



## planning, monitoring and evaluation

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## social development

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Social Development  
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# Implementation Evaluation of EPWP in the Social Sector: Phase Two (2009/10 - 2013/14)

## Final Full Report

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**List of Acronyms**

CIDA	Canadian International Development Agency
COIDA	Compensation for Injuries on Duty Act
CWP	Community Work Programme
DBE	Department of Basic Education
DCAS	Department of Culture and Sport
DDG	Deputy Director General
DG	Director General
DHET	Department of Higher Education and Training
DoCS	Department of Community Safety (and Liaison)
DOCSL	Department of Community Safety and Liaison
DOH	Department of Health
DORA	Division of Revenue Act
DPME	Department of Performance Monitoring and Evaluation
DPW, NDPW	Department of Public Works, National Department of Public Works
DSAC&R	Department of Sports, Arts, Culture and Recreation
DSD SPO	Department for Social Development Special Projects Office
DSD	Department for Social Development
ECD	Early Childhood Development
EPWP	Expanded Public Works Programme
EPWP-SS	Expanded Public Works Programme Social Sector
ESC	Extended National Steering Committee
Evaluation team	The EPRI team that conducted this Implementation Evaluation
FS	Free State
FTE	Full-Time Equivalent
GDP	Gross Domestic Product
GDS	Growth and Development Summit
GP	Gauteng
HCBC	Home Community Based Care
HDI	Human Development Index
ICT	Information and Communications Technology
IDT	Independent Development Trust
IRS	Integrated Reporting System
KZN	KwaZulu-Natal
LFS	Labour Force Survey
LP	Limpopo
LSM	Living Standards Measure
M&E	Monitoring and Evaluation
MD	Ministerial Determination
MIS	Management Information System
MOD	Mass participation, Opportunity and access, Development and growth
MP	Mpumalanga
MTSF	Medium Term Strategic Framework
NC	Northern Cape
NDP	National Development Plan
NGP	New Growth Path
NPO	Non-Profit Organisation

NPWP	National Public Works Programme
NQF	National Qualifications Framework
NSF	National Skills Fund
NSNP	National School Nutrition Programme
NW	North West
OHS	Occupational and Health and Safety
PSNP	Productive Safety Net Programme
PWP	Public Works Programme
SETA	Sector Education and Training Authority
SRSA	Sport and Recreation South Africa
TWG	Technical Working Group
UNDP	United Nations Development Programme
WC	Western Cape
WCED	Western Cape Education Department
WO	Work Opportunity

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## Policy summary

### Introduction

The Expanded Public Works Programme Social Sector (EPWP-SS), launched in 2004, aims to draw the unemployed into productive work in public sector social services, enabling them to earn an income; providing them with training and skills; and enabling them to find employment or self-employment. Programmes are implemented by national, provincial and local government. The Sector is coordinated by the Department of Social Development (DSD) while the Department of Public Works (DPW) acts as the overall coordinator of EPWP.

With the National Development Plan (NDP) indicating EPWP-SS as an area for potential expansion, the evaluation assessed implementation in Phase Two (2009/2010-2013/2014) and identified areas for improvement in Phase Three. The evaluation employed a mixed methods approach, drawing on data from interviews; focus groups; programme and committee documentation; and monitoring data, to evaluate the effectiveness of implementation. In light of implementation the evaluation commented on the likelihood of meeting objectives, expansion opportunities, and design considerations.

### Findings

During Phase Two the Sector grew from two programmes to over twenty, while coordination and monitoring systems were established and a financial incentive was introduced. This contributed to achieving the Phase Two target of 750,000 work opportunities (WOs) cumulatively over the five year period. The growth of the sector is encouraging as it signals growing buy-in of social sector programmes into the EPWP mandate. Despite this, implementation has been inefficient in a number of areas. The coordination roles of the DSD and DPW overlapped in many areas, slowing down decision making and delivery. From within, the Sector did not have sufficient strategic support from implementing departments and other key partners. Programme institutional setup is inefficient with programme managers and coordinators expected to attend many meetings that have been found ineffective in resolving critical challenges the programme faces. Across nearly all programmes and provinces sampled, there were instances of late payment of stipends, sometimes by as much as several months. Additionally, the Sector faces challenges with monitoring and evaluation (M&E), including lack of a framework that reflects the Sector's unique implementation modalities, poor data collection and storage, and little evidence of the utilisation of M&E data. Most critically, the Sector has been unable to provide accredited training to participants on a consistent basis and national departments do not have a clear sense of the number of participants that meet the minimum required qualifications for their work. There is a risk that the application of EPWP in the Sector might be deskilling care and social welfare, particularly where participants are poorly educated and not accessing quality appropriate training and sufficient on-the-job guidance.

Compliance with the Ministerial Determination (MD) on EPWP has improved, but remains low. By 2013/2014, the National School Nutrition and Early Childhood Development programmes still paid participants less than the MD minimum of R70.59 per day. While most other programmes now comply with the minimum stipend, on other requirements such as contributing to the Unemployment Insurance Fund (UIF) the compliance rate is still estimated at only 50%. Causes of low compliance include a lack of prioritisation; constrained human resources for programme management; and a limited demand for compliance from "above" (senior management and political leadership) and from "below" (programme participants, who are mostly unaware that the work they do is part of EPWP).

The current monitoring systems do not allow for impact assessment and leave us without important data on implementation. However, based on this evaluation's findings, it appears likely that EPWP-SS programmes are improving the skills base of some participants; directing a very small percentage of participants onto career paths; and ensuring that most participant households have enough to eat but still leaving nearly two-thirds unable to afford a basket of basic necessities along with sufficient food.

### Recommendations include:

**R1: Clarify institutional mandates and delineate roles of the DPW and DSD in the Sector.** Review and document roles and integrate them into departments' performance indicators. As sector lead department, the DSD should be accountable for sector-wide performance.

**R2: Ensure strategic management engagement with EPWP-SS.** Agree on EPWP-SS indicators against which senior managers must enable their departments to perform—these should include indicators on Social Sector specific goals and realities.

**R3: Improve monitoring and evaluation (M&E).** Develop a Social Sector specific M&E framework, separate from but nested in the overarching EPWP framework. EPWP-SS M&E should be adequately resourced in the DSD and implementing departments.

**R4: Ensure adequate human resources are in place to implement and coordinate EPWP-SS.**  
**Action:** Undertake a functional review, in order to arrive at optimal organisational design. Identify the most essential costs and reduce inefficiencies.

## Executive summary

### 1. Introduction

The Expanded Public Works Programme Social Sector (EPWP-SS) was launched in 2004. It aims to draw significant numbers of the unemployed into productive work in public sector social services and community safety initiatives, with the aim of enabling them to earn an income; providing them with training and skills; and ensuring that they are able to translate the experience and are enabled either to set up their own business/ service, or to become employed. By involving large numbers of participants, EPWP also hopes to expand or improve these services, resulting in better outcomes for communities. Programmes are implemented by national, provincial and local government. The Sector is coordinated by the Department of Social Development (DSD) while the Department of Public Works (DPW) acts as the overall coordinator of EPWP.

Phase Two was a period of growth for the Sector, with new programmes and implementing bodies coming on board. From two programmes in 2009, the Sector grew to over twenty programmes in 2013. Social Sector Work Opportunities increased from 175,769 cumulatively in Phase One to over 750,000 in Phase Two. Phase Two also saw the gazetting of a Ministerial Determination (MD) on EPWP workers; the introduction of a Social Sector Incentive Grant for well-performing implementing bodies, and the establishment of EPWP-SS coordination mechanisms and monitoring systems.

