



# COMMUNITY WORK PROGRAMME

ANNUAL REPORT 2009/2010



## cooperative governance

Department:  
Cooperative Governance  
REPUBLIC OF SOUTH AFRICA

From April 2010, the CWP will be rolled out by the Department of Cooperative Governance (DCoG) within the Ministry of Cooperative Governance and Traditional Affairs.

DCoG's target is to implement the Community Work Programme countrywide in at least two wards per municipality to reach 237 000 people by 2013/2014.



The pilot phase and initial rollout of the Community Work Programme (CWP) took place with the support of Presidency and Department of Social Development.

This was funded by the UK's Department for International Development Southern Africa, the Employment Promotion Programme and the Independent Development Trust.

The pilot phase and initial rollout was managed by Trade and Industrial Policy Strategies (TIPS) in partnership with two Implementing Agents, Seriti Institute and Teba Development. TIPS is an independent, non-profit economic research institution active in the region.



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# COMMUNITY WORK PROGRAMME



"I'm making a positive contribution to my own life and to my community too. Now I can make a difference to children who used to go to bed hungry."

*Chief Pitso, Kwakwatsi (Koppies), Free State*

"In the past we had to go to town to buy. Now the traders know that we are earning, they come to Bokfontein instead."

*King George, Programme Manager, Bokfontein*

"I swipe my card to buy my groceries – the first time ever...."

*Elderly man in Mogale City*

"Young people are no longer bothering their grandparents with requests for money. The CWP has taken them out of taverns where they used to spend the whole day, doing absolutely nothing. They are not only helped in terms of finance, but also in terms of skills development."

*Nceba Ntshongwana, Volunteer at the Mbizana CWP in Lusikisiki*

"We used to go to bed with empty stomachs but now we are swiping cards like educated people."

*From song of CWP participants in Nongoma, KwaZulu-Natal*

"The Community Work Programme means no more sign on the gate that says: 'No Job'. Instead we need a sign that says: 'Jobs are Here! We Need People!'"

*King George Mohlala, CWP Project Manager, Bokfontein.*

"It means parents can go to work knowing that their children are safe and they can enjoy the children in the evening because they come home well fed, looked after and loved. The incidence of child rape has gone down as children are not left alone at home."

*Comment about the support for crèches in Welkom*

"The impact of the project has surprised everyone."

"A household that is receiving a little income is able to better ensure its children attend school."

"A child that is being properly fed is better able to concentrate on its lessons."

"A school that has security is better able to protect children from drugs and sexual abuse."

*Facilitators and supervisors, Welkom CWP*



This Community Work Programme annual report covers the year from April 2009 to March 2010. It also marks the end of the design phase of the CWP, and its formal transition into government as a fully-fledged programme, housed in the Department of Cooperative Governance (DCoG) from 1 April 2010.

The Community Work Programme was initiated by the Second Economy Strategy Project, an initiative of the Presidency, located in Trade and Industrial Policy Strategies (TIPS). In 2007, the first four sites were started, with support and strategic oversight provided by a National Steering Committee made up of representatives from the Presidency and the Department of Social Development. The National Steering Committee was expanded in 2009 to include National Treasury, the Department of Cooperative Governance and Traditional Affairs, and the Department of Public Works.

The purpose of this design phase was to test new approaches to creating an employment safety net at scale in poor and economically marginalised areas while longer-term solutions for unemployment are found. The CWP offers regular work on a predictable basis so that participants know they can rely on at least two days of work a week, or the monthly equivalent, to supplement their other livelihood strategies. The pilot phase encouraged innovation in participatory community development approaches to identify 'useful work' at a local level.

Seriti Institute and Teba Development were the Implementing Agents responsible for putting the CWP concept into operation, developing and testing the methods and practices that now form the norms and standards of the CWP, and demonstrating its potential to benefit people's lives.

In the June 2009 State of the Nation Address, President Jacob Zuma committed government to fast-track the programme. The CWP's target for 2009/2010 was significantly increased – from a target of 10 000 participants to a revised target of 50 000 participants. The CWP exceeded this revised target, reaching 55 582 participants by the end of March 2010.

I would like to thank the Deputy President Kgalema Motlanthe for his support and direction.

I would also like to thank the National Steering Committee which steered CWP through its development phase under the chairmanship of Zane Dangor from the Department of Social Development.

As the CWP passes into a new phase, I would like to thank all those who have made its rapid growth possible, in particular Kate Philip and the team at TIPS that managed the programme.

I wish the Department of Cooperative Governance all the success in rolling out the programme throughout South Africa.

**Josephilda Nhlapo-Hlope**  
Chairperson  
CWP National Steering Committee







# ABBREVIATIONS



<b>AIDS</b>	Acquired Immune Deficiency Syndrome
<b>CWP</b>	Community Work Programme
<b>CBO</b>	Community-Based Organisation
<b>DCoG</b>	Department of Cooperative Governance
<b>DFID SA</b>	Department for International Development Southern Africa (UK)
<b>EPP</b>	Employment Promotion Programme
<b>EPWP</b>	Expanded Public Works Programme
<b>FTE</b>	Full-Time Equivalent
<b>HIV</b>	Human Immunodeficiency Virus
<b>IA</b>	Implementing Agent
<b>ID</b>	Identification Document
<b>IDP</b>	Integrated Development Plan
<b>IDT</b>	Independent Development Trust
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MTEC</b>	Medium Term Expenditure Committee
<b>MOU</b>	Memorandum of Understanding
<b>NGO</b>	Non-Government Organisation
<b>OVCs</b>	Orphans and Vulnerable Children
<b>TB</b>	Tuberculosis
<b>TIPS</b>	Trade and Industrial Policy Strategies





## THE COMMUNITY WORK PROGRAMME



The CWP is designed to create an employment safety net by providing participants with a minimum number of days of regular work, typically two days a week or eight days a month. This supplements people's existing livelihood strategies and offers a basic level of income security through work. It recognises that unemployment in South Africa is deeply structural, and that important as they are, policies to create decent work will take time to reach the most marginalised areas of the country and constituencies – hence the need for a complementary strategy.

The programme targets unemployed women and men of working age. Apart from those who can access the Unemployment Insurance Fund, this category of people is not covered by any direct

form of social protection or income support. The CWP aims to give those willing and able to work the opportunity to do so, and afford them the dignity and social inclusion that comes from this.

The programme is implemented at the local level and designed around a site, which is between two and 10 wards of a local municipality or the metropolitan equivalent. The target is to create work for 1 000 people per site on a part-time basis. Sites vary in size depending on population density, with an average of five municipal wards a site. It is designed to be an ongoing programme, and while it may help participants access other opportunities, there is no forced exit back into poverty where such opportunities do not exist.

The work performed in the CWP must be 'useful work'. Useful work is work that contributes to the public good and improves the quality of life in communities. This work is identified and prioritised through participatory processes, in ward committees or other agreed local development forums. This needed innovative community development approaches, which the CWP enables. In practice, the work performed is multi-sectoral, and typically includes a mix of activities such as home-based care, food gardens, environmental services and the creation and maintenance of community assets such as parks, graveyards, schools, clinics, churches, secondary and village roads, and water pipelines.

Wages during this reporting period were set at R50 a day, based on the wage-contribution approved in the national budget for the non-state sector of the Expanded Public Works Programme (EPWP). A supplement of R25 a day was paid to site supervisors and clerks with an average ratio of one supervisor to 25 participants.

The use of ward committees or reference groups to identify useful work ensures alignment with local government and existing processes of developing Integrated Development Plans (IDPs). It also contributes to strengthening participation in local development planning. CWP sites must be supported by relevant local government structures to be authorised, but the programme is implemented by not-for-profit entities, approved during this reporting period by the National Steering Committee, and by DCoG from 1 April 2010.

Sixty-five percent or more of the money at site level goes to the wages of workers. This makes it a highly cost-effective form of public employment, putting maximum resources into the hands of participants. This level of labour intensity, however, restricts the scale of resources available for management, skills training, tools and materials, and means that the CWP cannot engage in large-scale works without entering into partnerships with the relevant authorities. This limits the extent to which it is at risk of duplicating existing infrastructure development.





The reporting period covered brings the CWP to the end of the design phase, and marks its formal transfer into government as a programme within DCoG, with significant expansion envisaged. To this extent, the pilot has largely achieved its purpose.

The CWP was also designed to explore ways in which the concept of a minimum employment guarantee could be adapted to South African conditions. This concept has been pioneered in India (see Box *India – Giving meaning to the right to work*), where the state acts as the ‘employer of last resort’ where markets cannot provide work to all who need it. In India, rural households are guaranteed 100 days of work a year. The CWP also offers 100 days of work a year, but the work is offered on a regular basis throughout the year, to ensure a predictable income stream. It also targets all marginalised areas, rural and urban.

Given South Africa’s high levels of structural unemployment, there is a strong policy case for introducing an employment guarantee that can expand in times of crisis and contract when the economy can create alternatives. That policy discussion needs to continue: the CWP demonstrates how such a guarantee could be implemented.

## INDIA – GIVING MEANING TO THE RIGHT TO WORK

The National Rural Employment Guarantee Act was promulgated in India in 2005. This gives every rural household in India a legal right to 100 days of work a year, provided by the state at local level. More than 55-million people are now participating in the scheme, with profound impacts on rural poverty.

Participants register with the Gram Panchayat, the local government structure, and are provided with a job card. When they apply for work, the local state must provide work within 15 days, or pay them an unemployment benefit instead. A key feature of the scheme is that the national government pays the costs of employment, but if work is not provided, the local state must foot the bill for the unemployment benefit. The work performed is focused on water conservation, flood control, drought proofing and irrigation infrastructure. By creating a legal guarantee of up to 100 days of work, India has given new meaning to the concept of the right to work.

See: [www.nrega.nic.in](http://www.nrega.nic.in)



## WHAT IS USEFUL WORK?

Work activities at each site are agreed through consultation at community level, and vary from site to site. In practice, however, several common themes have emerged in prioritising useful work. The following activities illustrate some of the most common areas of work undertaken by CWP participants:

**Food gardens:** Food gardens have been created in almost all communities, in the grounds of schools and clinics, on wasteland and in the backyards of vulnerable households. CWP members maintain the gardens and are responsible for distributing food. Thousands of food gardens have been established through the CWP, making a huge difference to food security at a household level, and providing free food for feeding schemes and vulnerable households. Schools receiving the food report that it can make an immediate and dramatic difference to learners’ ability to participate in class, and improve their general performance. In many HIV/AIDS affected households, there is a decline in the availability of labour both from the person who is ill and from caregivers in the family. This contributes to a downward poverty spiral. By providing labour to food gardens for such households, this cycle can be averted or reversed. In some cases access to food has allowed patients being treated with antiretrovirals to regularise their treatment.



**Community gardens and parks:** In many communities illegal dumping has turned common areas into unsafe rubbish sites. Significant work was done removing the rubbish, educating communities on the dangers of dumping, liaising with local government to improve their refuse removal services and transforming the land into productive community areas. Parks and playgrounds were established, or where they had been neglected or abandoned, they have been restored and teams now maintain them. In some communities, CWP members organise activities for children and young people – such as sports clinics – and also encourage community members to use the facilities for recreational and social events.

**Clean ups, grass-cutting, fencing and pavement maintenance:** Substantial work was done in many areas to cut grass and bush as this often allows illegal and dangerous activities to go unobserved. Clinics, schools and other community facilities have been fenced, again to increase safety and preserve community assets. Further, communities have pointed out that the lack of pavements puts pedestrians at high risk of injury from vehicles, and pavements are now being constructed and maintained on high-use routes.



