that most (if not all) municipalities in South Africa are struggling to put in place good Local Economic Development (LED) strategies and policies, so as to be able to fulfil the policy defined goals of a "developmental local government." This is despite the fact that "Economic development has become a major local government activity in the past three decades" (Travers, 2012). This means that to an extent, South African Municipalities are lagging behind global trends when it comes to LED.

In this paper our goal is to explore the state of the City Of Cape Town's (City) LED through looking at the Expanded Public Work Programme's (EPWP) contribution to the City's Economic Growth Strategy (EGS), which is the City's main tool to LED. The assumption is that the City's EGS is well aligned to positively contribute to the goals of a developmental local government, and thereby positively contributing to the City's LED. We aim to achieve a more representative examination of the factors that would make EPWP a leading contributor to the City's EGS. We do so through exploring existing research and data within the City of Cape Town's EPWP Department and a case study involving two EPWP projects implemented in the City.

We first summarize the definition and role of LED, linking its proper implementation to a good EGS, which is accepted as an accepted framework to achieving LED. Then, we introduce the EPWP and show how it links to the EGS. Thereafter, we present an empirical study of the contributions of the EPWP to the City's EGS and therefore LED.

# 2.1 Local Economic Development and the Economic Growth Strategy

As could be expected with most (if not all) socio-economic concepts, "There are of course numerous definitions for LED, most of which underline two important aspects: first, LED is an ongoing process and second, it is driven by local actors from different societal sectors, which implies collaboration, and even co-responsibility between the public and private sector for the economic development of a region or location" (Patterson, 2008). This simply means that Local Economic Development will only succeed when all stakeholders in the local economy are given the necessary room and platforms to perform the tasks that only they can perform; when the roles and responsibilities of each stakeholder are clear to each, and when each stakeholder takes the necessary accountability for all the relevant tasks.

Increasingly, on the one hand LED can be defined as "a systematic approach to the formulation of a "road map" that helps the community work toward a vision of long-term prosperity while maintaining those values considered important both now and in the future" (Lions Gate Consulting Inc., 2002). On the other hand "LED is the total of all economic activities by all relevant stakeholders within a specific defined geographical region, working together in partnership to create economic development and ultimately improvement of quality of life for all residents in the area" (Meyer, 2014). The above definitions correlate with the two important aspects mentioned by Patterson (2008) above, that LED is the collaboration and coresponsibility between the public and private sector for the economic development

of a region or location – focusing on the ultimate goal of improving the quality of life for all residents in the region or area.

Furthermore, In South Africa, LED is a post 1994 phenomenon, where the apartheid system centralised all economic development decisions before the dawn of Democracy, and where municipalities did not exist in the manner that they operate in currently – with a list of key policies and policy papers having either directly or indirectly contributed to LED development in the country all created post 1994 (Patterson, 2008). The following are such policies and policy papers:

- The Constitution (1996)
- White Paper on Local Government (1998)
- Local Government: Municipal Systems Act (2000)
- A policy paper on Integrated Development Planning (2000)
- LED Guidelines to Institutional Arrangements (2000)
- Draft LED Policy (2002)
- Policy Guidelines for implementing LED in South Africa (2005)
- National Framework for Local Economic Development (LED) in South Africa (2006-2011)

From this list of key policies and policy papers, the Constitution (1996) at nineteen years, is the oldest – with the more LED specific policy/policy paper being the fifteen year old LED Guidelines to Institutional Arrangements (2000). This means that while a global focus on LED has been around for three decades, as already noted; in South Africa, LED has been a focus for only half the global number of years. The implication is that LED and its relevant implementation strategies (indicators to LED development) and policies are still at their infancy in South Africa.

It should be no surprise if one finds that there is a significant list of challenges relating to LED and its related strategies and policies or indicators, in South Africa. Such challenges are more anticipated in South Africa when one considers findings that note that "The development and implementation of LED plans and strategies has been different in different parts of South Africa, not least because it was only after the December 2000 local government elections that every piece of land within South Africa fell under the jurisdiction of a municipality. Therefore, in many areas concepts and ideas around LED are fairly new" (SALGA, 2010). First, this finding corroborates the deduction made in this paper that a focus on LED is new in South Africa, judging from the policies and policy papers established to directly and indirectly influence LED development and implementation. Second, the finding implies that the establishment and implementation of LED and its strategies will vary throughout the country due to these differences. To validate this, SALGA (2010) finds that:

Until very recently, the main focus of most municipal LED initiatives was community economic development projects, the majority of which proved unsustainable once donor or public sector funding disappeared, and so had no real long term impact on poverty reduction ... In the larger metropolitan areas, most LED officials have adopted an approach that is focussed on creating a more supportive and competitive business environment, investment in infrastructure that reduces the cost of business, the regeneration of inner city and township areas, and research around and institutional support to new sectors with high growth and employment potential.

It is then the expectation of this paper to find such a focus on "creating a more supportive and competitive business environment, investment in infrastructure" in the City's EGS. On the one hand, this would mean that the City's EGS is line with those of the other larger metropolitan areas. On the other hand, this means that the larger metropolitan areas are showing an effort in aligning their economic development strategies to the relevant legislation documents of the country, for most of these legislation documents highlight infrastructure development as key to such development.

However, SALGA (2010) went as far as assessing (through the LED unit of the Development of Economic Development and Tourism) the state of LED in all of the provinces of South Africa, with the following being the summary of the findings on the state of LED in the City, for the 2009-2010 financial year:

- The City Of Cape Town reviewed its IDP for 2009-2010 IDP through a
  community participation process. The City has a compliant and credible IDP,
  along with an approved Economic and Human Development Strategy. Its
  budget for the 2009-2010 financial year is responsive and the budget is
  geared towards strategic infrastructure-led investment.
- The City of Cape Town has sufficient capacity to implement its targeted priorities for the financial year 2009-2010. Although faced with broader institutional capacity problems, the LED component remains fully functional.
- LED objectives are not clearly reflected or prioritised in the budget
- Second economy interventions are limited to the arena of enterprise development. It is not clear how the budget and intended policies aim to create jobs, nor is it clear how it will contribute to an 8% growth target set for the City. LED or Local Economic Area Development plans by the City are not clear in how it will address the priorities of unemployment and job creation which is predominantly reported to be very high.

There are a few things to note about these findings in relation to the City as one of the bigger, more resourced and capacitated municipalities in South Africa. First, at a strategic level they confirm that indeed the City is focused on infrastructure development as a key to the region's economic development. This is seen on the finding that notes the City's budget for the 2009-2010 financial year "the budget is geared towards strategic infrastructure-led investment. Second, the findings show

that even with the above-mentioned budgetary alignment in the City, there are significant challenges facing its execution and success of its LED.

Importantly, the findings critiqued that the City's approach to LED is not clear, for LED is not clearly prioritised both in policies and budget. This does not support the objectives of "developmental local government" since; "LED is globally, but especially in developing countries, seen as the solution to improved quality of life, unemployment, poverty and inequality" (Meyer, 2014). For this paper, this means that it is not enough for one to show a strategic understanding of what needs to be done, and what tool needs to be used, only from one aspect (the budget in this case).

Notwithstanding all of the above challenges relating to LED in South Africa and specifically the City, there is hope for the country's municipalities. This is due to the identified approach to LED supported by the relevant policies and policy papers. In summary, South Africa's approach to LED is directed at creating robust and inclusive local economies so that local opportunities can be used to address local needs and contribute to the natural development objectives such as economic growth and poverty eradication (Meyer, 2014). The biggest challenge of LED in South Africa is that many local municipalities do not have adequate economic growth strategies in place that are implementable and therefore are unable to address poverty and unemployment – noting that "Whatever the approach, LED policy should focus on an increase in the number and variety of job opportunities and diversification of economic activities" (Meyer, ).

Therefore, Economic Growth Strategies are at the centre of successful LEDs – making them one of the core indicators of LED in any region, measurable by their adequacy and easiness to implement. It then becomes vital that any Local Government have an adequate and implementable EGS, which is a key indicator to the state of that Local Government's LED. The next section takes a brief look at the City's EGS, along with an overview of the state of the City's economy, before introducing the EPWP as a contributor to the EGS and therefore LED of the City.

