

INEQUALITY AND ECONOMIC MARGINALISATION

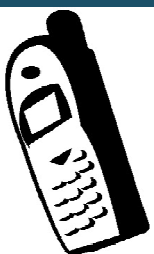


Local labour placement project: Overstrand Municipality

Overstrand Municipality

October 2008

TIPS
TRADE & INDUSTRIAL POLICY STRATEGIES



TIPS is an independent, economic research institution active in South Africa and the region. The organisation facilitates policy development across six theme areas: Trade, African Economic Integration, Industrial Development, Inequality and Economic Marginalisation, Sustainable Growth and Rural Development.

Copies of all the research from the Inequality and Economic Marginalisation project are available on the TIPS website www.tips.org.za

For more information contact TIPS

info@tips.org.za
+27 12 431 7900

ABOUT THIS RESEARCH

The 2007 Annual Report of the Accelerated Shared Growth Initiative of South Africa (AsgiSA) identified a need to focus on what was then called ‘the second economy’, and on mechanisms to ensure shared growth reaches the margins of the economy. The Second Economy Strategy Project was initiated in this context. It reported to the AsgiSA High Level Task Team in the Presidency, but was located outside government in TIPS.

A review of the performance of government programmes targeting the second economy was completed in early 2008. The project then commissioned research and engaged with practitioners and policymakers inside and outside government. A strategic framework and headline strategies arising from this process were approved by Cabinet in January 2009, and form part of the AsgiSA Annual Report tabled on 16 April 2009.

In South Africa, people with access to wealth experience the country as a developed modern economy, while the poorest still struggle to access even the most basic services. In this context of high inequality, the idea that South Africa has ‘two economies’ can seem intuitively correct, and has informed approaches that assume there is a structural disconnection between the two economies. The research and analysis conducted as part of the Second Economy Strategy Project highlighted instead the extent to which this high inequality is an outcome of common processes, with wealth and poverty in South Africa connected and interdependent in a range of complex ways. The different emphasis in this analysis leads to different strategic outcomes.

Instead of using the analytical prism of ‘two economies’, the strategy process placed the emphasis on the role of structural inequality in the South African economy, focused on three crucial legacies of history:

- The structure of the economy: its impacts on unemployment and local economic development, including competition issues, small enterprise, the informal sector, value chains and labour markets.
- Spatial inequality: the legacy of the 1913 Land Act, bantustans and apartheid cities, and the impacts of recent policies, looking at rural development, skewed agriculture patterns, and the scope for payment for environmental services to create rural employment.
- Inequality in the development of human capital: including education and health.

TIPS’s work around inequality and economic marginalisation is built on the outcomes of this strategy process.

The research undertaken under the auspices of the Second Economy Strategy Project continues to be relevant today as government explores policy options to reduce inequality and bring people out of the margins of the economy. This report forms part of that research.

A list of the research completed is available at the end of this report. Copies are available on the TIPS website: www.tips.org.za.

May 2012

CONTENTS

INTRODUCTION	4
Overview of the agency	4
SECTION 1: THE LOCAL LABOUR PROMOTION PROJECT	7
HISTORY AND DEVELOPMENT	7
WORK SEEKERS	10
OVERVIEW AND ASSESSMENT	11
SECTION 2: LESSONS LEARNT	14
IMPACT AND PERCEPTIONS	14
CONCLUDING COMMENTS	14
BIBLIOGRAPHY	15
ANNEXURES	16
ANNEXURE 1: INTERVIEWEES	
ANNEXURE 2: CONSUMER DEBTORS	
ANNEXURE 3: LLPP POLICY	
ANNEXURE 4: CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY: INDIGENT POLICY (DRAFT)	
ANNEXURE 5: LLPP PROJECT AGREEMENT	
ANNEXURE 6: LLPP QUESTIONNAIRE	
ANNEXURE 7: LLPP DEDUSTION AGREEMENT	
ANNEXURE 8: LLPP SITE VISIT CHECKLIST	
ANNEXURE 9: LLPP DEDUCTION SHEET	

INTRODUCTION

The Local Labour Promotion Project (hereafter LLPP) has been developed internally within the Overstrand Municipality which is situated in the Overberg District of the Western Cape Province.

The LLPP was developed initially in 2005 to deal with the high level of municipal services arrears owed by unemployed debtors in the area and was aimed at providing work opportunities on small capital projects to enable income generation and debt repayment by the participants. The project has grown over the last three years from providing work to 18 people on two projects and repayment of R246,000 debt in 2005/06 to providing work for 397 people on 75 projects and repayment of R366,620 debt in 2007/08.

OVERVIEW OF THE AGENCY

The Overstrand Municipality was established in 2000 and has been classified as a high-capacity Category B municipality. Hermanus is the administrative centre of the Overstrand Municipality.

The data for this brief synopsis is taken from the Overstrand Municipality's 2008/09 *Integrated Development Plan* (IDP) and the Overberg socio-economic profile developed by the Western Cape Treasury Department.

Financial stability

The municipality had a total revenue base of R325 million in the 2005/06 financial year, and was projected to grow by 38.8% between 2005/06 and 2006/07. The projected overall Medium-term Expenditure Framework growth in total revenue is 7.3%. The municipality is heavily dependent on own-sourced revenue, which constituted 65.1% of total revenue for the 2005/06 financial year. Transfers from national and provincial governments constituted 10.4% of total revenue.

In the 2005/06 financial year, own revenue was dominated by electricity charges and property rates, which contributed 21.1% and 18.5% of total revenue, respectively. Other sources of revenue constituted 24.5% of total revenue (Socio-economic profile: Overberg District, 2008).

The Overstrand Municipality won the Vuna award in 2007 where the municipality led in the Category B awards and took the individual KPA Awards for financial viability and good governance.

Overstrand also received a favourable assessment from the Provincial Treasury's *Socio-Economic Profiles of Local Government (SEP-LG) 2006*, which stated that "Overstrand's financial health is commendable, with marked improvement in the recovery of bad debt. It is more reliant on own-revenue resources rather than government grants" (2006)

Economic overview

The Overberg District is fourth largest economy in the Western Cape and its economic activity is predominantly driven by the agricultural, forestry and fishing sector. The Overstrand Municipality is a major growth point for the Overberg District.

In contrast to the district, largely the wholesale and retail trade, catering and accommodation sector and the finance and business-services sector drive the Overstrand local economy. Within this, the trade and catering and transport sectors have been the fastest growing, followed by business services and construction. Government services and manufacturing have been in decline. The local economic growth rate was at 8% in 2006, but

the local economy is expected to moderate downwards to 5.9% by 2007/8 (Socio-economic profile: Overberg District, 2008).

The Overstrand 2008/09 IDP states that over the years the local economy has grown on par with that of the Province, and that the economy of the Eastern Cape also has a significant impact on the Overstrand economy, with the bulk of in-migration being low-skilled work-seekers from the Eastern Cape. The municipality population of 73,000 makes it the second largest of the municipalities within the Overberg at 30,7% of the district population and can be attributed, in part, to the high in-migration into the area. The region has a youthful population, with 39.4% of the population under the age of 25. The youth (aged 15-35 years) account for 30.1% of the Municipality's total population. Overstrand, at 91.2%, has the highest proportion of urban households in the Overberg District.