**Home and community-based care:** A range of home and community-based care services have been offered to the elderly, the disabled, child-headed households and the sick. In partnership with other non-government organisations (NGOs), provincial departments of Social Development and Health, and with the local municipality, teams have conducted community surveys to identify the vulnerable, assess their needs and provide basic care. This has included distributing food parcels as well as food from food gardens, cleaning homes, helping people access support services, and monitoring the welfare of the vulnerable. In addition, education and awareness campaigns on HIV/AIDS and TB have been implemented, condoms distributed and significant strides made in reducing the stigma surrounding those who are alone and isolated.



**Care of orphans and vulnerable children:** The CWP has found ways to provide additional support for orphans and vulnerable children (OVCs), including those living in child-headed households. This includes assistance with food gardens, food preparation, inclusion in homework classes and other forms of social support.

**Accessing grants:** Teams identify people who are eligible for support but not receiving it and then work with the authorities to enable access. This includes helping people to acquire the relevant documentation (i.e. birth certificates or ID documents).

**Community safety:** In several communities small teams have been given the responsibility of patrolling communities and identifying potential threats to safety and alerting others of these. In some cases, this has focused on ensuring that areas around schools are monitored while children are travelling to and from their homes; in others it entailed identifying crime hot spots and maintaining a vigilant presence to discourage criminal activity. Awareness programmes have been undertaken, and in many areas a noticeable drop in crime was recorded.

**Road rehabilitation and maintenance:** In many communities, roads are not serviced and are in poor repair, hindering access. In several places, CWP teams have either constructed or repaired roads so that even in poor weather vehicles can enter and leave. At one site, for example, partnerships have been formed with local industries which donate some of the core material required, and a highly labour intensive method was found to construct roads in clay soil.



**Changing the culture of learning and participation at schools:**

After observing that rural classrooms are overcrowded, and that teachers cannot always provide children with adequate attention, the CWP initiated school assistants. Schools willing to participate were selected and the governing bodies and communities were asked to identify community members with a matric who had an interest in education. The number of applicants exceeded the number of assistants that could usefully

work at schools and included unemployed teachers. School support has been used in only a few sites but the feedback has been positive.



**Early childhood development programmes:** This seems to have a great deal of potential and community support. In one site, the community identified 80 crèches that needed support. This included help with caring for children, feeding children, renovations, and improving water and sanitation. Both crèches and participants have expressed great satisfaction with the arrangement.



## INSTITUTIONAL AND FUNDING ARRANGEMENTS

CWP's pilot phase was funded by the Department for International Development Southern Africa (DFID SA) and the Employment Promotion Programme (EPP). The EPP Reference Group includes representatives from government (The Presidency and the Department of Labour), labour federation Cosatu and Business Unity South Africa. The EPP is also funded by DFID SA.

There was significant institutional transition during the year. From the start of the year, the CWP became part of the new non-state sector of the second phase of the Expanded Public Works Programme (EPWP II). This gave the CWP access to funding for wages of R50 per person per day. By mid-2009, it had been decided that the CWP should become a fully fledged government programme housed in DCoG from 1 April 2010, with access to full programme funding. As a consequence of President Jacob Zuma's State of the Nation commitment to fast-track the programme, additional funds for the CWP were allocated in the Adjusted Estimates of National Accounts in October 2009. This funding enabled the required increase in both wage costs as well as other site costs required to meet the increased target. This increase in funding was, however, contracted only in December 2009, leaving little time left for expanded implementation.

There were, therefore, two phases in the funding arrangements in 2009/2010. In phase one the funding committed by government covered only the wage costs of the programme. Complementary donor funding expected to cover the non-wage costs did not materialise in the necessary timeframe. While it was possible to extend some existing donor contracts, this funding was insufficient to cover these costs. In addition, the Department of Public Works decided to appoint the Independent Development Trust (IDT) as the intermediary responsible for the non-state sector of the EPWP, but delays in finalising this appointment meant contracts for the wage costs of the CWP were finalised only in August 2009. Implementing Agents (IAs) took loans at their own risk during this period to ensure the continuity of the programme pending the conclusion of these contracting processes.



The National Steering Committee approved the allocation of the funds available to new and existing sites. The IDT then entered into a contract with Teba Development, which managed the disbursements and consolidated the reports on wage payments within the CWP, by agreement with Seriti Institute.

In phase two, the shortfall of funding relative to the revised target, and the lack of funding for non-wage costs were both resolved by the revised allocation in the Adjustment Budget in October 2009. These funds were contracted in December 2009, leaving only three months for expanded implementation. A strategic plan for the allocation of the additional funds was approved by the National Steering Committee. The existing arrangements for the management of wage payments were continued, but in addition, the IDT entered into a contract with TIPS for the management of the non-wage funds for the programme.

Funding uncertainty and the short timeframe within which ambitious targets had to be met constrained the CWP's ability to expand implementing capacity during 2009/2010. Attempts were made to remedy this in the final three months of the year by using Seriti Institute and Teba Development to mentor local-level NGOs and other partners in preparation for establishing a panel of implementing agents once the programme is transferred to DCoG – when the CWP will be able to plan with an annual budgetary horizon.

The total CWP budget for 2009/2010 from the Department of Public Works was as follows:

- Funding of wage costs including IDT programme management fees: R101 million with R91 million contracted by IDT to IAs.
- Funding of non-wage costs: R58.5 million, contracted by IDT to TIPS, with R5.85 million in programme management fees.



## HOW IS THE COMMUNITY WORK PROGRAMME IMPLEMENTED?

During the period covered by this report, the CWP was programme managed at a national level by TIPS with oversight being provided by the National Steering Committee. Overall management and contracting arrangements with IAs was undertaken at the national level.

A key purpose of the design phase was to encourage innovation to find methods and models which worked. Uniformity was not sought except for basic administration and payments, which was necessary to ensure financial accountability.

At the site level, the programme was managed by nationally contracted IAs. These agents co-ordinated the work at multiple sites allocated to them, often in partnership with local agencies. These arrangements will be reviewed by DCoG following the handover from 1 April 2010.

The IAs use different methods to engage with communities prior to establishing a CWP site. The components of this, however, are careful identification of relevant stakeholders, including (but not limited to) community organisations and leaders, ward councillors and other local government representatives and traditional authority structures.

The Seriti Institute has used with great effect the Organisation Workshop method to prepare communities to undertake work. While not all sites have participated in the Organisation Workshop process, both IAs follow the same basic process for the inception of CWP sites:

- Identifying stakeholders and introducing the programme.
- Consulting with different community structures.
- Recruiting participants – including recruiting staff from the community.
- Planning work.
- Implementing the programme.

Both IAs then establish a local Reference Group to advise on activities. Local supervision takes different forms in different contexts: while an average ratio of one supervisor per 50 workers and one administrator for every 500 workers was used for budget purposes, it needs to be recognised that the IAs need the flexibility to adjust these. For example, in sites spread across many kilometres in terrain difficult to access, this supervision and administration ratio is inappropriate.

The CWP aims to fast-track resources to local communities, allowing community members to directly benefit from these and use them to leverage additional resources locally. In implementing various work activities, relationships have been established with local government, various provincial departments, community organisations, NGOs and in some cases private companies willing to contribute resources. Given the overwhelming approval of, and support for, the CWP by communities, the demand to participate is a great deal higher than the opportunities available. Managing the interest of leaders in having a site in their community, and community members' desire to participate when programmes are full, is a crucial task for the IA.



### THE ORGANISATION WORKSHOP INNOVATION IN COMMUNITY DEVELOPMENT

An Organisation Workshop is an intensive three-week action-learning programme. The idea was first developed by Clodomir Santos De Morais in Brazil. It teaches work organisation and task management skills by involving large numbers of people in organising and managing work identified and prioritised by the community. Participants attend two hours of interactive lessons each day, with the rest of the time being taken up by work. The organisers provide tools and equipment and negotiate contracts with the participants – who estimate costs and allocate labour – and are paid as an enterprise for tasks completed. This builds local momentum, capacity and leadership, and helps to localise project management capacity from the start.

The largest Organisation Workshop held in South Africa so far took place in Meriting in March 2009, near Rustenburg, and involved 400 people from six communities around the country. This was the Learning Camp for the Kwanda programme – a reality TV show about community development done in a partnership between Soul City, Seriti Institute and the Department of Social Development. All the Kwanda communities are also part of the Community Work Programme.



# IMPLEMENTATION PLAN AND BUDGET

## IDENTIFYING PRIORITIES

From April to December 2009, the CWP scaled up from four existing sites, which were part of the pilot, to 21 sites. Once additional funding was contracted in December 2009 for non-wage funding, the National Steering Committee identified the following as strategic priorities for the remainder of 2009/2010:

- Building on the capacity of the CWP's existing IAs to fast-track expanded delivery.
- Mentoring and training new IAs to broaden and deepen capacity to deliver.
- Building partnerships in alignment with other government programmes and priorities, such as the War on Poverty programme, co-ordinated from within the Presidency, the rural development strategy and informal settlement upgrading programmes.
- Concluding the pilot phase of the CWP by formalising the norms and standards for CWP sites, the criteria for approving IAs, and mechanisms to support and respond to growing demand to participate in the CWP.
- Facilitating a smooth transition of the CWP into DCoG from April 2010.

The Implementation Plan approved by the Steering Committee included the following elements: expansion at existing sites; expanding implementation capacity; and rollout of new sites.

## EXPANSION AT EXISTING SITES

In the CWP design, the target participation rate per site is pegged at 1 000 people. As part of testing different approaches to scaling up, certain sites were allowed to expand beyond this scale during 2009/2010, to test levels of potential demand. In addition, the CWP strategy for scaling up takes into account a central lesson from the pilot phase: that once there is one site in a municipality, it is relatively easy and cost-effective to replicate. This is because the process can build on existing relationships with local government and other stakeholders, and rely on the same core programme management capacity.

In the submission for the period from 2010/2011 to the Medium Term Expenditure Committee, (MTEC) (which agrees government's medium-term expenditure framework), the proposal makes an assumption that in the poorest areas, the CWP could expand to deliver an average of four sites – or a participation rate of 4 000 people.

## EXPANDED IMPLEMENTATION CAPACITY

As only three months of the financial year remained when funding from the Adjustment Budget was finally contracted to enable rapid expansion, the strategy agreed was to use the existing IAs to assist in bringing in new implementing partners, in two ways:

- Through partnerships entered into between existing implementing agents and local NGOs to provide the back-office support for the financial management and reporting requirements of the programme.
- Through using the innovative community development Organisation Workshop method that had been a key part of the inception-phase training during the pilot.







**Kwanda was a reality TV show in which teams chosen from six communities were challenged to make their communities ‘look better, work better, feel better’. This show tracked their efforts and viewers voted for the team which achieved the most transformation in their community. Kwanda sites subsequently became CWP sites.**



## KOPPIES

Koppies is one of the Kwanda TV show communities and was voted by SABC1 viewers as the community that achieved the greatest transformation. There is strong organisation within the Kwanda team, which has benefitted the development of CWP in the community.

The Koppies CWP has a Reference Group that meets monthly and consists of two community development officers, a public participation officer, a member of the Kwanda executive committee and a pastor from the local church. The site staff consists of one site manager, three local administrators and 30 coordinators; one coordinator and one participant act as storekeepers.