# 3. The City Of Cape Town's Economic Growth Strategy and Economy

It is impossible to study the economic growth of the developing countries in modern times without considering the mutual interactions between these economies and those of the advanced countries (Akamatsu, 1962). For this paper this simply means that when it comes to Economic Growth Strategies, there is a need to briefly look at the core of a few Economic Growth Strategies of developed countries (by core, we mean whether these strategies have at least clear enough aims, and whether these aims are summarised for ease of reference by every stakeholder). The main reason for this is so that each stakeholder can be able to understand and appreciate its role and responsibility in achieving the desired LED through the identified EGS, and for everyone to understand the main tool to which the aims are to be achieved through. This means that in order for any EGS to be considered a good tool or successful indicator it must have clear indicators and tools to which it will use in the process of a region's development (LED).

In Northern Ireland, one EGS is easily summarised in noting that "The focus of our strategy is on developing export-led economic growth as the best means of increasing employment and wealth in Northern Ireland (NI) and improving overall competitiveness" (<a href="www.northenireland.gov.uk">www.northenireland.gov.uk</a>). Furthermore, the Essex County Council (2012) summarises its own EGS by noting that "Our EGS sets out how the County Council will lead efforts to promote economic growth, building on our proximity to London and our excellent international transport links." From both of the above brief summaries it is clear what each main objective or tool of each EGS is – what of the City's EGS? Does the document have such a brief summary? Can one clearly identify the main tool or indicator for LED in the City's EGS?

Having gone through both the City's EGS and Strategic Policy Unit (SPU) Guide to City Strategies document, the closest summary that we could find is "The principal objective of the Economic Growth Strategy (EGS) is to grow the economy and create jobs – the overarching objective of the Opportunity City" (SPU, 2012). While this makes it clear that the aim is to grow the economy and create jobs, it is not clear how the City aims to do this. In other words, in this summary, the City's EGS does not identify the main tool (s) by which to grow the economy and create jobs. The summary does not make mention of any infrastructure led development, nor does it highlight any business competitiveness as the key aspects of larger metropolitan areas in the country (SALGA, 2010). It is no surprise the, that clarity was found to be lacking in prioritising LED in the City (SALGA, 2010). This tool that other strategies clearly state becomes the intended leading contributor to the development of these regions, and with the City's EGS lacking clarity on such a tool, it becomes unclear as to what the leading contributor to economic growth and jobs creation is for the City.

What does the City's EGS say about infrastructure development and business competitiveness?

According to the City's EGS (2013):

Good infrastructure is the backbone of healthy, growing city economies. It ranges from the pipelines and cables that deliver basic necessities such as water, sanitation and electricity to the transport and ICT infrastructure that is essential for connecting people with opportunities and enhancing competitiveness and productivity. In short, the City's approach to future infrastructure development will be a critical component of its goal of achieving an Opportunity City.

This is a significant recognition of the importance of infrastructure development in the economic development of any region. Moreover, the EGS (2013) identifies six infrastructure strategies that are deemed vital for the stimulation and growth of the local economy. These strategies range from the maintenance and upgrade of basic service infrastructure, leverage underutilised City assets to maximise economic growth, roll-out broadband project and define stakeholder roles and responsibilities, to develop a coordinated approach to Cape Town's international transport hubs. While these strategies touch on some of the critical requirements for economic growth for the City, there is room for them to expand their focus to enhancing the industries where the City has a competitive advantage.

When it comes to business competitiveness the EGS (2013) identifies five strategies that it sees as important for achieving an environment where businesses are able to operate effectively and efficiently in the City. Again, the same approach that was used with the infrastructure strategies is used with the competitiveness strategies – this is because these competitiveness strategies describe generic conditions that the City will work to realise in order to promote its competitiveness and that of the businesses operating within its boundaries. This means that both the infrastructure and competitiveness strategies reveal what the City needs to do at a general level without specifically pointing to an industry or industries where the City has a competitive advantage. This pointing to the competitive industries is important for the economic growth that the City desires, for it would use available resources more effectively and efficiently as the returns would be greater from the industries of competitive advantage.

However, what the City's EGS does convincingly is to identify all the major challenges to growing the City's economy and thereby creating jobs. According to the City's EGS (2013) "The economy of Cape Town will face a number of critical challenges in the years ahead. The two most pressing of these are the city's consistently high rates of unemployment and the high proportion of Capetonians who continue to live in poverty." To amplify this point, the EGS (2013) goes on to note that:

The single most important factor determining poverty and inequality is the employment situation ... Young people aged 15 and 24 are the worst affected group (the unemployment rate for this segment is over 40%)... Economic growth is the essential ingredient for building an Opportunity City. However, this growth needs to be inclusive if it is going to make a difference to people's lives. Cape Town faces a 'triple challenge' of poverty, unemployment and inequality that undermines the expansion of opportunities for too many of its citizens ... 19.7% of the population of the city lives in poverty.

While the above still does not identify the main tool (in the manner that Northern Ireland and the Essex County does) to achieve the desired economic growth – two things can be highlighted; first, the EGS acknowledges that in order for proper LED to be achieved, opportunities need to be created; and second, the created growth must be inclusive to all stakeholders in the region. In order for the City to be able to create opportunities and an inclusive growth the City needs to properly understand all aspects of the local economy, and not just the challenges, but all the available competitive tools that can be used to drive an inclusive growth that provides opportunities to everyone.

Increasingly, the EGS (2013) attributes the responsibility of equipping the youth with the necessary skills needed to positively participate in the growth of the economy to the provincial department of education. It does this while recognising the City's small contribution to the skills development of the youth. This means that there is still a lot of potential within the skills development arena, that the EGS can positively exploit in order to realise the desired inclusive growth of the City for one of the main stakeholders (the youth) is currently not given the necessary platform to participate in the City's LED. This leaves the paper to ask whether any skills development plans are in place for equipping the pivotal infrastructure sector within the City. This becomes a critical question to ask when one considers the reasons for the existence of the Expanded Public Works Programme (EPWP), a programme that was initiated at the backdrop of the infrastructure sector, and for reasons of and existence of an extremely high number of unemployed unskilled to semi-skilled citizens of the country.

Moreover, "Cape Town's economy is the second-largest municipal economy in the country and the second-most-important contributor to national employment (EPIC, 2014). The industries in which Cape Town has the most pronounced comparative advantage compared to the country as a whole are highlighted by the EPIC (2014) as:

- Fishing;
- Clothing and textiles;
- Wood product manufacturing;
- Electronics;
- Furniture:

- Hospitality; and
- Finance and business services

These industries are therefore accepted, in this paper, as leading industries to support the EGS in achieving economic growth for the City.

Therefore, the above identifies the areas that the City can easily utilise in order to fast-track and create an inclusive economic growth that creates opportunities for all stakeholders. Furthermore, the competitive industries are identified as areas that should be used as key contributors and indicators to economic growth in the City, and therefore the EGS. This means that the infrastructure and competitiveness strategies identified in the EGS should specifically focus on enhancing these identified competitive industries of the City – this should be inclusive of the skills development strategies that are not yet identified as critical in the EGS.

The latest available data, from the last quarter of 2014 to the first quarter of 2015 reveal that the economies of both the Western Cape and Cape Town have been struggling more than the National average (EPIC, 2014 & 2015). While the Western Cape economy contributes around 15% of national GDP, it grew slower than the national economy in the fourth quarter of 2014 (EPIC, 2014). This was even reflected in the economic growth trends; where though there was an increase from 1,9% to 3,4% between the third and fourth quarter for the Western Cape, it remained below the national rate of 4,1%. However, it is important to note that this discrepancy in growth rates is due to the differing structure of the national and provincial economy – the fact that the Western Cape is not highly reliant of the mining sector and more reliant on the manufacturing and services sectors (EPIC, 2014).

According to the 2014 State of the City report, Cape Town has an estimated GDP per capita of R58 844, which means it is middle income by international standards. The same report highlight that the unemployment rate is 24.9% in Cape Town, which is lower than the national average of 25.7% but still excessively high. The recent quarterly labour force survey from Statistics South Africa (StasSA) shows a decline in the absorption rates of new entrants into the job market and the outlook for the third quarter of 2015 indicates that South African companies will not be hiring new workers (Business Day, 2015). This makes the EPWP an important tool to job creation and skills development in the country – simply because of the fact that the statement implies that the current labour force does not have the skills required by the economy in its current state, as it also implies that the economy is not stimulated enough and correctly. This is then related to the statement made by this paper earlier, that the focus of the EGS should be expanded to make skills development one of the critical aspects of driving LED.

