



**EXPANDED PUBLIC WORKS PROGRAMME
CONTRIBUTING TO A NATION AT WORK**



EPWP CONTRACTOR LEARNERSHIP PROGRAMME MANAGEMENT PLAN FOR LABOUR INTENSIVE CONSTRUCTION LEARNERSHIPS

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PREAMBLE

The Expanded Public Works Programme (EPWP) is an initiative resulting from President Thabo Mbeki State of the Nation Address February 2003. The EPWP is a short-to-medium term programme aimed at alleviating and reducing unemployment.

All public bodies involved in infrastructure provision are expected to attempt to contribute to the EPWP. Public bodies will use the “*GUIDELINES FOR THE IMPLEMENTATION OF LABOUR-INTENSIVE INFRASTRUCTURE PROJECTS UNDER THE EXPANDED PUBLIC WORKS PROGRAMME*” to identify suitable projects, guide appropriate design for labour-intensive construction, specify labour intensive works and compile contract documentation for labour-intensive projects. These Guidelines also place specific requirements in terms of training on contractors and their staff.



As part of the Expanded Public Works Programme (EPWP), the National Department of Public Works (DPW) initiated the EPWP Contractor learnerships programme, which is now called Vuk'uphile. Vuk'uphile has been developed to build the capacity amongst emerging contractors to execute the increasing amount of labour-intensive work that will be part of the EPWP. Learner contractors in the programme will also receive all the training required as part of the EPWP Guidelines so that when the exit the programme they are fully qualified to tender and execute labour intensive projects under the EPWP.

As part of the Expanded Public Works Programme (EPWP), the National Department of Public Works (DPW) initially applied to the Construction and Education Training Authority (CETA) for 750 learnerships for individuals to become (or work for) labour-intensive contractors. The CETA approved this application. Each contracting company will involve the training of one contractor at NQF level 2 and two site supervisors at NQF level 4, resulting in the establishment of 250 contracting companies. By the end of the learnerships, the contractors should be registered enterprises able to tender for, build and maintain low-volume roads, stormwater drains, pipelines and sidewalks using labour-intensive methods.

The training goals of the Learnership Programme have, from June 2005, been raised with it aimed to implement 3 000 individual learnerships, resulting in the establishment of 1 000 learner contracting companies.

This management plan describes how these learnerships are going to be implemented and managed and will form part of the tripartite Memorandum of Agreement (MoA) between DPW, CETA and the participating Public Body.

AMENDMENTS TO THE PREVIOUS EDITION INCORPORATED IN THIS REVISION

Amendments to the text of the previous edition have been made to:

- i. learnership funding (e.g. training, learners stipends and allowances and mentoring services)
- ii. minor text changes, introduction to clarify ambiguities, and
- iii. delete text that has now become redundant.

ABBREVIATIONS

EPWP	:	Expanded Public Works Programme
CETA	:	Construction and Education Training Authority
NQF	:	National Qualification Framework
RPL	:	Recognition of Prior Learning
MOA	:	Memorandum of Agreement
LIC	:	Labour Intensive Construction
ETQA	:	Education and Training Quality Assurance
IDT	:	Independent Development Trust

1. INTRODUCTION AND PURPOSE

The Expanded Public Works Programme (EPWP) is a multi sectoral government initiative to create jobs. In the case of the Infrastructure Sector, existing government expenditure is re-aligned using labour intensive technologies to create job opportunities. This involves the use of plant and labour, where labour is preferred and plant is used appropriately.

Within the Infrastructure Sector a specific learnership¹ initiative has been launched. These Learnerships are an EPWP specific, Emerging Contractor development programme that is additional to other initiatives within the construction industry. The Learnerships are for civil construction activities, so chosen because this sector of the construction industry has significantly under utilized labour in the past, and thus these learnerships will contribute to the future maximization, of the labour potential within civil construction.

The EPWP learnerships are Construction Education and Training Authority (CETA) registered Learnerships that have an emphasis on Labour Intensive Construction (LIC) so that graduates are able to meet the requirements of the EPWP.

The purpose of this Management Plan is to create conformity and to regulate the administrative and project management of The Plan deals with the role and the areas of responsibility of each participating party.

As the EPWP learnerships will be implemented in partnership with Public bodies, this “*MANAGEMENT PLAN FOR LABOUR-INTENSIVE EMERGING CONTRACTOR LEARNERSHIPS*” together with the “*LEARNER GUIDE FOR VUK'UPHILE LEARNERSHIPS*” issued to all learners forms the basis for implementation.