There is a positive mix of men and women, youth and adults as well as people with disabilities among the CWP participants. There is also a mix of labour intensive technical activities and social activity work in the programme. The Kwanda social themes – care of children, preventing HIV/AIDS infections, reducing alcohol abuse and violence – are all taken up through the CWP. The Koppies CWP engages extensively with government departments to facilitate social development activities. These partnerships have been catalytic in expanding the Koppies CWP.

Activities undertaken are mainly repair maintenance and cleaning, specifically: cleaning communal and public areas such as churches, library, schools, crèches, taxi ranks, community halls, municipal offices, along streets, dump sites and recycling, as well as repairing the dilapidated Koppies swimming pool so that it can now be used. There have also been specific projects such as the data collection project with the Ngwathe Municipality to collect statistics from 1 056 households to identify unelectrified houses, the number of unemployed people and income levels. Other activities include maintenance of specific roads and landscaping in the town, the construction of a community park in Kwakwatsi, and the maintenance of seven vegetable gardens.



## ROLLOUT OF NEW SITES

Because of the limited time remaining after funding for non-wage costs started flowing, an opportunistic approach to site selection was adopted. This prioritised communities where some level of groundwork had already been done. While the targeted communities all qualified in terms of poverty indicators and the quality of business plans presented, the process relied on existing expressed demand from communities with existing levels of local capacity and organisation. The institutionalisation of the CWP in DCoG will allow a more planned and strategic site selection process.

The process also tried to build alignment between CWP and other government priority programmes. Four sites were earmarked for selection by the War on Poverty Programme, and four sites by the Department of Rural Development. A proposal from the Richtersveld Communal Property Association was also received and approved. In addition, as part of bringing in new partners, sites were approved in partnership with the Development Bank of Southern Africa. Certain sites that were easy to set up because they were next to existing sites and could draw on existing local capacities were also approved.



While the CWP focus has been mainly rural, the programme has an important role to play in addressing urban poverty. The initial phases have highlighted its scope to contribute positively to informal settlement upgrading. In addition, in terms of the jobs crisis, most jobs lost in the South African economy in the past year have been lost in Gauteng.

The South African Cities Network also highlighted demand for an urban strategy and a number of cities have expressed interest. The National Steering Committee approved the inception of four sites in partnership with the City of Joburg, and four sites in wider Gauteng, mainly on the West Rand. Support to Manenberg in Cape Town was also approved. Sites were also approved in Buffalo City and Msunduzi, both medium-sized urban municipalities.





# PERFORMANCE AND SPENDING

## PROGRAMME ACHIEVEMENTS

The innovation of the implementing agents and their community partners was vital for the programme's achievements. Measuring this involves examining employment targets and worker participation, as well as looking at the contribution to improving the quality of life for people in the communities served. The CWP has demonstrated that it is possible to:

- Create predictable and sustainable work for poor people.
- Significantly improve the choices available to households because of the additional income being received.
- Implement the programme at a large scale in many diverse communities.
- Implement the programme in urban, peri-urban and rural environments.
- Establish constructive partnerships between local and provincial government agencies to improve service delivery.
- Demonstrate, particularly to young people, that participating in work can lead to further opportunities that are an attractive alternative to negative social behaviour.
- Expand service delivery in poor communities through the use of appropriate and effective community development and community participation strategies.
- Empower communities to address problems and meet basic needs.

While the CWP is not, in its present form, an employment guarantee, it has demonstrated a practical way in which such a guarantee could be implemented and grow rapidly to scale in South Africa, in ways that impact particularly on the most marginalised areas.

The rate of growth in 2009/2010 is reflected in Figure 1 as well participation by youth, women and men.



## TJAKASTAD

Tjakastad in Albert Luthuli Local municipality is one of the most rural townships in Mpumalanga. The CWP extends to 14 wards and the mayor would like the programme to cover at least 20 of the 22 wards in the municipality. Tjakastad is also a Kwanda site. The site is managed by a committee comprised of two ward councillors, two municipal officials, a site manager, a local enterprise development coordinator and the Kwanda team chairperson. The committee's role is to advise CWP management on various issues, including work activities forming an interview panel for recruiting staff and assisting the team to negotiate resourcing with local authorities. The municipality was a strategic partner providing assistance in various ways, for example, transporting building materials. The team works with a number of government departments on various initiatives.

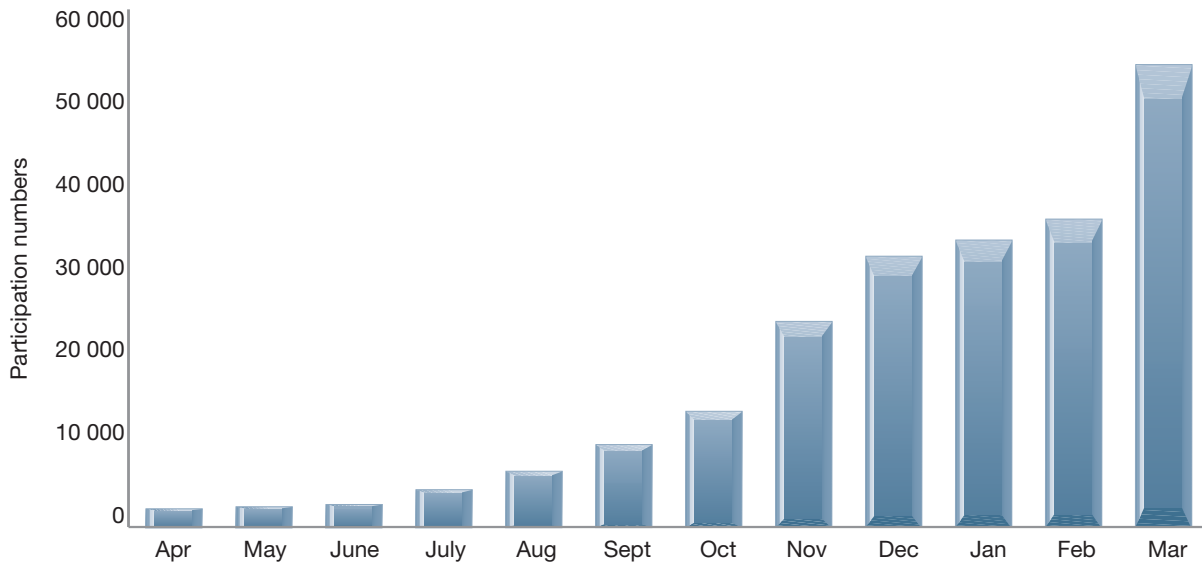
Work has concentrated on home-based care with 361 homes visited and 78 families regularly cared for. A total of 88 adults and 44 children who are infected with HIV and 18 people with TB were assisted in getting medical support; 16 child-headed homes and 42 orphaned and vulnerable children have been helped with food, school uniforms and care. The sewing team helps with school uniforms. Seven new crèches are operating. Twenty-four people were helped with ID and birth certificates. The community hall was renovated and toilets constructed. Eight parks, one in each section of the township with braai stands and playground equipment, have been completed and launched in December. Road works and the construction of pedestrian bridges are also underway. The community has several small gardens and is the pride of the municipality.

The Community Policing Forum has come alive with help from the CWP, and regular patrols are held. The satellite police station is staffed 24 hours a day, throughout the week. Crime rates have gone down markedly, according to local police, and the gangs for which the village was famous have now disbanded.

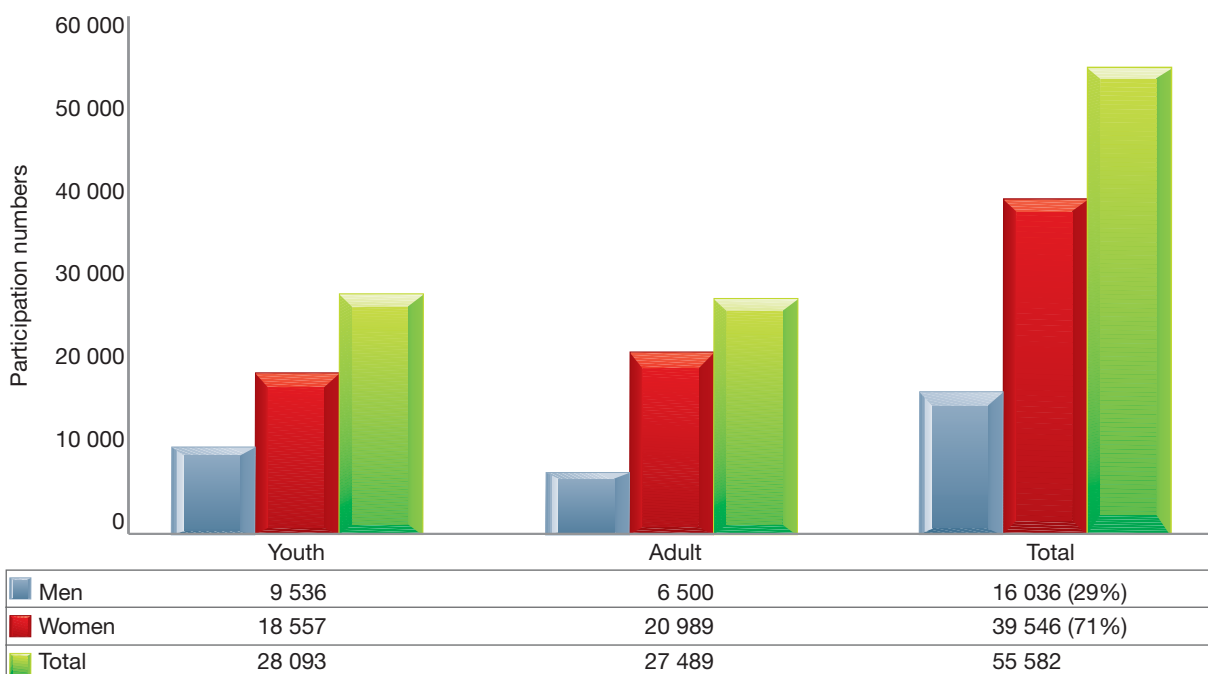


Figure 1: Growth in participation rates: 2009/2010 and demographics

Increase in CWP participation in 2009/2010



Demographics: Youth and adults by gender





## PERFORMANCE

In the 2009/2010 financial year, the CWP aimed to achieve the following key performance targets:

- Establish 49 CWP sites.
- Create predictable work for at least 50 000 people.
- Create 7 913 full-time equivalent (FTE) jobs. An FTE is calculated as 230 days of work a year.
- Implement work activities which contribute to improving the quality of life for residents in poor communities.

The following was achieved (see Table 1):

- Established CWP sites in 41 communities, (achieved 84% of target number of sites). The sites set to start in January 2010 did not kick off as quickly as planned. Selection of these sites required agreements to be reached with the Department of Rural Development and the War on Poverty programme and these new partnership arrangements required more extensive consultation than the time frames allowed.
- Created predictable work for 55 582 people (achieving 103% of the final target of 53 720 and 111% of the expansion target of 50 000 agreed with the Minister of Public Works). This was made possible because certain sites were able to expand significantly more than planned, and overachieved (by about 20%) against targets – compensating for the sites that were unable to start within the time frames.
- Created 7 613 full-time equivalent jobs (achieved 96% of targets)
- Achieved the targeted wage, non-wage ratio of 65:35.