Moreover, Fourie (2013) finds that while the EPWP is important for an inclusive economic growth that creates jobs, policy and strategic documents like the National Development Plan (NDP) and the National Growth Path (NGP), do not posit a clear role for the potential that the programme has to uplift the poor. Importantly, to a large extent in agreement to this paper, Fourie (2013) notes that "It also is not mentioned in the context of infrastructure construction, operation or maintenance." This means that the challenge of proper alignment and positive exploitation of EPWP with strategic policies and frameworks is not just a Local Government challenge, but a national issue that requires an urgent intervention.

With all of the above briefly noted about the current state of the local economy, the EGS (2013) recognises the EPWP as an important contributor to achieving one of its LED objectives, inclusive economic growth – it says, "In order to further enhance the utility of the EPWP as a tool for facilitating inclusive economic growth, the City will:

- Develop a policy to facilitate the inclusion of EPWP into the operations of the organisation's line directorates
- Align the EPWP programme with the City's broader skills development and infrastructure development goals
- Meet the full-time equivalent targets set by the national Department of Public Works (DPW)
- Enhance the future employability of beneficiaries by certifying skills gained and by opening the EPWP personnel database to the public."

Looking at the above, we find that the second and fourth points are the most important functions that the EGS attributes to the EPWP. This is because of first, the second point speaks of positioning the EPWP such that it is in line with the overall City infrastructure development goals; second, the last point speaks of the EPWP playing a direct role in decreasing the unemployment of the City through certifying the skills gained by the participants of the programme. Moreover, these points show an indirect realisation of the importance of aligning skills development with both the infrastructure development and the EPWP by the EGS. Effectively, they show that at a policy and strategic level, the City realises the critical importance of aligning infrastructure development, skills development and the EPWP – albeit the obvious potential for clarity on how to effectively and efficiently implement any relevant strategies.

Therefore, the achievement of each of the four points above would in effect make the EPWP a positive contributor to the City's EGS and LED. This is because we believe a tool can only be judged by whether or not it is executing its intended functions in the manner in which it was created. This is regardless of whether or not the EPWP is the appropriate tool to lead and achieve the desired economic growth within the boundaries of the City. Moreover, any more initiatives and improvements the EPWP makes on any of the areas of potential highlighted above would be an indirect positioning of the EPWP as a potential leading contributor to the City's EGS. The following sections look at the EPWP in more detail, highlighting the aims and

objectives of the programme throughout its phases, along with whether or not the EPWP is and should be a leading contributor to the City's EGS and LED. Furthermore, the state of the EPWP in the City is highlighted, along with all the structural and supportive mechanisms that attempt to make the City's EPWP positively different from the rest of the EPWP in South Africa. First, we start from looking at the EPWP from the national level.

### 4. The Expanded Public Works Programme

The Expanded Public Works Programme (EPWP) is a multi-tiered government programme that aims to reduce poverty in South Africa through the alleviation and reduction of unemployment. The EPWP programme involves re-orientating line function budgets so that the government expenditure results in an increased number of work opportunities, particularly for unskilled labour (reference). The EPWP operates in three main sectors, the infrastructure, social, and environment and culture sectors. It is a national programme that was introduced to combat the country's high levels of unemployment and thereby helps in alleviating poverty. The programme commenced on 1 April 2004, which marked the start of phase one (2004-2009) and had the goal of creating one million work opportunities over its first five years (DPW, 2009).

While this phase one goal was reached one year ahead of time, the review of the programme's phase one did indicate some areas of concern and made recommendations for increasing both the scale and the impact of the programme going forward into phase two, which commenced from 2009 - 2014 (DPW, 2009). Through the creation of EPWP employment the programme provides basic income, albeit on a temporary basis. The EPWP has the specific objective of reaching as many people as possible, given the large size of its potential target group (DPW, 2009).

From 01 April 2014 the EPWP entered phase three, a period that will go on for another five years until 2019. Again, with the review of phase two of the programme, a few recommendations were made and incorporated into the current phase. Importantly, this means that with every phase the indicators for the success of this programme expand. During phase one there was only one main indicator, the number of work opportunities created. Phase two saw the introduction of the full-time equivalent indicator (FTE). The FTE is the equivalent of one year of work, which is two hundred and thirty (230) days per year in South Africa. This was due to the fact that the review of phase one highlighted a concern with the duration of the work opportunities created in the programme (DPW, 2009). The Average Duration per work opportunity in figure 1 below highlights the average number of days that was realised per EPWP work opportunity that was created by the City in the last four financial years. As can be seen, the average work opportunity in the City has been consistently at around three months, for the given financial years – meaning on average, the City's EPWP issues out three (3) month contracts.

Increasingly, the FTE's figure 2 further shows the relationship between the Average Duration per working opportunity and when taken with the actual number of work opportunities created, the result is seen on the number of FTEs created. This means that the longer the duration of employment, and the more opportunities created, the more FTEs are created – hence the City created the highest number of FTEs (8707.02) with the longest work opportunity duration and with over 40 000 opportunities created during the 2014/15 financial year.

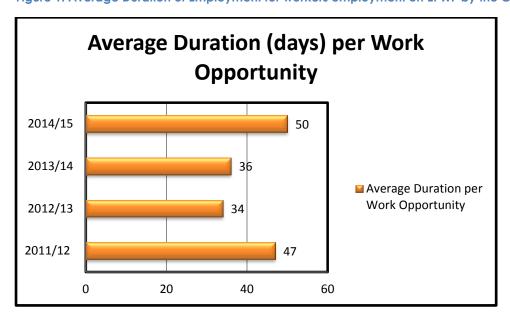


Figure 1: Average Duration of Employment for workers employment on EPWP by the City of Cape Town

Source: City of Cape Town EPWP Office

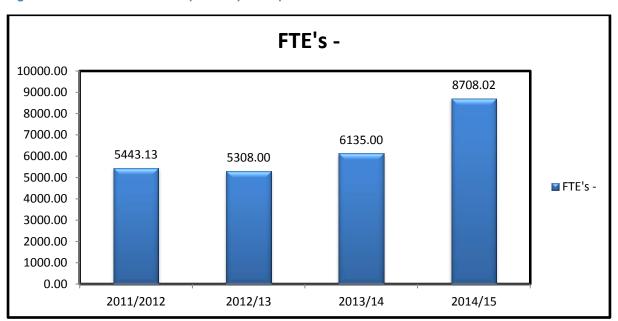


Figure 2: Actual FTE's created by the City of Cape Town

Source: City of Cape Town EPWP Office

Furthermore, the review of phase two saw the introduction of additional national indicators (such as the nature or quality of employment and the processes of recruitment / employment) into the implementation of the current phase three.

What has not changed though is the fact that the EPWP is project based, meaning that it will never be a programme that provides full-time employment. The key characteristics of EPWP projects are listed below (DPW, 2009):

- They are highly labour intensive: a large percentage of the overall project costs are paid out in wages to the target group.
- They employ large numbers of the EPWP target group.
- The EPWP target group is employed under the Special Public Works Programme conditions of work.

The above implies that there should be some methodology applicable to the processes of EPWP, in order to make sure that there is efficiency and effectiveness in achieving the set targets for the programme. This means that these methodologies and processes should further be guided by some specific guiding documents or legislation meant at enhancing the reach of the programme. Indeed, the National Department of Public Works (DPW) provides all of the methodologies, processes and guidelines to all the stakeholders implementing the EPWP. All of these and more are summarised below.