2. PUBLIC BODIES WANTING TO PARTICIPATE IN THE LEARNERSHIPS

NDPW will communicate with all Public Bodies to offer them the opportunity to participate in the learnership programme. In consultation with CETA, NDPW will then allocate the learnerships to Public Bodies, on a first come first serve basis, taking into account practical matters. For cost effective training it is advisable that a minimum of 15 learners should start their learnership at the same time. NDPW and CETA will limit the maximum number of

¹

A Learnership is a route for learning and gaining a qualification within the National Qualification Framework (NQF) from level 1 to 8. Qualifications are based on Unit Standards. Learnerships include both structured work experience (a practical component) and instructional learning (a theory learning component). Learnerships relate to an occupation.

learnerships allocated per Public Body in accordance with the number of contractors that the estimated future expenditure on labour-intensive projects that the Public Body can sustain.

The Public Body should be able to demonstrate that they can allocate approximately R 5 million per annum per learner contractor to training projects. Public Bodies with limited capital budgets are encouraged to work together so that sufficient learnerships can be awarded to them jointly to ensure that training can be done cost effectively.

Public Bodies with contractor development programmes that focused on labour-intensive construction, and have contractors trained under the previous dispensations, will be encouraged to have these contractors who are granted Recognition of Prior Learning (RPL) by training providers and subsequently be entered into learnerships, as long as they are selected through the open selection process.

3. ROLES AND RESPONSIBILITIES

The following section will specify the roles and the responsibilities of NDPW, CETA and the Public Body, that has indicated a willingness to participate in the learnership. NDPW, CETA and the relevant Public Body will enter into a standard 'tripartite' Memorandum of Agreement (MoA) for the implementation of the learnerships. (Memorandum of Agreement attached as Addendum EA).

NDPW, together with CETA and the public bodies will form an Executive Committee² to oversee and manage the implementation of the learnerships through formulating ongoing guidelines and processes. The Executive Committee will appoint people to facilitate and manage the processes of:

- advertising for learners,
- carrying out of briefing sessions,
- processing of applications,
- selecting learners,
- managing the learners,
- approve and stipulate compulsory skills training for the learners,
- managing the training providers,
- approve the training plan (inclusive of content), and
- facilitate the relationship between the Public Body and the learners.

NDPW has formulated the policy framework for the programme, together with the CETA, as contained in this management plan.

² Executive Committee means NDPW, together with CETA and the Public body

3.1 CETA

The CETA is custodian of the Construction Contractor - NQF Level 2 (LIC) and Construction Supervisor – NQF Level 4 (LIC) learnerships and will therefore become the custodian of the learning guides, learning programmes and assessment instruments for use by the construction industry at large.

The CETA will be responsible to:

- ensure that Learnerships are registered with the Department of Labour,
- fund the learnerships, subject to the receipt of funding from Department of Labour, in terms of the CETA learnership funding model, with such funding effected by the transfer of funds back to DPW on receipt of their invoices, which shall be issued after they have paid the relevant training providers,
- supply a list of accredited training providers to the EPWP to facilitate the training,
- appoint a representative to sit on the Executive and Management Committees³ established for the purpose on the learnership implementation and ensure compliance with CETAs roles and responsibilities,
- provide quarterly progress and quality reports to the National Department of Public Works and the Department of Labour,
- performing Education and Training Quality Assurance (ETQA),
- ensure that all accredited training providers comply with the conditions of their accreditation,
- provide adequate project management to ensure effective quality assurance throughout the training and/or assessment of the learners,
- supply monthly moderation reports to the Management Committee,
- fulfil the ETQA responsibilities in terms of the SAQA Act,
- maintain a database of all learners,
- attend a bi-weekly meeting with NDPW, and
- ensure that implementation is carried out in accordance with the contents of this management plan.

The CETA - EPWP Project Manager, with its Regional Learnership Co-ordinators situated at Regional Offices will assist NDPW's Programme Managers in:

- implementing the learnerships,
- attending to problems, and
- arranging regular meetings and workshops to disseminate information.

³

Management Committee means the Executive Committee, as well as duly authorised representatives of the appointed Training Provider, the appointed mentoring company.

The final selection of the accredited training providers will be made by the Committee consisting of NDPW, CETA and ABSA the CETA will appoint the Training Provider. All Public Bodies in all regions would have to use accredited training providers to carry out the written assessments of potential candidates and the training/practical experience within the learnership for the selected learners.

3.2 NATIONAL DEPARTMENT OF PUBLIC WORKS

NDPW ensured that NQF qualifications framework for the under-mentioned were put in place to facilitate the NQF accreditation of Training Providers against the qualifications:

- labour-intensive construction,
- learning guides,
- learning programmes, and
- assessment instruments.