The Municipality has 10 informal settlements of various sizes spread throughout its borders, with the biggest of these settlements being Zwelihle in Hermanus. Basic services in the informal settlements are lacking: there is limited access to clean water, electricity and sewerage. The housing backlog is estimated at 9,500 subsidised housing units. Some areas still have the bucket system in place (Socio-economic profile: Overberg District, 2008).

Labour force participation

The unemployment rate in 2001 was at 21.7% and the illiteracy rate is at 19% for people over 14 years of age.

The sectors employing the largest number of people are the trade and catering, community services, agriculture, government and construction sectors. The biggest job losses have been experienced in the agricultural and manufacturing sectors (OVSM IDP, 2008/9)

The largest employers in the Overstrand in 2001 were located in the wholesale and retail trade, catering and accommodation (19.3%), agriculture, forestry and fishing (16.1%), and community, social and other personal services (15.2%) sectors.

The manufacturing sector, although registering a significantly high share of the gross domestic product per region (GDPR) (17.2%), was not absorbing much of the labour force. About 7% of the labour force was employed in the manufacturing sector in 2001.

Women, black Africans, the youth and those with lower education levels experienced high unemployment rates, while higher employment rates prevailed for men, whites and Indians, and for those with secondary and higher levels of formal education.

Youth unemployment is significant at 39%.

About 37.5% of the labour force is classified as low skilled. While over 4,000 new jobs were created in the Overstrand area during the period of 1996 to 2001, the labour force participation rate decreased from 65.7% to 63.4%.

The labour force also grew at an average annual rate of 8.6% and from that is clearly evident that employment creation lagged behind growth in the labour force.

Thus, unemployment is on the rise in the Overstrand; increasing from 10.6% in 1996 to 21.1% in 2001, growing at an annual average rate of 25.3% during the period (Socio-economic profile: Overberg District, 2008).

The age-dependency ratio for the Overstrand is projected to increase from 55.7% in 2001 to 57.81% in 2006 (which is the highest in the Overberg District), rising to 60.61% by 2010. The high dependence ratio implies that more than half the municipality's population is too young and too old to look after themselves, thereby placing a huge burden on the working-age population (Socio-economic profile: Overberg District, 2008).

Of significance are the racially segregated and geographically concentrated nature of poverty within the area, the decline in fishing, and the seasonality of tourism and agriculture; all of that impacts negatively on the semi-skilled and unskilled workforce while, conversely, the growth sectors have benefited the wealthy. In-bound migration of poor and unskilled people to the area is associated with rising rates of poverty and inequality. Other than the formal safety nets of grants, the poor depend on informal jobs and piecework in construction and agriculture or on illegal livelihoods such as abalone poaching. A total of 89% of Africans and 78% of Coloureds in the area live below the household subsistence level (OVSM IDP, 2008/09)

Pro-poor growth strategies

Hermanus, according to a provincial study on the potential of towns in the Western Cape, has been identified as a regional growth and development centre. This status is also reflected in the municipality's creation of an independent development agency to drive Local Economic Development (LED).

The LED strategy comprises eight interventions that include: creating an enabling environment for business development and growth with a focus on SMME support, promoting the development of the economies of the poor through job creation programmes, and assisting with developing the human resource and skills base through the creation of training capacity.

Currently, the area has a growing poor population and more is needed to address the needs of the poor and to ensure that economic growth is shared by all. The Overstrand Municipality has a "Customer Care, Credit Control and Debt Collection Policy" that also focuses on meeting the needs of indigent clients. The indigent section of the above policy is attached as Annexure 2.

In summary, the Indigent Policy (still in draft form) states that an indigent household is one where income may not be more than two times the social pension amount plus one Rand per month, which has an average monthly consumption of electricity that may not exceed 350kWh, has an average monthly consumption of water that may not exceed 15kl, and must be comprised of South African residents who reside permanently in Overstrand and are registered voters in Overstrand.

Subsidies are calculated as follows: 100% of the basic levy for electricity for one service point per month; 100% of the basic levy for water for one service point per month; 100% of the basic levy for sewage for one service point per month; 100% of the basic levy for refuse removal for one service point per month; 50kWh of electricity; and 6kl of water. This means that while the Local Labour Placement Project (or LLPP) specifically targets unemployed municipal account holders who are in arrears, the indigent policy covers all other households which cannot afford basic services.

Interventions identified in the 2008/09 IDP and of relevance to this case study include the following:

- Expanding the Red Door small, medium and micro-enterprise (SMME) support and similar organisations in the identification of new opportunities, facilitating Black Economic Empowerment (BEE) access and creating a development fund to research new opportunities for BEE entrepreneurs;
- Continuing and expanding the Local Labour Promotion Project;
- Setting up and supporting a Youth Advisory Centre;

- Creating job centres (which could be linked to Red Door and the Expanded Public Works Programme (EPWP) and LLPP) that are linked to skills training centres. One such centre being planned by Mthimkhulu;
- Creation of skills development centres linked to job centres; and
- Opportunities for implementing the EPWP under the MIG programme have been identified and infrastructure projects are in the process of registration for training purposes.

Key developments relevant are that the EPWP programme has yet to be implemented in the Overstrand Municipality although the Municipal Infrastructure Grant (MIG) projects are being placed with the Department of Labour in order to register them for training in the 2008/09 financial year.

The Umsobomvu Youth Fund is partly funding and providing technical assistance for the establishment of the Youth Advisory Centre.

An influential NGO, Mthimkhulu has purchased centrally located land in Kleinmond in order to develop a community centre that promotes social cohesion through delivering certified job training, continuing education and small business development, a community amphitheatre and small market shops, all linked to the principles of the Koegelberg Biosphere Reserve.

As will be unpacked later in this report on the LLPP case study, the strategic integration and/or partnership development between the EPWP, skills development initiatives, SMME support and the LLPP has not yet occurred, although there is clearly the beginning of the critical debate within the municipality that is necessary for this.

This report consists of two additional sections: the first section is a description of the project and the other outlines the lessons learnt.

SECTION 1: THE LOCAL LABOUR PROMOTION PROJECT

HISTORY AND DEVELOPMENT

Innovation: 2005/2006

The Overstrand Local Labour Promotion Project (or LLPP) was established in 2005 as a part of the local authority's strategy to bring about poverty alleviation through job creation, while enhancing simultaneously the prospects of reducing outstanding municipal consumers' debt.

Mr. Kobus Arendse, Project Manager of the LLPP, states that it took him a quite few years to sell to the municipality the idea of targeting unemployed debtors for participation in job creation programmes in order to enable income generation, repayment and the development of community facilities. The project manager's housing background combined with the realisation that the legal route of obtaining arrears was expensive and time consuming, along with the understanding that "we were not providing answers to our unemployed bad debtors", led to the exploration of more constructive ways to achieve repayment by enabling repayment. The idea was to build a sense of civic responsibility and pride in being able to work to pay off one's own debt.