This evaluation is part of the National Evaluation Plan for 2013/2014. It was commissioned by the National Department for Social Development (the Social Sector Lead department) and the Department of Planning Monitoring and Evaluation (DPME) in the Presidency. The evaluation focused on implementation in Phase Two (2009/2010–2013/2014). The Social Sector's performance in terms of coordination and implementation was evaluated. The likelihood that EPWP-SS will achieve its objectives was also evaluated. Opportunities for expansion; design considerations; and lessons and opportunities for Phase Three were identified.

The evaluation drew on scholarly literature on public works programmes and implementation; a review of programme documents; and a draft Theory of Change developed with the input from sector stakeholders. Interviews and focus groups were conducted nationally and in 5 provinces, with inputs from 186 individuals, 95 of them EPWP-SS programme participants. Five provinces were sampled for data collection: the Western Cape; Gauteng; North West; Limpopo; and KwaZulu-Natal. Five programmes were selected as a sample of Sector: Early Childhood Development (ECD); Home Community Based Care (HCBC); National School Nutrition Programme (NSNP); Mass Participation / Active Nation Programme; and community based crime prevention projects. The evaluation focused on what are considered to be cross-cutting implementation characteristics, acknowledging that the findings and recommendations may apply to different degrees to individual programmes and departments and may leave some components, which are of particular importance for specific stakeholders, addressed in less detail.

### 2. Findings from the literature review

**Design:** EPWP-SS is designed to both recruit from, and deliver services to, poor or previously underserved communities. Because of the great need for social services in South Africa, social sector public works represents an exciting sphere of innovation that can provide social protection in more ways than one. The Sector is unlike other EPWP sectors because some Social Sector programmes (e.g. Home Community Based Care, HCBC) effectively offer full-time, near-permanent work. This is potentially more appropriate given the structural nature of unemployment in the country. However, the scale of the intervention is very limited compared to the large proportion of unemployed, able-bodied South African adults who receive no income support from the government.

**Implementation:** EPWP-SS is implemented by multiple departments (and their partners) in all three spheres of government—national, provincial and local. It seeks to address complex socio-economic challenges and is in itself a complex programme with multiple objectives. For implementation to be successful in light of complexity, the Sector requires effective coordination, characterised by a sharing of information and resources; defined roles; frequent communication; some shared decisions; and the altering of some participating departments' activities in line with the goals of the Sector. Coordination should not be rigid or authoritarian. The work of Jones (2012) argues that in the face of complexity, stakeholders need to (1) work in a collaborative and facilitative mould, facilitating decentralised action; (2) deliver adaptive responses to problems, seeing implementation as a learning process; and (3) allow for the negotiation between and synthesis of multiple perspectives.

**Monitoring:** An effective monitoring and evaluation (M&E) framework needs to track indicators across



the results chain as may be depicted in a logic model: inputs, activities, outputs, outcomes, and impacts/objectives. Indicators must be well selected and the data gathered on each indicator needs to be of high quality. A good M&E framework in an enabling environment will support two crucial functions: accountability and informed decision making.

### **3. Evaluation Findings**

#### **3.1. Implementation Mechanisms**

##### *3.1.1. Roles of Overall Coordinating and Sector Lead Coordinator*

Both the DSD and DPW did important work to coordinate and support the Sector, but in many areas their roles have overlapped. Written delineation of roles did not provide sufficient guidance in this regard, so that “every time we have got to sit down and say who’s going to do what”. This has led to slowed decision making and tasks, such as knowledge management, falling through the cracks. The overlap is mainly a result of insufficient resourcing of coordination in the DSD. This department as well as its counterpart departments of social development in provinces have assigned the responsibility for coordination to individuals who also have other responsibilities. Additionally, these departments do not have ring fenced budgets for coordination. In contrast, the DPW has set up permanent purpose-built structures both at national and provincial levels to coordinate EPWP-SS, with dedicated resources. Additionally, EPWP is a key competency of the DPW, as opposed to the DSD where social welfare delivery is the key performance indicator. This offers stronger incentives and resources for the DPW to steer the Sector to achieve the performance targets in its Strategic and Annual Performance Plans. The evaluation found that responsibility lines were often blurred with the DPW frequently stepping in where it perceived a risk of underperformance

##### *3.1.2. Institutional Arrangements*

The Social Sector established six national coordination structures with four technical sub-committees and nine provincial steering committees. Not all the national structures functioned. Senior management coordination structures—those intended to involve Director Generals (DGs), Deputy Director Generals (DDGs) and Chief Directors—never got off the ground, leaving the Social Sector with inadequate strategic direction and unable to resolve challenges quickly and efficiently. The structures that functioned were effective as spaces for motivating stakeholders, information sharing and problem solving but not for refining policy and strategy. The National Steering Committee (NSC) was successful as a space for information sharing, updating stakeholders and endorsing processes to support the Sector; however, it was quite focused on implementation and the national implementing departments particularly did not find it satisfactory for strategic discussion. Some of the NSC’s sub-committees made important contributions to the Sector’s implementation, i.e. the Incentive Grant and Training sub-committees. However, there was little evidence that they were able to resolve the key issues affecting the Sector. The Communication sub-committee was evidently weak, and the M&E sub-committee never met at all, resulting in major gaps in the Sector’s efforts in these areas. Overall, findings on the use and outcome of coordination structures do not justify the frequency of meetings. Given resource constraints facing the Sector more effective ways need to be sought to share information and build a community of practice.

##### *3.1.3. Resource Allocation*

Human and financial resources were constrained, especially for tasks not directly related to programme service delivery; and coordinating departments are not effectively monitoring resource allocation and use. In terms of finances, provincial departments typically use a combination of sources to fund EPWP-SS programmes and financial reports are not shared with EPWP-SS coordination structures. The DPW’s performance management data system, which provides data only on overall budgets and expenditure (excluding management costs), indicates that programmes have consistently reported spending less than half of their overall programme budgets; and that stipends have increased more than threefold as a proportion of overall expenditure. However, interviews with programme managers did not indicate significant underspending or growing concentration of resources on stipends, suggesting this data is unreliable. An expenditure review might be useful to assess allocative efficiency.

In terms of human resources, the task of managing an EPWP-SS programme has become more demanding in Phase Two as new implementation requirements were introduced. For instance, programme managers must now report on the online performance monitoring system and comply with the Ministerial Determination (MD). Usually these new tasks are simply assigned to the programme

manager. Given the way their responsibilities are structured, when provincial programme managers are stretched for capacity, they focus on optimising service delivery at the expense of EPWP-SS goals. The workload associated with coordination has also increased considerably as more programmes and departments have joined the Sector. Coordinators have been tasked with promoting EPWP-SS among municipalities, too. The original EPWP mandate was for departments to create work opportunities with their existing resources, but the Phase Two experience indicates that in practice, the management and coordination of these programmes require careful allocation of existing resources and possibly some additional resources. In implementing departments, constrained human resources and a lack of alignment between departmental performance plans and EPWP-SS objectives perpetuate a tendency for programme managers to focus on service delivery and to view the pursuit and monitoring of other EPWP-SS goals as an “add-on,” unless they have direct bearing on the actual line function service delivery priorities of their programme.