NDPW will be responsible for the overall coordination, management and implementation of the learnerships. Roles and responsibilities will be to:

- together with CETA and the public bodies formulate ongoing guidelines and processes for the selection of Learners and for the provision of on-site training projects to the Learner Contracting Companies,
- inform, advise and advocate the implementation of the EPWP Contractor Learnership Programme with various Public Bodies,
- facilitate the selection process of learners together with the appointed accredited training provider, CETA and Public Body,
- appoint, where NDPW deems it necessary to assist Province or Municipality with independent mentoring services to Learners through specialist mentors evaluated by the Executive Committee and invited specialists (including the financial service provider
- facilitate the selection process of an accredited training provider together with the CETA, Public Body and ABSA
- appoint accredited training providers to provide training for the EPWP learnerships including the preparation of Service Level Agreements for submission to CETA and Training Providers
- Supervises the Training Providers who will facilitate the training programmes on a provincial basis for the purposes of the EPWP
- Compile, pre-check, parcelling invoices from Training Providers
- appoint a representative to sit on the Executive and Management Committees, and ensure compliance of NDPWs roles and responsibilities
- facilitate the workers life skills training which shall be conducted by the appointed Department of Labour training providers.

3.3 PUBLIC BODIES

Public Bodies will participate in the programme on a voluntary basis. In order to participate, a Public Body must sign the MOA with NDPW and the CETA. The MOA sets out the roles and responsibilities of the various parties, and sets out a basic policy framework for the implementation of the programme, to which all the parties to the MOA will agree to abide by.

In summary, the roles and responsibilities of the participating Public Body will be to:

- act as “Lead Employer” in terms of the Learnership Agreement,
- together with other members of the selection committee, select contractor and construction supervisor learners according to the selection criteria and selection process as formulated by NDPW and CETA, and
- arrange to launch the programme locally.

The Public Body will be required to provide projects, which can be executed by the contractors on the learnerships. (These projects must be funded by the Public Body and can be funded out of equitable share infrastructure budgets or out of Provincial Infrastructure Grant and Municipal Infrastructure Grant funding.)

The projects should fit the scope of the learnership programme:

- low-volume roads (typical less than 500 vehicles per day)
- sidewalk and non-motorised transport infrastructure
- stormwater drainage; and
- trenches having a depth of less than 1.5 metres

where these projects contain a significant amount of construction activities for which use of labour is specified i.e. excavation, loading, short-distance hauling, offloading, spreading, grassing and stone-pitching.

The Public Body will sign separate and independent contracts with the Learner Contracting Companies for the following duration:

- The 1st project will be approximately 3 to 4 months
- The 2nd project will be approximately 6 to 12 months
- The 3rd project will be approximately 6 to 12 months

On these contracts the following requirements will have been arranged with the Public Bodies:

- to waive the requirements for performance guarantees, and
- retention to be limited to a maximum of 5% of the contract value.

These projects will be awarded to the learner contractors on a negotiated price basis. In the event of disagreement between the Public Body and the learner contractor regarding the negotiation of prices, which disagreement can not be resolved by the two parties, contract prices will then be adjudicated by NDPW after receiving representations from both parties. The decision of NDPW will be final and binding on both parties. The State Tender Board has already given approval for awarding these contracts on this basis (see Addendum GB).

The Public Bodies will also be encouraged to send their officials on training courses on the management and supervision of labour intensive construction projects.

3.4 INDEPENDENT DEVELOPMENT TRUST (IDT)

The IDT's role in the EPWP, whilst voluntary under the direction of the Public Body, is community outreach social facilitation. Community outreach social facilitation entails:

- Recruiting of construction workers on behalf of the learner contractors.
- Facilitation of training for programme beneficiaries.
- Coordinating and managing beneficiary training.
- Liaising with stakeholders within local municipalities and provinces.
- Implementing exit strategies where necessary.

4. PRE-LEARNERSHIP COMMENCEMENT WORKSHOP (INDUCTION WORKSHOP)

Prior to implementation of the Learnership Programme, a thorough pre-learnership commencement workshop will be held between NDPW, CETA, Public Body and ABSA, with the objective of the workshop, amongst others, being to enlighten as to the roles and responsibilities of the various stakeholders involved.

At the workshop, the following topics will be covered in detail:

- objectives of the EPWP Learnership Programme,
- roles and responsibilities of stakeholders,
- programme scheduling,
- selection of suitable Learner Contractors and Learner Supervisors,
- selection of appropriate on-site training-projects,
- negotiation of rates and prices for the on-site training-projects,

- ABSA involvement, requirements, expectations,
- social facilitation,
- selection of training providers and mentors,
- worker training, and further skills training for the Learner Contractors and Learner Supervisors,
- reporting in terms of the EPWP guidelines
- learner input, codes of contract, rights and obligations, grievance procedure,
- Learner Contracting Company exit-strategies.

5. RECRUITMENT AND SELECTION OF LEARNERS

All learners must be selected through an open and transparent advertisement and selection process. A standard advertisement (which may be amended by agreement between the Public Body and NDPW) is attached in Addendum EB. The core selection requirements of the CETA and NDPW will be included in the MOA between the three partners (NDPW, CETA and Public Body) and these cannot be altered.

