



EXPANDED PUBLIC WORKS PROGRAMME

NON STATE SECTOR:

PROCEDURE MANUAL

VERSION 1 (2011/12)

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How to use this Manual

This manual is structured in such a way that users can easily find the relevant information they need. Each chapter will focus on a specific topic. While it is useful to read the entire manual to get a good overall understanding of how the subsidy functions, users can also just use specific chapters to ensure they are able to complete specific tasks they are responsible for.

Each chapter of the manual will distinguish the user of such information; the following categories of users have been identified:

- a- NPO's that are contracted to the NSS Programme
- b- Beneficiaries that have been contracted by the NPO's in the NSS Programme
- c- IDT & DPW Programme Managers
- d- Provincial staff implementing the EPWP programmes
- e- Service Providers who need to understand their reporting responsibilities
- f- Provincial Project Management Teams supporting the EPWP in the provinces and the National Project Management Team that plays an advisory role over the programme.

Frequently Asked Questions (FAQs) are provided to give a better understanding of the programme.

Note regarding Version 1 (April 2011/12)

This is the first version of the implementation manual for the Non-State Sector EPWP wage subsidy issued by the National Department of Public Works in April 2011.

Chapter 1: Introduction of the EPWP Non-State Sector Programme

Chapter summary: This chapter defines the EPWP Non-State Sector Programme and the objectives of the programme.

The Expanded Public Works Programme (EPWP) is one element within a broader government strategy to reduce poverty through the alleviation and reduction of unemployment. Phase I of the Expanded Public Works Programme commenced on 1 April 2004 and had the goal of creating 1 million work opportunities over its first five years.

Phase II (2009-2014) of the EPWP is an extension of the first phase with the following additions:

- The scale of the programme has increased significantly to approximately four times its current scale. The programme aims to provide 4, 5 million work opportunities (2 million full time equivalent jobs) over the next five years. The first phase created 1.6 million work opportunities, and the target was 1 million.
- A new component called the Non State Sector Programme (NSS) has been introduced which uses the wage subsidy to support non state entities in providing work opportunities as part of the EPWP. The Non-State sector is to create 640 000 work opportunities in the next five (5) years.

1.1. Promoting the Creation of 'Decent Work'

The wage subsidy supports the notion of 'decent work' in the sector through:

- a) The implementation of a minimum EPWP wage
- b) Supporting the sector to pay a stipend to unpaid volunteers
- c) Supporting the sector to move towards equalisation
- d) Promoting the creation of full time equivalent jobs and an increased duration of work opportunities.

1.2. Focus on the Creation of Work for the EPWP Target Group

While many projects and programmes of government create work, not all of them are classified as EPWP. Given the wide variation of projects implemented by government, it is not always straightforward to distinguish between EPWP and non-EPWP projects.

Definitions Box

DPW is the Department of Public Work it is the custodian of the Expanded Public works Programme.

A **work opportunity** is paid work created for an individual on an EPWP project for any period of time.

A **full time equivalent job** refers to one person-year of employment. One person year is equivalent to 230 person days of work.

EPWP means the Expanded Public Works Programme (2009 – 2014) as approved by Cabinet.

The **EPWP Wage Subsidy Allocation** is a specifically and exclusively appropriated budgetary allocation to eligible Non- Profit Organisations to expand EPWP work for the EPWP target group by implementing EPWP programmes to achieve a targeted number of FTEs.

The **IDT** is the Independent Development Trust.

The key characteristics of EPWP projects are listed below:

- a) They employ large numbers of local, low skilled, unemployed persons who are willing to work, defined as the EPWP target group
- b) They are highly labour intensive: a large percentage of the overall project costs are paid out in wages to the EPWP target group
- c) They provide a service to, or develop an asset for, the community
- d) Projects and programmes should not result in the displacement of existing workers or in the downgrading of existing workers' employment conditions.

For the purpose of distinguishing what work will qualify as EPWP work falling within the Non- State Sector EPWP it has been set that:

- a- Work that complies with the Ministerial Determination and the Code of Good Practice for Special Public Works Programmes will be categorised as EPWP work qualifying for the incentive.
- b- In addition to the above Code, it should be noted that:
 - Government employees or permanent employees of the implementing agent will not be included in the count of the number of FTEs created
 - The EPWP target group may not be paid below the daily wage rate upon which the subsidy is based – i.e. may not be paid below R60 per person day of work in 2011/12.
 - NPO's must use the wage subsidy allocation for wage costs of beneficiaries.

1.3. FORMATION OF NON-STATE SECTOR PROGRAMME

The Non- State Sector Programme comprises of the Community Works Programme and the Non- Profit Organisations. The Community Works Programme is area based and it is managed by the **Department of Cooperative Governance (DCOG)**. The Non-Profit Organisations Programme is institutionally based and is managed by the **Department of Public Works (DPW)**. The Non-State Sector Programme has set a target of 640 000 work opportunities and 280 000 full time equivalent jobs of which 40% is allocated towards the Non-Profit Organisations and 60% is allocated to the Community Works Programme.

Definitions Box

Beneficiary - any person actively working in the EPWP programme

Financial Year a Period of 1st April – 31 March

DCOG the Department of Cooperative Governance

NPO Non-Profit Organisations

MOA a contractual agreement signed by to entities with regards to the implementation of the NSS Programme.

PARTNERSHIP structured agreement between two entities on the implementation of the programme.

PMT the project management team that plays an oversight role over the implementation of the NSS programme.

Non- State Sector Targets

The target for the Non State Sector Programme over five years is the creation of 280 000 full time equivalents of employment and 640 000 work opportunities.

Year	Targets (FTE)	Target (100-day WO)
2009-10 (inclusive of Community works programme)	8 700	20 000
2010-2011 (inclusive of Community works programme)	20 900	48 000
2011-2012	15 360	38 400
2012-2013	28 160	70 400
2013-2014	48 000	170 000

The Memorandum of Agreement (MoA) entered between the Department of Public Works and the IDT sets out the second phase of the Non State Sector Programme and it includes:

- Developing criteria for NPO's who wish to participate in the programme.
- Appointment of NPO's
- Monitoring
- Reporting
- Evaluation of impact
- Review of the incentive model.

1.4. PURPOSE

The purpose of the NSS programme is to:

- create an avenue where NPO's can assist government in creating income for large numbers of individuals through socially constructive activities in their local communities,
- provide accredited training to beneficiaries so that at the end of the year beneficiaries can evolve into the second phase of the job market which would be to exist into full time jobs in line with the 6 job drivers of governments' new growth path and
- Encouraging municipalities in utilizing the human capacity of NPO's funded by the NSS Programme in municipal IDP projects aimed at developing local communities.

1.5. SUPPORT PARTNERSHIP INTERVENTIONS

The R60 per-person a day to some NGO's will be used as a supplement to the wages of beneficiaries. As long as private sector, sector departments or municipalities continue to fund the resources of the programme DPW complements the work of the NPO by providing the wage subsidy. This will continue to build a co-funding approach in which national, provincial, local government and private sector work together in the creation of work opportunities.

1.6. THE ROLE OF THE PROJECT MANAGEMENT TEAM

The Non-State Sector is a key component of the second phase of the EPWP and is led by the Minister of Public Works. It is funded from the overall wage subsidy allocation provided to DPW on its budget vote. The Non-State Sector Programme is managed by DPW with oversight provided by the Project Management Team (PMT). The PMT comprises of the following stakeholders: (DSD, DEA, NEDLAC Community Constituency, IDT, National Treasury); with the assistance of IDT the sector has programme managers at national and in the regions. The regional programme managers' report to the provincial oversight committee called the Provincial Project Management Team (PPMT).