### *3.1.4. Compliance with the Ministerial Determination*

Compliance with the MD on EPWP-SS is low, despite the progress made over this period. Most programmes, supported by the efforts of coordinators through the National Steering Committee (NSC), Extended National Steering Committee (ESC) and Provincial Steering Committees (PSCs), aligned their stipends with the minimum level set in the MD. However, the Volunteer Food Handlers in the National School Nutrition Programme are still paid only 60% of the minimum of R70.59 per day; while the stipends of Early Childhood Development practitioners are not controlled by the DSD and therefore vary, with some earning very low amounts. The rate of compliance with Unemployment Insurance Fund (UIF) was still estimated at only 50%, and even lower for some other stipulations. Non-compliance raises ethical and legal implications and undermines suggestions that EPWP-SS has formalised former volunteers’ roles into decent work opportunities. The contributing factors to low MD compliance include a lack of prioritisation; constrained resources for programme management; confusion as to how to comply; a lack of awareness among Non-Profit Organisation (NPO) managers; and limited demand from “above” (senior management and political leadership) and from “below” (programme participants, who are mostly unaware that the work they do is part of EPWP).

### *3.1.5. Monitoring Frameworks*

Monitoring in all EPWP programmes is governed by the overall EPWP monitoring framework, which sets standard indicators across all four sectors and defines monitoring and evaluation time frames. The Social Sector has until now applied this standard monitoring framework but this insufficiently captures the uniqueness of the Social Sector. Reporting to EPWP-SS national coordinators takes two forms. The DPW performance management system collects data through the web based Integrated Reporting System (IRS) and more recently the Management Information System (MIS) and the ESC narrative provincial reports collected by the DSD. These two systems both collect information which is relevant, economic, and monitorable but fall short in terms of the adequacy of the indicators monitored. The systems are designed to serve very specific purposes. The DPW system reports aggregate expenditure to Treasury; and the ESC reports to hold programme managers and coordinators to account for certain EPWP-SS priorities and to identify problems for coordinators to address. These systems do not provide the indicators needed to appraise performance across the whole results chain (from resources, to activities, outputs and outcomes; and to support evaluations that measure impact). Moreover, the two systems are not aligned, and there are challenges with data quality. As a result, EPWP-SS monitoring that took place in Phase Two was insufficient for accountability, learning, and evidence-based decision making; and was characterised by a narrow focus on work opportunities achieved, parallel systems and weak data management. The DPW is currently making improvements to its performance management system and it is an opportune time for the Social Sector, led by the DSD, to develop Social Sector monitoring and evaluation framework, separate from but nested in the overall EPWP framework, and to develop an agreed Theory of Change, with which the new DPW system should align.

### *3.1.6. Other implementation aspects*

In terms of the number of opportunities provided, EPWP-SS over-performed on its Work Opportunity (WO) target, reporting 866,246 against the 750,000 target. But the Full-Time Equivalent (FTE) target was not reached. In terms of whether these opportunities reached the intended target group (defined in programme data only as “the poor and unemployed”), available data gives indication that most households participating in EPWP-SS would, in the absence of EPWP-SS, be considered poor as per the poverty means test applied to Child Support Grant applicants. Whether EPWP-SS is effective in reaching the unemployed adults who are most poor and marginalised, a question previous studies have also raised regarding EPWP in general, is less clear from available data.

The Sector provided less training than it intended to, with most provinces reporting less than half of the targeted number of training opportunities. Contributing factors included constrained human resources to plan the training; small equitable share budgets for training coupled with an inability to access the training funded through the National Skills Fund; the low skill levels of participants and the scarcity of accredited trainers in some programmes. Training was generally in line with the skills participants needed for their work, although shorter training opportunities (skills programmes and short courses) were often deemed relevant but insufficient on their own. The training data available at a national level focuses on the number of opportunities provided, potentially masking important implementation failures such as high dropout rates, and not indicating the quality and appropriateness of training. It is concerning that most national departments are unaware of how many EPWP-SS participants in their provincial programmes have the minimum training required for their work.

Throughout Phase Two and across almost all programmes and provinces sampled, there were instances of late payment of stipends, sometimes by as much as several months. Common causes include programme managers' inability to get timely sign-off for stipend expenditure and the misalignment between programme planning cycles and the announcement and disbursement of the Incentive Grant allocations. This can reduce the poverty alleviation potential of the stipend, sometimes even forcing participants into debt. It requires urgent attention.

### **3.2. Likelihood of EPWP SS achieving its Outcomes and Impacts**

The Social Sector has emphasised a broader set of objectives than other sectors. The main objectives are alleviating poverty; reducing unemployment; and providing quality social services. Attempts to measure the achievement of these objectives are complicated by lack of clear and commonly agreed outcomes and impacts, and their respective indicators. Other than the narrow focus on work opportunities and FTEs, there are no agreed measures of success and targets on other outcomes. The findings presented here are therefore indications of the likelihood of achieving objectives, in light of the implementation assessment and any available data, and these findings should be tested with an impact assessment.

#### *3.2.1. Likelihood of reducing unemployment*

EPWP-SS is likely to have contributed to enabling a scale-up of programmes and keeping job creation on departmental agendas. It is likely that programmes such as the Crime Prevention and Sports programmes, for example, provide employment to more members of the target group than they would if they were not part of EPWP. It is also claimed that EPWP-SS has shifted the status of former volunteers into that of employees by formalising their work conditions. Compliance with the MD which defines minimum stipends, working hours and leave days is a good measure of the extent to which EPWP-SS is achieving this outcome. Findings from the evaluation suggest that EPWP-SS is indeed formalising most former volunteers' positions with respect to income earned but, it falls short in other stipulations.

The impact on participants employment status is not permanent. Many programmes renew contracts only up to two or three years. Few programmes were found to provide longer term work opportunity by renewing participants' contracts up to as much as 10 years. For these participants EPWP-SS is creating near-permanent employment. This is unusual for public works programmes globally and was not the intention when the MD was introduced.

#### *3.2.2. Likelihood of alleviating poverty through the stipend*

Stakeholders identify poverty alleviation through the stipend as an important objective in the programme's Theory of Change. Both the qualitative data collected for this evaluation and a number of preliminary quantitative measurements suggest that at the current minimum stipend level, EPWP-SS programmes are likely to provide poverty relief. Participants indicated that their stipends "put food on the table". The quantitative measurements suggested that the minimum stipend is likely to enable most (approximately 67%–88%) of participant households to afford sufficient food (i.e. being lifted out of "food poverty" as defined by StatsSA in 2015). Those who remain unable to afford all the food they need despite the stipend are nevertheless likely to be far better able to afford it (the food poverty gap index narrows to approximately 2%–9%). Nearly two-thirds are likely to remain poor according to a broader definition, in that they are unable to afford a basket of basic necessities in addition to sufficient food, despite the minimum stipend.