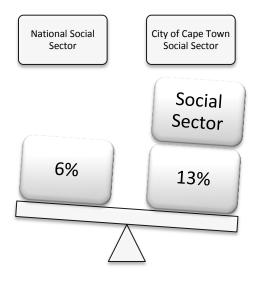
#### **Institutional Arrangements**

At the national government level the overall co-ordination of the programme continues to be done by the EPWP Unit in the DPW. The DPW is also the lead co-ordinating department for the infrastructure sector, which further highlights the importance of the infrastructure sector in the execution of the programme for other sectors are co-ordinated outside this unit (DPW, 2009). This direct coordination of the infrastructure sector by the EWP Unit in DPW is visible on the ratio of work opportunities created by the three main sectors. In figure 3 below, one can see that two thirds of the national EPWP work opportunities come from the infrastructure sector, while the City tries to find a balance between the sectors. Figure 3 further reveals the extent to which the City is investing into the social sector, through its EPWP, with the City's social sector contributing more than double the number of work opportunities compared to the national average contribution by this sector. A more detailed look at some of the City's social sector projects reveals the following:

- The projects are over-achieving on their objectives
- The demand for such projects is outweighing the current supply, therefore
- There is a need for more social sector projects
- The benefits go far beyond the creation of work opportunities

This sector has untapped potential for job creation for even the National Development Plan (NDP) finds that "The EPWP II could provide a number of ... opportunities, mostly in the social sector. To understand the above, two project profiles are attached to this paper as addendums.

Figure 3: Sector Performance



### Other Sectors:

Sector	National	CoCT
Infrastructure	67%	52%
Enviro & Culture	27%	34%

Source: City of Cape Town EPWP Office and National EPWP M&E report

Moving on, the DPW carries out its overall coordinating role and reports on progress through the Economic and Social Clusters of government as well as a newly introduced Presidential Coordinating Committee (PCC). This signifies the high regard for EPWP to the economic growth of the country at a national level – albeit the already mentioned alignment and direction challenges.

Importantly, DPW in conjunction with the Department of Labour (DOL), provides guiding documents and legislation for the effective and efficient carrying out of EPWP related work by all relevant EPWP implementing bodies, namely:

- Ministerial Determination 4: Expanded Public Works Programmes, 2012
- Code of Good Practise for employment and conditions of work for Expanded Public Works Programmes, 2011
- Monitoring and Evaluation Framework

These legislative and guiding documents are meant to assist and direct all EPWP implementers in South Africa, but, they are not limiting in their scope for implementing bodies. This means that any EPWP implementer can add or build on these documents in order to strengthen its effective and efficient implementation of the programme. Moreover, DPW further provides guidelines to implementing bodies in relation to designing, implementing and evaluating EPWP projects. As already mentioned above, the key to EPWP is reaching as many people as possible, this means that EPWP projects are characterised by the intensity to which they employ

labour, other than machinery. Thus DPW guides implementers in using Labour Intensive Methods (LIM) in executing EPWP projects (DPW, 2015). These guiding methodologies are especially focused on the infrastructure sector, and DPW provides all staff with the necessary training on how to implement LIM – from design to evaluation. It is important to note that evidence shows that when all of these guidelines and processes are implemented correctly, the EPWP is able to contribute positively to economic growth and development by maximising the work opportunities created (Sibanda, 2014).

The following section zooms in on the EPWP in the City Of Cape Town, and how it has grown over the years. The intention is to show how the City's EPWP has been performing with its given mandates, and how that can be explored in determining whether the programme is indeed a leading contributor to the EGS and therefore LED. In an effort to explore this, we have selected two of the City's flagship projects for data collection purposes. The data collected was in the form of interviews with workers and contractors within these projects. This helps us understand the nature of the programme's impact on the economic activity of both the contractor and worker, and how the City's programme can be improved in this regard – for if it is indeed found to be inclusive and creating opportunities where they are most needed, it would be contributing directly to the EGS. Because the EPWP is a national programme, it is hoped that the lessons learned will thus be helpful to other EPWP implementing bodies in the country. Furthermore, the institutional arrangement and related structures and their impact on the City's EPWP will also be highlighted with the same intentions for lessons to the other stakeholders.

# 4.1 The City Of Cape Town's Expanded Public Works and its contribution to the City's Local Economic Development

The City aims to create 200 000 EPWP work opportunities over the current Integrated Development Plan (IDP) five year period from 01 July 2012 to 30 June 2017. To an extent, the City has accepted the role and importance of the EPWP and is currently paying more than R100 million in wages to poor and unemployed persons per annum. On a macro-level this directly links well with the City's EGS as it speaks to the creation of work opportunities in the process of growing the City's economy. Figure 4 below outlines the City's performance in terms of work opportunities created, when compared to three other metros in the country. For three consecutive financial years, the diagram shows that the City has been performing above average when it comes to creating EPWP work opportunities.

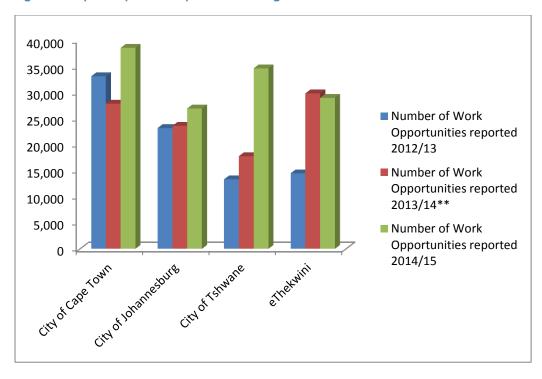


Figure 4: City of Cape Town's performance against other Metros

Source: City of Cape Town EPWP Office and National EPWP M&E report

This paper now explores how the City had been able to consistently perform above expectations?

The answers to such questions are to be found in the changes to the institutional and structural changes that the City's EPWP went through before and during these three financial years. This becomes clearer when we consider the fact that it is extremely unlikely that one can get EPWP reliable data that stretches before 2010 in the City, before such institutional and structural changes took place – hence such data is not used in this paper. During the years before such changes took place, the City was in fact struggling to achieve EPWP set targets (M&E, 2015). Figure 5 below amplifies this point and demonstrates how the City has managed to go from strength to strength since the changes took place. The illustration shows the City's actual performance against its Integrated Development Plan (IDP) targets per annum.

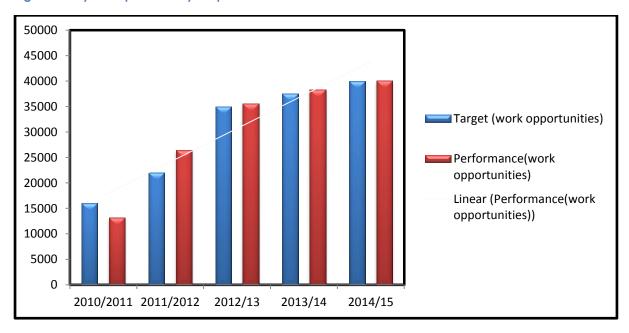


Figure 5: City of Cape Town 5 year performance

Source: City of Cape Town EPWP Office

The illustration above shows that in the 2010/2011 financial year, the City failed to reach its work opportunities target. This is the only year (in the years of reliable data) that this happened, and it is again before the institutional and structural changes took place. What are these changes? The answer is to be found by first understanding the challenges that the City was facing, below is a summary of these challenges (EPWP, 2015):

- Project structures ineffective Poor decision making, no follow up and direction, poor attendance, no terms of reference, leadership, little buy in from departments;
- Overhaul project structures including Terms of References, identify roles, engender trust for people involved in EPWP;
- Lack of documented project methodology;
- EPWP office under resourced;

- Resulting in increasing tension, defensive routines, and good news reporting;
- Changes in management personnel,
- Effective escalation processes outside of formal structures;
- Reporting requirements burdensome and creating organisational tension;
- Ad hoc reports and queries overburden EPWP office and officials;
- Lack of formal documented policy for classification and management of document and records;
- Records, such as Project Initiation Documentation, contracts not centrally archived, no central repository of required records;
- Lack of integration across projects;
- Lack of formal communication plan impacts effective communications to workers, line, Council members, etc.; and
- Programme risk management outside of the Enterprise Risk Management Framework

All of the above-mentioned challenges and recommended remedial actions needed an institutional and structural change strategy from the City. This was started when the EPWP was successfully incorporated into the City's Integrated Development Plan for the 2012-2017 period (IDP) with the five year Job Creation targets included (IDP, 2012). From here the following was done (EPWP, 2012):

- Designing a policy on the Implementation of the EPWP;
- Establishing an EPWP Programme Management Office;
- Allocation of job creation targets to each department;
- Include consulted and agreed upon targets into Departmental Service Delivery Budget Implementation Plans and Executive Director Scorecards;
- Ensure support direct to Line Departments (City EPWP implementers);
- Designing a policy regulating the recruitment and selection of workers from the community to participate in EPWP related projects;
- Creating a central database with all registered jobseekers in the City; and
- Improve relationships and communication with stakeholders.