The learnership opportunities must be advertised in the local media (for a municipality, this means at least media which operate in the area of the municipality; for provinces, this means at least media which operate in the area of the province). The Public Body will be expected to finalise the advertisement based on the standard advertisement from EPWP and will need to cover the costs of placing the advertisement in the media. The advertisements must include a closing date and time and a regional contact person. The final advertisement must be approved by NDPW before placing in the media. The advertisements will also be circulated by the CETA to members on its database and by NDPW to its regional offices. The selection process will be overseen by a selection committee, which will be appointed by the management committee, and will consist of representatives of:

- NDPW
- Public Body
- CETA
- Accredited Training Provider (if appointed at the time of selection – if not appointed can partake at risk)
- Mentor (if appointed at the time of selection – if not appointed can partake at risk)
- ABSA

It will be allowed for representatives of the management committee to serve on the selection committee. ABSA Bank will be involved in the selection process in order to provide information and advice as regards the financial and credit record status of the prospective learners.

Applications will be received at the most convenient office; i.e. NDPW project manager / Public Body or CETA regional office. Applications will be opened and noted in public and strictly no applications may be allowed after the closing date and time. The applications must be assessed according to the pre-determined (i.e. prior to the advertisement) selection process.

The NDPW regional Learnership Programme Managers will undertake the documentation and recording of the selection process. These records will be stored at the NDPW regional office as well as head office.

The selection criteria must include for the following targets (which targets may be amended in accordance with the provisions of the advertisement in the event of the receipt of insufficient target applicants).

The selection process shall endeavour to meet the following targets:

- at least 85% of the selected learners should be historically disadvantaged individuals.
- at least 50% of the selected learners must be women and/or disabled.
- at least 50% of the learners must be youth (younger than 35 years).

The applicants applying as a:

- contractor must have at least Grade 10.
- supervisor must have at least Grade 12
(applicants can approach the CETA Regional Manager or Training Provider for RPL if necessary, and can be eligible if they obtain Grade 10/Grade 12 through RPL before the closing date of the advertisement).

Further application criteria:

- Applications must be for a contractor and maximum of 3 site supervisors under the contractor, per application.
- The learners applying as contractors and supervisors must be employed by the contracting company for at least the period of the learnership.
- The learners must have indicated in writing that they are willing to go onto the learnerships on a full-time basis.

These learnerships DO NOT specifically target the unemployed or unskilled. These people are targeted as workers in the EPWP. This learnership programme targets those people that fall within the HDI targets as described above and that will have the best chance of succeeding as small contractors and site supervisors.

The following characteristics of applicants will therefore count in their favour in the selection process:

- Experience in the construction or contracting sector
- Higher qualifications than the minimum specified
- Experience in owning/ running or managing a business (for contractors)
- Access or ownership of capital or assets that would be useful for the contracting company (for contractors).

The selection will take place following a strict selection process consisting of the following steps:

- Step 1: Upon receipt of applications, a thorough checking will be conducted. Applications that did not contain the requested information and documentation will be eliminated.
- Step 2: Complete applications that passed step 1 will be assessed according to the selection criteria as specified in the advertisement. Applicants who do not meet selection criteria will be eliminated.
- Step 3: Written assessments will be conducted for applicants that passed step 2. For the applicants who applied as learner contractors, these assessments basically covers four areas, namely, business, finance, entrepreneurial ability and numeracy. For the applicants who applied as learner supervisors the assessment covers numeracy and language skills. Based on the written assessments applicants will be ranked on their numeracy and communication skills.

The written assessments will be used to evaluate competencies of the contractors and supervisors so that they can be granted Recognition of Prior Learning (RPL) if possible.

The training provider will provide a report to the Selection Committee, which contains recommendations on which candidates are suitable through ranking the applicants in terms of their numeracy and communication skills. Applicants that scored below 20% for the assessment will automatically be eliminated, for a score below 20% is **below** the competency level of grade 6.

- Step 4: From the written assessments, a shortlist of candidates to be interviewed will be drawn up by the Selection Committee. At the interview, candidates will be evaluated in the following areas with scoring effected on:

- Qualifications (5 points)
- Experience (5 points)
- Staff Supervision / Leadership Skills (5 points)
- Contract Management (5 points)
- Learnership Interest (5 points)
- Technical (5 points)
- English (5 points)

Applicants that scored lower than 24 points out of a possible 35 points for the interviews will be eliminated.

ABSA, as part of the Selection Committee will prepare a credit check report for all applicants prior to the interviews. ABSA being present on the day of the interview will inform the Selection Committee as to whether or not they will finance the learner contractor⁴.

Should ABSA finally state that they will not finance a learner contractor; then the Selection Committee may only approve the applicant for selection as a learner for the programme provided alternative financial arrangements can be made by the learner contractor in order to be in a position to successfully execute the on-site training projects. This financial arrangement should be in place 14 days prior to the start of the classroom training.

