The Expanded Public Works Programme – Social Sector (EPWP–SS) assists the unemployed by providing work opportunities and a monthly stipend of R1 517.69. The Department of Social Development (DSD) coordinates the implementation of EPWP in five social sector departmental programmes as part of the EPWP, whilst the Department of Public Works (DPW) provides overall programme coordination and support. Most of the Social Sector programmes provide specialised services to vulnerable and poor communities. The sector has created 175 769 short- to medium-term work opportunities in phase one of the programme and 866 246 work opportunities in phase two – well above the 750 000 target for this phase.

An evaluation conducted in 2014 found that the stipend’s benefit is eroded by late payments and, in some cases, noncompliance with the stipulated minimum stipend amount as per the EPWP Ministerial Determination. The evaluators questioned if the use of unemployed and often untrained individuals in specialised programmes, such as child development and care, reduces the quality of service to the detriment of poor communities. The DSD must mobilise resources (financial and human) to effectively coordinate the sector and to tackle some of the challenges departments face when implementing social programmes.

The evaluators recommend reducing inefficiencies in decision-making, improving the payment of stipends, providing training and enhancing coordination. This policy brief outlines some of the main findings and policy implications of phase two of the EPWP–SS.

Background to the EPWP–SS

Government introduced the Expanded Public Works Programme (EPWP) in 2004, following the 2003 Growth and Development Summit’s recommendation to introduce programmes that “provide poverty and income relief through temporary work for the unemployed to carry out socially useful activities” (Department of Public Works, www.epwp.gov.za).
South Africa’s public works programme is a social protection intervention that employs the jobless in productive work.

Unlike most public works programmes, the EPWP includes the social sector, which provides specialised social services to vulnerable and poor communities through programmes like early childhood development, school nutrition, mass literacy (reading and writing), victim empowerment, anti-substance abuse, home and community based care.

Although government supports public works, it does not have adequate resources to implement the service delivery programmes. This is the case with the EPWP–SS which is implemented mainly by non-government and non-profit organisations that deliver social services on behalf of government.

The programme operates across all nine provinces and has shown great potential to expand its reach.

The National Development Plan (NDP) recognised the potential for EPWP–SS to expand and create more work opportunities, but recommended that before it considered any growth it should first improve its management processes to ensure a successful expansion.

PRODUCTIVE WORK FOR THE UNEMPLOYED

The EPWP–SS plays a key social protection role by providing work opportunities for the unemployed at an average monthly stipend of R1 517.69 (R70.59 per day).

Over the past 10 years, the work opportunities have increased from around 176 000 in phase one to more than 866 000 in phase two. However, not all work opportunities created were new. In most cases, existing volunteers were employed and paid a stipend.

Women’s participation

The evaluation found that the programme does well in reaching women. The extent to which women participate is important, as is equal pay for equal work. Over the past five years about 71% of the participants have been women. This addresses a concern raised that women are prevented from accessing the programmes.

Improving skills and work experience

During phase two, the EPWP–SS continued to focus on developing participants’ skills and improving their employability. The logic is that if participants receive work experience, mentoring and training, they are more likely to find employment outside the EPWP.

Training also improves the quality of the EPWP–SS services, particularly where participants are involved in programmes that can have a lasting effect on human development.

Reducing poverty

The evaluation established that the stipend helps to reduce poverty among participants, with the current stipend paid reducing the number living below the food poverty line from 55% to 40%. If all programmes pay the minimum stipend, this number could be reduced to 33%.

The evaluation concluded that the EPWP–SS does not deal with the causes of unemployment and poverty. It offers temporary relief to the unemployed.

The programme assists in eliminating individual barriers to permanent employment, such as no experience or limited access to information and networks, weak technical competencies and interpersonal skills.

Improvements in these areas, however, do not greatly enhance opportunities to access jobs in a limited labour market with a large pool of unskilled workers. Most of the participants indicated that when their EPWP–SS contracts end they would rejoin the ranks of unemployed South Africans.

AN EVALUATION OF THE PROGRAMME

In 2014, the DSD initiated an evaluation of the EPWP–SS design, the effectiveness and efficiency of its management processes, and the effect of its work on beneficiaries and communities.

The evaluation is part of the 2014/2015 National Evaluation Plan and the results will be used in the continuous planning and implementation of phase three.

FINDINGS OF THE EVALUATION

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Improvements in these areas, however, do not greatly enhance opportunities to access jobs in a limited labour market with a large pool of unskilled workers. Most of the participants indicated that when their EPWP–SS contracts end they would rejoin the ranks of unemployed South Africans.
The programme’s performance and ability to grow is held back by a range of performance and management shortcomings. One of the main challenges is inadequate support. EPWP–SS is often considered a ‘no-cost’ programme with departments expected to use their existing budgets and staff.

Most programmes in the social sector are carried out by non-profit organisations on behalf of government, and responsibilities such as stipend payment and training, site visits to non-profit organisations, attending EPWP-related meetings and conferences, and preparing reports, have human and financial resource consequences. None of the departments studied in the evaluation provided additional resources to manage the EPWP–SS or reimbursed non-profit organisations for programme management costs.

The programme’s administration and management capacity has also been inadequate to deal with the rapid growth between phase one and phase two. The sector grew from five programmes in phase one to 22 programmes (implemented by the departments of health, social development, basic education, sports and recreation, and provincial community safety and liaison) in phase two. The DSD lacks the resources to manage and coordinate this rapid growth.