The above constitute all of the institutional arrangements that the City went through in its quest to improve on its EPWP participation. It is noted that the identification of policy, as key instrument to successfully implement EPWP in the City, preceded the EGS. It is further noted that participative structural changes were required to drive the successful implementation of EPWP in the City of Cape Town. These include the following (EPWP, 2012):

- Direct participation from the Mayor's office in EPWP (political championing);
- Active participation from Directorate Mayoral Committee Members (political championing);
- Implementation accountability at Executive Management Level including the establishment of a planning and monitoring platform (Steering Committee); and

• The creation of departmental coordinators forum to coordinate and monitor implementation at a project level.

The relative successful coordination of the above is what has led the City to start performing as shown in the respective graphs above. While there is still a lot of room for improvement, the City has managed to use the space provided by DPW with the guiding documents to be the first Municipality that has a centralised EPWP recruitment database and an EPWP recruitment and selection policy in place, which are supplementary to its EPWP implementation policy – tools that have made the City's EPWP implementation produce better results and coordination than most other regions in the country.

Furthermore, the City's Built Environment Performance Plan (BEPP) (2015) also supports the EPWP through highlighting that some of the criteria for project selection are inter alia the extent to which the project the supports EPWP. This is a critical alignment for it speaks to how infrastructure projects can maximise opportunities, through the EPWP. We recognise this link while noting that the BEPP does not go any further in aligning itself with the EPWP, highlighting further that there is a lot of room for improvement in the City when it comes to maximising the potential of the infrastructure sector in utilising EPWP as a tool to recognising the aims and objective of the EGS. Perhaps, this is also an area where national government (National Treasury and DWP) can drive greater impact through more prescriptive provisions and guidance notes on how job creation must be prioritised during infrastructure planning and implementation.

Increasingly, the City's EPWP has a dedicated budget allocation of R122m funded from the rates income base. This budget becomes an incentive to City implementers and supports the implementation of the City's EPWP flagship projects and others. EPWP is included as a key strategy under Strategic Area 1: The Opportunity City; and the focus is to broaden job opportunities via the EPWP, as already mentioned above.

The City of Cape Town's EPWP is providing temporary relief to thousands of workers that cannot find jobs in the formal market. It reaches an average of 38 000 people per year. This is the highest of any metro in South Africa for the past three years and has earned the City two national awards for its job creation programme. A 2013 Impact Study, undertaken by the City of Cape Town, indicated that the average household size of an EPWP worker is three. The direct benefit of the programme is thus to approximately 110 000 people per annum. The average wage of an EPWP worker, in the City of Cape Town, is R125 per day which is on par with other informal labour markets and over 50% more than the current prescribed minimum wage for EPWP which is R75.10 (DOL, 2014).

The 2013 impact study also revealed that the top five items workers' spend their income on are:

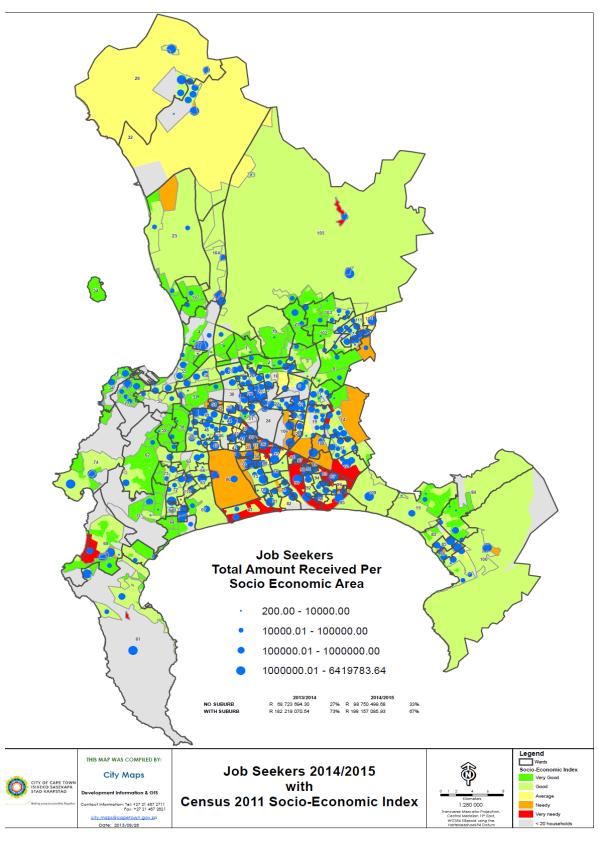
- Food
- Clothing
- Electricity
- School fees
- Debt

The study further revealed that the significant majority of EPWP workers cannot find employment outside the EPWP and simply rely on the next EPWP opportunity. This correlates with the findings from Statistics South Africa's recent quarterly survey which states that companies are not taking up new labour. With all of the above noted, is the City's EPWP really contributing to the EGS strategies of an inclusive growth? Is the EPWP contributing to the strategic focus area of an Opportunity City by bringing opportunities where they are needed in City?

In attempt to answer these questions we took the City's EPWP reported data for the past two financial years, from the jobseekers database (a database that has been audited by the Auditor General for the past two financial years) and cross-referenced it with the census 2011 socio-economic index for the City. The socio-economic index categorises the City's areas according to the very needy (red), needy (orange), average (yellow), good (light green) and very good (green). In this case, the City's EPWP would be contributing to the EGS if the cross-referencing shows that a majority of the EPWP reported work opportunities come from the very needy and needy areas of the City. The 2013/2014 and 2014/2015 maps below reveal the contribution and impact of the EPWP, and the ability of the City's jobseekers database to align the reported data is something to be commended.

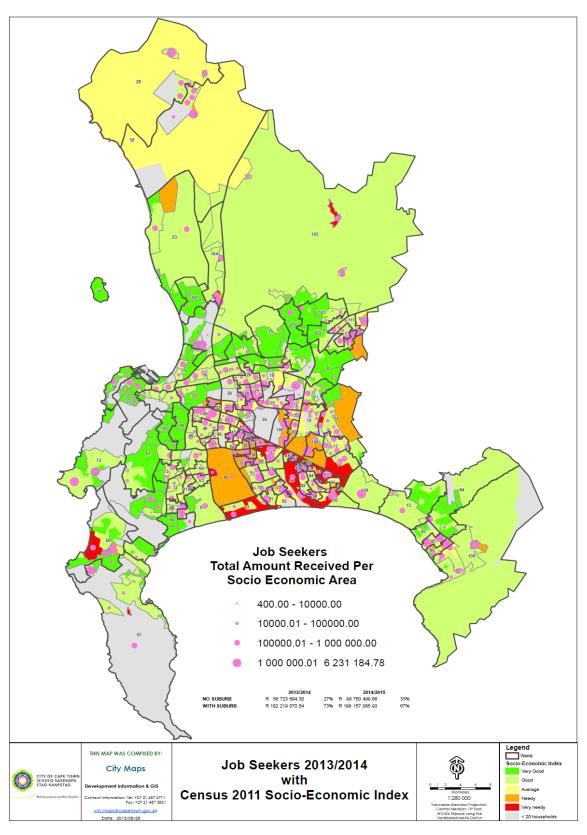
The dots on the maps represent the amount of EPWP wages to workers residing in that specific area, during that specific financial year. The bigger the dot, the bigger the amount of EPWP wages paid directly to the worker.

Figure 6: Spatial mapping of City Of Cape Town EPWP wages paid with Socio-Economic index (2014/15)



Source: City of Cape Town EPWP Office and GIS Office

Figure 7: Spatial mapping of City Of Cape Town EPWP wages paid with Socio-Economic index (2013/14)



Source: City of Cape Town EPWP Office and GIS Office

The first inference that one is able to make from the maps is the concentration of EPWP wages were paid to workers residing in the average (yellow), needy (orange), and very needy (red) areas, respectively; with the majority of the money going to the average and needy areas. This is a positive sign for the contribution of the EPWP to both the inclusive growth and opportunity city objectives of the EGS. However, the findings also provide the City with a big room for improvement as the very needy areas are shown not to be entirely prioritised by the programme.