#### *3.2.3. Likelihood of improving the skills base and enhancing employability*

The evaluation found that although the programme could help address individual level barriers to employment, such as a lack of skills; lack of access to information about opportunities; low self-esteem; and no work experience, the programme does not address structural causes of unemployment. The reports of provincial implementing programmes in 2011/12 and 2012/13 suggest participants had a less than 1.9% chance of being “career pathed” (purposely trained and recruited into specific government jobs) through EPWP-SS. This estimate excludes those who were able to find work of their own initiative because of the experience and training gained as EPWP-SS participants; still, it questions the logic that work experience and training necessarily leads to improved employability. It is not clear whether the skills provided through EPWP-SS are the skills the economy needs. Programme managers rarely considered the participants’ future employability prospects in their selection of training unless they were aware of career pathing opportunities in their own departments. It was uncommon for programme managers to seek out or be provided with information, by Sector Education and Training Authorities (SETAs), on opportunities elsewhere in the field, and for them to align training and work opportunities with these. This was likely to limit the Sector’s success in improving participants’ ability to find work outside EPWP-SS.

### **3.3. Designing EPWP to reach its Outcomes and Outputs**

The experience with implementation in Phase Two has shown that although the integration of job creation with service delivery helps to ensure that participants do work that contribute to government’s objectives while accessing income support, it is challenging to get different departments to prioritise and internalise cross-cutting goals. Departments still tend to assign lower priority to complying with the MD, communication with participants about EPWP, and planning for improving participants’ employability. Service delivery on a line function remains the “core business”; officials faced with resource constraints tended to emphasise that other objectives are an “add-on”. This is a challenge inherent in programme design, however, coordination can be strengthened to improve alignment of programmes towards the achievement of the full set of EPWP-SS objectives.

The provision of long-term employment is beneficial in that it provides income support and stability to participants over a longer period; provides more opportunities for training that can improve future employability; and allows programmes to benefit from the skills and work experience that participants gain over time. Providing some form of long-term social protection is appropriate in situations of structural unemployment. However, long-term employment in these programmes creates a situation where participants may earn EPWP minimum wage and work under the MD (which is a reduced version of the Basic Conditions of Employment Act) on an ongoing basis. This was not the initial intention of EPWP’s design. Additionally, it further limits the scale of the programme.

EPWP is essentially supply-driven. The scale of the programme is determined by the capacity to supply opportunities rather than the demand for it. EPWP-SS can only absorb a limited number of participants determined by what government departments can usefully and affordably contract into their service. Therefore programmes in the Social Sector and other supply-driven EPWP programmes cannot provide income support to all the unemployed adults who need it. These programmes need to be supplemented by other social protection interventions that can cover poor and unemployed adults at a national scale (there are promising international examples to consider).

### **3.4. Opportunities for Expansion**

The Social Sector has sought to expand its existing programmes as well as to seek out new programmes for inclusion in the Sector. In line with the Terms of Reference TOR, the evaluation methodology focused on the implementation of existing programmes and this is where the opportunities for increased numbers of WOs and FTEs were most clearly highlighted to the evaluation team.

1. Improve performance against training targets.
2. Ensure smooth functioning of the DPW performance management reporting system.
3. Ensure that programmes are up and running from the start of the financial year.

## **4. Conclusion**

The evaluation found growth in the number of participants and programmes in EPWP-SS. This is encouraging as it represents the growing buy-in of social sector programmes into the EPWP mandate. However, a number of implementation issues, which hampered effectiveness across the programme results chain, emerged. Many of the issues have to do with the overarching challenges of ineffective coordination and institutional arrangements; resource constraints and inappropriate allocation of existing resources; the lack of involvement of senior management; weak internal communication; and the need

for more effective monitoring and evaluation.

The evaluation did not disprove the validity of the Theory of Change, but demonstrated that the assumption that stakeholders would align to EPWP-SS objectives and would assign the needed resources did not always hold. Recommendations are geared at addressing this.

## Recommendations

**R1: Clarify institutional mandates and delineate roles of the DPW and DSD in the Sector.** The roles of these departments as well as national implementing departments should be reviewed and clearly spelled out in a document that is endorsed by senior managers and then integrated into personnel's accountability structures. As the Sector Lead department, the DSD should be accountable for sector-wide performance.

**R2: Ensure strategic management engagement with EPWP-SS.** For this to happen, stakeholders must agree on EPWP-SS indicators against which senior managers must enable their departments to perform. Merely focusing on WOs and FTEs is likely to leave many implementation issues unaddressed. Once indicators are defined they can be included in the departments' strategic plans and performance agreements.

**R3: Improve monitoring and evaluation.** The Sector should develop an M&E framework, including the Theory of Change. It should be separate from, but nested in the overarching EPWP framework, so that it can make provision for the uniqueness of the Social Sector. The Theory of Change, developed as part of the evaluation, may provide a useful starting point for a framework focused on Phase Three, which can then be used to identify the indicators that need to be tracked and inform the revision and integration of existing monitoring systems. An individual level dataset, with baseline data and ongoing monitoring of key implementation and impact indicators, will be required. EPWP-SS's M&E should be adequately resourced in the DSD and implementing departments.

**R4: Ensure adequate resources are in place to support the implementation and coordination of EPWP-SS.** It is recommended that coordinating departments undertake a functional review<sup>1</sup>, incorporating business process analysis, with a view to arrive at an optimal organisational design and resource allocation. A clear understanding of functions and resources is important to identify resource gaps, but given the constrained fiscal environment the Sector needs to think of ways to reduce inefficiencies and do more with little resources. A clearly articulated Theory of Change will help identify the most essential costs.

**R5: Prioritise training and skills development.** Training should be prioritised in programmes where participants are not meeting the minimum qualifications set by national departments. Furthermore, every implementing department should have a realistic long-term training plan linked to the achievement of service quality objectives and should support this with sufficient human and financial resources. Wherever possible, training plans should reflect an overlap between skills required to improve service delivery and those required in the labour market.

**R6: Develop sound strategies for improvement of employability.** Coordinators, SETAs, and national departments—coordinated by the NSC's Training and Capacity Building sub-committee—should work to address the need for general guidance in improving employability, for instance in a guiding document or a revised version of the Social Sector's training manual. Implementing departments in turn will need to commit to this objective and task their programme managers with planning and implementing such strategies. Any work to improve employability should be grounded in sound research.

**R7: Identify and address the key implementation inefficiencies.** The evaluation identified some

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<sup>1</sup> See Maning, N. and Parison, N. (2004), *Determining the structure and functions of government: Program and function reviews*. Moscow: World Bank.

<http://www1.worldbank.org/publicsector/civilservice/ACSRCourse2007/Session%208/DeterminingStructureFunctions.pdf> (24 April 2015)

fundamental implementation issues that need to be addressed. The two most pressing issues, which need urgent action, are late stipends and the need for communication with NPOs and participants about EPWP-SS. These should enjoy high priority and the effectiveness of efforts should be monitored. Further implementation issues to be addressed include bringing programmes in line with the MD and revising coordination structures.

# 1 Introduction

## 1.1 Background to the intervention

### Background to the Expanded Public Works Programme (EPWP) in the Social Sector

The Expanded Public Works Programme (EPWP) is a public employment initiative of the South African government launched in 2004. It builds on previous public works programmes and is designed to utilise public sector budgets to reduce unemployment and address poverty. This is to be achieved by drawing significant numbers of the unemployed into productive work; enabling them to earn an income by providing them with education and skills; and ensuring that they are able to translate the experience and be enabled either to set up their own business / service, or to become employed<sup>2</sup>.

The mandate of EPWP was reinforced when in 2011 the New Growth Path articulated government's intention to expand public employment as part of its broader strategy for fighting poverty and addressing inequality<sup>3</sup>. The National Development Plan (NDP) sets the target of reaching two million unemployed people per year with EPWP by 2020 or earlier and specifically makes mention of the Social Sector's potential to contribute to this target<sup>4</sup>. Phase Three will run from 2014/2015 to 2018/2019.