Given the nature of the Non-State Sector, which will involve a wide range of activities that coincide with the roles and functions of government and sector stakeholders, an Interdepartmental Committee (Project Management Team) has been established to oversee the NSS. The Project Management Team (PMT) is an Advisory Technical Committee which has these key responsibilities:

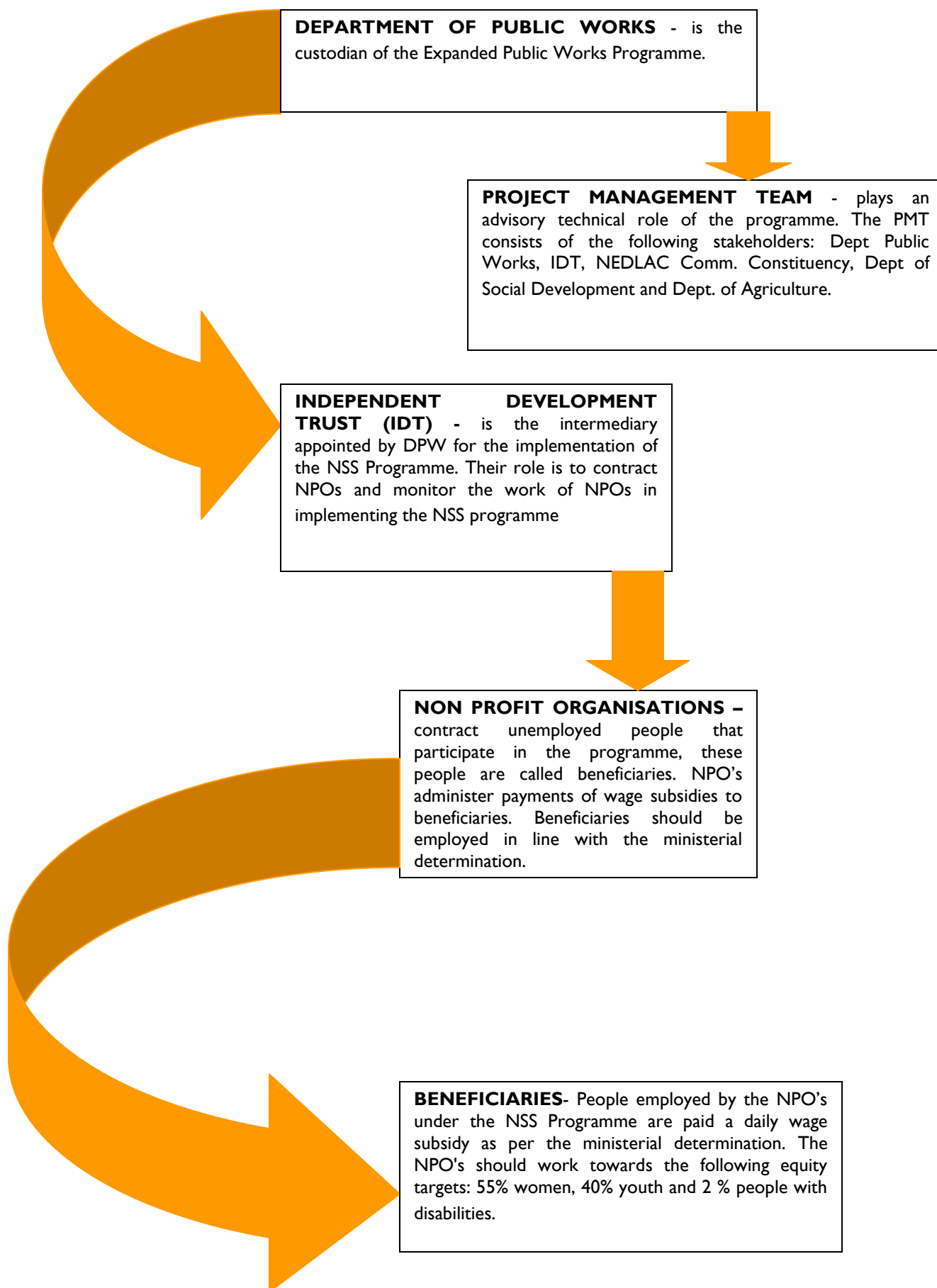
- Reviewing the sector to make recommendations for its improvement and growth.
- Provide oversight on the non-state programme i.e. ensuring that the 5 year targets are met.
- Setting criteria for the selection of non-state sector organizations to be procured by IDT.
- Developing funding model and re-imbursement plan for the sector
- Evaluating and adjudicating non-state organization tenders (evaluation at regional level)
- Aligning non-state programmes to government priorities e.g. focus on rural development
- Establishment of the following committees: evaluation and audit committees.
- Review funding models of the non-state sector

1.7. THE ROLE OF THE PROGRAMME MANAGEMENT TEAM

The Non State Sector Programme is growing rapidly and will ultimately fund a large number of NGO's and CBO's spread all over the country. All of these NGO's and CBO's will have to be actively monitored to ensure that they comply with the rules of the wage incentive. In addition to this, these organizations typically do not have strong cash flows and investigations so if the wage subsidy is to be effective it would need to be paid at least monthly and very promptly.

The intermediary the Independent Development Trust (IDT) has been appointed to implement the programme as an intermediary at national and provincial level. IDT is a schedule 2 entity of government which already disburses funds to NGO's and CBO's. It monitors activities of programmes to ensure that they comply with the requirements as set by DPW. The role of the programme manager is to:

- Manage the cash flow projections which form part of the national Programme Implementation Plan (PIP);
- monitor the implementation of the national PIP
- ensure that non-state sector organisations are directly contracted as independent contractors;
- monitor the PIP of NPOs submitted upon appointment by the IDT regional programme managers.



Chapter 2: Principles of the Non-State Sector EPWP Wage Subsidy

Chapter summary: This chapter explains the key principles that underpin the intent of the Non-State Sector EPWP Wage Subsidy.

There are a number of principles that explain the intention of the Non-State Sector wage subsidy which is important for implementing the NSS EPWP programme.

These principles are:

2.1. Eligibility of NPOs Based on the Contribution to EPWP

The first principle is that only *Non-Profit Organisations are deemed eligible* for the wage subsidy. In order to be eligible NPO's must:

1. Be registered as an NPO (NGO, CBO or FBO) with the Department of Social Development.
2. Have a solid plan to expand by creating EPWP work opportunities, and align to EPWP principles of focusing on poor unemployed South Africans.
3. Have proof of capacity for scaling up those Programmes that would generate increased employment.
4. Be highly labour intensive.
5. Have been in operation for +3 years (this is to ensure that credible entities with good track record participate, and at the same time, allows for medium sized entities to participate).
6. Have good financial, administrative and reporting systems.
7. Present proof of their ability to report on; work to be undertaken, number of extra jobs created, duration of work opportunities, cost of the work opportunity, training provided (if any), number of beneficiaries employed by gender and age and developmental outputs.
8. Provide an expansion plan over the contractual period must be submitted. Budget to be outlined.
9. Provide SARS documentation
10. Have a more community development focus.

The following NPO's will be excluded:

1. Those participating in the Community Works Programme (CWP) as implementing agents since they will already be part of the non-state sector.
2. Those that render SOCIAL & ENVIROMENTAL & CULTURE SECTOR EPWP designated programmes.

Definitions Box

EPWP Target Group refers to unemployed, local, low skilled South Africans willing to work on EPWP projects and programmes for a minimum wage rate of R60 per person day of work.

The Minister of Labour issued a **Ministerial Determination and Gazetted a Code of Good Practice** for Special Public Works Programmes which allows for special conditions to facilitate greater employment on Public Works Programmes. Refer to Gazette No 64, I November 2010.

ACCOUNTABILITY refers to providing of all necessary financial records and information on administrative processes in possesses of the service provider.

MOA is the memorandum of agreement between an NPO and the intermediary (IDT)

2.2. Subsidising the Expansion of NPO Programmes

The subsidy aims to provide additional funds to those NPOs creating work opportunities through local community programmes and supporting community development initiatives.

The Non-State Sector EPWP Wage Subsidy is:

- a) Aimed at expanding the EPWP contribution of area based community development projects.
- b) Aimed at providing wage subsidies for workers in NPO's that have the potential to expand further.
- c) Aimed at promoting the sustainability of EPWP interventions in the sector.

This expansion is planned in the following manner:

- Increasing subsidies to existing non-profit organisations or implementing agents (NPOs) to:
 - Increase the number of work days available to existing workers
 - Provide stipends to unpaid volunteers
 - Increase the number of volunteers (bring in new volunteers)
 - Increasing the number of NPOs (bringing in new NPOs) delivering these services and expanding the scope and coverage of the programme.
 - Expanding a broader range of non-state sector services.

2.3. Commitment to Transparency and Accountability

It is important that the subsidy is managed, disbursed and used in a manner that is transparent and helps to improve accountability for EPWP outcomes. This means that:

In terms of planning: Planning for the creation of work must be mainstreamed to reflect a community developmental initiative.

In terms of disbursing and reporting on the subsidy:

- There should be mechanisms within the NPO's and IDT as the intermediary that monitors spending and systems that can easily identify the expenditure patterns of disbursements and wage payments.
- There should be clear funding agreements between IDT and the NGOs regarding the allocation, disbursement and use of the subsidy must be utilised for wages costs over and above the 1% administration fee for bank charges.

- Reporting should occur in the prescribed EPWP reporting format and within the timeframes prescribed so as to promote consistency in what is reported to determine progress.

2.4. Effective use of Funds

The subsidy must only be utilised in the manner indicated in the approved MOA and the contract between IDT and the NGOs.

2.4.1. Why is it called a wage subsidy?

The reason we talk about a wage subsidy is because the subsidy does not determine the wage rate of an NPO. The term wage subsidy implies that the DPW in other instances subsidises with R60 the already existing wage cost paid to the beneficiaries by the NPOs in the NSS programme.