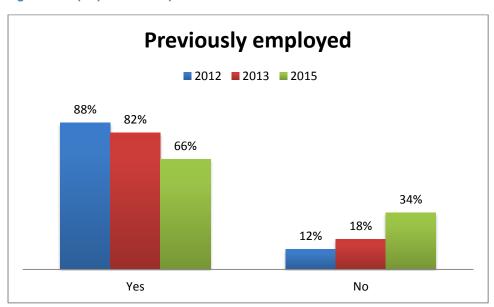
In an effort to solidify these findings, we took the decision to select two of the City's flagship EPWP projects for the purposes of using them for collecting the necessary data required in this exploration paper. In choosing a sample for each project we enquired on the latest number of work opportunities reported by each, and then decided on randomly sampling five per cent of those reported numbers. The two projects are the Kader Asmal and the Janitorial Services projects from the Environmental Resource Management (ERM) and Water and Sanitation (W&S) Departments, respectively. All of the contractors (3) in the Kader Asmal project interviewed as well. It is noted that the Janitorial Services project does not use contractors and workers are directly appointed by the City of Cape Town.

The Kader Asmal project is a Green Jobs project that concentrates mainly on Integrated Catchment Management. The Janitorial Services Project focuses on cleaning and minor maintenance of sanitation / ablution facilities in Informal Settlements.

All of the respondents were asked a series of semi-structured interviews, and the interviews were conducted at the sites. The questions posed are categorised into three, with the first category dealing with employment/contracting history of the worker/contractor and the compliance of the employer. The second category dealt with the economic participation of the respondent, while the last dealt with the skills and ability to execute the EPWP, from the respondent's point of view. It is important to note that for some of the categories comparisons between the 2012 and 2013 impact studies were made. This was important because it helped us understand how the EPWP participant dynamics have changed. For the contractor, two categories were of great importance, the business growth in the project category, and skills gained for future use.

#### Category 1 (Employment/Contracting history)

There were four questions relating to this category, and the four graphs depict the findings from the workers interviewed. The data reveals that there are more first time workers in 2015 than there were in 2012 and 2013, while it also reveals that all of the participants had signed a contract and were aware that they were participants in an EPWP project. The findings on the increase on the new entries into the jobs market can be related to the finding by the quoted quarterly survey, which found that companies will not be taking in new workers. These corroborating findings place EPWP at an important position as a contributor to the EGS, for the programme is able to create opportunities when no stakeholder can. The challenges come when we look at the findings that show us that there are still instances where workers are not paid on time, and paid the full amounts, and where copies of contracts are not given to workers.



**Figure 8: Employment History of EPWP Workers** 

Figure 8 implies that more and more new jobseekers are struggling to find work outside the EPWP, with an over 100% increase in the number of new jobseekers depicted on the graph in the past two years.

Figure 9: EPWP Induction and pre - employment support

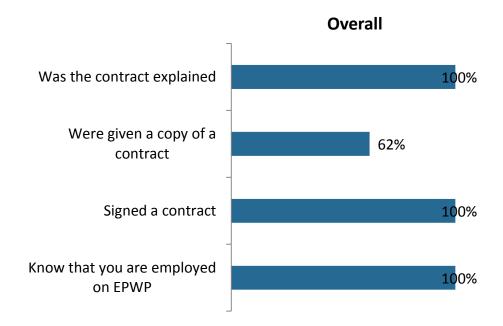


Figure 9 suggests that EPWP workers are treated accordingly in the City, with all the interviewed workers saying that the contract was explained, signed and they were informed that they were engaged on an EPWP project. However, only 62% noted that copies of their contracts were not given to them. This is an opportunity for improvement on the part of the City's EPWP.

Figure 10: Timely payment of Workers

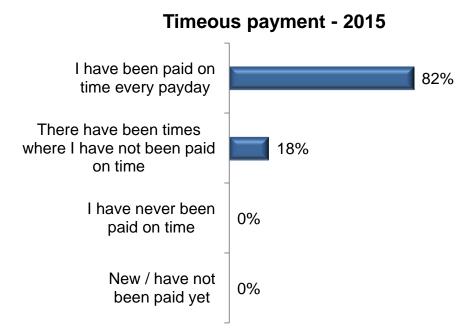


Figure 10 shows that there is still room for improvement in terms of the payroll of EPWP within the City, though the 82% is timeous payment is an encouragement.

Figure 11: Accurate payment of Workers

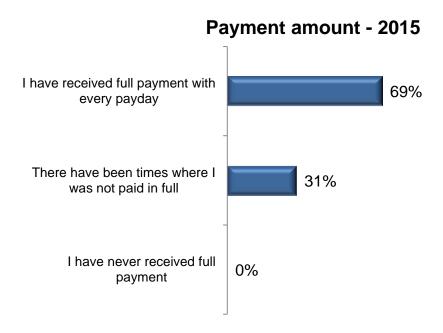


Figure 11 raises an urgent concern for the integrity of the EPWP within the City, for a lack of full payment hinders the ability of workers to participate on the economy. More enquiries should be done in order to understand the issues and eradicate them.

#### Category 2 (Economic Participation)

This is the category of questions that tried to reveal the extent of the economic participation of the EPWP participants. Four questions were also dealing with this category. Again, a comparison attempt was done in order to understand any possible changes between 2012, 2013 and 2015. When it comes to the main items that the participants said they spend their money on; rent replaced debt on the list, while a further increase on items like entertainment, travelling; children related expenses and savings and policy related costs in 2015, on top of the five top spending areas. One of the most surprising spending items to increase was the "other" which (after further enquiries) represents sanitary/health and house-renovations spending. This we related to the fact that a majority of the respondents were females, suggesting that there are different spending patterns between males and females, especially when all the spending items are considered.

On the one hand, the data revealed that there is still a high reliance on state funded income (EPWP wages and grants households were found to be more than two thirds) in the households where the EPWP participants live, a point that correlates with the cross-referencing with the census socio-economic index data. On the other hand, over sixty per cent of the income is spent in malls (36%) and spaza shops (28%), a sign that the money might not be circulating enough within the communities, in order to stimulate growth within the immediate community. This is exacerbated by the fact that most of the spaza shops are foreign owned spaza shops, who do not buy from or employ any local residents (a finding from a follow up question to the participants). Moreover, Liedeman et al (2013) in a study entitled "Why are foreign-run spaza shops more successful? The rapidly changing spaza shop sector in South Africa" found that "in a sample of six key commodities, foreigners' shops were cheaper and they clearly used price discounting as a strategy to capture the market from existing stores." This presents an opportunity for improving the approach to the inclusive growth strategy, for it currently means that over fifty per cent of the direct wages does not circulate in the local communities from the participants.



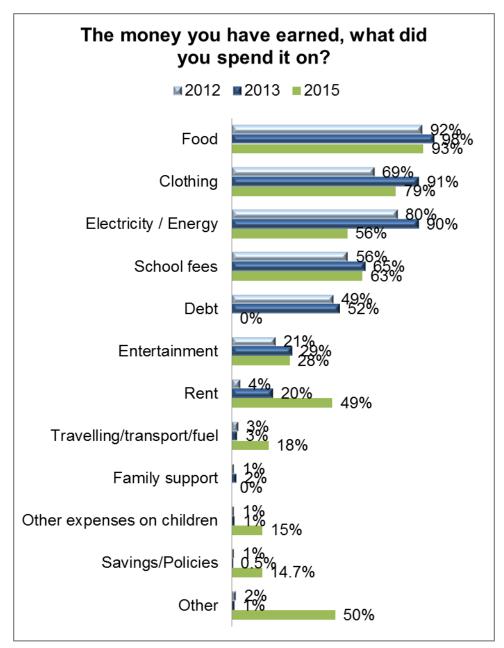


Figure 12 presents an interesting spread on the spending items by the sampled workers. As already noted above, the majority of the sample was women and therefore the data suggests that spending patterns might be different between men and women – with women spending more on family related items than men.