In 2004, the mayor agreed to pilot the idea for 20 weeks. It was discussed with local unions, municipal staff and in community meetings. Initially, the project was located in the Zwehile Township in Hermanus, and 18 debtor participants built a change room and public toilets at the local sports field. It was stated that the municipality chose deliberately a visible facility to ensure continued buy-in from the local communities.

Participants were selected by advertising in the community and calling for participants who met the eligibility criteria. These criteria included that the person had to be a resident, unemployed and in arrears with the municipality. If the debtor was a pensioner or disabled, and unable to work due to infirmity or age, a person from the household could act as an “agent” for the debtor. Participants were assisted with opening bank accounts and were registered with the Unemployment Insurance Fund (UIF).

Participants earned a weekly wage, while contributing financially towards servicing their debt. At this time, workers were paid R100 per day, of which 40% was used to pay off arrears. The municipality committed itself to matching funds of two Rands for every one Rand used to pay off arrears.

Arrears were anywhere between a few hundred Rands to over R15,000. At that time, despite the stipulations of the *Municipal Property Rates Act of 2004*, rates were billed on an annual, not a monthly, basis. This could have been one of the causes of the arrears problems, as poor household will seldom save for the encroaching bill in advance. Monthly billing will be implemented in the 2008/09 year.

Outstanding debt amounting to R246,000 was cleared from the books over a period of 16 weeks, and represented the outstanding debt of 18 participants. The initial cost of the project was R350,000.

The principle employed was that the debtor was allocated two Rands from the fund for every one Rand contributed by the debtor from income earned on the project. The joint amount would be offset against the participating debtor’s municipal account. The Municipal Working Capital Fund was used for the project. The Council took a decision to use its own revenue to offset the capital fund.

The Overstrand Municipality won the Impumelelo Platinum Innovation Award in the same year; the award recognised that the municipality had delivered job opportunities for unemployed local residents, serviced municipal debt, and was able to provide facilities as mandated by the Constitution.

Expansion: 2006/2007

After the success of the initial pilot project, it was decided to expand the programme within the municipality.

The publicity that went with the award ennobled the project teams and went some way towards shifting any negative perceptions of the programme among reluctant staff. During the 2006/07 financial year, a total of 211 people were employed on 31 projects and debt of R500,022 was serviced. The increase in projects was achieved by obtaining the buy-in of the various operations managers at the municipality who began to allocate smaller labour intensive projects to the LLPP.

The types of projects included building walls and latrines, erecting fences and cleaning. At that point, unemployed people with artisanal skills and qualifications also began carpentry and electrical work in building maintenance and erection of streetlights. Three large projects were also initiated, namely the building of the Moffat Hall, RDP houses in Hawston and the Stanford Multipurpose Centre. Labour was sourced from the LLPP and the relevant line function departments managed the projects.

All of that represents a massive growth in a short period of time and the project experienced all of the growing pains associated with such growth. Systems lagged behind, quality assurance was not in place, supervision was stretched, and, of significance, some of the core principles of the programme began to become elastic. In particular, the agent function was

expanded from a member of the same household of a debtor who was unable to perform labour intensive work to include all work seekers who were prepared to act as agents for any debtor on the books. Work seekers no longer were required to be debtors, as long as they were linked to a debtor account and that debt was being serviced. Work seekers were still, however, required to be unemployed residents with an account at the municipality. There was support to open bank accounts and all were still registered with UIF.

Systems 2007/2008

In the 2007/08 financial year, 397 people were employed on 75 projects and a total of R366,620 debt was serviced. That year saw the use of the IDP process to identify projects upfront.

The increased number of persons employed versus the reduced debt component is explained in two ways.

Firstly, the matching funds provided by the municipality were reduced from two Rands for every one Rand placed in to servicing debt to one Rand for every one Rand.

Secondly, it became clear that there was no longer a meaningful turnover of debtors as participants nor any exit strategy in place for those who had cleared their debts. Instead, those people willing to work and the “old hands” in the project stayed on as agents for other debtors. The old debtors and willing workers were now used increasingly as agents for actual debtors

As part of the need to manage larger numbers of participants and increasingly complex work emerged, the contractor system was introduced. LLPP experienced workers were offered opportunities to develop themselves as contractors and to employ their own workforce. Of those selected, it is clear that participants with artisanal skills were preferred so that they could develop into task specific potential business units.

Task-based work was also introduced as opposed to the daily wage. However, based on the interviews, it is clear that while the contractors are paid per task, all of the contractors interviewed pay their workers a daily wage.

There are, unfortunately, no figures to enable an analysis of the proportions of agents versus actual debtors. The agents who had paid off their own debt were initially entitled to build up credit with the municipality in the amount of R2,500. If the agent exceeded this amount, s/he would have to choose a debtor off the list and begin repaying that debt.

The introduction of the contractor system has not as yet been accompanied by training, either of skills training or business development training.

Year 2007 saw the development of a draft LLPP policy as well as performance targets systems, site visit forms, checklists and attendance registers by the LLPP project office.

The policy stipulated that the daily rate of the contract be R100 per day for a general worker, R200 per day for an artisan and R300 per day for a contractor. The 30% deduction against an arrears account is to be paid only from the labour component of the contract and at least 90% of the workforce must adhere to the criteria of being a resident with a permanent address.

In the 2007/08 financial year, the LLPP was placed under Community Services as a result of restructuring. A further staff member, a Project Assistant, was employed and that brought the total component staff to two.

Skills development and integration: 2008/2009

The internal audit performed on the LLPP is currently in process and will be tabled in the next few months. The draft was, unfortunately, not available.

Until the audit is complete and the recommendations perused, the LLPP is on hold for the beginning of the 2008/09 financial year despite projects having been identified in the IDP process.

Nevertheless, various changes are being planned. Contractor development has been flagged as a critical issue in the programme and the 2008/09 financial year is seen as the year in which a proper training component will be introduced.

None of the contractors have, as yet, managed to win a local tender and it was stated there is concern that very few of the participants have graduated to formal sector employment as a result of the programme. One of the contractors interviewed stated that he had managed to expand his network of painting work to private households as a result of his participation in the LLPP.

With regard to skills development, negotiations with Boland College to develop a contractor SMME training programme have already begun.

The matching funding of one Rand for every one Rand paid off the debtor's arrears is set to be removed because the project staff feel that because they are paying the minimum wage, debtors can, therefore, pay their arrears from this working wage.

Also, there are plans to develop specific financial codes for the LLPP in order to enable more in-depth information, such as actual debtors versus agents, the impact of the arrears paid to the global municipal arrears situation, and for the efficient costing of the projects.

The unemployment database will be reworked this year, as the data are no longer credible.

WORK SEEKERS

As stipulated in the original concept document, criteria for the selection of participants included those who were unemployed, in arrears with their municipal accounts and in possession of a permanent residential address in the Overstrand area. Agents could be used for debtors who were disabled and pensioners, and only one person per household could participate. As one participant said (translated from Afrikaans): "I was unemployed and in debt to the municipality, now I have had work for three years, have paid off my debt and am helping friends and family pay off their debt."