2.4.2. Is the Non- State Sector EPWP wage subsidy different to the incentive grant?

Yes. The EPWP incentive grant allocation available to provincial departments and municipalities in the infrastructure, social and environment and culture sectors is an indicative amount. The amount a received from the sectors and other spheres of government is not fixed, but will depend on the performance of the provincial department during the set financial year. ***The Non- State Sector wage subsidy is a fixed amount set aside for NPO wage costs and the NPO bank fees based on the number of beneficiaries that the NPO has agreed to employ for a set financial year. This amount will be disbursed monthly in terms of an agreed contract. The wage subsidy allocation is determined by the set Non-State Sector work opportunity targets.***

Chapter 3: How the Non-State Sector EPWP Wage Subsidy Works

Chapter summary: This chapter explains how NPOs become eligible, how their subsidy allocations are calculated and disbursed, and how the subsidy should be utilised.

As with any other subsidy the first steps involve determining a basis for distribution and identifying the parties eligible for the subsidy. The following process describes the basis of the Non-State Sector EPWP Wage Subsidy.

3.1) Step 1: Stakeholders of the NSS Programme

The recognised sector stakeholders have an oversight role on the Non-State Sector EPWP programmes:

- Department of Public Works
- Department of Social Development
- District municipalities
- NEDLAC Community Constituency
- National Development Agency
- National Treasury

3.2) Step 2: Determining Eligibility for the Subsidy

In order to determine whether a NPO is eligible for a wage subsidy, they are assessed based on the following four criteria:

3.2.1. Systems & Accounts responsibility:

- Ensure effective running of internal systems.
- Effective and efficient pay roll system.
- Effective administration in relation to NSS.
- Assign an administrator dedicated for the NSS programme.
- Write a letter of contract acknowledgment & commitment to the programme (to be signed by at least 3 members of the Executive).
- Records kept safe and tidy.
- Maintain payment register and ensure all paid workers signed.

Definitions Box

Criteria are a set of decisive factors or elements often used to reach a decision.

EPWP Web Based Reporting System is the reporting system used by the national Department of Public Works to record, verify and report on EPWP performance across government.

A Baseline FTE target means the targeted number of Full Time Equivalent Jobs that the programme is required to create using its baseline budget within the period 1 April 2011 to 31 March 2012.

An Incentive FTE target means the targeted number of Full Time Equivalent Jobs that the programme is required to create using its incentive allocation within the period 1 April 2011 to 31 March 2012.

The **R60 Wage Subsidy** may change on a yearly basis

3.2.2. Beneficiary and performance responsibility

- Service providers must hire South Africans with valid ID books.
- Maintain records and relevant documentations of all workers.
- Verify all workers ID numbers.
- Ensure all workers come to work on time and finish on time.
- Keep daily registers of all workers.
- Ensure all workers sign for their daily attendance (morning & afternoon).
- Ensure all workers signed a working agreement or contract.
- Deal with absenteeism, negligent, dereliction of duty and any conduct affecting the performance of a worker, in accordance with signed contract.
- Ensure all workers read, understood their signed contracts.
- Conduct all workers programme induction (if possible invite IDT).
- Establish workers/beneficiary forum meetings on monthly basis.

3.2.3. Social responsibility:

- Mobilise communities around EPWP, NSS in particular.
- Recruit interested unemployed community people for participation in the programme.
- Build the knowledge and skills of recruited workers/participants about the programme.
- NPO's should collect all identification and related information on individual participants.

Reporting is one of the essential responsibilities that both IDT and Knop's are obliged to perform. NPO's should submit the reports to IDT in time so that IDT can submit performance reports on monthly and quarterly basis to Public Works. These reports however differ in content and structure.

3.2.4. Responsibility of NPO on reporting:

- Collection of beneficiary data at its level.
- Ensure accuracy of data before submitting to IDT.
- Submit collected accurate data to IDT on WBS.
- Compile monthly and quarterly performance report to IDT (the report shall cover finance, beneficiaries and programme impact/analysis).
- Submit monthly invoices to IDT as per stipulated deadlines.
- Ensure invoices are compatible with reports (meaning no report no payment of an invoice).
- Ensure all submitted reports are signed by a designated person.
- Ensure that reports are submitted on time and are of good quality as per IDT standard (refer to template by IDT).

3.3) Step 3: Determining the Subsidy Allocation to an NPO

So, in essence for NPO's responsible for a Non-State Sector EPWP programme to be eligible, it would have to show proof that it has proper systems to report on EPWP performance. The subsidy allocation is then determined for each eligible NPO.

The subsidy allocation is determined based on:

First, how many beneficiaries will NPO x contract in a relevant base year e.g. (150) **[factor a]**

Second, How many days in a month that the beneficiaries in NPO x will work e.g. (36) **[factor b]**

Third, The R60 wage subsidy **[factor c]**

[THE WAGE SUBSIDY OF R60 MAY CHANGE ON A YEARLY BASIS]

Example 1

$$\begin{aligned}\text{Subsidy Allocation} &= [a] \times [b] \times [c] \\ &= 150 \times 36 \times 60 \text{ performance score} \\ &= R 324\,000\end{aligned}$$

3.4) Step 4: Planning

The next step is for every eligible NPO to develop a proposal for their EPWP programmes to indicate how they will effectively and efficiently apply their baseline budget and incentive allocation to activities to expand service delivery and meet their programmatic outputs as well as EPWP targets.

3.4.1. The Proposal

The proposal must carry the following documentation:

- 1) A registration certificate from the Department of Social Development.
- 2) A plan that clearly outlines the expansion of EPWP work opportunities aligned to the EPWP.
- 3) Evidence of financial administrative and reporting systems.
- 4) The NPO must have credible operational record for + 3 years.

3. 4.2. The Role of the Intermediary in Planning for Appointment of NPO's

For purposes of transparency, IDT is obligated to publicise through different means of publication its call for Non-Profit Organisations to apply as service providers for the non state sector programme. The advertisement requires that a proposal be submitted as an application by the NPO's into the NSS Programme. A dominant medium of publicity currently used is print media where almost all national newspapers including some regional or provincial as well as community papers are used to publicise calls of interest.

3. 4.3. Due Diligence by the Intermediary

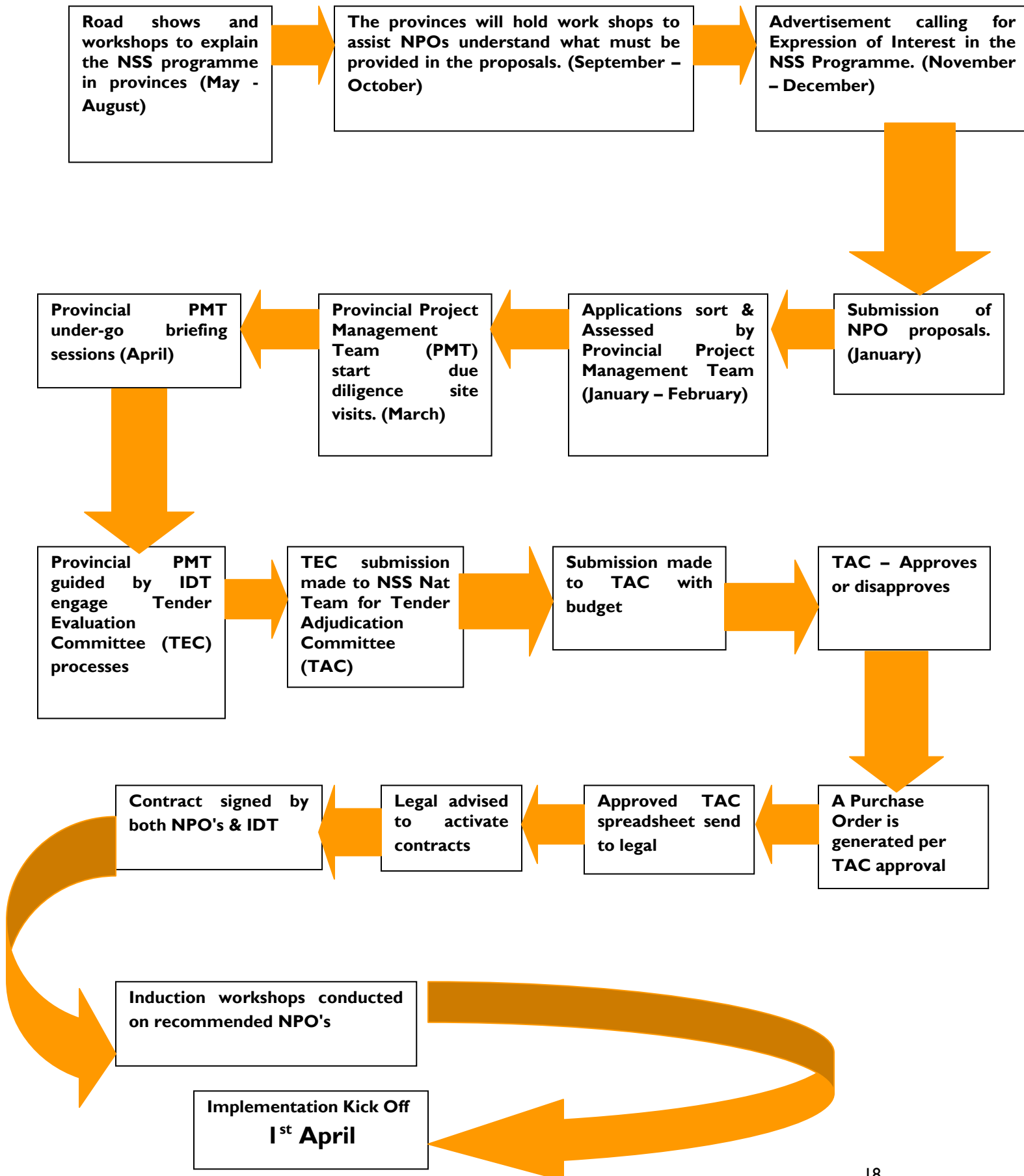
Part of assessing whether the Non- Profit Organisations submission of proposals is to conduct due diligence site visits. The IDT and Provincial Project Management Team (PPMT) are responsible to conduct these site visits as a form of verification that the organisations that DPW will be supporting have proper administrative and financial systems. The other important role of due diligence is to verify that the NPO's have already existing sights and projects in operation.