- Step 5: Applicants that scored higher than the 24 points will be identified as possible learners and will be ranked and finally selected as learners based on the four categories that will be weighed as specified in the table below, and on the number of learnerships available.

	Criteria	Weight
A	ASSESSMENT RESULTS	20%
B	AFFIRMATIVE ACTION	15%
B.1	HDI	5%
B.2	Gender	5%
B.3	Youth	5%
C	EXPERIENCE & INTERVIEW	55%
C.1	Relevant Experience	10%
C.2	Interview	40%
C.3	Assets / financial strength of company	5%
D	QUALIFICATIONS OF EACH APPLICANT	10%

⁴ ABSA and the applicants will engage on the findings of the credit check report in the interview and applicants with adverse credit records and judgements will be granted the opportunity to resolve adverse credit records and make arrangements to clear judgements. All supporting documents proving that arrangements have made by the applicant should be submitted to ABSA within 7 days after the interview and at ABSA discretion, the applicant will be re-considered for financial services.

With the selection of learner supervisors, the Selection Committee shall select an additional two learners who will be placed on the programme as spare supervisors, whose function shall be to replace any learner supervisor who drops out of the programme, thus attempting to ensure that no learner contractor is left without any supervisors.

To supplement the intake of learners where insufficient numbers of suitable learners were obtained during the course of the selection process or the learners selected dropped-out:

- NDPW with the consent of the Public Body will attempt to recruit other learners, who were assessed and found to be suitable in other parts of the country outside the jurisdiction of the Public Body, to be used on the Learnership,
- NDPW have, in addition, targeted Universities of technology, technikons and technical colleges to supply potential candidates, who have already made a commitment to the industry.

6. DURATION AND CONTENTS OF THE LEARNERSHIPS

Once the learners are selected and prior to the commencement of the classroom training, the learner, the Public Body (Lead Employer - as per the MOA) and the selected accredited training provider will sign a Learnership Agreement which will specify the terms and conditions of the agreement of each of the parties.

The duration of the learnerships is for a period up to:

- Construction Contractor – NQF Level 2 (LIC) - 24 months
- Construction Supervisor – NQF Level 4 (LIC) - 39 months

At the end of these learnerships, the successful learners will obtain an NQF Level 2 Construction Contractor (labour-intensive construction) qualification, and the contractor's supervisors will obtain an NQF Level 4 Construction Supervisor (labour-intensive construction) qualification.

The learnerships will be programmed to consist of an appropriate mix of instructional learning (theory learning component/classroom component) and structured workplace experience (a practical component). The instructional learning component will be provided through 3 (three) separate classroom sessions and the structured workplace experience will be provided through 3 (three) separate and independent on-site training-projects provided by the Public Body (participating province or municipality).

The learnership programme will typically be structured accordingly:

- the 1st classroom component will be approximately 6 - 8 weeks
- the 1st project will be approximately 3 to 4 months
- the 2nd classroom component will be approximately 6 - 8 weeks
- the 2nd project will be approximately 6 to 12 months
- the 3rd classroom component will be approximately 6 - 8 weeks, and
- the 3rd project will be approximately 6 to 12 months

Typically the learnership will consist of about 35% classroom training and 65% practical on-site training projects. The on-site training-projects will take place between sessions of classroom training. Training of Learners for a particular classroom session will continue until the Learners are given a letter of award from the Public Body for their training projects.

As mentioned earlier, the State Tender Board has given permission that contracts may be awarded to contractors in the learnership programme as training contracts on a negotiated price basis (see Addendum GB). This will enable the learners to complete actual contracts as part of the learnership and so obtain relevant practical experience, which is an essential element of a learnership.

7. LEARNERSHIP POLICIES

The NDPW, CETA and Public Body will sign a MOA which recognises the Skills Development Act No. 97 of 1998, the Skills Development Levies Act No. 9 of 1999, the Public Finance Management Act No. 1 of 1999 and the Municipal Financial Management Act No. 56 of 2003. These Acts lay the basis for the delivery of skills development in South Africa. The following agreements give effect to the above mentioned Acts:

- *Learnership Agreement:* The CETA has prepared a standard Learnership Agreement which will be entered into by the learner, Public Body and accredited Training Provider. The Learnership Agreement has been prepared in terms of the Skills Development Act No. 97 of 1998. A copy of the Learnership Agreement is attached as Addendum CA.
- *Contract of Employment:* The Lead Employer (Public Body) will also be required to enter into a Contract of Employment with the learners and as required in the Basic Conditions of Employment Act No. 75 of 1997: Sectoral Determination 5 – Learnerships. It is noted that, for the duration of the on-site training-projects, the Construction supervisor learner's employer will preferably be the Learner Contracting Company and not the Province or the Municipality

7.1 ALLOWANCES AND STIPENDS

According to the “Basic Conditions of Employment Act No. 75 of 1997: Sectoral Determination 5 – Learnerships”, the employer must pay a learner an allowance⁵ (stipend) for the duration of the learnership. This allowance is in accordance with Department of Labour Regulations and is based on (i) level of the qualification and (ii) the amount of credits already earned by the learner. Payment of allowances (stipends) will be conditional on attendance and active participation in the programme.