That has meant that only those persons with access to municipal services are eligible for the job creation programme; excluded are those living in informal settlements. In the last financial year, the project was expanded to include people who have been resident in informal settlements for longer than five years. As stated earlier, the Indigent Policy further covers those unemployed and poor households that are not eligible for LLPP support.

Also excluded presently as targeted participants are the youth, as most of them do not have their own residences and are not municipal account holders.

Of concern is the limited number of women participating in the programme. In 2006/07, 30 women were employed out of 211 and in 2007/08, only 50 participants out of 397 were women. Old-fashioned prejudice regarding the suitability of women for manual labour seems to be the major cause of this and in the absence of stipulated proportions, this under-representation will continue. All of the contractors interviewed did not employ a single

woman for that reason. As stated in one interview: “women can’t climb extension ladders and do hard labour.”

All work seekers were helped to open bank accounts, registered with UIF and given written references for future employment. As one participant stated: “The reference means I can start to look for work again; I had given up.”

OVERVIEW AND ASSESSMENT

Innovation

As with most innovations, the LLPP is a simple combination of two or more standard ideas, namely, building community facilities through job creation by using unemployed debtors linked to arrears repayment. The time and effort placed into achieving the buy-in of key stakeholders, both within and outside of the municipality, has paid off as evinced by the growth of the programme. An innovative idea is seldom born fully-fledged and operational; it requires persistence, a leadership willing to take risks and well thought through lead-in time.

The LLPP has exhibited all of those in an unassuming manner.

Strategy

Over the last three years, the LLPP’s purpose has become increasingly unclear. The question is: is it the purpose of the programme to employ debtors to pay off their own debts as part of building civic responsibility? Or, is it a labour intensive job creation programme and a precursor to introducing EPWP? Or even, is the purpose of the programme to reduce municipal debt through the agent system rather than using actual debtors? And a further question pertains to what is the relationship between the LLPP and the Indigent policy.

The lack of regular evaluations and assessments has meant that many of the teething problems have been solved on a responsive basis. These changes to the programme, as a result of intensive growth, have allowed for both the development of necessary systems and staffing, but have also allowed the original principles, specifically that of developing pride in obtaining work in order to pay off one’s own debt, to veer off-course, as is shown by the increasing development of the agent system. There does need to be an assessment of what proportion of participants are agents versus debtors, and the question must be asked as to whether the goal of developing civic responsibility is best served through this mechanism.

The developmental goals of ensuring greater inclusivity in job creation programmes and providing opportunities for all unemployed people in the area need to be assessed along with the debate about initiating EPWP. The LLPP targets a very specific group of people and it either needs to refocus towards this once more or be subsumed under the EPWP.

Furthermore, the relationship between the Indigent Policy and the LLPP needs to be clarified in both draft policies as there is no mention of either in each.

Debt collection

In Table 1 (in Annexure 2), the total debt picture figures for 2005 and 2006 are detailed.

If one takes bad debt as debt exceeding 120 days, it results in a total of R15m worth of debt. The LLPP has, therefore, in this period impacted on 0.33% of the debt repaid. Currently, there is no breakdown of figures to enable understanding of what percentage of the households in poorer areas that debt covered, as this could be much higher. The actual impact of the LLPP on total debt seems to be minimal, and one can conclude that the

emphasis of the LLPP seems to be that of a poverty alleviation programme rather than a meaningful attempt at total debt reduction within the municipality.

Selection of workers

Initially, the selection of participants for the LLPP was based on the criteria as stipulated in the original pilot held in 2005: the participant must be a permanent resident, an account holder who is in arrears to the municipality, and unemployed. Only a member of a household where the debtor was too old or infirm to perform the work could an agent act for that debtor. The selection process was based on comprehensive advertising and pre-selection checks to determine that the applicant met the criteria.

Questions were raised about whether being in arrears was, in some way, rewarded with work and also about whether people had gone into arrears to ensure that they are eligible for employment. As a result of those sorts of questions, there was an indication that the policy would be re-assessed to include a clause stipulating that only one set of arrears may be paid off through the LLPP and furthermore, that there are no second chances if the debtor defaults yet again.

The LLPP's original selection process has evolved with the growth of the programme. A dilemma has emerged around developing willing work seekers and ensuring the necessary turnover to ensure that actual debtors work off their arrears while having a system of agents who obtain work by paying off the arrears of debtors chosen from a list provided to them by the Finance Office. These contractors select their own workers and mainly exclude women because women are perceived as unsuitable for manual labour.

Currently, as a result of the permanent residency criteria, agent system and predominantly male contractor system, the LLPP lacks inclusivity with regard to the most vulnerable, namely, the residents of informal settlements, and women and youth.

Bridges to the formal economy

According to the interviewees (see Annexure 1 for a list of individuals interviewed), the use of work references, UIF and the introduction of access to banking facilities has facilitated access to the formal economy once again. For many of the participants who had not worked for many years, this was particularly valuable as a means of finding other work.

Matching funds

The use of matching funds was clearly a serious incentive to participate in the programme. As the participant's wage has increased, though, the matching proportion has been reduced and will be removed this year. Given that fewer actual debtors are engaged in the programme, with agents working in their stead, this will likely result in an increase of the agent system to pay off more arrears.

Agents

As stated above, the agent system was put in place initially to enable household members to pay off the arrears of disabled and/or aged debtors. As the programme grew, however, the agent system became a means to ensure continued employment of willing work seekers. It is the agent system that raises a number of questions as to the evolved purpose of the LLPP across its various stages of growth.

Those persons who are willing to work apply for participation in the LLPP. The price paid for obtaining that work is to pay off (often) a stranger's arrears. The contractors interviewed regard the obligation to pay off another debtor's arrears as a necessary evil to obtain this

work. While they are uniform in their perception that this is unfair, it is accepted. According to one contractor interviewed: “As ek dit moet doen om werk to kry dan moet ek dit doen, maar dit is onregverdig.” [*If I have to do it to get work, I will do it, but it is unfair*].]

This raises an important issue: it seems to be the case that genuine work seekers are being penalised while debtors, who are unwilling to work off their arrears, are being rewarded for not seeking employment. One contractor stated that he had repaid his own debt of over R4,000, and has now paid off his cousin’s debt of R5,950, his sister’s debt of R3,250 and is in process of paying off a friend’s debt that is in excess of R9,000. When asked why this friend does not work to pay off his own debt, the contractor stated simply: “Hy will nie werk nie en ek will”. [*He does not want to work; I do*].]

Questions were raised as to whether there is a form of informal exchange that has been set up whereby the debtor pays the agent for working off their arrears. Of interest is that there are far more debtors than agents and contractors. Agents can be given debtors from those names on a list but can also nominate the debtors whose arrears they want to pay off. While the interviewees were not forthcoming on the matter, the possibility was not denied convincingly and it is logical that there would be some sort of payback in operation.