3.4.4. Administration by the Intermediary

The NSS Programme financial year begins on the 1st April each year. The role of the intermediary is:

- to effect the process of advertising for new NPO's into the programme in November,
- receive submissions in January,
- evaluate the proposals along with the PPMT by February,
- conduct due diligence site visits, call NPO's for briefing sessions on the process of appointment and adjudication of projects,
- submit recommended proposals to the Tender Evaluation Committee and
- Facilitate the process of signing contracts of approved NPO's that have been approved by TAC and legal.

3.4.5. THE PROCESS OF APPOINTING NPOs



Chapter 4: Branding & Training in the Non-State Sector Programme

Chapter summary: This chapter presents the detailed information on how NPOs can brand the projects affiliated with the EPWP NSS Programme.

4.1. Branding

The Department of Public Works encourages all Non-Profit Organisations, communities and beneficiaries to communicate the lessons learnt and best practices of the programme to the media and the intermediary. The programme also encourages communities to write letters of testimony with regards to how the programme is impacting on their lives. NPOs are encouraged to communicate through radio and newspapers the work that they have managed to undertake through assistance of the NSS wage subsidy provided by the department.

For the programme to gain recognition the Department of Public Works requires that project sites should include the EPWP logo on their signboards. As part of profiling the programme one of the requirements of the programme is for the NPO to keep the intermediary and DPW updated on any awards that the NPOs may receive for profiling purposes.

4.2. NSS Messages that must be Communicated to the Public

Some of the messages that the programme intends to communicate to stakeholders and the greater public are:

- > Non State Sectors role in job creation
- > The targets of the Non State Sector and the approach
- > Private sector support to the NSS through their CSI programme
- > Know NSS projects happening in your community (how can you take part)
- > Role of the Provincial and local government spheres in the NSS programme

4.3. Training & Workshops

The Non-State Sector programme has a component of skills development and training for contracted NPOs and beneficiaries. The programme has established partnerships for trained beneficiaries to receive accredited certificates for critical skills identified in the EPWP projects. The accredited training is available to all beneficiaries based on the budget allocation for the Non-State Sector. Training is also provided by IDT for project management and financial management and other administrative related courses. As part of mobilisation and awareness the intermediary is mandated to hold workshops from time to time and share best practises with contracted NPOs on how to participate successfully in the NSS programme.

Chapter 5: Progress Reporting

Chapter summary: This chapter presents the detailed procedures that must be followed by eligible NPO's to be able to access the subsidy as intended and report on progress and the use of the incentive.

EPWP Reporting Procedures

5.1. Managing Programme Information

Every EPWP programme must collect and keep specific programme information for the purpose of EPWP and the wage subsidy paid; all of the information below should be kept by each NPO for every EPWP programme:

5.1.1. Beneficiary information:

A beneficiary list must be maintained by every NPO. The information required in this beneficiary list is indicated in **Annexure B** of this manual. This form should be filled in (either weekly or bi-weekly) and signed off and checked by the NPO at every monthly reporting cycle. A beneficiary list containing the following information should be kept and maintained for audit purposes:

- i. Identity – name, surname, date of birth and a unique identifier number
- ii. Medical certificate for people with disabilities
- iii. Gender, age and disability status
- iv. Daily wage to be received
- v. Training attended.

5.1.2. Site information:

This generally seeks to confirm the number of people at work daily for the programme. The following information must be maintained and provided by the NPO to the National Department of Public Works upon request when undertaking sample project auditing. The documentation that should be kept includes:

- i. Daily attendance register – register showing all the beneficiaries that were registered at work every day. Attendance registers should be completed on site on a daily basis and signed off by the project manager on a weekly basis.
- ii. Summary of monthly attendance.

5.1.3. Payment information:

This generally seeks to confirm what was paid, for how much work and to whom. There are various ways this information can be maintained by the NPO. Any proof of payment is required. It is advised that one of the following methods becomes standard procedure:

- i. Payment register – which is a list of workers, showing the wages paid to each worker, signed off as proof of acceptance of payment. Information on this register must include: the name of the worker, either an identity number or other unique identifier, the number of calendar days that the pay period covers, the wage rate and total wages paid.

5.1.4. Alternatively, the NPO could keep:

- ii. Bank records showing the transfers to each worker account signed by contractor as proof of payment – which must specifically show the name of the worker, an identity number or other unique identifier, the period for which the pay covers and the amount in wages being paid.
- iii. *This information must be available and applicable for the entire period for which the NPO is receiving the Non-State Sector EPWP wage subsidy for person days of work created.*

5.1.5. Employment output information:

- i. Number of work opportunities created by the wage subsidy provided.
- ii. Number of person days of work created from which the number of FTEs created and the average duration of work opportunities created can be calculated
- iii. Average daily wage rates paid.

5.1.6. Financial information:

Allocated baseline programme budgets, subsidy allocation; and spending against the baseline programme budgets must be kept. *It should be noted that spending in this context does not refer to funds transferred to an NPO for implementation; it refers to funds actually spent by the NPO.*

For each NPO, beneficiary information, employment information and financial information will be part of the monthly reporting requirements to the provincial department. Site information and payment information will only be required for auditing or information quality assessment tests. These will only be carried out on a sample of projects periodically during the financial year.

Definitions Box

The **EPWP web based reporting system** is the reporting system used by the national Department of Public Works to record, verify and report on EPWP performance across government.

An **In-Year Monitoring (IYM) report** is a report to the relevant Provincial or National Treasury on spending against appropriations as required in section 40(4)(c) of the Public Finance Management Act, and further stipulated in section 12(2)(a) and 12(3).

Data Capturers are IDT officials sitting at regional IDT offices who load NPO beneficiary, employment and financial information for purposes of monitoring, evaluation and reporting.

Provincial departments must ensure that their NPOs have established adequate controls measures (i.e. an attendance record and payroll system with workers recorded by identification number) to be used for tracking employment and financial information.

There are specific set procedures and deadlines to be met in terms of reporting EPWP performance information by NPOs. The procedures and timelines for reporting are strict and rigorous given that DPW must consolidate a number of different sphere and sector inputs for consolidated EPWP performance reporting.

5.2. Responsibility of IDT on Reporting

- Make available reporting templates and guidelines to NPO.
- Ensure NPOs are well capacitated/trained on reporting as per NSS requirements.
- Ensure data is accurate and verified.
- Transmit data from NPOs to Public Works.
- Conduct quality data assessment periodically.