EPWP programmes are organised into the following four sectors: infrastructure, environment and culture, non-state, and social. The Social Sector of the EPWP (EPWP-SS) aims to improve social services by employing participants in social development and community protection services. The Social Sector has retained a strong emphasis on providing training and improving the future employability of its participants.

The Social Sector is coordinated by the Departments of Social Development (nationally and provincially) as the Sector Lead Department of the Social Sector and the Departments of Public Works (nationally and provincially) as overall coordinator of EPWP, including the Social Sector.

The first phase of EPWP (2004/2005 to 2009/2010) reported over a million work opportunities across sectors. Towards the end of Phase One and into Phase Two (2009/2010 to 2013/2014) the global economic crisis led to further job loss in the South African economy. Phase Two (2009/2010 to 2013/2014) was a period of growth for the Social Sector, with a near doubling of the number of person-years of work (Full-Time Equivalents) reported. The biggest driver of this was the expansion of the Sector to involve more programmes<sup>5</sup>. In Phase One, three national departments were involved in EPWP Social Sector - the departments of Health (DOH), Basic Education (DBE), and DSD. The departments worked to guide, coordinate and contribute to the funding of programmes implemented by their corresponding departments in provinces. The two programmes implemented through cooperation between these national and provincial departments were Early Childhood Development (ECD) and Home Community Based Care (HCBC). This is depicted in Figure 1 (departments of health were also involved with ECD, but work opportunities were reported by departments of social development and education).

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<sup>2</sup> DSD, DoE, and DoH (2004), EPWP Social Sector Plan, 7.

<sup>3</sup> Department of Economic Development (2011), The New Growth Path: Framework.

<sup>4</sup> <http://www.economic.gov.za/communications/publications/new-growth-path-series> (accessed 16 December 2014).

<sup>5</sup> National Planning Commission (2012), *National Development Plan 2030: Our future - make it work*. Pretoria: The Presidency, 153.

<sup>5</sup> Programmes participating in EPWP are also sometimes referred to as "sub-programmes" when distinguishing them from the overarching Expanded Public Works Programme.

**Figure 1. EPWP Social Sector Phase 1 Programmes and Departments**

In Phase Two, the Sector expanded to involve the national department of Sports and Recreation (Sports and Recreation South Africa) and the Civilian Secretariat for Police, as well as (in most provinces) the provincial counterparts of these two departments. Between these national and provincial departments, over 20 different types of programmes were implemented – these are depicted in Figure 2. Some programmes, including HCBC in some provinces and ECD services as implemented by non-profit ECD centres, are implemented by NPOs in contract with the provincial implementing departments. This can attenuate the departments' control over implementation arrangements. Other programmes are implemented directly by the departments. Social Sector programmes were also promoted among municipalities and some municipalities began to implement and report EPWP Social Sector programmes.

**Figure 2. EPWP Social Sector Phase 2 Programmes and Departments<sup>6</sup>**

The total annual expenditure on EPWP Social Sector programmes was reported to be between R1.9 billion and 2.6 billion - including expenditure on stipends and certain other programme expenses, but excluding public bodies' internal programme management and

<sup>6</sup> DSD Special Projects Office (SPO) (2014), *EPWP Phase 3 Draft Social Sector Plan – Draft Version 4*, 7.



human resource expenses<sup>7</sup>. The number of participants (EPWP beneficiaries working in Social Sector programmes) was not tracked, but the reported overall number of work opportunities<sup>8</sup> ranged between 131,982 and 206,421 per annum.

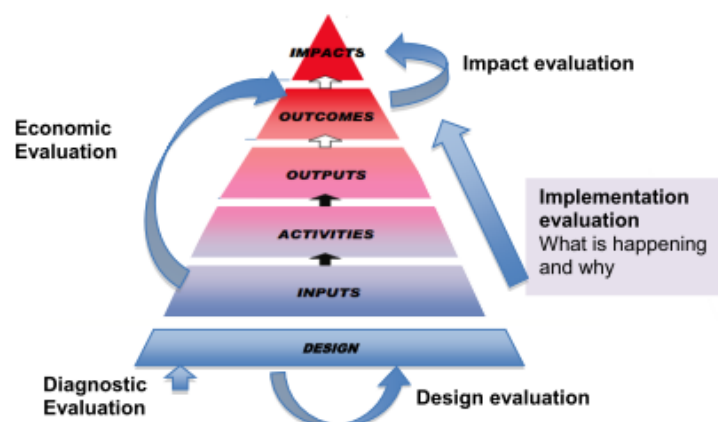
Phase Two also saw the gazetting of a Ministerial Determination on EPWP workers; the introduction of a Social Sector Incentive Grant for well-performing implementing bodies, and the establishment of certain EPWP-SS coordination mechanisms and monitoring systems as part of the work of participating implementing bodies.

## 1.2 Background to the evaluation

This Implementation Evaluation of EPWP in the Social Sector was commissioned by the National DSD and the DPME in the Presidency. This evaluation forms part of the National Evaluation Plan for 2014/2015.

Implementation evaluations are focused on informing stakeholders of a programme or policy as to what is happening in practice, how it is happening, and why it is happening. Such an evaluation builds on monitoring data and provides more in-depth and comprehensive information about the quality of service delivery. An impact evaluation, which provides information about whether or not a programme is working, needs to include an implementation evaluation to provide an understanding of the processes happening in the theory of change.<sup>9</sup> A graphical depiction of how implementation evaluations relate to other types of evaluation within a results-based management framework is provided in Figure 3.

**Figure 3. Relationship of evaluations to results-based management**



The implementation evaluation focuses on EPWP-SS Phase Two – a five-year period marked by growth in the number of implementing bodies and work opportunities, as described above, as well as the formalising and establishing of certain regulations and monitoring systems. By reviewing the effectiveness of implementation during Phase Two, this evaluation intended to

<sup>7</sup> From the Department of Public Works' quarterly performance monitoring reports. See section on Resource Allocation for more details about how these estimates were compiled and challenges with the data.

<sup>8</sup> A work opportunity is defined as: "Paid work created for an individual on an EPWP project for any period of time. The same individual can be employed on different projects and each period of employment will be counted as a work opportunity" (Kagiso Trust (2011), *Expanded Public Works Programme Draft Social Sector Plan*, 4.)

<sup>9</sup> See Department of Performance Monitoring and Evaluation (DPME) (2014) *Guideline on Implementation Evaluation*, DPME Evaluation Guideline No 2.2.12. <http://www.thepresidency-dpme.gov.za/keyfocusareas/evaluationsSite/Evaluations/GL%20%202%2012%20Implementation%20Evaluation%2014%2003%2020.pdf> (Accessed 6 September 2014).

support accountability, learning, and informed decision making and implementation as the Social Sector continues to pursue growing targets in Phase Three.