CETA from time to time allocates grants to projects to reimburse employers for allowances, travelling and accommodation for the classroom training periods. Employers shall apply for reimbursements of these allowances, in writing, to the CETA / EPWP. Payment, if approved, will be according to criteria laid out by CETA. CETA agreed that an amount of R 120 per week for a maximum period of 30 weeks is claimable by Employers under the EPWP.

The NDPW may also agree to pay travelling and accommodation grants to learners, for the period of the classroom training. Employers would have to prepare a travel and accommodation budget for each learner, according to a template provided by the EPWP (see addendum EG), to apply for such grants. Employers shall apply for travelling and accommodation grants, in writing, to the EPWP (see addendum CF). This request should be inline with the previous CETA funding framework. If approved, payment will be according to criteria laid out by CETA / EPWP (see addendum CE).

Lead Employers/Employers will be required to certify claims from training providers. Guidelines for the payment of allowances by CETA / EPWP are attached as Addendum CE of this management plan.

Should NDPW not agree to pay travelling and accommodation grants to learners approved alternatives are:

- Training 1: CETA pays R 120 and EPWP “top-up” R 130
- Training 2: CETA pays R 120 and learner contractor pays from “profit”

ABSA will provide overdraft facilities for the learner Contractor Company to pay for learner contractor and the 2 learner supervisors.

Monies for “top-up” + accommodation + travel as received from CETA/EPWP will be transferred to accounts of Public Bodies for disbursement to learners. Public Bodies may instruct the Training Provider as their agent to effect payment of allowances, travelling and accommodation.

⁵

NQF Level 2 qualification:

- if a learner has earned 0-120 credits, the minimum allowance that the learner is to receive should be R 120 per week, and
- if a learner has earned 121-240 credits, the minimum allowance that the learner is to receive should be R240 per week.

During Training Period Two and Training Period Three, the Learner Contractor and Learner Supervisors may, in consultation with their project Mentor, agree to supplement the CETA allowances. The learners will need to reach agreement on the percentage supplement (from 0% to 100%) that will be granted by the Learner Contracting Company.

The award of supplements to the CETA allowance is subject to the Learner Contracting Company having adequate funds to pay the supplements and simultaneously meet its other financial commitments (including a three month delay safety net).

7.2 CODE OF CONDUCT FOR LEARNERS

A Code of Conduct for learners on the EPWP is included in the “*LEARNER GUIDE FOR VUK'UPHILE LEARNERSHIPS*” the purpose of the Code of Conduct is to:

- Provide good practice guidelines to all Learner Contractors and Learner Supervisors involved in the EPWP Learnership Programme in respect of their roles and responsibilities and conduct within the boundaries of the EPWP Learnership Programme.
- Promote uniformity between different EPWP Projects within South Africa.
- Enforce discipline within the Learnership Programme, whilst acknowledging and applying the prescripts of South African Labour Law.

7.3 ABSA CODE OF CONDUCT FOR LEARNERS

This ABSA Code of Conduct seeks to regulate the conduct of Learner Contractors whilst involved in the Expanded Public Works Programme in relation to accepted practices on the Programme. This code is designed to set parameters within which Learner Contractors are to operate. Failure to adhere to these principles will result in possible disciplinary action taken against the candidate, in terms of the Learner Code of Conduct, and may result in the removal of the Learner from the Programme.

8. ACCESS TO CREDIT

NDPW entered into an agreement with ABSA bank to provide access to credit and financial services to those learners who require it. This will enable the learners to purchase the hand-tools, vehicles and light construction equipment which they will need to carry out the work, and to have access to working capital until they receive their progress payments.

Once short-listed for interviews, a credit check is carried out by ABSA. In cases where ABSA decline credit and financial services to an applicant due to a poor credit history, the applicant may still be selected into the programme provided that the applicant is able to obtain credit from other sources for the duration of the learnership. Also see section 5: Recruitment and Selection of learners, of this document.

As soon as the learners are selected into the learnership programme, the NDPW Regional Programme Managers together and ABSA officials will obtain all relevant information from the Learner Contractors in order to:

- register new Close Corporations (CCs) for all Learner Contractors,
- open bank accounts, in the name of the newly formed CCs; and
- ensure that the credit approval and granting process are implemented.