**Table 1: Overview of CWP performance targets**

OVERVIEW OF CWP PERFORMANCE TARGETS			
Performance	CWP TOTAL @ SITE		
	Total budgeted/ planned	Total actual	% performance
Participation	53 720	55 582	103%
Sites	49	41	84%
Person days of work	1 819 996	1 750 886	96%
Cost per person day of work	R 78	R 79	101%
FTEs	7 913	7 613	96%
Cost per FTE	R 17 857	R 18 108	101%
Labour intensity	64%	64%	99%
Wage (full supervisor costs): Non-wage ratio	65:35	65:35	
Bank charges as % of total	4% (max)	0.5%	
Training and technical support as % of total	10% of wages	8.1%	
Project management as % of total	10% of total (max)	9.7%	

Table 2 provides a summary of key performing indicators by province such as the poverty measure, based on a 100 days work a year, and the full-time equivalent, based on 230 days a year.

**Table 2: Summarised CWP performance indicators by province**

SUMMARISED CWP PERFORMANCE INDICATORS BY PROVINCE											
	ALL	GP	EC	WC	NC	NW	FS	KZN	LP	MP	TBC *
Number of CWP sites to be implemented	49	13	13	2	1	3	3	4	2	2	6
Number of CWP sites implemented	41	12	12	2	1	3	3	4	2	2	—
<b>% performance</b>	<b>84%</b>	<b>92%</b>	<b>92%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>0%</b>
Number of participants targeted	53 720	15 000	15 120	2 000	500	3 500	5 500	5 400	2 500	4 200	4 000
Number of participants worked	55 582	14 637	14 737	1 381	501	3 974	6 141	5 701	3 379	5 131	—
<b>% performance</b>	<b>103%</b>	<b>98%</b>	<b>97%</b>	<b>69%</b>	<b>100%</b>	<b>114%</b>	<b>112%</b>	<b>106%</b>	<b>135%</b>	<b>122%</b>	<b>0%</b>
Number of person work days targeted	1 819 996	297 299	616 704	34 995	7 563	118 678	217 386	206 802	106 935	175 820	37 815
Number of person days of work created	1 750 886	254 095	588 887	22 601	6 436	110 603	215 807	219 147	124 194	209 116	—
<b>% performance</b>	<b>96%</b>	<b>85%</b>	<b>95%</b>	<b>65%</b>	<b>85%</b>	<b>93%</b>	<b>99%</b>	<b>106%</b>	<b>116%</b>	<b>119%</b>	<b>0%</b>
Poverty measure: Number of 100 day opportunities targeted	18 200	2 973	6 167	350	76	1 187	2 174	2 068	1 069	1 758	378
Number of 100 day opportunities created	17 509	2 541	5 889	226	64	1 106	2 158	2 191	1 242	2 091	—
<b>% performance</b>	<b>96%</b>	<b>85%</b>	<b>95%</b>	<b>65%</b>	<b>85%</b>	<b>93%</b>	<b>99%</b>	<b>106%</b>	<b>116%</b>	<b>119%</b>	<b>0%</b>
Number of full time equivalent jobs to be created	7 913	1 293	2 681	152	33	516	945	899	465	764	164
Number of FTEs created	7 613	1 105	2 560	98	28	481	938	953	540	909	—
<b>% performance</b>	<b>96%</b>	<b>85%</b>	<b>95%</b>	<b>65%</b>	<b>85%</b>	<b>93%</b>	<b>99%</b>	<b>106%</b>	<b>116%</b>	<b>119%</b>	<b>0%</b>

\* TBC – To be confirmed Development of these sites started after the year end

Target Actual

Table 3 (see page 18) provides an overview of targets achieved by the end of March 2010 with details of the wage and non-wage budgets.



**Table 3: CWP performance against targets by province and by site**

CWP TARGETS BY PROVINCE AND SITE						
CWP sites	Municipality	Province	Target participation rates	Target work days	Wage budget	Non-wage budget
			TARGETS TO MARCH 2010			
Matatiele 2	Matatiele	Eastern Cape	1 000	39 479	1 973 950	1 020 268
Umvimvubu 2	Umvimvubu	Eastern Cape	1 320	51 202	2 560 100	1 323 230
Duncan Village *	Buffalo City	Eastern Cape	500	7 563	378 171	282 666
Pefferville	Buffalo City	Eastern Cape	1 800	78 108	3 905 400	2 018 570
KSD Mthatha	KSD	Eastern Cape	1 000	17 498	874 875	591 124
Gariep	Gariep	Eastern Cape	500	7 563	378 171	282 666
Umvimvubu 1	Umvimvubu	Eastern Cape	1 000	94 259	4 712 950	2 435 966
Senqu	Senqu	Eastern Cape	3 000	133 036	6 651 800	3 438 092
Elliotdale	Mbhashe	Eastern Cape	1 000	42 517	2 125 850	1 098 781
Matatiele 1	Matatiele	Eastern Cape	1 000	68 643	3 432 150	1 773 963
Keiskammahoek	Amahlathi	Eastern Cape	1 000	41 841	2 092 050	1 081 310
Mbizana	Mbizana	Eastern Cape	1 000	17 498	874 875	591 124
Sakhisizwe	Sakhisizwe	Eastern Cape	1 000	17 498	874 875	591 124
Motheo	Naledi	Free State	1 000	17 498	874 875	591 124
Welkom	Matjabeng	Free State	3 000	127 632	6 381 600	3 298 435
Koppies	Ngwathe	Free State	1 500	72 256	3 612 800	1 867 335
Westonaria *	West Rand DMA	Gauteng	500	7 563	378 171	282 666
West Rand District	Westonaria	Gauteng	1 000	17 817	890 854	599 728
Joburg Region G	City of Joburg	Gauteng	1 000	17 817	890 854	599 728
Joburg Region F	City of Joburg	Gauteng	1 000	17 817	890 854	599 728
Joburg Region A	City of Joburg	Gauteng	1 000	17 817	890 854	599 728
Westonaria 2	Westonaria	Gauteng	1 000	17 817	890 854	599 728
Merafong (WOP)	Merafong	Gauteng	500	7 563	378 150	282 666
Randfontein (WOP)	Randfontein	Gauteng	500	7 563	378 150	282 666
Munsieville 1	Mogale City	Gauteng	1 500	82 042	4 102 100	2 120 238
Joburg Region C	JHB	Gauteng	1 000	17 817	890 854	599 728
Randfontein	West Rand District	Gauteng	1 000	17 817	890 854	599 728
Merafong	West Rand	Gauteng	1 000	17 817	890 854	599 728
Munsieville 2	Mogale City	Gauteng	1 000	42 468	2 123 400	1 097 514
Msunduzi	Msunduzi	KwaZulu-Natal	1 000	17 498	874 875	591 124
Mthwalume	Umzumbe	KwaZulu-Natal	1 500	74 755	3 737 750	1 931 918
Nongoma	Nongoma	KwaZulu-Natal	1 400	55 509	2 775 450	1 434 537
Jozini	Jozini	KwaZulu-Natal	1 500	59 040	2 952 000	1 525 790
Tubatse	Tubatse	Limpopo	1 000	40 282	2 014 100	1 041 021
Lephephane	Greater Tzaneen	Limpopo	1 500	66 653	3 332 650	1 722 535
Tjakastad	Albert Luthuli	Mpumalanga	2 000	94 216	4 710 800	2 434 854
Bushbuckridge	Bushbuckridge	Mpumalanga	2 200	81 604	4 080 200	2 108 918
Rustenburg	Rustenburg	North West	1 000	17 498	874 875	591 124
Bokfontein	Madibeng	North West	1 500	64 699	3 234 950	1 672 037
Meriting	Rustenburg	North West	1 000	36 481	1 824 050	942 790
Richtersveld	Richtersveld Local	Northern Cape	500	7 563	378 150	282 666
Grabouw	Theewaterskloof	Western Cape	1 000	17 498	874 875	591 124
Manenberg	Manenberg	Western Cape	1 000	17 498	874 875	591 124
Randfontein (WOP) *	Randfontein	Gauteng	500	7 563	378 150	282 666
Mopani (WOP) *	Mopani	Limpopo	500	7 563	378 150	282 666
Moses Kotane (RD) *	Moses Kotane	North West	500	7 563	378 150	282 666
Maluti-a-Phofung (RD) *	Maluti-a-Phofung	Free State	500	7 563	378 150	282 666
Riemvasmaak (RD) *	Siyanda	Northern Cape	500	7 563	378 150	282 666
Mhlontlo (RD) *	Mhlontlo	Eastern Cape	500	7 563	378 150	282 666
<b>TOTAL</b>			<b>53 720</b>	<b>1 819 996</b>	<b>90 999 798</b>	<b>50 306 915</b>

\* Development of these sites started after the year end WOP – War on Poverty RD – Rural Development

■ Seriti ■ Teba

CWP TARGETS BY PROVINCE AND SITE						
CWP sites	Participation rate	Work days	Wage costs	Non-wage costs	Performance against workday targets	Spending against budget
<b>ACTUAL PERFORMANCE FOR THE YEAR APRIL 2009 TO MARCH 2010</b>						
Matatiele 2	1 500	29 560	1 478 000	915 937	75%	80%
Umvimvubu 2	1 445	45 528	2 276 400	1 057 333	89%	86%
Duncan Village *	–	–	–	–	0%	5%
Pefferville	1 545	37 207	1 860 350	1 158 808	48%	51%
KSD Mthatha	171	1 881	94 050	611 402	11%	48%
Gariep	490	7 134	356 700	210 382	94%	86%
Umvimvubu 1	1 046	99 008	4 950 400	2 272 599	105%	101%
Senqu	3 071	140 260	7 013 000	3 407 913	105%	103%
Elliotdale	1 069	41 126	2 056 300	1 408 210	97%	107%
Matatiele 1	990	75 682	3 784 100	2 114 412	110%	113%
Keiskammahoek	1 792	51 933	2 596 650	1 360 025	124%	125%
Mbizana	1 069	23 736	1 186 800	849 880	136%	139%
Sakhisizwe	1 044	35 832	1 791 600	693 557	205%	170%
Motheo	995	18 648	932 400	368 381	107%	89%
Welkom	2 799	112 799	5 639 950	3 130 381	88%	91%
Koppies	2 347	84 360	4 218 000	2 599 947	117%	124%
Westonaria *	–	–	–	0	0%	0%
West Rand District	505	6 026	301 300	187 714	34%	33%
Joburg Region G	706	6 539	326 950	199 706	37%	35%
Joburg Region F	1 599	11 722	586 100	354 654	66%	63%
Joburg Region A	1 599	12 135	606 750	364 385	68%	65%
Westonaria 2	1 009	15 205	760 250	465 355	85%	82%
Merafong (WOP)	406	6 929	346 450	209 207	92%	84%
Randfontein (WOP)	389	7 169	358 450	217 689	95%	87%
Munsieville 1	1 972	70 889	3 544 450	2 225 645	86%	93%
Joburg Region C	2 068	20 493	1 024 650	615 013	115%	110%
Randfontein	1 210	21 152	1 057 600	642 804	119%	114%
Merafong	1 434	23 786	1 189 300	716 637	134%	128%
Munsieville 2	1 780	52 050	2 602 500	1 594 017	123%	130%
Msunduzi	249	5 478	273 900	466 306	31%	50%
Mthwalume	1 827	65 675	3 283 750	2 037 280	88%	94%
Nongoma	1 413	62 251	3 112 550	1 348 434	112%	106%
Jozini	2 212	85 743	4 287 150	2 032 554	145%	141%
Tubatse	745	29 520	1 476 000	1 162 279	73%	86%
Lephephane	2 634	94 674	4 733 700	2 909 303	142%	151%
Tjakastad	3 023	108 661	5 433 050	3 360 136	115%	123%
Bushbuckridge	2 108	100 455	5 002 750	2 212 578	123%	117%
Rustenburg	588	11 064	553 200	590 928	63%	78%
Bokfontein	1 676	60 248	3 012 400	1 882 556	93%	100%
Meriting	1 710	39 291	1 964 550	1 216 152	108%	115%
Richtersveld	501	6 436	321 800	192 606	85%	78%
Grabouw	341	6 601	330 050	424 850	38%	51%
Manenberg	1 040	16 000	800 000	518 963	91%	90%
Randfontein (WOP) *	–	–	–	–	0%	0%
Mopani (WOP) *	–	–	–	–	0%	0%
Moses Kotane (RD) *	–	–	–	–	0%	0%
Maluti-a-Phofung (RD) *	–	–	–	–	0%	0%
Riemvasmaak (RD) *	–	–	–	–	0%	0%
Mhlontlo (RD) *	–	–	–	–	0%	0%
<b>TOTAL</b>	<b>55 582</b>	<b>1 750 886</b>	<b>87 544 300</b>	<b>50 306 915</b>	<b>96%</b>	<b>98%</b>

**Note:** The days reported are the actual number of days worked up to 31 March 2010. When the IAs prepared their report and claim to IDT, 1 745 319 work days and R87 265 950 wage costs were reported, because of outstanding reconciliations for certain sites. Once these were done, the number of workdays reported was found to have increased by 5 567, and these are included in this report and funded from a separate budget.