**DSD’s role in the programme**

Although the EPWP has been in existence for 10 years, the DSD still manages the programme as a special project, with limited staff that also caters for other flagship projects. Due to this limited capacity in the DSD, the DPW has increasingly been playing a co-leadership role. This dual leadership resulted in a lack of clear accountability for performance and led to cases where issues were overlooked by both departments, which delayed decision-making. Management shortcomings in the sector are evident in three areas: payment of stipends and compliance with ministerial determinations; training provision; monitoring and information management.

**Stipend payment and compliance with ministerial determinations**

For the EPWP–SS to be an effective social protection and anti-poverty programme, it needs to pay the stipends consistently. In 2010, the Minister of Labour introduced the EPWP Ministerial Determination outlining standard employment conditions for EPWP workers to protect them from being taken advantage of.

The determination adjusts several provisions of the Basic Conditions of Employment Act (1997) to distinguish temporary EPWP employees from full-time employees. This prevents the programme from closing down other work opportunities. The determination stipulates the minimum stipend amount, formal contract requirements and contributions to the Unemployment Insurance Fund (UIF) for the temporary workers.

The evaluators found little compliance with the payment of the recommended stipend. In 2013/14, only 62% of programmes were paying R70.59 per day (R1 571.69 per month). Most DSD Early Childhood Development practitioners were receiving less than R500 per month, and the National School Nutrition Programme’s food handlers R39 per day (R840 per month).

Another concern raised is that social sector participants (who are more likely to be women) tend to be paid less than participants in other sectors. The evaluation, while not specifically focusing on gender in this case, did find that several EPWP–SS programmes were paying below the minimum stipend. In addition, late payments were common. Some participants reported that at times they had not been paid for a period of four months. In these cases participants borrowed money (at high interest rates) which meant the stipend did not serve its purpose.

The evaluators could not determine who was responsible for ensuring compliance. For example, should non-profit organisations spend their limited resources on UIF and the Compensation for Occupational Injuries and Diseases Act (1993), or should the state assume this responsibility? The deduction of UIF from an already small stipend was questioned, as well as the moral and legal implications for government if it did not comply with its own recommendations.

**Training**

Although training forms a key aspect of the EPWP’s intention to grow the skills of participants and improve the quality of services, the sector struggled to meet its training targets. In addition, departments struggled to access the National Skills Fund to pay for the EPWP–SS training. The EPWP–SS aimed to provide 144 569 training opportunities nevertheless only managed to provide 86 741. This did not mean that 86 741 individuals received training because, in many cases, individuals accessed more than one training opportunity. Furthermore, the training provided was general and unrelated to individual needs or improving service quality, unless participants were required to follow a set course or standard, such as the Early Childhood Development Programme.

**Monitoring and information management**

The evaluators could not conclusively determine the success of the EPWP–SS because the sector’s financial data had errors and there was weak monitoring of financial and non-financial performances. The full cost was difficult to assess as it is embedded in service delivery programmes.

(continued overleaf)
It was difficult to separate EPWP–SS costs from other service delivery costs.

The sector tracks work opportunities and similar full-time job opportunities, but does not measure the outcomes. To a limited extent, the programme tracks the provision of training.

Reporting was found to be problematic as the DPW’s web-based system was often down because of system failures. This was seen as a serious problem because departments access the incentive grant based on performance reported on the EPWP approved reporting system.

Towards the end of phase two, the DPW had started attending to the technical problems and the sector public bodies seemed to have improved their reporting behaviour.

RECOMMENDATIONS

• Clarify the areas of authority and define the roles of the DPW and the DSD. The DSD should take the lead and establish a permanent unit with appropriate resources, responsibilities and accountability. Existing capacity in the department’s Special Projects Office could be used for this leadership role. The DSD should be accountable for overall sector performance, including meeting work opportunities and targets, focusing on particular population groups and the training of participants.

• Prioritise training of participants who do not meet the minimum qualifications set by national departments. This will improve their chances of being employed and the quality of services they provide.

• Develop a strategy to improve participants’ chances of securing employment. Sector education, training authorities, together with national departments (programme managers) and provincial coordinators need to support this effort. The National Steering Committee’s training and capacity-building subcommittee needs to coordinate this work.

• Develop a new monitoring and evaluation framework specific to the EPWP–SS. Monitoring can be improved by tagging data to individual beneficiaries. The DPW needs to address its reporting system challenges. To assess performance, the state needs to know how many beneficiaries participated in the EPWP–SS, their circumstances before entering the programme, and how many were employed after having participated in the programme. Currently this data does not exist.

• Improve administrative and implementation inefficiencies. Stipends have to be paid promptly.

• Define who is responsible for UIF and the Compensation for Occupational Injuries and Diseases Act to ensure participants are protected under the EPWP Ministerial Determination.

KEY POLICY IMPLICATIONS

The EPWP–SS remains an important government programme aimed at alleviating poverty. The sector has the scope and potential to expand, but it needs to improve its administration, management and operational systems.

The reliance on non-profit organisations to carry out programmes needs to be well planned and better understood. The sector’s performance depends on many factors, including the willingness of non-profit organisations to take on EPWP participants, and their ability to manage the services and provide experience and mentorship.

Concerns about the programme’s possible negative effects on specialised human development, particularly for young children and victims of violence, require further investigation. The programme needs to strengthen its provision of appropriate training for participants working in these fields.

Perhaps a different model is required for the Social Sector that encourages longer-term employment, with a clear plan to grow participants’ skills and graduate out of the EPWP. This will not only help address the country’s unemployment and poverty challenges, but should strengthen the quality of services provided through the EPWP–SS. This approach will require a trade-off between coverage and depth, but it might be the only way that the EPWP–SS can address poverty without creating or aggravating other social problems.

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This policy brief is drawn from the evaluation findings and recommendations and does not necessarily represent the views of the departments concerned. The detailed evaluation report may be accessed at