In addition to the above the following information also needs to be submitted:

- National Department of Public Works to provide a letter of appointment to ABSA indicating the Mentoring Company assigned to the project.
- The Mentoring Company to provide ABSA with a letter indicating the individual Mentors assigned to each individual Learner Contractors.

Once appointed, the Mentors, should apply for the cheque books, collect and as a general rule, retain cheque books. No ATM cards can be made available due to the co-signing security measure that should be in place as per the MOA.

As agreed by the ABSA Management committee, on request electronic banking facilities will be set up for the Learner Contractors to minimise the risk of cash transactions and will work on the principal that the Learner Contractor will capture a transaction and the Mentor will release the transaction.

In accordance with the Memorandum of Agreement, ABSA requires the receipt of actual contract award letter from the Public Body and corresponding cash flow projection before being able to commence the processing of overdraft facilities for Learner Contractors.

9. PROMPT PAYMENT

Prompt payments are necessary as Learner Contractors participating in the learnership programme are still emerging and need to develop a track record with a financial institution.

As an obligation, in terms of the MOA, the Public Body is required to pay the Learner Contracting Companies within 20 working days within receipt of the payment certificate. Should Public Bodies fail to make these payments within the specified time period they will be liable to pay penalties to the Learner Contractor Companies. These penalties will be determined by applying the interest rate charged by the bank to the Learner Contractor for accessing working capital, up to the amount outstanding claimed in the payment certificate.

In order to facilitate prompt payment the municipality of province will stipulate in its contract with the consulting engineer for the project that: *“the consulting engineer representative shall process and submit the contractors approved payment certificates to the Public Body within three days of submittal by the contractor”*.

10. MENTORSHIP AND CONSTRUCTION SUPPORT SERVICES

The main role of the mentor is to support the Learner Contractor and Learner Supervisor and to impart knowledge that will enable the Learner Contractor and Learner Supervisor to compete independently as soon as possible. The mentor will have to provide the learners with a wide range of support on the following, amongst others:

- accessing of finance
- dealing with banks
- business management
- procurement of materials and other required services
- technical and engineering knowledge and advise
- tendering
- construction planning and management
- contract management
- project management
- fulfilling of statutory and tax obligations
- labour relations and human resource management

Mentoring support to the learners will be reduced over the duration of the learnership as the learners get more experience.

NDPW may appoint, where NDPW deems it necessary to assist participating Province or Municipality with independent mentoring services to Learners through specialist mentors evaluated by the Executive Committee and invited specialists (including the financial service provider). Mentoring services for each particular project will be appointed on the basis of evaluation of tenders received for the provisioning of mentoring services.

NDPW, CETA, the Public Body and ABSA will interview and evaluate potential mentors from the appointed mentoring company. Potential mentors will be required to demonstrate that they have the necessary construction and business administrative knowledge, experience and are conversant with labour-intensive construction methods. The success of the learnership depends on the implementation of related knowledge in the workplace. **The mentor plays a vital role in this regard.**

The Learner Contractor Companies will have mentors appointed for the duration of the learnership period, so that the learner contractor/supervisor can receive advice in managing and running the business even if no contracts are being executed.

Mentorship involves the transfer of knowledge and experience, **but excludes the performance of essential daily contracting functions on behalf of the mentored Contractor.** For the purposes of Learner Contractor development it may be expected that

the direct involvement of the Mentor will gradually reduce as the Learner gains experience, and that the Mentor will gradually fulfil the role of a trusted and respected advisor

If the learner is not happy with the appointed mentor, an application to change mentors can be made to NDPW. NDPW will assess this application and if it is concluded that there are legitimate reasons for switching mentors, a different mentor will be appointed.

The mentor needs to act as the learner's trustworthy partner and needs to be trusted by the learner to act in his/ her interest at all times.

11. REPORTING

NDPW, CETA and the Public Body need to ensure that the operation, management and the delivery of skills development occurs in accordance with the roles and responsibilities specified in the MOA through:

- CETA providing quarterly progress and quality reports to the NDPW and Department of Labour.
- CETA supplying monthly moderation reports to the Management committee.
- CETA submitting ETQA reports to NDPW on the different training providers appointed.
- NDPW submitting quarterly reports to CETA.
- Training providers submitting monthly reports to CETA and NDPW
- Mentors providing full monthly reporting on support provided and progress made by learners.
- Public Bodies completing the standard EPWP template on projects executed for submission to the NDPW.

At the monthly Management Meetings held, aspects of the various reports will be discussed and if required remedial action will be suggested and implemented.

12. PROJECT- SELECTION AND CONTRACT DOCUMENTATION

The Public Body will select suitable projects for the Learner Contractor Companies in accordance with the conditions and guidelines of the EPWP as specified in Addendum EF of this management plan. The projects selected as training projects have to be approved by NDPW.

The Public Bodies are also required to ensure that the projects are designed timeously and that a full set of contract documentation, including drawings, contracts and specifications is provided to the Learner Contractors before the end of the classroom sessions.