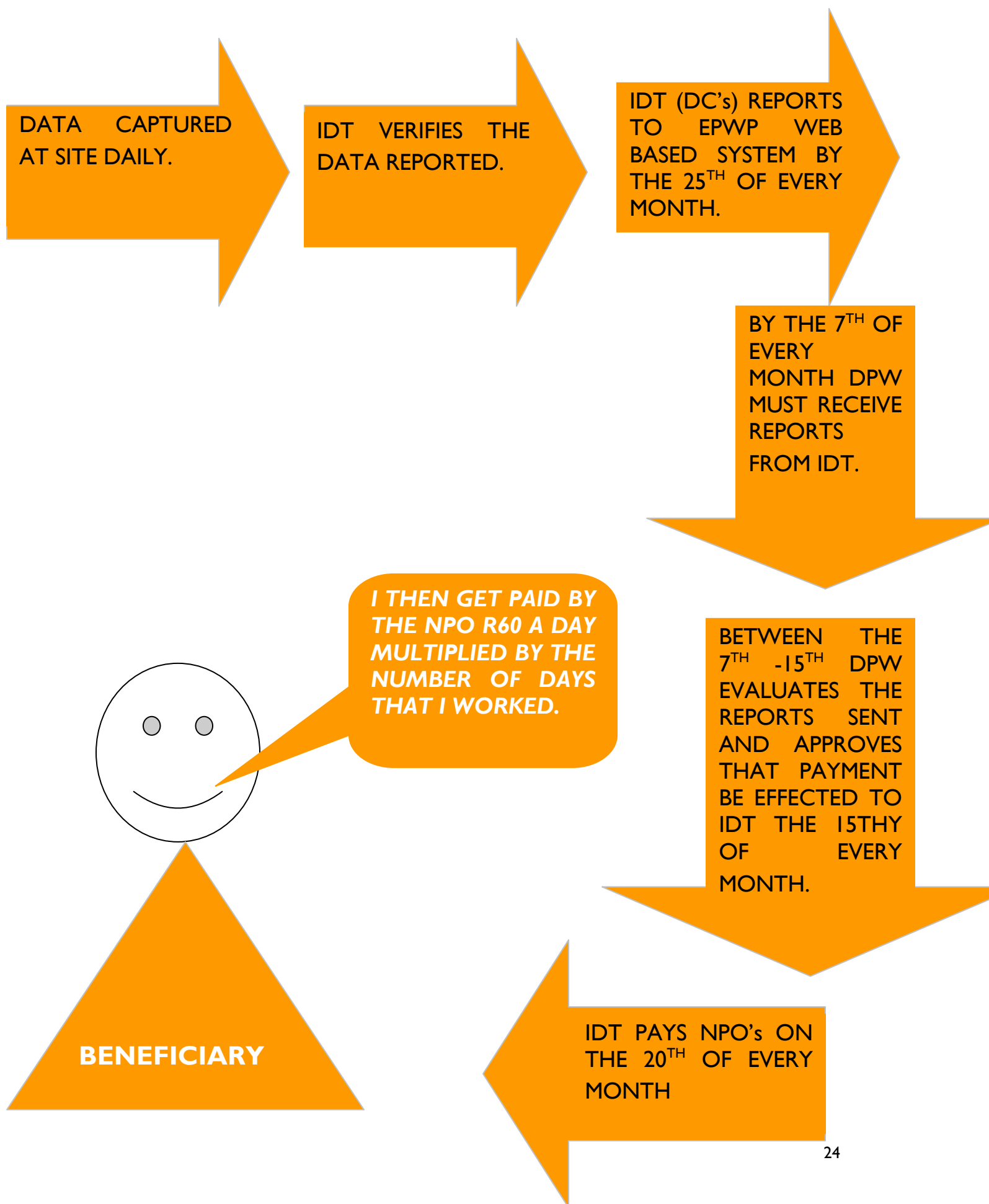
5.3. Reporting EPWP Performance Information on the EPWP Web Based Reporting System

- NPOs will report to the intermediary (IDT) on a monthly basis.
- NPO's are **advised** to complete the EPWP reporting template **on a monthly basis** so as to enable the loading of their performance information on the EPWP web based system for validation and clean-up.
- The report template will contain the following information:
 - i. Summary of beneficiary profiles in terms of gender, age and disability status
 - ii. Employment information (EPWP outputs)
 - iii. Financial information¹
- The purpose of monthly reporting is to load programme performance information onto the EPWP Web Based Reporting System - this will be undertaken by delegated data capturers - for validation.

¹ It should be noted that spending in this context does not refer to funds transferred to an NPO/IA for implementation; it refers to funds actually spent by the NPO/IA.

- i. The EPWP Web Based Reporting System will validate the information provided.
 - ii. DPW will provide IDT with an exclusion report showing 'validated information' as well as 'un-validated information' (indicating information requiring clean-up). IDT should ensure that the required information cleaning processes are undertaken to deal with all 'un-validated information' so that the overall EPWP report at the next quarterly reporting date presents an accurate performance picture.
- It is the responsibility of IDT to report to DPW the performance of their EPWP programme(s), 7 calendar days after the end of every month, in the manner prescribed by DPW. This quarterly report must be “signed off” by a delegated official from IDT. This will be consolidated through the EPWP web based system into the Quarterly EPWP Report released quarterly.
 - DPW will on a quarterly basis, report to the National Treasury, on the following dates an example of this financial year– *29 July 2011 (for Q1), 31 October 2011 (for Q2), 31 January 2012 (for Q3) and 30 April 2012 (for Q4):*
 - The progress NSS EPWP programme against the targets set for each programme in the contract.
 - Wage subsidy amounts transferred to each NPO.
 - Wage subsidy spending by the NPOs and for the sector as a whole.

5.4. Reporting Flow Chart:



5.5. The Annual Financial Statements and Annual Report of the NPO must specify:

- *the total amount received;*
- *the total amount spent;*
- *any funds withheld;*
- *compliance with the subsidy and the Contract Agreement provisions; and any steps taken to deal with non-compliance;*
- *the extent to which the objectives and outputs were achieved;*
- *The results of the evaluation of the performance of its EPWP programmes.*

5.6. The EPWP Annual Evaluation Report:

The EPWP annual evaluation report is prepared by the National Department of Public Works. In addition to the in-year EPWP reporting, it is crucial that DPW is able to assess and report to Parliament on the manner in which the incentive has been used and the outcomes achieved.

- *The Non-State Sector EPWP Subsidy will be evaluated in order to assess its effectiveness and to inform any changes that need to be made to make it function better. Some of the studies that will be undertaken through the EPWP unit will address:*
 - i. Whether the implementation of the subsidy is being done in accordance with the regulations and procedures
 - ii. Whether the subsidy is leading to better performance of non-state entities on the EPWP
 - iii. What non-state entities use the subsidy for
 - iv. Whether the procedures for the subsidy need to be adjusted
 - v. Areas in which the overall EPWP programme design needs to be amended
- *Non-state entities that are eligible for the EPWP subsidy are expected to cooperate fully with any evaluation conducted by the EPWP Unit by providing evaluators with relevant information and records; ensuring that provincial department staff participates in interviews, focus group discussions and surveys; and facilitating access to project sites and EPWP workers.*

5.7. Annual Audit:

DPW will undertake an **annual audit on the performance of the programme**; control effectiveness and compliance with the conditions of the Non-State Sector EPWP Wage Subsidy. The audit work to be undertaken could unearth non-compliance or inaccurate performance information. The following could be found:

- **Non-compliance** includes a lack of reporting at the time specified; or non-compliance with the set condition in the contract.
- **Misrepresentation:** such as inaccurate performance information provided, the inclusion of non-EPWP projects, misappropriation of subsidy allocations.

Frequently Asked Questions

Can the wage subsidy amount received be distributed at the discretion of the NPOs?

No. The Non-State Sector EPWP wage subsidy allocation is determined based on specific set targets of the number of beneficiaries that the NPOs must contract.

Is monthly EPWP performance reporting mandatory?

Yes, it is advised that the NPOs report monthly so as to deal with 'un-validated information' clean-ups, so that the quarterly reports produced are an accurate performance picture.

Is monthly expenditure reporting mandatory?

Yes, for the purposes of accountability and transparency.

Is quarterly EPWP performance reporting mandatory?

Yes, should a NPO not report quarterly performance it could have its next monthly payment withheld for non-compliance until such report is submitted.

Chapter 6: Navigating the EPWP Web Based System

Chapter summary: *This chapter provides a description of the EPWP WBS and some of its key features and aims to assist officials who have to use the EPWP WBS for performance reporting. It aims to provide a basic overview of the EPWP WBS and the project registration and progress reporting processes and the type of information that needs to be entered into the system.*

6.1. Introduction to the EPWP WBS

The 'EPWP WBS' is a reporting system used for the collection, validation; storing and dissemination of EPWP programme and project data on EPWP projects in the form of information needed to monitor the performance of the programme as a whole. The EPWP WBS is managed by National Public Works.

6.2. Who Can Gain Access to the System?

Delegated representatives from IDT, Department of Public Works implementing EPWP projects can gain access to the system.