Figure 13: Sources of income in household of EPWP Workers

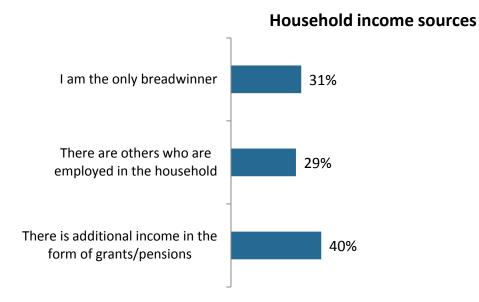


Figure 13 amplifies the fact unemployment is a great concern, for the majority households of the EPWP workers are proving to be highly relaint on government related incomes.

Figure 14: Shopping patterns of EPWP workers

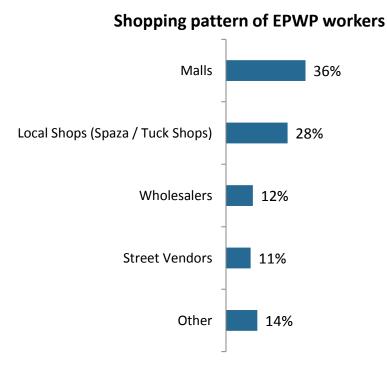


Figure 14 gives insight to where the majority of the EPWP injected funds are going after being paid as wages to the relevant workers. It says the money is not circulating enough within the targeted communities.

#### Category 3 (Skills development)

In the skills and ability to exit the programme category, three questions were asked. The first was related to the skills that the participants gained from the programme, and the second was related to whether the participants believed they could use the skills after the project. The last question was related to the level of education/skills that the participants came into the programme with; this was intended to try and ascertain whether the skills gained were of value or not to the participants. This category was important for it relates to the skills development section of the EGS.

The following are the skills learned as highlighted by the participants:

- Financial management
- Health and Safety
- Driver's License
- Field safety
- Family support
- Water safety awareness
- Snake awareness
- Herbicide training

Ninety six per cent (96%) of the participants said they believed that they will be able to use the newly acquired skills outside the EPWP project. This is a good sign for the programme, and yet presents the programme and EGS with room to expand on the skills provided in the programme, with an emphasis on infrastructure related skills. Increasingly, the data revealed that a majority of the participants do not have Grade 12 nor do they have any additional qualifications when entering the programme, only twelve per cent of the participants having passed Grade 12. This amplifies the value of any type of relevant skill that the average EPWP worker can gain, by engaging in an EPWP project. Moreover, it shows that the City's EPWP is targeting the right group of participants as shown in figure 16 and 17 below. Figure 17 is used by DWP EPWP Office to inform the rationale for EPWP and its target participation group. It argues that persons with limited skills and education has a low prospect of earning income prior to the becoming eligible for government pensions or other social grants. This group is therefore the target market for participation in EPWP. The need for skills development and further education of EPWP participants is therefore also critical to facilitate an exit out of the programme.

Figure 15: Usefulness of skills acquired

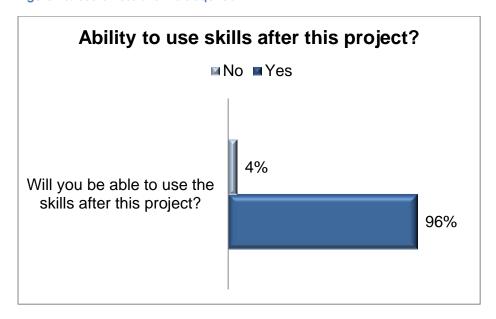


Figure 15 provides critical insights on the importance and relevance of skills within the EPWP. It also encourages the City to carry on providing the skills it is providing to its EPWP workers.

Figure 16: Education Profile of EPWP workers

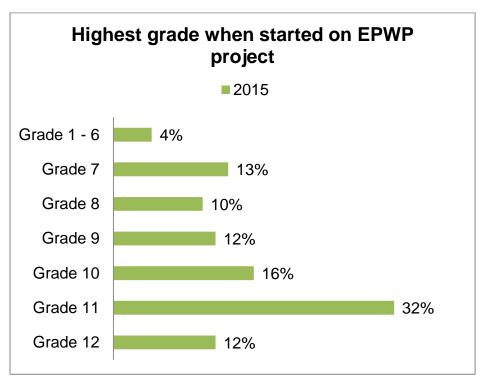


Figure 16 reveals the levels of education of the City's targeted groups, and also tells us that the City is targeted the needy groups in relation to figure 17 below.

Income, age & level of education 80% 70% 60% No schooling No income 50% Grade 11 40% Grade 12 30% Diploma 20% Bachelors degree 10% 20 30 40 50 60 70 80+

Age

Figure 17: DWP EPWP Phase 3, EPWP Rationale

Source: DWP EPWP Phase 3 Business Plan, 2013

We are to remember that according to the EGS (2013), the main functions of the EPWP are to:

- Develop a policy to facilitate the inclusion of EPWP into the operations of the organisation's line directorates
- Align the EPWP programme with the City's broader skills development and infrastructure development goals
- Meet the full-time equivalent targets set by the national Department of Public Works (DPW)
- Enhance the future employability of beneficiaries by certifying skills gained and by opening the EPWP personnel database to the public.

The policy on the implementation of EPWP in the City was approved by council in 2011, two years before the current EGS was finalised (EPWP, 2011). The EPWP in the City is in the process of finalising a training framework that will be a guide for designing and executing EPWP related training within the City. DPW (2015) has just published a list of approved training interventions for EPWP workers in the Western Cape with the majority of that awarded to the City as the leading EPWP implementer in the province. Four hundred and twenty (420) of seven hundred and five of these training interventions are directed at the Infrastructure Sector, with every training mechanism at least SETA (Sector Education and Training Authority) certified if not SAQA (South African Qualifications Authority) certified. Using the

previous years as a benchmark (figure 2), there is more than hope that the City's EPWP will over-achieve on the FTE target for the current financial year (2015/2016).

#### **Contractors**

In terms of the contractors involved in the EPWP, and the impact the programme has on their businesses – figure 17 shows an exponential increase on the sizes of businesses of the contractors while they were on the programme. Two things are important about this, first; the three contractors were still mainly depended on the EPWP project, second; they noted that the business related skills they learned on the programme were vital to be used outside the EPWP. Further, they showed an increase in their ability to source contracts outside the programme.

This is important for the small and medium enterprise development through the EPWP approach that DPW (2009) mentions. It suggests that there is potential for the EPWP to go beyond the creation of the work opportunity.

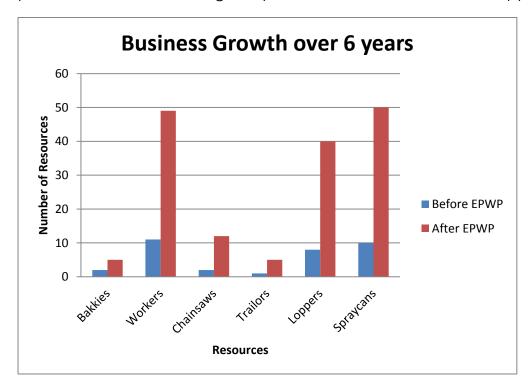


Figure 17: contractor growth within EPWP

The EPWP uses a labour intensive approach to project implementation that helps the project maximise the number of people employed without compromising on the service or quality of the product. This is by far the biggest factor that suggests that the EPWP is a leading contributor to the City's EGS. It is important to note that this ability to create employment or implement methodologies that maximise labour employment is a critical aspect of the programme. In an economy like the one found in South Africa, such a programme and its methodologies should be strategically placed and implemented at every level of government. The City Of Cape Town's EPWP achievements in both the creation of work opportunities and the provision of useful training, amplify the position that the programme is a leading contributor to the EGS, in the absence of an orthodox one. Furthermore, the data presented on this section confirm the potential of the programme in leading the processes of enhancing the inclusive growth and Opportunity City strategic focus areas of the City. This is because with the help of the DPW, the City's programme has positioned itself as key in both opportunities creation and skills development, for the individual and small business. These are indeed the factors that contribute towards the critical position of the programme within the EGS.