The specific questions to be answered were:

1. How effective have the implementation mechanisms of the EPWP Social Sector been functioning?
  - What are the facilitating and constraining factors on the performance of the EPWP Social Sector in Phase Two?
    - How have the roles of overall coordinator and sector lead coordinator played themselves out?
  - How can the roles be clarified, delineated and better implemented in phase three of the programme?
  - How effective has the institutional arrangement of the EPWP Social Sector been including: DDG and Chief Director Forums, National and Provincial Steering Committees, Extended National Steering Committee, and various sub- committees e.g. training, M&E and Incentive Project Management Team)?
  - To what extent do implementing departments complement each other to enhance the coordination of the sector both at national and provincial levels?
  - How efficient has the Programme been and are the resources allocated appropriately to support coordination and implementation of the programme?
  - What are the challenges faced in implementing the Ministerial Determination?
  - How effective and aligned are monitoring frameworks across different departments in the sector?
2. What is the likelihood that EPWP Social Sector Phase Two will achieve its outcomes and impacts?
  - Is the Social Sector EPWP likely to meet its job opportunity objectives?
  - What are the likelihoods that EPWP Social Sector initiatives will improve the skills base and enhance the employability of beneficiaries and what are the reasons for this?
3. Is the design of the EPWP Social Sector appropriate to meet its intended outputs and outcomes?
  - What are the strengths and weaknesses of the current design of the EPWP Social Sector revealed by implementation?
  - How sufficient is the stipend in relation to the minimum poverty level (i.e. used by National Treasury), in terms of meeting basic needs?
4. What opportunities exist for expanding the EPWP Social Sector, both from existing and new Social Sector programmes, and for which category of participants?
5. What are the lessons and opportunities that should guide scale up to Phase Three?
  - How can the “career-pathing” strategies of the Social Sector be improved in Phase Three?
  - How can the roles be clarified, delineated and better implemented in Phase Three of the programme?
  - What improvements need to be implemented?

## 1.3 Methodology

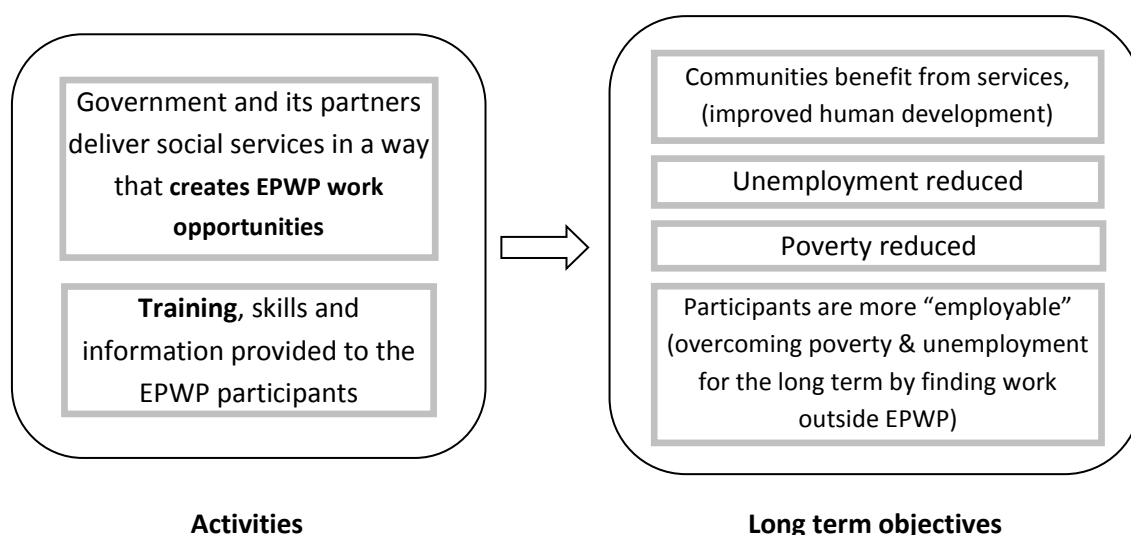
### 1.3.1 Analytical framework and theory of change

The implementation of EPWP Social Sector in Phase Two was assessed based on implementation theory as well as the Sector’s own objectives.

To assess EPWP-SS effectiveness it is important to establish what it seeks to achieve and how. In order to do so, a Theory of Change workshop was hosted as part of the evaluation. Drawing on programme literature as well as the inputs of the workshop participants, a Theory of Change was drawn up. The full Theory of Change is provided as an annexure and is accompanied by short paragraphs on each of the challenges / needs to be addressed by the intervention; inputs; activities; outputs; outcomes and objectives; as well as the assumptions

that underpin the theory and the risks associated with it. Of particular importance is to note the objectives of EPWP-SS, which can be summarised as better human development (through the provision of quality social services); the reduction of unemployment in the target group; the alleviation of poverty in the target group; and the promotion of “employability” i.e. improvement of participants’ chances to find work or become self-employed outside EPWP-SS (see a summary of activities and intended impacts in Figure 4). These components formed part of the basis for the evaluation, with a focus on the inputs, activities, outputs and outcomes.

**Figure 4. Summary of EPWP-SS key activities and intended impacts**



The analytical framework was further informed by the literature that describes the features and underlying factors of successful implementation as are relevant to EPWP-SS. This included literature on the socio-economic challenges the programme seeks to address; public works theory; implementation theory with an emphasis on complexity and cross-cutting initiatives; and studies of effective institutional arrangements, coordination, resource use, monitoring and evaluation.

### 1.3.2 Data collection

The data collection focused on five programmes that were implemented in Phase Two, i.e. 2009/2010 to 2013/2014 (see Table 1).

**Table 1. Focal programmes for data collection**

Department	EPWP-SS programme
Social Development	Early Childhood Development (ECD)
Health	Home Community Based Care (HCBC)
Basic Education (National) / Provincial Depts. of Education	National School Nutrition Programme (NSNP)
Sports and Recreation South Africa (National) / relevant Provincial Depts.	Mass Participation Programme (MPP)
Civilian Secretariat for Police (National) / Community Safety and liaison	Community based crime prevention projects

Data was collected from the coordinating/lead departments at national and provincial levels; and the five implementing departments listed above at the national level as well as in five provinces: North West, Gauteng, Limpopo, KwaZulu-Natal and the Western Cape. In nearly all participating departments, at least one individual was interviewed.

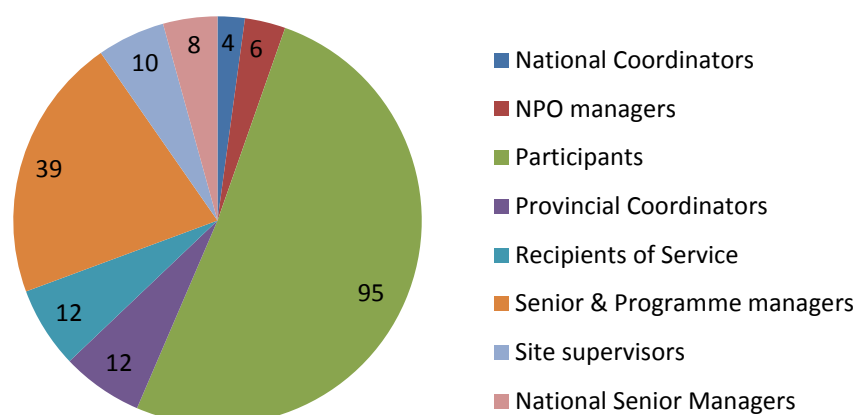
Two focus group discussions were held with provincial programme coordinators (provincial sector lead departments and National Department of Public Works regional coordinators); 14

officials participated in total. Furthermore 28 individual<sup>10</sup> interviews were conducted face to face, whilst 10 were conducted telephonically. Telephonic interviews were used only where a face to face interview was logistically impossible (for instance, the respondent was on leave or EPRI had not yet received her contact details during EPRI's visit to her province) the interview was conducted telephonically.