Skills development

As noted above, training and skills development are lagging behind the growth of the programme. Municipal interviewees see this financial year as the year in which training and skills development are put in place, especially for contractors. However, all of the contractors interviewed saw no need for training for themselves. They preferred that their workers received on-site training to enable more productive work, but were not interested in small business skills. Instead, they preferred to be able to outsource all of their financial and tax matter to a bookkeeper.

When this reluctance was relayed back to project staff, it was stated that small business development was clearly needed and that when the contractors started realising the complexity of running their own business, they would come around. On the issue of training of workers, the link with the Department of Labour is being explored, despite initial negative experiences with the regional office. This led onto a discussion on the link between the EPWP and the LLPP.

Although the discussion and debate is still in its early stages within the municipality, there is an increasing commitment to ensure that EPWP is fully operationalised. The LLPP is seen to have provided all of the necessary pre-conditions for this in terms of operational managers, community, political and senior management buy-in, a commitment to labour intensive methodologies by the resident engineers, task-based work, and the development of necessary systems, such as databases, site inspections forms and so on. The pressure to get the training component paid for by the Department of Labour by senior management is giving this further impetus.

There is also, however, understandable reluctance to subsume completely the LLPP into EPWP, as the target group is different and the debt repayment component is working. The LLPP is being discussed as a means of identifying contractors for larger EPWP work. The LLPP is, however, fulfilling many of the aims of EPWP by serving as a bridge for unemployed people crossing back to the formal economy through ensuring a work track record, UIF, and access to banking facilities.

Database

The expansion of the programme and the lagging behind of systems has impacted on data management. Apart from data on the numbers of people employed and the amounts of debt repaid, there is no further qualitative data on the impact of the programme. Databases need to be re-established and tracking should be put in place to measure its impact.

The original unemployment database, which was developed out of the LLPP, has lost its integrity and will be reworked this year. Currently, a contractor database is being developed and will also ensure tracking of future training.

The existing databases and information do not provide the necessary means to analyse the ratio of actual debtors to agents and that needs to be in place if the original intention of the LLPP is to be retained.

SECTION 2: LESSONS LEARNT

IMPACT AND PERCEPTIONS

The municipal staff members, depending on their functions, have mixed responses to the LLPP. The Operations Managers are willing to use the LLPP as it often meant that they could complete their work within budget when the tender values were starting to outstrip the budgeted values. With improvements in quality, the work is snowballing and the LLPP project office is starting to turn down work.

The Economic Development Manager, while supportive of the programme, sees it as a stand-alone programme that needs to be integrated into broader LED initiatives, such as EPWP and other skills development programmes.

The buy-in from the community seems to have been positive, as there has been only one small case of labour unrest on the programme and a steady stream of applicants looking for work. The facilities that have been built through the programme have concentrated on impoverished areas.

Contractors see the LLPP as an opportunity to for work and a chance to develop a business, but as stated above, they do perceive the agent system as unfair.

CONCLUDING COMMENTS

Created out of a simple combination of two ideas, namely, the intention to build community facilities through job creation for unemployed debtors and linking that to arrears repayment, the LLPP is an innovative initiative. The time and effort placed into achieving the buy-in of key stakeholders, both within and outside of the municipality, has paid off and the programme has grown rapidly.

However, the lack of regular evaluations and assessments has meant that many of the teething problems have been solved on a reactive basis. Intensive growth of the programme has meant that necessary systems and staffing changes have occurred yet has also allowed the original principles to veer off-course, as is evident from the expansion of the agent system. There does need to be an assessment of what proportion of participants are agents versus debtors and questions do need to be raised as to whether the goal of developing civic responsibility is best served through this mechanism. The developmental goals of ensuring greater inclusivity in job creation programmes and providing opportunities for all unemployed people in the area needs to be assessed along with the debate about the links between the LLPP and the EPWP. The LLPP targets a very specific group of people and either needs to refocus itself towards that once again or be subsumed under the EPWP

Replication has not occurred despite the Impumelelo Award monies being allocated to the LLPP and which were given for this specific purpose. Hawston Municipality began replicating the LLPP but it was not sustainable. When questioned as to why other municipalities have not replicated this model, the project staff members show the materials that were developed to assist other municipalities with replication and express disappointment at that it has not occurred.

The skills development component of the programme does need serious attention if the LLPP is to enable the participants to enjoy increased opportunities for participating in the formal job market.

BIBLIOGRAPHY

Foundation for Contemporary Research. (2006). *Newsletter: October 2006*.

IDASA. (2006). *Word on the street: 15 December 2006*.

Impumelelo Award. (undated). LLPP wins Platinum Award: www.impumelelo.org.za.

Overstrand Municipality. (2006). *Overstrand LED study: 2006*.

Overstrand Municipality. (2007). *Overstrand Municipality Customer Care, Credit Control and Debt Collection Policy: Indigent Policy (draft)*.

Overstrand Municipality. (2008). *Mayoral speech on the budget at the council meeting of 28 May 2008: www.overstrand.gov.za*.

Overstrand Municipality. (undated). *Final integrated development plan 2008/09*.

Overstrand Municipality. (undated). *Platinum Award for Overstrand: www.overstrand.gov.za*.

South Africa New Economic Network. (2006). *Annual Report 2006*.

Umsobomvu Youth Fund. (2007). *Project report 2007*.

Western Cape Premier's Office. (2008). *Status of the youth report*. Western Cape Provincial Government: Cape Town.

Western Cape Provincial Government. (2006). *Socio-economic profile: Overberg District: 2006*. Western Cape Provincial Government: Cape Town.

Western Cape Provincial Treasury. (2006). *Provincial Treasury's SEP-LG 2006*. Western Cape Provincial Government: Cape Town.

Western Cape Provincial Treasury (2007). *Socio-economic profiling at the local level: an update. Western Cape Provincial Economic Review and Outlook 2007*. Cape Town: Western Cape Provincial Government: Cape Town.

ANNEXURES

ANNEXURE 1: INTERVIEWEES

Interviewee names	Capacity / role
Elmarie Hooneberg	Overstrand Manager: Income
Kobus Arendse	Overstrand LLPP Project Manager
Roderick Williams	Overstrand Director: Community Services
Solomzi Madikane	Overstrand LED Manager
Eric Rilityana	LLPP participant
Leonard Fick	LLPP contractor
Harry Erasmus	LLPP contractor

ANNEXURE 2: CONSUMER DEBTORS

Table 1: Consumer debtors

	Gross balances	Provision for bad debts	Net balance
As at 30 June 2006			
Service debtors	35,220,683	15,594,808	19,625,874
Rates	6,880,395	3,046,461	3,833,934
Trading services (electricity, water)	19,010,198	8,417,224	10,592,973
Economic services (sewerage, refuse)	9,330,090	4,131,123	5,198,967
Housing rentals	979,384	433,646	545,738
Housing loan instalments			-
Total	36,200,067	16,028,454	20,171,612
As at 30 June 2005			
Service debtors	37,752,433	19,025,186	18,727,247
Rates	6,566,159	3,308,989	3,257,170
Trading services (electricity, water)	21,635,508	10,903,127	10,732,381
Economic services (sewerage, refuse)	9,550,766	4,813,070	4,737,696
Housing rentals	792,263	399,258	393,005
Housing loan instalments	684,667	345,035	339,632
Total	39,229,362	19,769,478	19,459,884
		2006	2005
		R	R
Rates:			
ageing			
Current (0 - 30 days)		2,883,916	(2,511,375)
31 - 60 days		623,902	4,318,519
61 - 90 days		189,047	645,861
91 - 120 days		176,096	370,857
+ 120 days		3,007,425	3,742,296