### 5. Conclusion

While LED is fairly a new focus and Local Government has gone through significant changes in Democratic South Africa; there seems to be a number of corroborating policies and policy papers that advocate a specific route to LED in South Africa. Furthermore, these policies and policy papers also advocate for a particular kind of Local Government to implement them. This kind of Local Government is given the name "developmental local government" and is seen as key for driving LED in South Africa. This "developmental local government" approach to LED has communities, the private and public sectors working together towards clearly defined goals with clearly defined roles and responsibilities for each stakeholder.

On the one hand there is no standardised approach to driving LED within municipalities in South Africa. On the other hand, the larger municipalities are taking a significantly different approach to LED than the smaller municipalities. As expected, many challenges exist within municipalities with regards to LED. These challenges relate to a lack of political leadership, corruption, a lack of policy coherence, or skills scarcity. Importantly, the biggest challenge of LED in South Africa is that many local municipalities do not have adequate economic growth strategies in place that are implementable and therefore are unable to address poverty and unemployment.

However, the City of Cape Town has a relatively adequate and implementable Economic Growth Strategy and has been proven to suffer less from the ills of "a lack of policy coherence, or skills scarcity, political leadership and corruption." While indeed the City's EGS has been found somewhat adequate (SALGA, 2010), there is plenty of room for ironing the specific role of infrastructure and competitiveness development in the direction of the industries of competitive advantage to the City. The EPWP is given a clear role to play in the City's EGS, and there is plenty of room for strategic growth for the programme within the City.

Moreover, the EPWP seems to be overachieving on the EGS set goals and taking lead in the Inclusive and Opportunity City strategic focus areas. It is taking initiatives in bridging the skills gap within the infrastructure sector, it is proving to be a key entry to the job market for first time workers and it seems to hold the key to maximising employment opportunities in the City. This suggests that while the EPWP is not strategically placed to take the lead in contributing to the EGS and therefore the LED in the City, it is showing signs of capability in this regard. Moreover, the lack of EPWP strategic alignment and effective use seems to be a national government challenge.

Importantly, the state of the national economy and its challenge of unemployment and poverty – require new ways and approaches that might not be as orthodox. This situation contributes to the current factor that make the EPWP a critical programme for not just the City, but for the national government to better utilise in combating both unemployment and poverty. The presented data from the City suggests that the programme is already taking up this position on its own.

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### 7. Addendums

Addendum A – Street People Project Profile

Addendum B – Substance Abuse Project Profile

# 8. Acknowledgements

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## Addendum A – Street People Project Profile

**Sector**: Social

#### Introduction

The Street People programme is a project initiated by the City of Cape Town's Social Development & Early Childhood Development Directorate. The project aims to assist with the identification, referral, relocation and integration of street people.

#### **Project Summary**

Street people live and operate on the fringe of society and their needs are often ignored. EPWP fieldworkers provide local NGOs with additional resources to better understand their needs and to assist with identifying challenges faced by street people. This information obtained via fieldworkers is used to align and streamline resources to the areas where the greatest need exists, as well as to identify new trends and reasons for people migrating to the streets to live.

The second phase of rehabilitation of street people involves providing them with an opportunity to work and earn wages. This is not always possible since they are not able to access the job market and therefore become self-reliant.

EPWP in partnership with the Department of Parks and Recreation employs more than 500 street people to clean and maintain city parks, cemeteries and Muslim burial sites as well as areas across the City.

#### **Project Outcomes**

The street people project has been successful in offering a rehabilitative service to a large group of street people. Ultimately it has restored a sense of pride and dignity.

By successfully employing them it has also given them an opportunity to keep their areas clean and safe.

#### **Success Story**

#### Llewellyn Bezuidenhout, 30, De Aar

Llewellyn, like many rural based people, decided to come to Cape Town, in the hope of a better life. Originally from De Aar he was working in Durban for three years, but when he lost his job there, he decided to move to Cape Town.

Llewellyn had no family or friends in the city. He arrived with no place to go and spent a week on the streets in the Strand area. Here he met some people and together they decided to come to the CBD to find work.

Spending most nights sleeping on Strand Street, he says, "Life on the street was not easy. I made sure that I surrounded myself with positive people and steered clear of drugs and alcohol. However, many of the guys I was with were heavy drinkers, so I would take care of our belongings while they would get us food.

Then one day, in March 2013, an EPWP worker recruiting staff approached Llewellyn. He jumped at the opportunity to get off the street and in April 2013 signed his first contract as a semi-skilled worker on the Street People programme.

A fieldworker on the programme offered him accommodation when she realised his commitment to getting himself off the street and his life back on track.

"I realised I had to prove myself in order to make it. I was promoted to do fieldwork in September 2013 and by April 2014 I was a Supervisor on the Street People programme. I am currently serving my second term as Supervisor and could not be happier."

"While working as a fieldworker I found it very rewarding, sharing my story with others living on the street and motivating them to take advantage of the opportunities presented to them."

"EPWP has given me hope. It has made me realise that with hard work and dedication you are able to succeed and above all I can make a difference in the lives of others."



#### Visuals

EPWP workers on the Street People programme cleaning project in action



Keeping their communities clean gives these EPWP workers a sense of pride



Keeping cemeteries and Muslim burial sites around the city clean, is one of the projects which forms part of the Street People programme, and provides work opportunities to the homeless

## Addendum B – Home based Care Project Profile

**Sector**: Social

#### Home Based Care (for the Elderly and Disabled)

#### Introduction

Home based care is one of the very successful projects which fall under the Social Directorate's EPWP Vulnerable Groups project.

The main beneficiaries of the project are people with disabilities and the elderly.

### **Project Summary**

- Home Based Care (HBC)

HBC is the provision of community based, non-medical care and support to the elderly and persons with disabilities, within the City's most impoverished communities. The project has created employment for 1 199 community-based EPWP care and support workers, to provide care in the form of daily chores, basic housekeeping, general hygiene, including bathing and personal care, and therefore ultimately relieving the primary care givers and family members.

As a social care programme it also contributes to a positive living environment and the opportunity to enhance its beneficiaries' quality of living.

While minimal training is provided, workers are generally people in the community who volunteer their services and in most instances have no qualifications. These community members are also key in identifying people with special needs within their area who would benefit from the service provided by the Social Directorate's EPWP.

EPWP provides training based on a job description that focuses on the tasks mentioned above.

- Elderly, Disabled

Elderly care and abuse of the elderly also forms part of the programme. Workshops are held on subjects relevant to the elderly, encouraging them to join social clubs in their area and to live healthy active lifestyles, if possible.

People living with disabilities are also involved in various projects and workshops offered by the programme. Workshops focusing on entrepreneurship and CV writing skills, as well as job access, are critical to this group as they do not necessarily have easy access to this information and lack the necessary knowledge and motivation to help them get out into the work environment.

#### **Project Outcomes**

The benefit of the project is two-fold in that it creates employment while simultaneously providing a service to the frail and disabled members of society.

EPWP workers are also able to identify and advise local sub-councils of any dissatisfactory living conditions and make necessary recommendations for improvements.

#### **Success Stories**

Jasmina Louw, Shirley Petersen, Hanover Park

Jasmina Louw and Shirley Petersen from Hanover Park were both unemployed before they started working on EPWP's Vulnerable Groups' Home Based Care programme.

"We first came into contact with EPWP at a meeting in the community where someone explained to us what EPWP was, and about the launch of its Home Based Care pilot project."

As they were already helping the elderly and the disabled in their community it seemed natural for Louw and Petersen to volunteer for the pilot programme, as they had no formal work.

"We went on a 30-day training course, which was very useful and taught us a lot. Home Based Care makes such a huge difference in our community and we see between six and eight beneficiaries a day."

"There are many challenges faced by our elderly and disabled. Many of them suffer abuse at the hands of their own children and in some cases if it were not for the Home Based Care project they would not be washed, groomed or even have something to eat during the course of a day."

"EPWP has made a big difference in our own lives too. We are able to put food on the table for our children and make sure they have clothes and shoes. It might not be much or the best, but it is better than nothing."

# Visuals



Taking care of the grooming needs of the elderly





Making the lives of senior citizens more comfortable