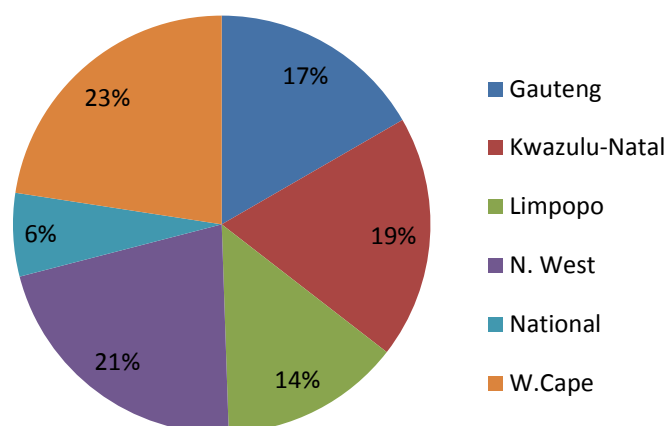
In each of the five provinces the evaluation team visited two implementation sites, where the team interviewed EPWP participants in focus groups, their supervisors, and recipients of the services they provide. During the site visits, the fieldworkers collected some basic demographic and income data from the EPWP participants in focus group discussions. 47 participants provided data that could be used for analysis. One NPO per province was also interviewed, except in Limpopo where the interview did not take place. In all, 186 respondents participated in the data collection (see Figure 5), representing all participating departments (nationally and in the five provinces) and categories of participants. There is a fairly even spread of respondents from the five provinces (see Figure 6). The data from all interviews and focus groups was recorded for improved accuracy and thematically analysed using the NVIVO 10 software package.

Members of the evaluation team further engaged in participant observation by attending two quarterly meetings held by the EPWP-SS National Extended Steering Committee (ESC), and a part of the national EPWP-SS Expansion Summit held in August 2014.

**Figure 5. Breakdown of focus group and interview respondents, by role**



<sup>10</sup> Occasionally more than one official from the same department attended these (e.g. senior manager and programme manager).

**Figure 6. Breakdown of focus group and interview respondents, by province**

### 1.3.3 Secondary Data

The following programme documentation was reviewed as far as it was available in the public domain or made available by departments:

- Social Sector planning documentation: The Sector produces a Social Sector Plan for each five-year Phase. The Phase One plan, Phase Two draft plan, and Phase Three draft plan were studied. The Social Sector also develops an annual Action Plan; these plans and progress reports for the latter two years of Phase Two (2012/2013 and 2013/2014) were made available.
- National committees' documentation: The minutes, attendance registers and associated documents/presentations of all meetings held by the following committees were studied: The National Steering Committee and its four Task Teams; Extended National Steering Committee; Annual National Summit.
- Provincial Steering Committee business plans and meeting documents – Western Cape and Limpopo
- Some implementing bodies and coordinating departments shared further documents related to the topics of the evaluation, such as examples of their own programme plans; monitoring reports; and contract templates.<sup>11</sup>

In terms of quantitative data, two existing datasets were used for further analysis. Firstly, the performance monitoring and information datasets produced by the National Department of Public Works (generated by the Web-Based System, Integrated Reporting System, and Monitoring and Information System) was made available as raw data at site level. Summary statistics based on this data was provided by the NDPW EPWP M&E Unit. Secondly, the EPRI team employed the National Income Dynamics Survey (NIDS) dataset of 2012 to micro-simulate the potential poverty impact of the EPWP minimum stipend. The results were compared to an analysis of the focus group participants' data.

### 1.3.4. Informed Consent

All participants in the interviews and focus groups were provided with an informed consent form providing background and purpose of the study and the reason why they have been

<sup>11</sup> Documents were received from National DPW, DSD, DBE and DSD (ECD); Sector Lead departments of Gauteng and Limpopo; Western Cape Department of Transport and Public Works, Department of Education and Department of Culture and Sport; Gauteng Department of Community Safety; North West Department of Community Safety and Liaison; KwaZulu-Natal Department of Sport and Recreation.

asked to participate, the types of questions that will be asked, the right not to participate, and the risks and benefits associated with participation. For respondents at site level (participants, their supervisors, and recipients of the service they provide) the consent form was read out in their preferred language. Site level participants received a lunch as a token of appreciation for their time.

Respondents were assured that they would not be cited by name in the report. State officials were assured that as far as possible, they would be quoted in such a way that they could not be identified. One state official asked not to be quoted at all and this person's request was upheld. Participants in focus groups were allowed to choose nicknames instead of stating their real names, to ensure them of complete anonymity.

#### 1.3.4. Limitations

**Stakeholders not interviewed.** As described in Table 2, programme managers and a number of senior programme managers in implementing departments were interviewed. The relevant Chief Directors in NDPW and NDSD were interviewed, but it would also have been useful to have in depth interviews with their counterparts in implementing departments; and to interview the Deputy Directors-Generals who were intended to participate in EPWP-SS coordinating structures. Their omission has resulted in a less detailed analysis of why the senior management coordination structures did not function. The evaluation of the NSC Task Teams would have been aided by formal interviews with the chairpersons of the committees, however most of these made themselves available for ongoing interaction as needed and so the impact of this omission was minimised. Municipalities, whose participation in EPWP-SS in Phase Two was low but growing (3661 Social Sector FTEs reported in 2013/2014), were not interviewed. At the time the evaluation was conceptualised local government (LG) did not make a substantial component of EPWP-SS and there was limited LG participation during phase two. As a result the sector was of the view that not including LG would not undermine the study.

**Logistical challenges leading to reduced involvement of former participants.** EPWP does not have a database of project sites with addresses and contact details. Before a site could be randomly selected, it was necessary to engage with the relevant manager and obtain the list of sites, which sometimes took longer than expected and impacted on the fieldwork timeline. Current programme participants, their supervisors and the recipients of the services they provide were still available and generally willing to participate in a focus group or interview at short notice, but it was difficult to ensure the participation of former (exited/career pathed) participants at short notice. This is regrettable given former participants' unique perspective on the long-term career and poverty impacts of EPWP-SS.

**Limited availability of programme documentation and records.** The evaluation would have benefited from analysis of more programme documentation and records. Some of these documents were not available because of poor record keeping; for instance, only four sets of meeting minutes were available for the National Steering Committee although there was evidence that at least 10 meetings were held during Phase Two. Other records are not centrally collected and were not made available; for instance, provincial programme business plans and annual reports. However the findings presented in the report have been subject to a validation process and made available for comments, and where stakeholders disputed findings (e.g. apparent under-spending of budgets) follow-up investigations were made to supplement the lack of data.

**Broad scope of the evaluation which did not permit detailed reviews of participating programmes.** The scope of this evaluation as per the Terms of Reference did not enable an in-depth analysis of each Social Sector programme as it has developed over time. Instead the five types of programmes were studied as a sample of the programmes in the sector. Likewise only five provinces were studied as a sample of the national situation. Where possible the report provides programme-specific or province-specific details by means of illustration or to highlight exceptions, but the findings, conclusions and recommendations are focused at the

level of sector-wide implementation.