Total	6,880,385	6,566,159
Trading services (electricity, water): ageing		
Current (0 - 30 days)	8,396,095	(61,830)
31 - 60 days	2,131,085	8,861,010
61 - 90 days	669,669	1,717,892
91 - 120 days	729,845	895,007
+ 120 days	7,083,503	10,223,429
Total	19,010,198	21,635,508
Economic services (sewerage, refuse): ageing		
Current (0 - 30 days)	3,197,995	(2,474,467)
31 - 60 days	616,211	2,870,216
61 - 90 days	373,947	743,410
91 - 120 days	299,177	351,693
+ 120 days	4,842,761	8,059,914
Total	9,330,090	9,550,766

ANNEXURE 3: LLPP POLICY



LOCAL LABOUR PROMOTION PROJECTS (LLPP) *"Building a better life for all"* POLICY

Background

The Local Labour Promotion Project was established to deliver on Council's approved strategic objectives of:

- Provision of democratic and accountable governance
- Provision and maintenance of municipal services
- Creation and maintenance of a safe and healthy environment
- Promotion of tourism, economic and rural development.

Introduction

The Local Labour Promotion Project (LLPP) provides an ideal opportunity to add value to communities with high unemployment and poverty levels. This can be achieved by allowing the unemployed, those who are in arrears and other needy groups within the communities to be part of the delivery of municipal services and construction of new facilities.

The concept

This project was devised as a means of effecting socio-economic upliftment, as part of the local authority's strategy to bring about poverty alleviation through job creation whilst enhancing the prospects of reducing outstanding municipal consumer debt. This concept embarked on an initiative in terms of which debtors, particularly those unemployed were targeted for participation in a local capital/operational project aimed at addressing a communal back log in terms of facilities. Participants would earn a weekly wage whilst contributing financially towards the reduction of their outstanding municipal debts.

Unemployed persons can be employed as agents for debtors who are in arrears. 30% of the agent's (worker's) earnings are used towards writing off the debtors arrears account. We give people the opportunity to build some pride by doing work in return for writing off their debts, while at the same time providing an asset for the community.

Objectives

The objectives of the LLPP will be as follow:

Creation of employment

Reduce poverty

Reduce outstanding municipal debts

Transferring and development of skills through on-job training and basic personal finance training by service providers

Creation of facilities, built infrastructure, better service delivery

Drawing into the economy (opening bank accounts)
Building pride of ownership in the community
Getting communities involved in developing of their areas

Implementation process

The LLPP shall entail the following:

Provision of funding

Financial management of project

The project is being funded by municipal funds in accordance with budgetary provision. Needs are identified through the IDP (Integrated Development Plan) process and provision is made on the capital- and operational budget.

Public Participation (buy-in)

Meeting with ward committees

Inviting participants (putting up posters in taxi's, libraries and spaza shops, council's bill boards)

Criteria for qualifying for LLPPs

The following criteria will be applicable for job creation

Unemployed person

People who are in arrears with their municipal account

Only one individual per household may register/participate

A debtor with arrear municipal services account can make use of an "agent" to work on his/her behalf

Participants must have a permanent residential address in the Overstrand area

Foreman

The foreman must be unemployed and need to have a sound knowledge of the building trade (e.g. be able to read plans, be able to lay-out building sites and knowledge of construction work, kerb laying, brick paving, plumbing etc)

The foreman needs not to work for an arrears municipal service account because of this skill which is generally not found under the unemployed.

The foreman will be appointed on a contract basis of one year and to be considered for re-appointment on the same basis over a period not exceeding three years.

Contract and agreements

Council will supply the material and cost will be allocated to the project

The project will provide jobs for municipal debtors/agents with preferences to bad debt

Contractors will be appointed for specific jobs

The contractor's employees must adhere to the LLPP criteria

The contractor must submit detail of his employees according to the prescribed LLPP worker's detail form

The contractor will be contracted according to a formal signed agreement

The 30% deduction will be calculated according to the salary component of the contract prize.

A daily prescribed attendance register must be signed by all workers and the foreman responsible for a specific project

The contractor must submit a tax invoice for each progress payment certificate

Progress payments to be made on a weekly basis

Minimum daily wage rates for the different skills will be pre-determined by the municipality in accordance with the local related market wage

The maximum credit on a consumer/participant/agents municipal account shall not exceed R2500 after which an other debtor must be nominated or termination of employment agreement

Statutory deductions

The contractor is liable for the all statutory requirements e.g.:

Unemployment insurance fund

Workmen's compensation fund,

Health and safety and

Pay as you earn

Database

A database with the names, skills and contact details of unemployed people, Overstrand wide, will be created for the purpose of LLPP employment opportunities

Those contractors and individual workers that proven themselves as skillful and reliable will be placed on a database as part of the Overstrand website for other/further job opportunities

The last mentioned will happen only after the contractor and team completed their project/contract.

Delegated authority

That the relevant Manager be given delegated authority to sign contracts on behalf of Council.

ANNEXURE 4: CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY: INDIGENT POLICY (DRAFT)

1. Incentive measures

Incentive measures are being investigated.

2. Subsidy to indigent households

The annual contributions by government and the municipality to alleviation of service accounts of qualifying persons are managed as follows:-

2.1 Categories of subsidy

A category of needy households is recognised for purposes of receiving an indigent subsidy:-

Indigent household, where the household:-

- income may not be more than two times the social pension amount plus R1 per month;
- average monthly consumption of electricity over the previous 12 months may not exceed 350 kWh;
- average monthly consumption of water over the previous 12 months may not exceed 15 kl;
- permanently resides in Overstrand;
- must be South African residents; and
- must be registered voters in Overstrand.

If any of the above criteria is not complied with, the household will immediately be given notice and will, from the following month, be reclassified as normal or standard and the subsidy will be forfeited.

2.2 Subsidy

The subsidy amount allocated will be calculated and rounded off to the nearest lower R5,00 and will be credited monthly to the consumer's municipal account and be indicated as such on the account. Subsidies are calculated as follows:-

Indigent household:-

- 100% of the basic levy for electricity for one service point per month;
- 100% of the basic levy for water for one service point per month;
- 100% of the basic levy for sewage for one service point per month;
- 100% of the basic levy for refuse removal for one service point per month;
- 50 kWh of electricity; and
- 6 kl of water.

2.3 Application

Applications for indigent subsidy must be submitted on the prescribed application form and must be accompanied by the following documentation:-

- the latest municipal account of the household;
- proof of the account holder's identity; and

- proof of the account holder's income, e.g. a letter from his/her employer, salary slip/envelope, pension card, unemployment insurance fund (UIF) card or a certificate to confirm registration as a job-seeker.