6.3. How Can One Gain Access to the System?

The system is accessed through the website, <http://epwpreporting.dpw.gov.za/>. The system will then show the Login page. When a user gets to the Login Screen, select the *New User Registration* link to get registered, this will take a user to a new screen where it will require information to be entered onto the system. All the yellow highlighted fields are compulsory, and to be registered on the system, all compulsory fields need to be entered before you click the register button. Specific information required to register on the system includes:

- **First and Last Name:** User's name and surname
- **Preferred Username:** This name will be used to login to the system after the administrator grants the user the rights to login onto the system. The username should be typed in lowercase.
- **Password:** This should be 8 characters and it should not be the same as the username. The password should be in lowercase.
- **Sectors:** Choose from the dropdown list the sector that the user will be accessing on the system.
- **Access Rights/User Role:** Choose from the dropdown list whether as a user, capturer, viewer or signing off person. Click the register button to be registered, the users' information will be registered on the system. An email will be sent informing the user of his/ her successful registration status. Only after receipt of this email, can the new user start using the system.

6.4. Signing onto the System:

Once registered, signing onto the system merely involves entering a username, password and selecting the applicable province on the drop down menu.

Note: The system will not allow a user to login if the incorrect province has been selected or an incorrect username and/or password has been entered. All three of these must be entered correctly in order to login successfully. A successful login will lead the user to the home page. The Home page will reflect a number of functionalities. Some of them are only applicable to certain users depending on their access rights. Select from the four predefined sectors (Infrastructure, Environmental & Culture, Social and Non-State Sector) the sector that the user wants to access. After choosing the appropriate sector, the system will take the user to the Welcome Screen for that sector.

6.5. System Support:

If IDT regional data capturers experience problems related to the system such as logging in, acquiring passwords and user names or require any other assistance on the system, call 0800204102 or email admin.epwp@dpw.gov.za.

6.6. Capturing Project Information on the EPWP Web Based System (WBS)

Once on the sector welcome page, the system will display the projects screen. It is a screen that shows the user a list of projects that the user has previously worked on. The use may choose to *Add New Projects, Update existing Projects or Delete incorrect project information.*

Figure 6.7: EPWP WBS Login Page

EPWP WBS
Expanded Public Works Programme - Web Based System

EPWP Expanded Public Works Programme **Login**

A WEB BASED SYSTEM APPROACH

EPWP Web Based System is an intuitive, efficient and useful, system.

Easy To Use
Easy to retrieve data from the database.

Links
[EPWP](#)

Public Works

Contact
E-mail: adminepwp@dpw.gov.za (012) 337-3043
Rachel Letsholo (User Admin Only) (012) 337-3434
Themakazi Maluleke (012) 337-3097
Deon du Plessis

Sign in to EPWP-WBS

Username:

Password:

Province:

[Forgot password?](#)

[New User Registration](#)

EPWP WBS Version 2.1, Tuesday, August 18, 2009 2:12 PM

Internet 100%

Chapter 7: Audit Requirements

Chapter summary: *The Audit Requirements apply to external and internal audits. It is expected that all NPOs and regions will compare their current practices and approaches to the management of project information with these requirement and take the necessary action to comply with the stated requirements. These Audit Requirements have been formulated as a set of principles for all public bodies within EPWP broadly, to assist their understanding in meeting these requirements.*

7.1. Internal Audit Purpose and Objective

Purpose: The purpose of the Internal Audit function for the Non-State Sector EPWP wage subsidy specifically, is to maintain an independent objective assurance activity designed to improve a department's programme management operations. It will assist the department to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit should provide the management of the department and the Audit Committee with analysis, appraisals, recommendations and information concerning the project activities and information reviewed.

Objective: The objective of the Internal Audit function at the department for the Non-State Sector EPWP wage subsidy is to identify and evaluate significant exposures to risk and contribute to the improvement of risk management, control and governance systems. This should include:

- a) Overseeing the risk management framework and monitoring risk
- b) Reviewing the established systems to ensure compliance with those procedures, laws and regulations that could have a significant impact on operations and report and determine whether the department is in compliance
- c) Ensuring that an effective system of internal controls exist and is operating as required
- d) Evaluating the reliability and integrity of financial, project management and other operational information.

7.2 Scope of Information that may be requested During an Audit

Internal Audit will communicate in time their plans to conduct an audit of particular NPOs contracted through the NSS programme or the intermediary contracted to implement the NSS programme nationally. The following documents must always be available for audit purposes:

- a) Contracts between the NPO and the intermediary.
- b) Contracts between the beneficiaries and the NPOs.
- c) Proof of medical certificates for disabled people taking part in the programme.
- d) Payment forms signed by beneficiaries when they have received after receiving wages.
- e) Signed daily register of work attendance by beneficiaries.
- f) Certified ID copies of all the contracted beneficiaries.
- g) Confirmation of receipt of payment by beneficiaries
- h) Confirmation of transfer of payment by NPO to beneficiaries

GLOSSARY OF TERMS

Accounts	- refers to all necessary financial records and Administrative processes in possession of the service provider
Beneficiary	- any person actively working in the EPWP programme and receiving wage subsidy
EPWP	- Is a term that defines the origin and roots of Expanded Public Works Programme articulated in the first phase of this programme
DC's	- Data centres
DPW	- Department of Public Works in custody of the Expanded Public Works Programme
DSD	- Department of Social Development
Executive	- is any top structure with final authority
EPWP	- Expanded Public Works Programme is a work opportunity creating programme run by Department of Public Works through incentive scheme for the unemployed
Financial Year	- Period of 1 st April – 31 March
FTE	- Full Time Equivalence
IDT	- Independent Development Trust
ID	- Identity Document a proof of document used by all South African citizens to prove the citizenship status
Municipalities	- A local authority established under Act (108) of 1993
M&E	- Monitoring & Evaluation a systematic tool used to track daily, weekly, monthly and quarterly progress on programme/project implementation
Ministerial Determination	- Conditions of employment for the Expanded Public Works Programme beneficiaries
Non Profit Organisation	- an organisation established in terms of non profit making Act, whose purpose is not to make profit.
Non State Sector (NSS)	- is one of the sector programmes in the Expanded Public Works Programme
NEDLAC	- A Community Constituency representing various communities, youth, women, disabled and other formations in NEDLAC
National Team	- both IDT and Public Works Non State Sector officials based at their respective national offices
Partners	- Any party involved in the NSS programme

Proposal	- A proposal is a document that talks to the work NPO is doing and what is the expected beneficiaries that they can contract should they be appointed. The proposal also includes documents of registration with the Dept. Social Development and confirmation from DSD that the particular organisation is still in operation.
PMT	- Project Management Team
PIM	- Project Implementation Manager
PM	- Programme Manager
PFMA	- Public Financial Management Act 1999
Stakeholders	- Interested parties affected by the NSS programme implementation
Systems	- electronics, manual reporting and Monitoring processes
Service Providers	- parties assigned or contracted on programme activities beyond IDT and DPW capacity
TAC	- Tender Adjudication Committee, an internal IDT Adjudication Committee set to evaluate and approve submitted proposals for tender
TEC	- IDT provincial team set to evaluate and recommend to TAC proposed tender submissions
Work opportunity	- Any period of paid employment that was project bound
WBS	- Web Based System

Annexure A: NSS Proposal Template

Below are topics that the NPO proposals must include.

The front page of the template is reflected below.

- ✚ Profile of the NPO
- ✚ Executive Summary of NPO Programme
- ✚ Activities that NPO is involved in and the schedules of work
- ✚ Proof documents on monitoring and Reporting systems
- ✚ Evaluation method used by NPO
- ✚ System of paying beneficiaries
- ✚ In-depth expansion plan of NPO including number of beneficiaries looking to appoint
- ✚ Financial records of the previous 2 financial years
- ✚ Annexure: ***Dept Social Development registration certificate & verification that the NPO is still in operation, Names & ID copies of directors of NPO, verification of bank account and bank details.***

The Executive Summary sets out: the summary NPO goal, purpose expected results, performance indicators and assumptions.

1. The profile sets out: the in-depth information on the goal, purpose, and the expected results and performance indicators (for the baseline and wage subsidy) and organogram of the NPO structure.

2. Activity and resource schedules sets out the detailed activities to be undertaken, the applicable timeframes for these activities and the budget attached to each activity.

3. Monitoring and Reporting tools used to monitor the work of the NPO.

5. Assumptions and risk allows for the receiving NPO to indicate the possible implementation risks they face and the strategy they will employ to manage and mitigate these risks.

6. Funding is for the NPO to indicate the cash flow planned for the programme for the financial year.

Annexure B: DRAFT EPWP Report Template

PART A: Example of the Beneficiary Information part of the Template

[illegible]

Annexure C: Beneficiary Payment Claim Form



BENEFICIARY PAYMENT CLAIM FORM

Section A: To be completed by the Programme Manager/Site Supervisors on site

Project Name	
Supervisor Name	
Payment Month	
Date of Payment	

Section B: To be completed and signed by the beneficiary

BENEFICIARY DETAILS	
Full Names	
Surname	
Identity Number	
Date of Birth	
Gender	
Number of days worked	
Amount Paid	R

Beneficiary Signature: _____

Date: _____

Annexure D: Beneficiary Registration Form

2.6.5. Beneficiaries

If you clicked **save>next** from the project outputs the system will take you directly to this screen. If you clicked only **save** then select **Beneficiaries** to get to this screen.