## SPENDING AGAINST BUDGET



**Overall programme budget:** The CWP, as funded by government, had a budget of R159.6 million for the 2009/2010 financial year. The IDT had a budget of R91 million for the wage subsidy which could be claimed by IAs based on R50 a day for actual person days of work created and R10 million for the project management. TIPS was responsible for overseeing the programme and disbursing the non-wage costs and IAs' fees based on actual performance. R58.5 million was allocated for this of which R52.65 million was spent at site level.

**Site budget:** Of the site budget amount, 10% (or R14.131 million) was earmarked for the IAs' fees; R2.343 million was set aside for community development workshops; and the remaining R36.176

million was available for all other site costs such as tools and materials, protective clothing, training and technical support, allocated per site based on predetermined cost norms.

It should be noted that although the programme budget was allocated to facilitate performance against the targets set over the full financial year, the reality in 2009/2010 is that funding for wages only started to be disbursed from August 2009 (after the IDT finalised contractual arrangements with the IAs) and non-wage funding became accessible only in December 2009, after Parliament approved the Adjusted Estimates of National Expenditure. Spending should be interpreted within this context.

**Programme management spending:** The programme management fee of R5.85 million allocated to TIPS was spent on the following:

- Strategic planning, including developing and coordinating the implementation of the strategic plan and project Implementation Plan.
- Monitoring programme delivery and liaising with key stakeholders.
- Ongoing engagement and lesson learning with IAs to clarify institutional design and implementation issues.
- Raising awareness and communicating the essence and benefits of CWP.
- Putting in place a reporting tool to enable IAs to report to funders in a consistent way on the spending per site against budget, as well as the progress in meeting set employment targets.
- Establishing dedicated capacity for financial management and reporting.
- Planning and conducting sample audits of CWP site costs to ensure that funds were spent in accordance with the terms and conditions attached to funding.
- Documenting the programme model and norms as established during the pilot; promoting the programme in government.
- Preparing a video on CWP for publicity purposes.
- Reporting to the National Steering Committee and IDT.
- Facilitating the handover process into DCoG.
- Contributing to TIPS overheads.



**Table 4: Overview of CWP site spending**

OVERVIEW OF CWP SITE SPENDING						
CWP BUDGET	BUDGET (MILLIONS)			SPENDING (MILLIONS)		
	IDT	TIPS	TOTAL	IDT	TIPS	TOTAL
IDT: Programme management costs for wage subsidy *	10 073	0	10 073	10 073	0	10 073
TIPS: Programme management costs	0	5 850	5 850	0	5 850	5 850
<b>Site budget</b>			<b>143 650</b>			<b>140 195</b>
Site wages	91 000	0	91 000	87 544	0	87 544
Non-wage costs (excluding project management fee below)	0	36 176	36 176	0	36 906	36 906
IA project management fee	0	14 131	14 131	0	13 401	13 401
Organisation workshops	0	2 343	2 343	0	2 343	2 343
<b>Total CWP</b>	<b>101 072</b>	<b>58 500</b>	<b>159 573</b>	<b>97 617</b>	<b>58 500</b>	<b>156 117</b>

\* Assumed the appropriated programme management costs were proportionally split for the non-state sector

## OVERALL PROGRAMME SPENDING

**Financial status:** Out of the R159.6 million allocated to the programme, 98% of the allocated budget was spent. Of the R143.65 million allocated to site costs, R140.195 million or 98% was spent. The wage, non-wage ratio was 65:35 for site costs (see Table 4).

**Community development and Organisation Workshop spending:** R2.343 million was contracted for the Organisation Workshops. Seriti Institute ran an Organisation Workshop in Diepsloot in the last month of the financial year, as part of a programme to capacitate IAs. A total of 250 residents from Diepsloot and six people chosen from other CWP sites participated in the month-long process. Participants had to form an enterprise and contract for work at market rates. Given the variety of work available, they had to learn to manage a complex enterprise, while the process of quoting for work and dividing labour to complete jobs meant that they learnt about work analysis and management. In the first phase of community-based planning, participants set out a programme for the CWP for the first six months of the programme.

### The participants:

- Planted trees.
- Created food gardens around the township.
- Developed an agricultural enterprise supplying vegetables to a local chain store (creating 30 new long-term jobs in the process).
- Refurbished an old school.
- Built a toilet block for the scholars.
- Cleared dangerous walkways (“hotspots”) of vegetation and built bridges across the stream that divides the two parts of Diepsloot.
- Visited 2 000 households in an HIV awareness campaign.
- Organised a jamboree involving the Departments of Social Development, Health, Home Affairs and the South African Police Service at which residents signed up for voluntary counselling and testing for HIV, registered for ID books and birth certificates as well as old age grants.
- Undertook work to reduce the abuse of alcohol in the township.
- Identified households with vulnerable children across Diepsloot and created a data base that facilitated care and support for them.
- Staff from 65 crèches participated in a programme to improve levels of care for children, and learnt to create equipment and toys from locally available material. Teachers from 10 schools went through a two-week programme on sports coaching, which culminated in a sports day for children from all schools.





## MUNSIEVILLE

Munsieville on the West Rand in Gauteng was the first of four pilot sites. The programme was started in January 2008, and a measure of its success is that it inspired the take-off of another CWP at Mogale City, known initially as "Munsieville 2".

The Munsieville CWP is an example of how a community banded together to address a range of local problems through various initiatives and partnerships across government and civil society. Some of the work they do is routine, but a number of unusual initiatives have emerged as well.

Routine tasks include food gardens at clinics, schools, churches and in household plots; cutting grass throughout the township; making sure that 'hot spots' are lit and cleared of foliage; cleaning the graveyard and maintaining paths; unblocking storm water drains; cleaning schools as well as other tasks to support schools; cleaning the homes of the elderly people and helping them with housework and home maintenance; painting park benches and children's play equipment; and distributing clothes to the needy.

One initiative was an intensive door-to-door survey to find out more about the kinds of problems people had. This was started in July 2009. The survey found a high number of orphans and vulnerable children, child-headed households, vulnerable women, men in need and aged and destitute people. A number of schemes were launched in response to the survey, including the food gardens and sewing and knitting groups for elderly people



In response to high unemployment, an Imbizo was held in August 2009 in a local sport stadium themed, 'Women beyond 2010'. The purpose was to encourage women to start small enterprises and included advice on hygiene as many stay in informal settlements that do not have proper sanitation.

A number of awareness campaigns have also been held. In September 2009, pamphlets and condoms were distributed in busy places over the weekends. The aim was to share information about HIV/AIDS as well as other issues affecting the community. An awareness campaign on rape and child abuse was also held in September, which was covered by local media. A campaign aimed at men was also held as part of the 16 days of activism against woman and child abuse. Statistics at the police station have shown a decline in reported child abuse cases since the CWP took up the issue.

A Consumer Educator workshop has been held, facilitated by FNB with the aim of encouraging community members to budget and spend their money wisely.

The community has also reached out to other people in need. In October, as part of the mental health awareness month, a CWP team visited Sterkfontein Hospital to meet the staff and play games with the patients. In November the CWP had an invitation from Leeuwkop Prison to raise awareness among the HIV/AIDS infected and affected prisoners.

Among the links forged by the Munsieville CWP is a partnership with Renewal Youth Ministries Fellowship for the BOSASA youth camp to motivate the youth and show them that there was more to life than alcohol and crime. The Department of Labour has also assisted youth with skills development, accrediting skilled people.

One of the success factors of the Munsieville CWP is that the local management is exceptionally strong. The site manager comes from Munsieville and showed her leadership and management capabilities in an Organisation Workshop training session held in Munsieville in the year before the CWP started. Administrators and co-ordinators also come from the community, and have not only shown a high level of competence in managing Munsieville's CWP, but have also mentored colleagues in other communities. Several of these people have formed a new NGO in Munsieville, with plans to become a local implementing agency for the CWP.





**Overall site spending:** Of the amount spent, R87.544 million was the wage subsidy (i.e. R50 a day paid to workers for the 1 750 886 days of work created), although total wages spent (including the extra R25 a day paid to supervisors as well as the R50 a day wage subsidy) amounted to R90.081 million.

A total of R13.401 million was earned in project management fees (which corresponds to about 9.5% of total actual site costs) and claimed by implementing agents based on actual performance against target.

A total of R36.906 million was spent on non-wage funding. Spending across non-wage cost items varied substantially from the budget. Firstly, significant savings were achieved on planned bank charges which eventually accounted for only 0.5% of wage costs against the 4% of budgeted wage costs. Secondly, because of the type of activities needed, much more was spent on protective clothing than on tools and materials. There was significant underspending on tools and materials (58% or R10.927 million against a budget of R18.917 million) because of the limited time available to plan, procure, deliver and use these. This, however, was offset substantially by the amounts spent on protective clothing, at 248% or R8.593 million of the R3.471 million budget.

Spending on protective clothing is a delicate balance when numerous participants register and require certain clothing for allocated activities, and the increase in participants boosted spending. IAs have noted the need to identify when such clothing is allocated, taking into account the drop-out rate, the seasonality of participation in agricultural regions, and absenteeism. Also, the supervisor-worker ratio could not be implemented as planned and had to respond to specific community needs – for example in remote areas.