Incomplete forms or forms without the required documentation attached thereto will be rejected.

2.4 Sworn statement

The applicant must complete the sworn statement that forms part of the application form. Failure to do so will render the application invalid.

2.5 Conversion of meters

The applicant must agree to the conversion to pre-payment meters. Refer clause 7.9.4 of Policy.

2.6 Publication of names

The applicant must grant permission for the municipality to publish his/her name and address on a list of account holders receiving subsidies in terms of this Policy. Refer clause 7.9.11 of Policy.

2.7 False or misleading information

A person who provides false information will be disqualified and be refused further participation in the subsidy scheme. In addition he/she will be held liable for the immediate repayment of any subsidies already granted and legal action may be instituted against the guilty party(ies).

2.8 Calculation of subsidy

a) Subject to the prescribed maximum qualifying income limit as set by Government, the portion of the quarterly grants by government and provided for in its budget by Council, is divided between qualifying applicants on a pro rata basis for as long as such grants are made.

b) A committee assembled from councillors, the Municipal Manager and the Chief Financial Officer, in their capacity as accountable and accounting officers of the council, will calculate the distribution in 2.8(a) for Council's approval.

c) The accounts of qualifying applicants are credited monthly by the subsidies calculated in 2.8(b).

2.9 Verification

The municipality reserves the right to send officials and/or representatives of the municipality to the household or site of the applicant(s) at any reasonable time with the aim of carrying out an in situ audit on the accuracy of the information provided by the applicant(s).

2.10 Duration of subsidy

a) If an application is approved, the subsidy will be applicable up until the equitable share contribution made from the National Government's fiscus and as provided for in the municipal budget is depleted.

b) If the municipality obtains information that indicates that the circumstances of the applicant have changed to such an extent that he/she no longer qualifies for the subsidy, the municipality reserves the right to shorten the subsidy period.

c) If any of the criteria, as set out in 2.1, is not complied with any more, the onus is on the recipient of the subsidy to notify the municipality within 7 days after such criteria is no longer complied with. If a recipient cannot write, a designated official must be informed in person.

2.11 Accounts in arrear

Applicants, whose municipal accounts show arrear amounts at the time of the application for a subsidy, will have to make arrangements with the municipality for paying off the amounts in arrear.

2.12 Register

- a) The municipality will compile a register of households that qualify as “indigent”.
- b) The register will be updated continually and reconciled with the relevant subsidy account in the general ledger on a monthly basis.

2.13 Encouragement

Councillors should encourage tax payers/consumers in their various wards to apply for participation in the indigent subsidy scheme.

ANNEXURE 5: LLPP PROJECT AGREEMENT

AN AGREEMENT BETWEEN THE OVERSTRAND MUNICIPALITY

(Hereinafter referred to as the Municipality)

And

.....
*(Hereinafter called **the Contractor**)*

.....
Identity Number

PREAMBLE:

WHEREAS the **Municipality** launched its **Local Labour Promotion Projects (LLPP)** in 2005 to provide an ideal opportunity to add value to communities with high unemployment and poverty levels;

AND WHEREAS the **PROJECT** was devised as a means of effecting socio – economic upliftment as part of the Municipality’s strategy to bring about poverty alleviation through job creation whilst enhancing the prospects of reducing outstanding municipal consumer debt,

AND WHEREAS the Municipality is desirous to contract local unemployed labourers / artisans as independent contractors in dedicating their services to the various projects and to act as agents to contribute financially by way of social spin-offs towards the reduction of the outstanding municipal debts of elderly, disabled and indigent residents.

NOW THEREFORE THE PARTIES AGREED as follows:

1. Appointment

The Contractor is appointed by the Municipality as an independent contractor to (description of work)

.....

2. The project

The Project herein shall be.

.....

.....

3. The project price

The project price will be R.....

4. Payments

- 4.1 Payments will be made in accordance with the actual work done by the Contractor and verified by an authorized official of the Municipality.
- 4.2 A Production Sheet, reflecting the work done, shall be duly completed by the Contractor and co-signed by an authorized official of the Municipality on a daily basis.
- 4.3 No payment shall be effected to the Contractor without a duly completed Production Sheet.
- 4.4 The Municipality shall be entitled to make direct payments to any or all of the employees of the Contractor in lieu of any remuneration due to them by the Contractor if:
 - 4.4.1 The Contractor defaults in the timeous and due payment of its employees;
 - 4.4.2 Requested by the Contractor in writing to do so.
- 4.5 Any payment done in terms of sub-paragraph 4.4 shall be set off by the Municipality against any outstanding amount due to the Contractor.

5. Duties of the contractor

The duties of the Contractor are those set out in **paragraph 1**.

6. Health and safety

The Contractor shall be responsible for his/her own health and safety and that of his / her employees in terms of the health and safety laws and regulations of the land.

7. Termination

- 7.1 The Municipality shall be entitled to summary terminate this agreement in any of the following events:
 - 7.1.1 The breach of any provision of this agreement by the Contractor;
 - 7.1.2 Failure by the Contractor to perform on the agreed duties as set out in **paragraph 1**
- 7.2 This agreement shall terminate on the date of completion of the Project as fully set out in **paragraph 1**

8. Liability

The Municipality shall not be liable to the Contractor or any cessionary or third party claiming directly or through or on behalf of the Contractor in respect of any claim whatsoever, whether in contract, delict or otherwise, for any loss, damages, costs or expenses directly or indirectly incurred as a result of the working of this agreement.

9. Contribution to the Local Promotion Project (LLPP)

- 9.1 The Contractor expressly agrees to contribute towards the Local Labour Promotion Project of the Municipality by the deduction of 30% of the wage bill of the Contractor, based on the minimum daily rates thereof.
- 9.2 The minimum daily rates as provided for in sub-paragraph 9.1 shall be as follows:

9.2.1 Contractor	R300.00
9.2.2 Artisan	R200.00
9.2.3 Labour	R100.00

10. General

- 10.1 This agreement shall in no way be construed as appointing the Contractor as an employee of the Municipality.
- 10.2 The Contractor shall provide his own tools of trade or work equipment.
- 10.3 The duration of this agreement is subject to the duration of the project.
- 10.4 This agreement constitutes the full agreement between the parties. Any amendment or addition shall be reduced into writing and signed by both parties.

Signed at On this day of

WITNESS

MUNICIPALITY

.....

.....

(LED Manager)

WITNESS

CONTRACTOR

.....

.....

ANNEXURE 6: LLPP QUESTIONNAIRE



OVERSTRAND MUNICIPALITY UNEMPLOYMENT SURVEY

For the area: e.g.