The screenshot shows the 'Beneficiary Data' form in the EPWP WBS system. The form is titled 'Beneficiary Data' and includes a 'MAIN MENU' on the left with 'IBF Sector Projects' selected. The form fields are as follows:

- Project Name: Gauteng Housing construction
- First Name: [Empty]
- Last Name: [Empty]
- Nationality: South African
- Worker ID Number: [Empty]
- Date of Birth (dd-mm-yyyy): [Empty]
- Gender: [Select Gender]
- Person with Disability: [Select]
- Contact Person Details: Physical Address, Tel, Cell

Buttons at the bottom of the form include: Save, <<Back, Save>Next>>, Next>>, Close, and Beneficiaries Report.

Below the form is a table titled 'List of Beneficiaries' with the following data:

Row #1	First Name	Last Name	Worker ID Number	Birth Date	Gender	Person with disability
Update Delete	shik	van	14854	23-09-1975	M	Y

The name project of the project selected for updating will be displayed as initially captured. Enter the first and the last name of the beneficiary, worker identity number and date of birth using the calendar method. Use dropdown arrow to select gender and disability.

You can in this screen enter basic information for all beneficiaries before proceeding to the next screen by clicking **Save** only. The list of beneficiaries will appear at the bottom of the screen.

To proceed click **save>next** or **save**.

Annexure E: Beneficiary agreement

AGREEMENT ENTERED INTO BETWEEN

Employer's Name
Of (*Employer's Address*)

And

Name: _____
(Beneficiary full names)

Identity Number: _____

PREAMBLE

I (**Beneficiary name**)..... of ID numberoffers my services in the EPWP Non-State Sector (NSS) Programme based in(**Area where site is based**)..... The agreement is as a result of.....(**NPO name**).....managing the project under the Expanded Public Works Programme (EPWP) and its terms, as governed by the Ministerial Determination no. 949 and a code of good practice, a copy which is held by the..... (**Name of NPO responsible for this project**).....

The contract is subject to the following conditions:

1. The contract is valid from (**starting date**) to (**ending date**).
2. The beneficiary can choose to terminate the agreement at any time.
3. (NPO name) may terminate the agreement should the participant not meet the deliverables as stated in the task description per project.
4. (NPO name) will pay the beneficiary a wage subsidy of R60 per day for each day worked completed for up to a maximum (no of days) between (starting date) and (ending date).
5. The definition of 'a day worked' is eight hours.
6. If a beneficiary is absent from work for any reason, including if a beneficiary worked on a public holiday, no payment will be done.
7. A beneficiary attending training offered by the EPWP NSS during working days will paid the same rate of R60 per day for a day worked.
8. There are no benefits attached to this contract, except for the legal obligations set out in the Ministerial Determination.
9. Each day the beneficiary is expected to report to the site supervisor and sign the attendance register.

I **(beneficiary name)**.....signed at**(place)**..... on this**(date)**.....accept the terms and conditions set out above and confirm that this the only Expanded Public Works Programme for which I am registered.

Annexure F: Ministerial Determination

Approved by Cabinet in terms of Government of South Africa's Copyright Amendment Act 2000 under 22 February 2000

STAATSKOERANT, 22 OKTOBER 2010

No. 33665 3

GOVERNMENT NOTICE

DEPARTMENT OF LABOUR

No. 949

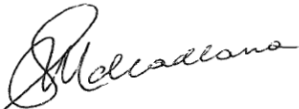
22 October 2010

BASIC CONDITIONS OF EMPLOYMENT ACT, 1997

MINISTERIAL DETERMINATION 4: EXPANDED PUBLIC WORKS PROGRAMMES

I, Membathisi Mphumzi Shepherd Mdladlana, Minister of Labour, hereby in terms of section 50 of the Basic Conditions of Employment Act, 1997, make a Ministerial Determination establishing conditions of employment for employees in Expanded Public Works Programmes, South Africa, in the Schedule hereto and determine the second Monday after the date of publication of this notice as the date from which the provisions of the said Ministerial Determination shall become binding.

All the provisions of the Ministerial Determination: Special Public Works Programmes published under Government Notice R63 in Government Gazette 23045 of 25 January 2002 will be superseded by this ministerial determination with effect from the date of implementation.



M.M.S. MDLADLANA
Minister of Labour

SCHEDULE

MINISTERIAL DETERMINATION NO: 3 : EXPANDED PUBLIC WORKS PROGRAMMES

Index

1. Definitions
2. Application of this determination
3. Sections not applicable to public works programmes
4. Conditions

Annexure G: Code of Good Practice

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4 No. 33665

GOVERNMENT GAZETTE, 22 OCTOBER 2010

1. Definitions

1.1 In this determination –

“expanded public works programme” means a programme to provide public or community assets or services through a labour intensive programme initiated by government and funded from public resources.

1.2 Without limiting subsection (1), the following programmes constitute Expanded Public Works Programmes:

- (a) Environment and Culture Sector Programmes including: Working for Water, Working on Fire, Working for Wetlands, People and Parks, Working for Energy, Working for Woodlands, Working for the Coast, Landcare, Working on Waste, Working for Tourism, Investing in Culture Programmes
- (b) Infrastructure Sector Programmes and Projects declared part of EPWP which may include the construction, rehabilitation and maintenance of: rural and low-volume roads, storm-water drains, water reticulation, basic sanitation, footpaths, sidewalks, bicycle paths, schools and clinics.
- (c) Social Sector Programmes including Early Childhood Development, Home, Community Based Care, Community Safety and other community based programmes
- (d) All projects and programmes accessing the EPWP wage incentive including those implemented by Non Governmental organisations (NGO) and Community Based Organisations (CBO) and the Community Works Programme.
- (e) Any other programme deemed to be part of the EPWP as determined by the Department of Public Works

2. Application

This Determination applies to all employers and employees engaged in expanded public works programmes.

3. The following provisions of the Basic Conditions of Employment Act do not apply to public works programmes –

3.1 Section 10(2) [Overtime rate]

- (a) any money deducted from the payment
- (b) the actual amount paid to the worker

CONDITIONS OF EMPLOYMENT FOR EXPANDED PUBLIC WORKS PROGRAMMES

1. Introduction

1.1 This document contains the standard terms and conditions for workers employed in elementary occupations on an Expanded Public Works Programme (EPWP). These terms and conditions do NOT apply to persons employed in the supervision and management of a SPWP.

1.2 In this document –

- (a) “department” means any department of the State, implementing agent or contractor;
- (b) “employer” means any department, implementing agency or contractor that hires workers to work in elementary occupations on a EPWP;
- (c) “worker” means any person working in an elementary occupation on a EPWP;
- (d) “elementary occupation” means any occupation involving unskilled or semi-skilled work;
- (e) “management” means any person employed by a department or implementing agency to administer or execute an EPWP;
- (f) “task” means a fixed quantity of work;
- (g) “task-based work” means work in which a worker is paid a fixed rate for performing a task;
- (h) “task-rated worker” means a worker paid on the basis of the number of tasks completed;
- (i) “time-rated worker” means a worker paid on the basis of the length of time worked.

2. Terms of Work

2.1 Workers on an EPWP are employed on a temporary basis or contract basis.

3. Normal Hours of Work

- 3.1 An employer may not set tasks or hours of work that require a worker to work—
- (a) more than forty hours in any week;
 - (b) on more than five days in any week; and
 - (c) for more than eight hours on any day.
- 3.2 An employer and worker may agree that a worker will work four days per week. The worker may then work up to ten hours per day.
- 3.3 A task-rated worker may not work more than a total of 55 hours in any week to complete the tasks allocated (based on a 40-hour week) to that worker.

4. Meal Breaks

- 4.1 A worker may not work for more than five hours without taking a meal break of at least thirty minutes duration.
- 4.2 An employer and worker may agree on longer meal breaks.
- 4.3 A worker may not work during a meal break. However, an employer may require a worker to perform duties during a meal break if those duties cannot be left unattended and cannot be performed by another worker. An employer must take reasonable steps to ensure that a worker is relieved of his or her duties during the meal break.
- 4.4 A worker is not entitled to payment for the period of a meal break. However, a worker who is paid on the basis of time worked must be paid if the worker is required to work or to be available for work during the meal break.

5. Special Conditions for Security Guards

- 5.1 A security guard may work up to 55 hours per week and up to eleven hours per day.
- 5.2 A security guard who works more than ten hours per day must have a meal break of at least one hour or two breaks of at least 30 minutes each.

6. **Daily Rest Period**

Every worker is entitled to a daily rest period of at least twelve consecutive hours. The daily rest period is measured from the time the worker ends work on one day until the time the worker starts work on the next day.