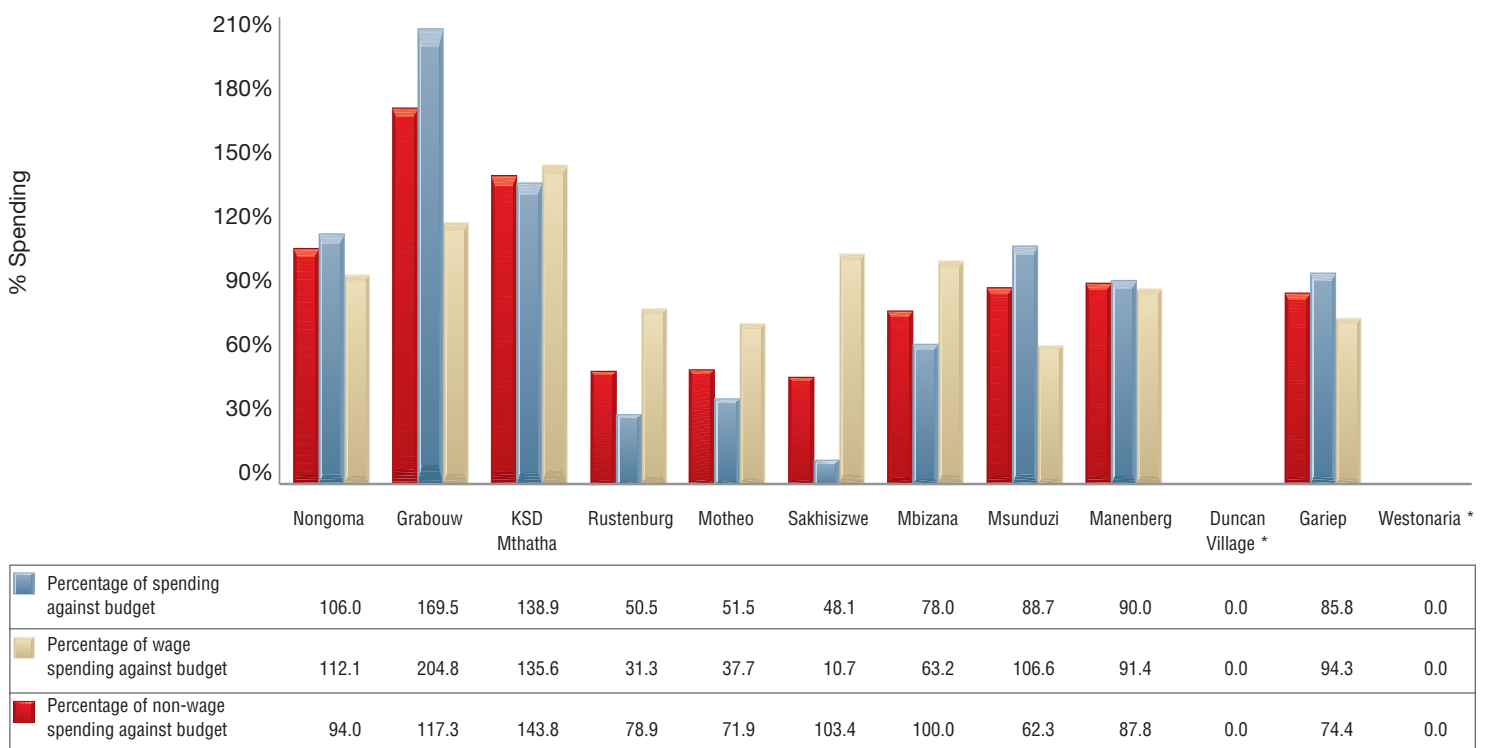
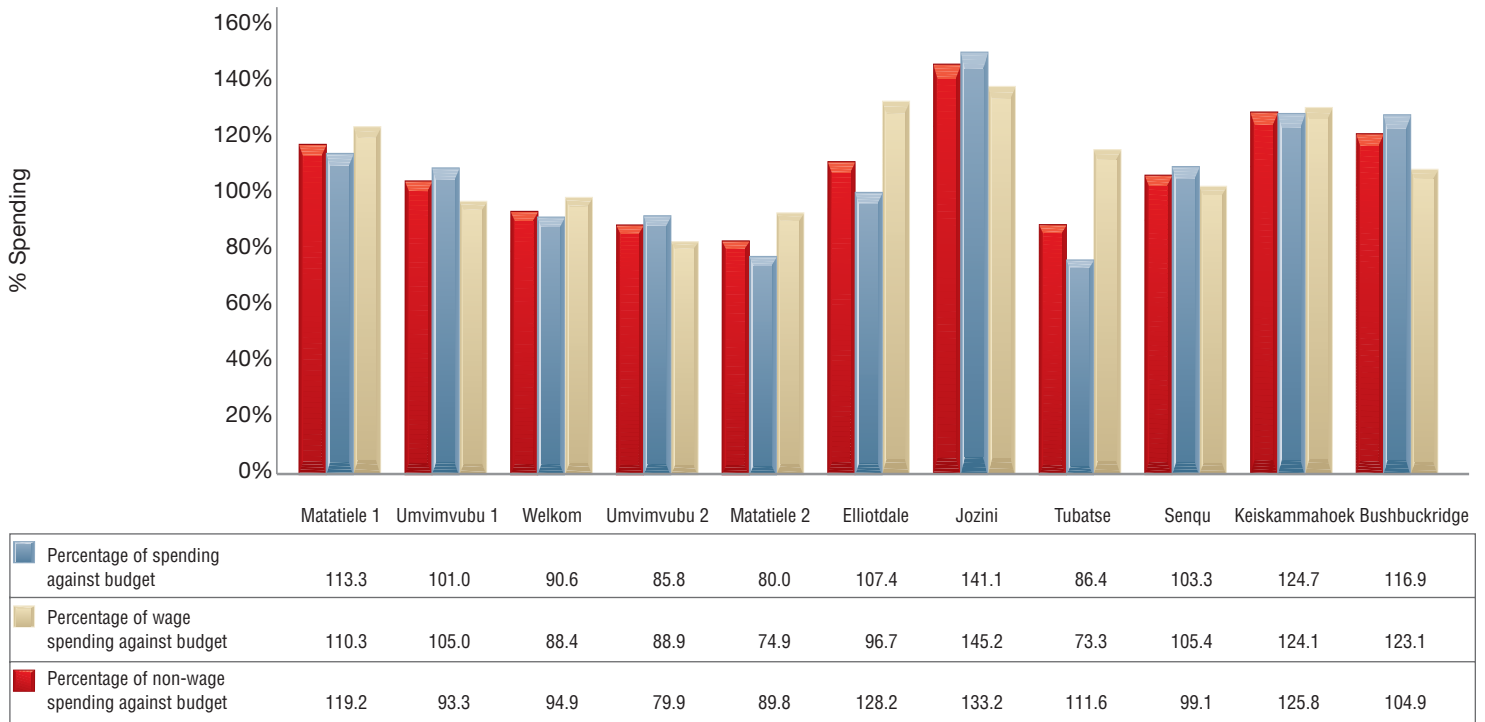
See Figure 2 (page 24) provides an overview of spending per sites.



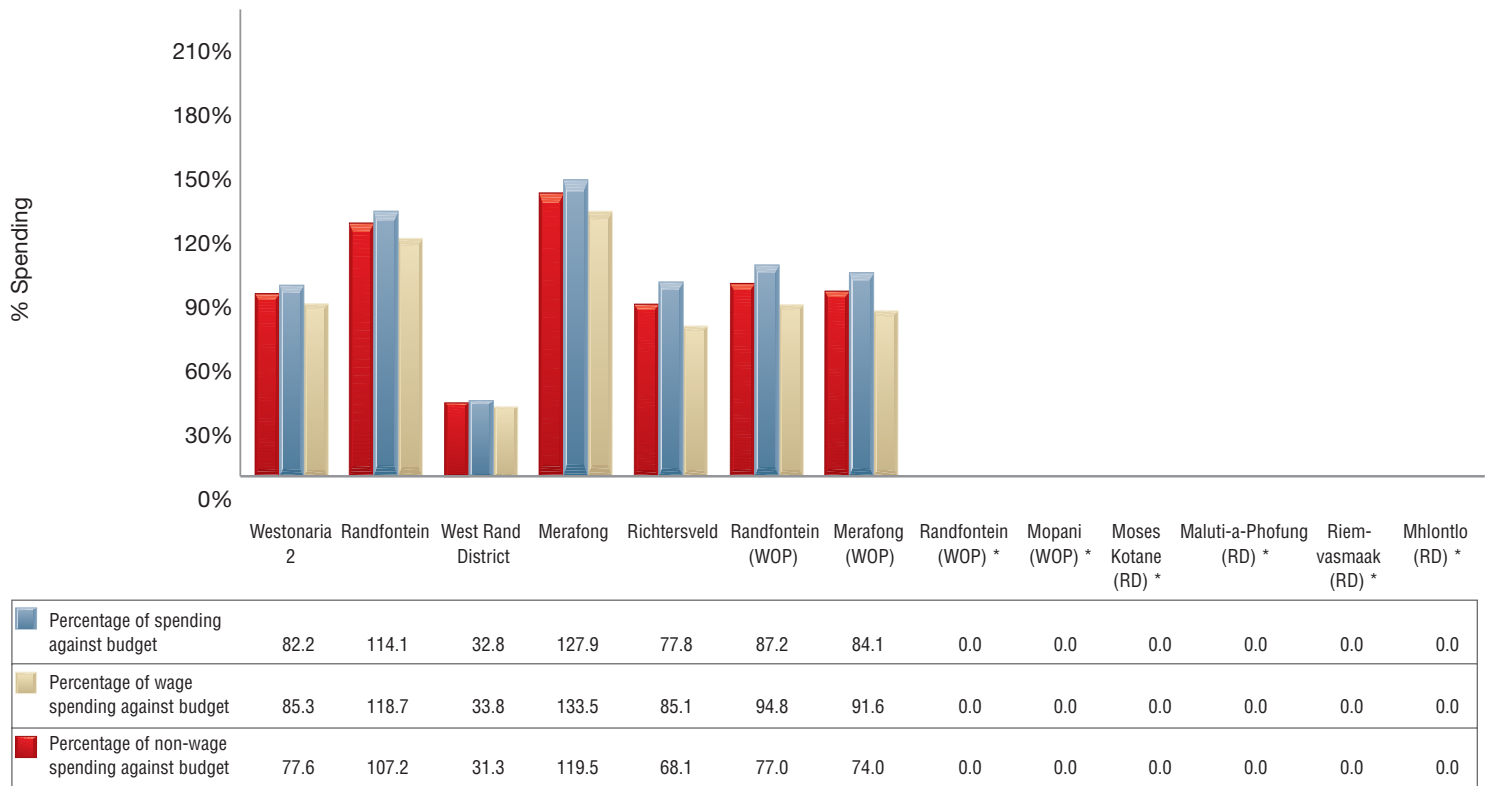
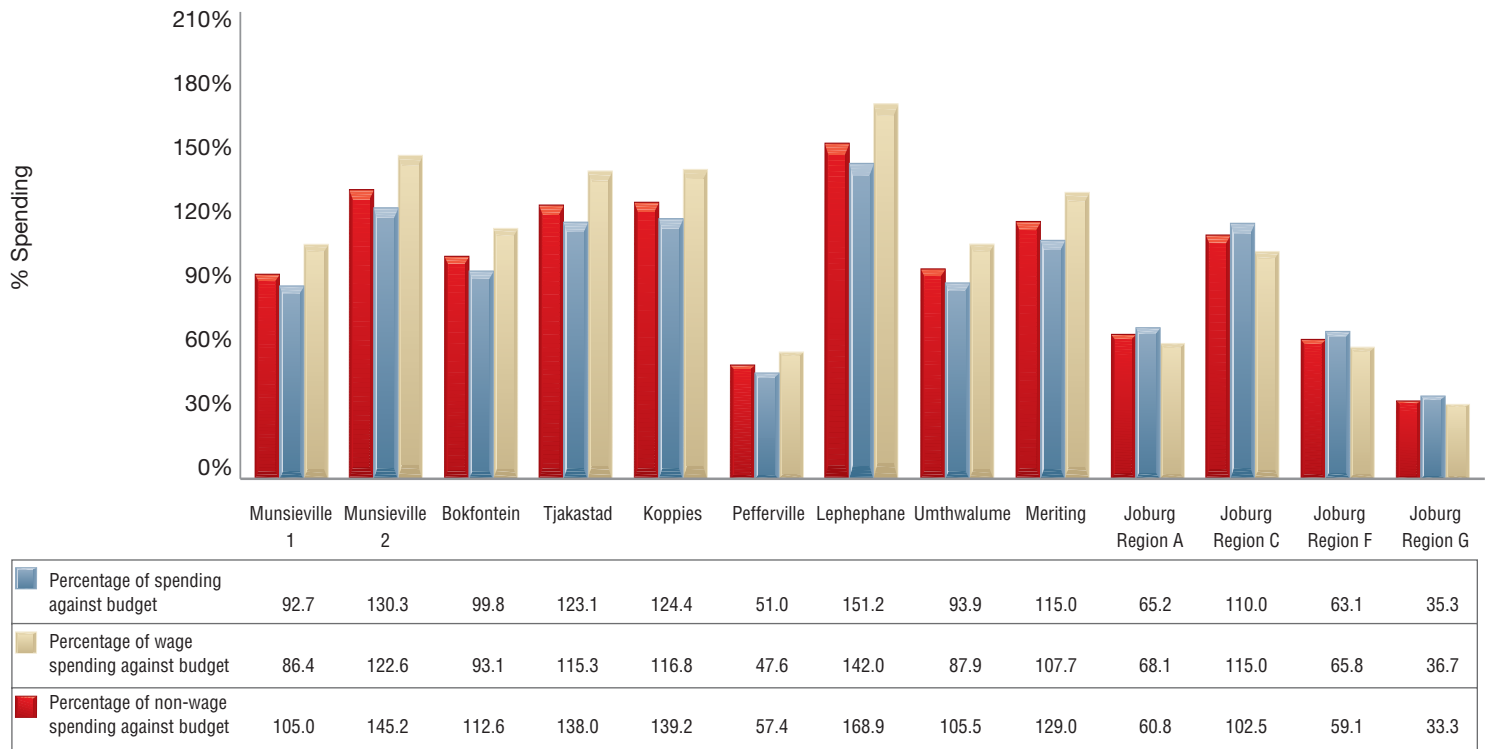
**Local stakeholders and implementing partners have been unanimous in their enthusiasm for the project. Initial doubts about the small amounts of money available to pay participants and to support activities in communities have mainly been swept away as experience begins to show how much can be done with so little money, and how meaningful the contribution is to both households and the community. Reports have included lower crime rates, increased attendance at schools and better participation in classes, greater social cohesion, restoring dignity to the unemployed, terminally ill and aged, and unlocking hidden potential, especially in younger participants.**