KLEINMOND	HAWSTON	MT PLEASANT	ZWELIHLE	STANFORD	GANSBAAI
-----------	---------	-------------	----------	----------	----------

Title:

Mr	Miss	Ms	Name:	Surname:
----	------	----	-------	----------

Identity number:

--	--	--	--	--	--	--	--	--	--	--	--	--	--

Age:

Gender:

M	F
---	---

Race:

B	C	W
---	---	---

Citizenship:

SA	Other
----	-------

Residential address: (For the past five years)

Street Number:	
Street Name:	
Area:	
Town:	
Postal Code:	

Postal address: (If not the same as above:)

Postal number:	
Town:	
Postal Code:	

Previous address:

Street Number:	
Street Name:	
Area:	
Town:	
Postal Code:	

Contact numbers:

Cell phone number:	
Phone number:	

Language:

Afrikaans			English			Xhosa			Other		
Speak	Read	Write	Speak	Read	Write	Speak	Read	Write	Speak	Read	Write

Highest qualification:

Grade 1 - 7	Grade 8 - 10	Grade 11 - 12	Diploma / Certificate	Degree	Specify:

Would you like to study further? (If yes, specify)

Yes	No	Specify:
-----	----	----------

Disabled: (If yes, specify)

Yes	No	Specify:
-----	----	----------

Skills (Carpenter, clerk, labourer, gardener, etc.)

Skill 1	
Skill 2	
Skill 3	
Skill 4	
What skill would you like to develop?	

Work status:

Casual	Unemployed
--------	------------

Work experience: (ex. 2 years clerical experience)

1. Job Title	
Years:	
2. Job Title	
Years:	

Details of last employer and previous employees (if applicable)

Name of employer:	
Address:	
Tel:	

Hobbies:

--

Have you been registered for a house:

Yes	No
-----	----

If no, are you on a waiting list:

Yes	No
-----	----

When last did you verify if your name is on a waiting list?

Are you registered to vote?

(Are you on the Municipal Voters' Roll; Sticker in your ID book)

Date

Applicant signature

Fieldworker signature

ANNEXURE 7: LLPP DEDUCTION AGREEMENT



AFTREKKINGSOOREENKOMS

Projek Naam:

Posnommer:

Naam & Adres van Werker:

.....

.....

.....

.....

1. Hiermee verleen ek toestemming dat 30% van my weeklikse loon, verhaal en aangewend word ter betaling van die agterstallige munisipale dienste rekening nr In die naam van

2. Indien ek as agent vir 'n ander debiteur werk, verklaar ek dat ek nie die 30% aftrekking van die debiteur sal verhaal nie.

Handtekening van werkerDatum:

Getuie 1: Datum:

Getuie 2: Datum:

ANNEXURE 8: LLPP SITE VISIT CHECKLIST

**LOCAL LABOUR PROMOTION PROJECTS
(LLPP)**

"Building a better life for all"

POLICY

Date:

Name of foreman/Project Manager:

Vehicle registration nr:.....

Project Name	Visiting Time		Comments	Signature of Contractor
	Start	End		
1	e.g. Stanford wall (R43)	9:00 11:30	Digging foundation 20m X 700 X 300	

Checked by:

Date:

ANNEXURE 9: LLPP DEDUCTION SHEET

**LOCAL LABOUR PROMOTION PROJECTS
(LLPP)**

"Building a better life for all"

POLICY

Date:

Project Name:.....

Contractor's name:.....

Mun Account Nr	Name of Employee	Total Days Worked	Minimum Daily Rate	Minimum Weekly Wage	Less 30%

.....

Project facilitator
by

Approved

.....

Date

OVERVIEW OF RESEARCH

The review of second economy programmes: An overview for the Presidency's fifteen year review – Kate Philip and E Hassen

Addressing inequality and economic marginalisation: A strategic framework – Kate Philip

Inequality and economic marginalisation

Inequality, unemployment and poverty in South Africa – Fiona Tregenna and Mfanafuthi Tsela

Income and non-income inequality in post-apartheid South Africa: What are the drivers and possible policy interventions? – Haroon Borhat, Carlene van der Westhuizen and Toughedah Jacobs (DPRU)

How the structure of the economy impacts on opportunities on the margins – Kate Philip

Asset inequality – Ebrahim-Khalil Hassen

Economic development strategies

Energy-based poverty indicators: Meeting AsgiSA targets – Claire Vermaak, Marcel Kohler and Bruce Rhodes

The fisheries sector – Expanding economic opportunities through regulatory change – Feike

Potential for a South African aquaculture industry on the Northern Cape's Namaqualand Coast – Feike

Labour markets

Employment intermediation for unskilled and low-skilled work seekers Part 1: Overview – NB Ideas, with Strategies for Change and Indego Consulting

Employment intermediation for unskilled and low-skilled work seekers Part 11: Case studies – NB Ideas with Strategies for Change and Indego Consulting

Local labour placement project: Overstrand Municipality – Overstrand Municipality

Understanding inequality: Promoting equity – Paul Benjamin and Nicole Yazbek

Identifying appropriate interventions to support the transition from schooling to the workplace – Miriam Altman (HSRC) and Carmel Marock (Singizi Consulting)

Small enterprise development and the informal sector

Missing the target: Business support to the second economy – Lochner Marais

Hands-on Fish Farmers Cooperative Ltd: A case study – Jacqui Boule

Business health check: Western Cape Bus Operators' Transport Cooperative Ltd (Siyakhula) – Karen Harrison

Clothing traders in Gauteng: Motivations, barriers and macroeconomic linkages – CSID

Linking small and marginalised producers to external markets: New ideas for demand-side measures using value chain analysis – Sandy Lowitt

Linking small marginalised producers to modern markets: Are we trying to fit a square peg in a round hole? – Sandy Lowitt

Mediating from the margins: The role of intermediaries in facilitating participation in formal markets by poor producers and users – Marlese von Broembsen

Rural sector

Making markets work for people and the environment: Employment creation from payment for eco-systems services – James Blignaut, Christo Marais, Mathieu Rouget, Myles Mander, Jane Turpie, Thami Klassen and Guy Preston

Strategies to support South African smallholders as a contribution to government's second economy strategy Volume 1: Situation analysis, fieldwork findings, and main conclusions – PLAAS

Strategies to support South African smallholders as a contribution to government's second economy strategy Volume 2: Case studies – PLAAS

Review of the Eastern Cape's Siyakhula/Massive maize project – Norma Tregurtha

Urban development

Creating access to economic opportunities in small and medium-sized towns – Doreen Atkinson (for Urban LandMark)

The state of land use management in South Africa – Sarah Charlton (for Urban LandMark)

Emergency relief in informal settlements: Proposals for action – Mark Misselhorn and Tanya Zack (for Urban LandMark)

Transport and the urban poor – Mathetha Mokonyama (for Urban LandMark)

Strengthening the impacts of economic development strategies on urban poverty – Glen Robbins (for Urban LandMark)

Access to services for poor people in urban areas – CSIR (for Urban LandMark)

Development of the urban development component for a second economy strategy: Overview analysis – Urban LandMark

How tenure security can increase access to economic opportunities for poor people – Lauren Royston (for Urban LandMark)

Challenges of inclusive cities: Making urban spaces and places for all – Nisa Mammon, Kathryn Ewing and Jody Patterson (for Urban Landmark)

Governance and governability: What are the challenges for an inclusive city – Monty Narsoo (for Urban Landmark)