7. **Weekly Rest Period**

Every worker must have two days off every week. A worker may only work on their day off to perform work which must be done without delay and cannot be performed by workers during their ordinary hours of work ("emergency work").

8. **Work on Sundays and Public Holidays**

8.1 A worker may only work on a Sunday or public holiday to perform emergency or security work.

8.2 Work on Sundays is paid at the ordinary rate of pay.

8.3 A task-rated worker who works on a public holiday must be paid –

- (a) the worker's daily task rate, if the worker works for less than four hours;
- (b) double the worker's daily task rate, if the worker works for more than four hours.

8.4 A time-rated worker who works on a public holiday must be paid –

- (a) the worker's daily rate of pay, if the worker works for less than four hours on the public holiday;
- (b) double the worker's daily rate of pay, if the worker works for more than four hours on the public holiday.

9. **Sick Leave**

9.1 Only workers who work more than 24 hours per month have the right to claim sick-pay in terms of this clause.

9.2 A worker who is unable to work on account of illness or injury is entitled to claim one day's paid sick leave for every full month that the worker has worked in terms of a contract.

9.3 A worker may accumulate a maximum of twelve days' sick leave in a year.

- 9.4 Accumulated sick-leave may not be transferred from one contract to another contract.
 - 9.5 An employer must pay a task-rated worker the worker's daily task rate for a day's sick leave.
 - 9.6 An employer must pay a time-rated worker the worker's daily rate of pay for a day's sick leave.
 - 9.7 An employer must pay a worker sick pay on the worker's usual payday.
 - 9.8 Before paying sick-pay, an employer may require a worker to produce a certificate stating that the worker was unable to work on account of sickness or injury if the worker is –
 - (a) absent from work for more than two consecutive days; or
 - (b) absent from work on more than two occasions in any eight-week period.
 - 9.9 A medical certificate must be issued and signed by a medical practitioner, a qualified nurse or a clinic staff member authorised to issue medical certificates indicating the duration and reason for incapacity.
 - 9.10 A worker is not entitled to paid sick-leave for a work-related injury or occupational disease for which the worker can claim compensation under the Compensation for Occupational Injuries and Diseases Act.
10. **Maternity Leave**
- 10.1 A worker may take up to four consecutive months' unpaid maternity leave.
 - 10.2 A worker is not entitled to any payment or employment-related benefits during maternity leave.
 - 10.3 A worker must give her employer reasonable notice of when she will start maternity leave and when she will return to work.
 - 10.4 A worker is not required to take the full period of maternity leave. However, a worker may not work for four weeks before the expected date of birth of her child or for six weeks after the birth of her child, unless a medical practitioner, midwife or qualified nurse certifies that she is fit to do so.
 - 10.5 A worker may begin maternity leave –

- (a) four weeks before the expected date of birth; or
- (b) on an earlier date –
 - (i) if a medical practitioner, midwife or certified nurse certifies that it is necessary for the health of the worker or that of her unborn child; or
 - (ii) if agreed to between employer and worker; or
- (c) on a later date, if a medical practitioner, midwife or certified nurse has certified that the worker is able to continue to work without endangering her health.

10.6 A worker who has a miscarriage during the third trimester of pregnancy or bears a stillborn child may take maternity leave for up to six weeks after the miscarriage or stillbirth.

11. **Family responsibility leave**

11.1 Workers, who work for at least four days per week, are entitled to three days paid family responsibility leave each year in the following circumstances -

- (a) when the employee's child is born;
- (b) when the employee's child is sick;
- (c) in the event of a death of –
 - (i) the employee's spouse or life partner;
 - (ii) the employee's parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling.

12. **Statement of Conditions**

12.1 An employer must give a worker a statement containing the following details at the start of employment –

- (a) the employer's name and address and the name of the EPWP;
- (b) the tasks or job that the worker is to perform; and

- (c) the period for which the worker is hired or, if this is not certain, the expected duration of the contract;
 - (d) the worker's rate of pay and how this is to be calculated;
 - (e) the training that the worker will receive during the EPWP.
- 12.2 An employer must ensure that these terms are explained in a suitable language to any employee who is unable to read the statement.
- 12.3 An employer must supply each worker with a copy of these conditions of employment.

13. **Keeping Records**

- 13.1 Every employer must keep a written record of at least the following –
- (a) the worker's name and position;
 - (b) copy of an acceptable worker identification
 - (c) in the case of a task-rated worker, the number of tasks completed by the worker;
 - (d) in the case of a time-rated worker, the time worked by the worker;
 - (e) payments made to each worker.
- 13.2 The employer must keep this record for a period of at least three years after the completion of the EPWP.

14. **Payment**

- 14.1 An employer must pay all wages at least monthly in cash or by cheque or into a bank account.
- 14.2 A worker may not be paid less than the minimum EPWP wage rate of R60.00 per day or per task. This will be annually adjusted in-line with inflation.
- 14.3 A task-rated worker will only be paid for tasks that have been completed.
- 14.4 An employer must pay a task-rated worker within five weeks of the work being completed and the work having been approved by the manager or the contractor having submitted an invoice to the employer.

- 14.5 A time-rated worker will be paid at the end of each month.
- 14.6 Payment must be made in cash, by cheque or by direct deposit into a bank account designated by the worker.
- 14.7 Payment in cash or by cheque must take place –
- (a) at the workplace or at a place agreed to by the worker;
 - (b) during the worker's working hours or within fifteen minutes of the start or finish of work;
 - (c) in a sealed envelope which becomes the property of the worker.
- 14.8 An employer must give a worker the following information in writing –
- (a) the period for which payment is made;
 - (b) the numbers of tasks completed or hours worked;
 - (c) the worker's earnings;
 - (d) any money deducted from the payment;
 - (e) the actual amount paid to the worker.
- 14.9 If the worker is paid in cash or by cheque, this information must be recorded on the envelope and the worker must acknowledge receipt of payment by signing for it.
- 14.10 If a worker's employment is terminated, the employer must pay all monies owing to that worker within one month of the termination of employment.

15. **Deductions**

- 15.1 An employer may not deduct money from a worker's payment unless the deduction is required in terms of a law.
- 15.2 An employer must deduct and pay to the SA Revenue Services any income tax that the worker is required to pay.
- 15.3 An employer who deducts money from a worker's pay for payment to another person must pay the money to that person within the time period and other

requirements specified in the agreement law, court order or arbitration award concerned.

15.4 An employer may not require or allow a worker to –

- (a) repay any payment except an overpayment previously made by the employer by mistake;
- (b) state that the worker received a greater amount of money than the employer actually paid to the worker; or
- (c) pay the employer or any other person for having been employed.

16. **Health and Safety**

16.1 Employers must take all reasonable steps to ensure that the working environment is healthy and safe.

16.2 A worker must –

- (a) work in a way that does not endanger his/her health and safety or that of any other person;
- (b) obey any health and safety instruction;
- (c) obey all health and safety rules of the EPWP;
- (d) use any personal protective equipment or clothing issued by the employer;
- (e) report any accident, near-miss incident or dangerous behaviour by another person to their employer or manager.

17. **Compensation for Injuries and Diseases**

17.1 It is the responsibility of the employers (other than a contractor) to arrange for all persons employed on a EPWP to be covered in terms of the Compensation for Occupational Injuries and Diseases Act, 130 of 1993.

17.2 A worker must report any work-related injury or occupational disease to their employer or manager.

17.3 The employer must report the accident or disease to the Compensation Commissioner.

- 17.4 An employer must pay a worker who is unable to work because of an injury caused by an accident at work 75% of their earnings for up to three months. The employer will be refunded this amount by the Compensation Commissioner. This does NOT apply to injuries caused by accidents outside the workplace such as road accidents or accidents at home.

18. **Termination**

- 18.1 The employer may terminate the employment of a worker for good cause after following a fair procedure.
- 18.2 A worker will not receive severance pay on termination.
- 18.3 A worker is not required to give notice to terminate employment. However, a worker who wishes to resign should advise the employer in advance to allow the employer to find a replacement.
- 18.4 A worker who is absent for more than three consecutive days without informing the employer of an intention to return to work will have terminated the contract. However, the worker may be re-engaged if a position becomes available.
- 18.5 A worker who does not attend required training events, without good reason, will have terminated the contract. However, the worker may be re-engaged if a position becomes available.

19. **Certificate of Service**

- 19.1 On termination of employment, a worker is entitled to a certificate stating –
- (a) the worker's full name;
 - (b) the name and address of the employer;
 - (c) the EPWP on which the worker worked;
 - (d) the work performed by the worker;
 - (e) any training received by the worker as part of the EPWP;
 - (f) the period for which the worker worked on the EPWP;
 - (g) any other information agreed on by the employer and worker.
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