**Figure 2: CWP spending per site**



\* Development of these sites started after the year end



\* Development of these sites started after the year end WOP – War on Poverty RD – Rural Development

**Table 5: Overview of CWP sites spending <50%**

OVERVIEW OF CWP SITES SPENDING <50%				
CWP sites	Municipality	Province	Performance against workday targets	Spending against budget
Randfontein (WOP) *	Randfontein	Gauteng	0%	0%
Mopani (WOP) *	Mopani	Limpopo	0%	0%
Moses Kotane (RD) *	Moses Kotane	North West	0%	0%
Maluti-a-Phofung (RD) *	Maluti-a-Phofung	Free State	0%	0%
Riemvasmaak (RD) *	Siyanda	Northern Cape	0%	0%
Mhlontlo (RD) *	Mhlontlo	Eastern Cape	0%	0%
Duncan Village *	Buffalo City	Eastern Cape	0%	0%
Westonaria *	Westonaria	Gauteng	0%	0%
West Rand District	West Rand	Gauteng	34%	33%
Joburg Region G	City of Joburg	Gauteng	37%	35%
KSD Mthatha	KSD	Eastern Cape	11%	48%
Msunduzi	Msundunzi	KZN	31%	50%
Grabouw	Theewater	Western Cape	38%	51%
Pefferville	Buffalo City	Eastern Cape	48%	51%

\* Development of these sites started after the year end WOP – War on Poverty RD – Rural Development



The underspending on wages is mainly because of the 12 CWP sites planned for development from early January (see Table 5). Eight did not kick off; and of the 16 CWP sites planned for development from December, four did not make as much progress as planned. Consultation and planning could not be completed at all new sites in the time frame. As a result the National Steering Committee agreed to allow existing sites to expand to use as much of the allocated budget as possible.

The reason for some sites underspending on the non-wage budget and other sites overspending is generally the same for most sites – that non-wage funding became available only in December 2009. It takes time to supply protective clothing, tools and materials as sizes and quantities have to be obtained, orders placed and paid for, transport booked and finally distribution arranged. Procurement of items such as protective clothing and tools and materials has been managed centrally to allow for these items to be procured quickly (in the last three months of the year) at the best prices and with bulk discounts. These were then allocated to the sites with activities requiring such materials. The late access to non-wage funding had a significant effect on the CWP, since options for work activity were limited by the fact that there was hardly enough money for tools and very little money for plants and materials. Nevertheless, there have been some extremely creative responses to these constraints, and especially in the older sites there have been some remarkable achievements.

At the same time, expenditure on items such as protective clothing has to be carefully managed, particularly in sites with a regular turnover in participants. Ways to deal with this are being developed. These range from not providing clothing until it is clear that a participant is committed to staying with the project, to providing the minimum, and retaining a percentage of the budget for new participants who replace drop-outs.

In contrast are the sites that have exceeded performance targets and overspent their budgets (see Table 6). This has offset underspending on planned sites. The National Steering Committee made a decision in the fourth quarter that IAs should have discretion in growing sites to reduce the impact of late funding, and offset projected underperformance by allowing workers on site to work more than the two days a week to meet person day targets.



Table 6 detail sites that significantly overperformed against target and spending. The Box, *Factors Driving Success* looks at some of the reasons behind this expansion.

**Table 6: CWP sites performing over 100%**

CWP SITES PERFORMING OVER 100%			
CWP sites	Municipality	Province	Performance against workday targets
Sakhisizwe	Sakhisizwe	Eastern Cape	205%
Jozini	Jozini	KZN	145%
Lephephane	Greater Tzaneen	Limpopo	142%
Mbizana	Mbizana	Eastern Cape	136%
Merafong	West Rand	Gauteng	134%
Keiskammahoek	Amahlathi	Eastern Cape	124%
Bushbuckridge	Bushbuckridge	Mpumalanga	123%
Munsieville 2	Mogale City	Gauteng	123%
Randfontein	Randfontein	Gauteng	119%
Koppies	Ngwathe	Free State	117%
Tjakastad	Albert Luthuli	Mpumalanga	115%
Joburg Region C	City of Joburg	Gauteng	115%
Nongoma	Nongoma	KZN	112%
Matatiele 1	Matatiele	Eastern Cape	110%
Meriting	Rustenburg	North West	108%
Motheo	Naledi	Free State	107%
Senqu	Senqu	Eastern Cape	105%
Umvimvubu 1	Umvimvubu	Eastern Cape	105%



## FACTORS DRIVING SUCCESS

Some of the factors that have driven the success of the high-performing CWP sites in Table 6 are where:

- The community is well-organised and drives the CWP.
- Support from experienced partners facilitates effective community development to decide on and organise work.
- There is a good skill base in the community.
- Good partnerships have been formed with local government, projects are jointly planned in accordance with the IDP, and the municipality contributes materials.
- Partnerships with other organisations are implemented, and the other organisation contributes materials and sometimes management and training.
- There is training.
- Sheer magnitude of the demand for work. In these rural areas, the need for paid work in the absence of viable or regular and sustainable alternatives was enormous, with people queuing up to work, willing and prepared to get involved. Many were turned away despite the high participation rates. Given the modest daily rate of R50, this is a sober reflection on the lack of alternatives in these areas.

## CHALLENGES

It was anticipated that in 2009/2010 the programme would:

- Consolidate the lessons of the pilot.
- Concentrate on institutional issues.
- Consolidate and deepen an understanding of the methodologies needed to ensure the successful implementation of the programme.
- Focus on thinking through the programme's administrative requirements.

Instead, the massively expanded target and the significant political and popular interest in the programme meant that the year was spent scaling up at an almost breakneck pace. This was done within a highly insecure funding environment as targets were raised before funding to do so was secured and contracting lagged behind the budget commitments made by National Treasury.

**Cash flow management for 2009/2010:** Two problems were identified. The first was uncertain flow of funds to both the Programme Manager and the IAs and thus the sites. This should be eliminated now that DCoG has an appropriated budget for the next three years. However, it should be noted that delays in contracting affect work on the ground. In 2009/2010, both IAs undertook undue risk in continuing to implement the programme by taking out loans to bridge the funding gap. However, as new accredited IAs are brought in to implement the CWP, this risk needs to be avoided and the DCoG should ensure that institutional arrangements do not hamper the successful implementation of the programme.

The second was the wage funding was contracted to flow to IAs – how the 'claim basis' was managed. This may remain a concern. In 2009/2010, the IDT, which managed the wage subsidy, allowed for a two-month advance payment on contract signing and subsequent monthly claims had to be made based on actual performance for the month. It is recommended that as the programme moves into government, DCoG carefully manages the balance between claims and advances monthly to avoid unpaid wages.

**Uncertainty caused by funding delays:** Implementation was affected in several adverse ways, which made it difficult to expand the IA pool:

- Inability of sites to pay workers on the agreed date eroded community confidence in the programme.
- The number of work days often had to be scaled down, and even stopped in some instances. This meant that individuals and households were not able to plan on the monthly income being regular and predictable.
- Lack of funding meant that materials, tools and protective clothing could often not be provided, limiting the type of work.
- Erratic funding put the IAs at financial risk as well as their relationships of trust with communities.

**Payment of workers:** Participants are required to open bank accounts as part of registering with the programme. This is to avoid the dangers inherent in transporting and disbursing large amounts of cash. It also assists in ensuring proper payment documentation for days worked. An added benefit is a participants' sense of dignity as they join the ranks of the banked for the first time. A disadvantage is that this generally prevents undocumented people, South African citizens as well as migrants and refugees, from joining the programme, because under FICA (Financial Intelligence Centre Act) regulations, banks require and ID to open bank accounts. Many sites use participants to assist in getting IDs, but concerns remain in some sites that many people who should benefit from CWP are unable to do so because of this requirement. IAs have explored creative ways of enabling money to be paid to workers. It should be noted that finding appropriate banking arrangements for the CWP was difficult and that there are challenges which need to be addressed.

**Conflicts and tensions in community leadership and the desire for political ownership:** While both IAs have forged strong, productive relationships with the communities, local government and traditional structures in the areas where they work, they stress the importance of the CWP remaining an independent and autonomous project. Maintaining the balance between strong consultative and participatory development practices, and ensuring that site activities are not hi-jacked by factions to advance their own interests requires nuanced and mature management. As local government elections approach next year, managing this tension will become increasingly important.

**Administering sites:** In rural sites, long distances and lack of telecommunication and transport services cause operational challenges. While IAs must be allowed flexibility in finding ways of running the programme so that it works in each community, the programme managing entity needs to invest significantly in assisting them to overcome these challenges.