13. **PAYMENT OF SUPERVISORS**

Once Learner Contractors have been selected the Public Body, NDPW and CETA will facilitate a meeting with the Learner Contractors where the basis of payment for supervisors shall be decided.

Possible options for payment of supervisors include:

- payment of a monthly salary
- payment of a monthly salary plus a percentage of the profits, and
- payment of a percentage of profit made.

If not acceptable to the learner, the allowance in terms of the Learnership Agreement.

An example of a contract between the learner contractor and learner supervisor is attached (see addendum EM)

14. **COMMUNITY FACILITATION AND LIFE SKILLS TRAINING FOR WORKERS**

The Public Body that signed the MOA, where such structures exist or are adequate, will do community Facilitation for recruitment of the workers. In cases where the Public Body feels that they do not have adequate resources or structures for community facilitation, the Public Body may request for such assistance from NDPW, who will then contact IDT to carry Community facilitation in the recruitment of workers for the different Learnership projects.

In terms of the Code of Good Practice, all workers working on the EPWP projects are to receive 2 days of training for every 22 days of work. NDPW and DOL have developed a 10-day life skills training curriculum for workers. The life skills training will cover the following unit standards:

- Career guidance
- HIV-AIDS
- Plan & Manage Personal Finance

Accredited Training Providers have been appointed by Department of Labour to provide the life skills training. It is the responsibility of the Learner Contractor Company to notify and apply to DOL for the training for the workers.

15. CONCLUSION

This management plan for the Labour Intensive Construction Learnerships provides information on how to manage the learnerships by outlining the roles and responsibility of each stakeholder and the learnership process.

A copy of this Management Plan will be available on the EPWP website at www.epwp.gov.za

It is intended to periodically review and if, when necessary revise the Management Plan. Comments or suggestions regarding significant omissions, or possible improvements to the document may be directed Adv Alistair Glendinning, Department of Public Works- EPWP Unit, Alistair.glendinning@dpw.gov.za or +27 (12) 337 3115 (EPWP enquiry telephone number).

GENERAL

Add GA – Memorandum of Agreement between the CETA and the NDPW

Add GB – Letters: Tender Board

Add GC – Agreement between ABSA bank and NDPW

Add GD – Responsibility matrix

Addendum GA

Memorandum of Agreement between the CETA and the NDPW

Addendum GB

Letters: Tender Board

Addendum GC

Agreement between ABSA bank and NDPW

Addendum GD

Responsibility matrix

CETA

Add CA – CETA Learnership Agreement

Add CB – Learnership: Construction Contractor NQF Level 2 (LIC)

Add CC – Learnership: Construction Supervisor NQF Level 4 (LIC)

Add CD – Learnership Agreement registration

Add CE – Guidelines on Learner allowances

Add CF – Standard letter to CETA re payment of allowances

Addendum CA

CETA Learnership Agreement

Addendum CB

Learnership: Construction Contractor NQF Level 2 (LIC)

Addendum CC

Learnership: Construction Supervisor NQF Level 4 (LIC)

Addendum CD

Learnership Agreement registration

Addendum CE

Guidelines on Learner allowances

Addendum CF

Standard letter to CETA re payment of allowances

EPWP

- Add EA – Standard Memorandum of Agreement between NDPW, CETA and Public Body
- Add EB – Learner advertisement
- Add EC – Learner application form
- Add ED – Learnership interview arrangements and score sheet
- Add EE1 – Example Contract of Employment - Contractor
- Add EE2 – Example Contract of Employment - Supervisor
- Add EF – Guidelines on project selection for learner contractors
- Add EG – Standard Travel and Accommodation budget template
- Add EH – Monthly Progress Report template
- Add EI – Generic Learnership Programme Schedule
- Add EJ – Selected text from the “Basic Conditions of Employment Act No. 75 of 1997: Sectoral Determination 5 – Learnerships”
- Add EK – Contact details of employment and skills development services business unit managers in provinces
- Add EL – EPWP Project Signboard Example
- Add EM - Third draft of Agreement between Contractor and Supervisors - 01/04/2006

Mentor Terms of Reference

Addendum EA

Standard Memorandum of Agreement between
NDPW, CETA and Public Body

Addendum EB

Learner advertisement

Addendum EC

Learner application form

Addendum ED

Learnership interview arrangements and score sheet

Addendum EE1

Add EE1 – Example Contract of Employment - Contractor

Addendum EE2

Add EE2 – Example Contract of Employment - Supervisor

Addendum EF

Guidelines on project selection for learner contractors

Addendum EG

Standard Travel and Accommodation budget template

Addendum EH

Monthly Progress Report template

Addendum E1

Generic Learnership Programme Schedule

Addendum EL

EPWP Project Signboard Example

Addendum

Mentor Terms of Reference