## KEY ISSUES FOR 2010

**Norms and standards and brand management:** While norms and standards have been agreed by the National Steering Committee, consistency is essential as provinces, local governments and other agencies take their own initiative to implement the programme. This requires documentation including an Implementation Manual. A concerted communication effort is also required to publicise the CWP and deepen an understanding of its purpose and potential outcomes.

**Expanding the IA pool:** Expanding the implementing agent pool, and putting in place the accreditation process for such agents, is a priority.

**Memorandum of Understanding (MOUs) with line departments and provinces:** To prevent duplication and build partnerships, the CWP needs MOUs with relevant departments such as Health and Basic Education in relation to common delivery mandates and concerns.

**Sharing technical expertise:** In the context of a common set of work activities across sites, there is merit in building a set of core technical competencies available to IAs across sites and for sharing lessons learnt within the CWP, such as workshops with project managers, facilitators, stakeholders and others.

**Improving funding arrangements:** Organising sites generally requires considerable lead-in time. Skimping on doing this thoroughly can cause problems during site implementation in the short term. Set-up activities can skew the wage, non-wage funding ratios and there may be benefit in explicitly setting aside allocations in the funding agreements to ensure that the preliminary site planning work can be done. Clear funding for organising sites and community development approaches such as the Organisation Workshops should continue.

It is important that IAs have contract security and efficient funding flows. The existing agents were stretched to the limits of their capacity for risk this year; new ones are unlikely to be willing to accept such financial and contractual risk.

**Strengthening monitoring and evaluation (M&E):** Improving the systems to collect, collate and manage beneficiary data in ways that comply with EPWP requirements and link to worker payments systems and processes are needed. Current M&E is focused on quantitative outputs. Present reporting is aligned with, and complies with, EPWP and is mainly quantitative. What is needed is to expand to include more qualitative measures as well as to track social and economic impacts over time.

**The treatment of VAT:** Budgets were prepared on the basis that they were VAT exclusive but contracts were issued as VAT inclusive. A choice had to be made: to take a 14% cut on the budgets or delay implementation in ways that would mean CWP could not meet targets. The decision was taken with the IAs to manage within an effective budget cut. The main affect of this was on tools and materials. This is not sustainable and either the budget must be adjusted by 14% or contracts must be VAT exclusive.

**Need for proper and aligned systems:** A common and efficient way of making payments regularly to workers is needed, as well as ensuring common financial and accounting standards. Suggestions from the existing implementing agents include exploring biometric identification and recording of site workers.







# PROGRAMME MANAGEMENT

## MEETING TARGETS

As a result of the combined efforts of all major stakeholders, TIPS as programme managers are able to report that the programme has come close to meeting all its targets and has exceeded some of them:

- TIPS has delivered the core outputs as contracted.
- TIPS has ensured that the budget was applied for the purposes for which the funds were intended.
- TIPS has completed a handover to DCoG on terms that has enabled what looks likely to be a smooth transition – the most critical indicator of this is how quickly contract arrangements with implementing agents can be transferred to DCoG to allow sites to continue to operate. As a result of the commitment to the programme already shown by DCoG, these contracts have already been signed and this critical hurdle has been passed.

## STRATEGIC PRIORITIES

The following strategic priorities were agreed for the programme to be given focus in the remainder of 2009/2010 from the point of contracting with TIPS for programme management.

- Build on the strengths and capacities of the CWP's existing implementing agents to fast-track expanded delivery now that non-wage funding is available.
- Mentor and train new agents to broaden and deepen capacity to deliver. This will be done primarily through the use of Organisation Workshops. Two Organisation Workshops will be held to build additional implementing capacity, linked to the inception of new sites.
- Build partnerships that promote alignment with other government programmes and priorities, such as the War on Poverty programme, the rural development strategy and informal settlement upgrading programmes.
- Conclude the pilot phase of the CWP by formalising the norms and standards for CWP sites, the criteria to be met for agencies to qualify as approved CWP implementing agents, and mechanisms to support and respond to growing demand to participate in CWP
- Facilitate a smooth transition of the CWP into DCoG from 1 April 2010.

## STRATEGIC PRIORITIES – PROGRESS

**Building the strengths and capacities of implementing agents:** With programme management funding available, high priority was given to strengthening reporting systems in IAs to enable the depth of reporting anticipated as a result of the transition into government. The design of a reporting framework was commissioned, with input from stakeholders and IAs, and tested during the reporting periods on the IDT contract.

A key part of building the strengths and capacities of IAs, however, was provided by funding to integrate effective technical support into the programme, the scope to test the capacity to expand, and to strengthen mentorship and technical support provided by IAs to local NGOs and community based organisations (CBOs).

A key part of this process was the support to the Organisation Workshop in Diepsloot, Gauteng, to train and mentor local people in preparation for an expanded role in implementation in the coming financial year.





**Partnerships:** The expansion of the National Steering Committee has brought a wider set of departments into interaction with the CWP. Reports to the Inter-Ministerial Committee on Poverty, chaired by the Deputy President, have also highlighted scope for a range of different partnerships to be formalised now by DCoG. The process of site identification in partnership with the Department for Rural Development and the War on Poverty programme was key in building alignment across government programmes. Formal discussions are underway with Working for Water and associated programmes to formalise partnerships at site level. The Gauteng Province has committed itself to rolling out the CWP in Gauteng, and the process alignment for this purpose was initiated during this period.

**Finalising the programme model and norms and standards:**

Proposals for interim and long-term institutional arrangements for CWP were developed for consideration by the National Steering Committee and DCoG and agreements reached. The Programme Norms and Standards document was developed and approved by the committee, and forms the basis for the funding agreements entered into between National Treasury and DCoG.

**Programme handover:** By agreement with the National Steering Committee and TIPS, DCoG started to take over key leadership functions in CWP from mid February. A process of briefings and handover meetings took place, which included presentations to key role players in DCoG, then taken forward within DCoG to a ministerial level. At a formal level, handover was effective from 1 April 2010; DCoG is now running the CWP, and although TIPS continues to play a support role, TIPS is no longer the programme manager. While certain elements required for the institutionalisation of the CWP remain, the key elements are in place. Those still outstanding provide DCoG with the scope to shape the programme as they take ownership of it.



**GENERAL**

**Ensuring proper financial management:** TIPS's objective was to ensure that funds have been spent and recorded in accordance with the terms and conditions of the funding agreement between TIPS and IAs. These checks have been undertaken through sample audits of CWP non-wage site costs to establish and verify financial records for these costs.

The audit includes, but is not limited to, an assessment of:

- The existence and effectiveness of internal control structures and processes.
- Management capacity and integrity.
- Compliance with agreed terms and applicable laws (including tax laws) and regulations, e.g. VAT.
- Recruitment and/payroll processes with regard to wage costs.
- Accuracy of accounting records, ensuring that non-wage funds received are properly spent and recorded in accordance with the agreed budget.
- Asset controls are in place as per the agreement.
- Procurement processes are fair and transparent.
- Site records for all CWP sites are maintained.
- Auditable invoices for work undertaken are available.





## WELKOM

The Welkom Community Work Programme is located in Ward 10 of the Matjabeng Local Municipality, which includes the Bronville township and an adjacent informal settlement. Bronville was demarcated as a segregated area for Coloureds under the apartheid regime; today the population is estimated to be about half Coloured and half black African. A notable feature about bringing together a mixed black and coloured group is that people say that the long-standing divisions between the two groups are being broken down.



As a declining mining area, Welkom has a high unemployment rate, vast informal settlements, but also a significant number of unemployed artisans and skilled people. This mix has been harnessed in a creative way by Mercy life, the faith-based organisation which runs the CWP. Members of the community are facilitators, health and safety officers, trainers and administrators, so the project has a high level of self-reliance.

There are few employment opportunities for young people in the area and as a consequence most of them continue to live with their parents, with high rates of crime, substance abuse and teenage pregnancy. The site was chosen because the area is so disadvantaged.



Community members were invited to register for the job opportunities available under the CWP in August 2009. It was soon apparent that the demand for work exceeded the 1 000 work opportunities being offered. The number of participants was raised to 3 000 and the programme extended to include more of the surrounding area, and also the townships of the outlying villages of Hennenman and Ventersberg.

Activities in the community started with a household social survey. The main needs identified were problems with identity documentation, the need for help to access grants, and lack of food. The survey found a large number of vulnerable children and people with health problems, mostly HIV/AIDS and TB-related illnesses, who needed help.

Participants on the programme are employed in teams doing different tasks such as helping clinics to administer medication to almost 14 000 patients. A target of 283 homestead gardens for food-insecure households was set to for completion by March 2010 – a deadline the programme met, which reached 1 132 people. In addition to providing nutritious food for the families, some households are selling surpluses to generate a small income. Kitchen and garden waste



is collected with small sums of money paid for it, and made into compost, which is then sold back into the community for use in gardens.

A big concern in the community is the number of leaking pipes and taps in streets, schools and the old age homes especially. Participants include a number of retrenched plumbers who have been mobilised as construction teams to attend to leaks, fixing the toilets and ablution facilities in schools and old age homes.

A particular focus in Welkom has been schools and Early Childhood Development centres. Assistance to schools includes weekly cleaning of 10 'adopted schools' and the placement of school assistants at schools. The assistants help in the classrooms, run sports and homework classes, and manage security to ensure there is little absenteeism. The community has seen a real difference in the quality of education.

The local community identified 80 crèches that needed support. A total of 2 500 children are now being helped through this initiative, which includes renovating premises and helping with care and feeding. While it is difficult to quantify the benefits, anecdotal statements such as the following indicate the degree of need: "It means parents can go to work knowing that their children are safe and they can enjoy the children in the evening because they come home well fed, looked after and loved. The incidence of child rape has gone down as children are not left alone at home."





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Department:  
Cooperative Governance  
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF COOPERATIVE GOVERNANCE  
(DCoG)

[www.cogta.gov.za](http://www.cogta.gov.za)  
Enquiries: Programme Management  
Tel +27 12 336 5772 | Fax + 27 12 334 4854  
Enquiries: Communications  
Tel +27 12 334 0936 | Fax + 27 12 334 0703



TIPS

[www.tips.org.za](http://www.tips.org.za)  
Tel +27 12 431 7900 | Fax +27 12 431 7910  
Email: [info@tips.org.za](mailto:info@tips.org.za)  
826 Government Avenue, Arcadia, Pretoria  
PO Box 11214, Hatfield 0028, South Africa



SERITI INSTITUTE

[www.seriti.org.za](http://www.seriti.org.za)  
Tel +27 11 656 6970 | Fax +27 11 656 5248  
Email: [info@seriti.org.za](mailto:info@seriti.org.za)  
26 Steyn Avenue, Kelvin, Sandton  
PO Box 1265, Kelvin, 2054, South Africa



TEBA DEVELOPMENT

[www.tebadevelopment.co.za](http://www.tebadevelopment.co.za)  
Tel +27 11 353 6146 | Fax + 27 11 493 0600  
Email: [tebadevelopment@teba.co.za](mailto:tebadevelopment@teba.co.za)  
121 Eloff Street Ext, Selby, Johannesburg  
PO Box 62251, Marshalltown 2107, South Africa



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Department:  
Cooperative Governance  
REPUBLIC OF SOUTH AFRICA

[www.cogta.gov.za](http://www.cogta.gov.za)  
Programme Management: Tel +27 12 336 5772  
Communications: Tel +27 12 334 0936



[www.tips.org.za](http://www.tips.org.za)  
Tel +27 12 431 7900  
Email: [info@tips.org.za](mailto:info@tips.org.za)