**Unavailability of larger EPWP quantitative dataset.** In 2011/2012, the National Department of Public Works commissioned a mid-term review of EPWP. For this review, quantitative individual level data was collected from EPWP participants in all sectors including the Social Sector. In comparison with the brief survey conducted with focus group participants for this evaluation, this dataset is larger (333 social sector participants) and sampled participants in all provinces instead of only 5. Compared with the NIDS dataset which does not identify EPWP participants, the mid-term review respondents are actual EPWP participants. For these reasons the mid-term review dataset is a superior dataset for a quantitative assessment of the poverty impact of the stipend. However it was not made available for this evaluation. Nevertheless the results of this evaluation's quantitative analysis was broadly corroborated by the qualitative findings, providing a satisfactory indication of likely impact for the purposes of this implementation evaluation. These limitations notwithstanding, we are of the view that the data collected and the process followed to complete this evaluation was adequate and robust enough to validly answer the evaluation questions.

## 2 Findings from the literature review

The literature review conducted for this evaluation drew on international literature as well as what has been written on EPWP and the Social Sector in particular. The review focused on the socio-economic and policy context within which EPWP-SS operates; the design and objectives of EPWP-SS; and the implementation of EPWP-SS as a cross-cutting initiative aimed at addressing a complex set of socio-economic challenges.

### 2.1 Socio-economic and policy context

South Africa faces high levels of unemployment and poverty, and an over-supply of low skilled workers. These challenges are unevenly distributed. The poorest 40% of the population have 7% of the income, while the top 10% have 54% of total income.<sup>12</sup> These challenges are racially skewed and largely an inherited legacy of Apartheid and the oppressive colonial regimes that preceded it.

South Africa's unemployment rate is high, currently estimated at least 24%<sup>13</sup> but far higher among youth, black Africans, and women, as well as in certain provinces<sup>14</sup>. The causes of this phenomenon are hard to summarise and indeed there exist different intellectual discourses on unemployment in South Africa<sup>15</sup>. However, there is general agreement that the following factors are important:

- Structurally, the South African economy, like many economies, has undergone **sectoral changes** that have slowed the demand for unskilled labour.<sup>16</sup> Therefore there is a mismatch between the skilled labour needed in the economy, and unskilled labour offered in South Africa.

<sup>12</sup> World Bank (2010), *World Development Indicators: Distribution of income or consumption*. <http://wdi.worldbank.org/table/2.9> (7 February 2015).

<sup>13</sup> The official employment rate is often referred to as the "narrow" rate, as it excludes a group – discouraged work seekers – that some argue should also be seen as unemployed. If these are included the unemployment rate stood at 36% in the fourth quarter of 2014. See Statistics South Africa (2014), *Quarterly Labour Force Survey: Quarter 4*. <http://beta2.statssa.gov.za/publications/P0211/QLFS%20Q4%202014.pdf> (29 March 2015).

<sup>14</sup> The Free State and Eastern Cape have unemployment rates over 30%, compared to under 21% in Limpopo and KwaZulu-Natal - see StatsSA (2013), *National and provincial labour market trends: 2003-2013*. Statistical release P0211.4. [beta2.statssa.gov.za/publications/P02114/P021142013.pdf](http://beta2.statssa.gov.za/publications/P02114/P021142013.pdf) (1 May 2015)

<sup>15</sup> A highly informative article overviewing these discourses is Fourie, F. C. v. N. (2012). *The South African Unemployment Debate: Three Worlds, Three Discourses?*, Bloemfontein: University of the Free State.

<sup>16</sup> Banerjee, A. et al. (2007), 54.



- The **low skill levels** of millions of workers is caused by the history of reservation of high skilled jobs for whites and an enduring legacy of racially segregated and vastly unequal education.
- The oversupply of unskilled labour further increased when a large number of **new job seekers** joined the labour force after 1994. These include in particular youth (aged 16 to 29)<sup>17</sup>, African women, and those with a matric certificate or less.
- A **lack of experience** is a drawback for many.<sup>18</sup> In 2005, just under 60% of the unemployed had no work experience. The majority of those without work experience are youth.<sup>19</sup>
- **Socio-economic** factors (including long distances between townships and employment opportunities; and a lack of contact with employed persons resulting in a lack of information about opportunities) **and psycho-social factors** discourage black Africans in their job search. Other factors include discrimination from the vestiges of institutional racism.<sup>20</sup>
- South Africa's **lack of a thriving informal sector** relative to other African countries weakens the ability of the poor to transition into formal employment.
- Coupled with unemployment, a large portion of South Africans live in **poverty** (54% cannot afford adequate nutrition and basic needs<sup>21</sup>). This limits households' opportunities across many dimensions, including their ability to pursue education and to seek work.

These factors are further enmeshed within the country's unique socio-economic, geographical and historical context to make unemployment a "complex" one. Complex problems can be defined as ones where formulae have limited application; success elsewhere or in the past does not guarantee success in the next case; and we face a dynamic environment in which expertise can be valuable, but not necessarily sufficient.<sup>22</sup> In such a context there is no one single solution to the social issue. There is no one single solution to unemployment in South Africa; different interventions all contribute some part to the solution.

The recognition that, at least in the short term, there were limitations to the ability of economic growth to reduce unemployment, led to implementation of public works programmes from the 1990s onwards, and in 2004, the Expanded Public Works Programme which involves all public sector bodies. The Growth and Development Summit (GDS) (2003) formulated EPWP as a short-to-medium term programme as part of a set of shorter and longer term strategies to address unemployment.

In the formulation of the National Development Plan (NDP) (2012) and the Medium-Term Strategic Framework for 2014-2019 which operationalise the NDP, EPWP continued to be part of the medium term strategy for addressing unemployment, as well as poverty and inequality.

<sup>17</sup> One group of economists attribute a substantial part of this rise to "unintended consequences of more rapid grade promotion and restrictions on over-age learners in schools" within these years. See Burger, R., Van der Berg, S. and Von Fintel, D. (2012), *The unintended consequences of education policies on South African participation and unemployment*. Stellenbosch Economic Working Papers: 11/12. <http://www.ekon.sun.ac.za/wpapers/2012/wp112012> (7 February 2015).

<sup>18</sup> Banerjee, A. Galiani, S. Levinsohn, J. McLaren, Z. Woolard, I. (2007), *Why has unemployment risen in the New South Africa?*, National Bureau of Economic Research Working Paper 13167. <http://www.nber.org/papers/w13167> (15 July 2014).

<sup>19</sup> Ibid.

<sup>20</sup> Banerjee, A. et al. (2007).

<sup>21</sup> Statistics South Africa (2015), *Methodological report on rebasing of national poverty lines and development of pilot provincial poverty lines*, Report No. 03-10-11, 14. Available at <http://beta2.statssa.gov.za/publications/Report-03-10-11/Report-03-10-11.pdf> (14 March 2015).

<sup>22</sup> Glouberman, S. and Zimmerman, B. (2002), *Complicated and complex systems: What would successful reform of Medicare look like?* Discussion Paper No. 8. Commission on the Future of Health Care in Canada, vi.



The complex and multidimensional nature of these challenges means that EPWP will only be effective if there is a concurrent implementation of complementary policies, also articulated in the MTSF and NDP, which address the socio-political factors, structural barriers and existing power dynamics that reinforce them.

## 2.2 The design and objectives of EPWP-SS

### Objectives

South Africa is not the first or the only country to implement PWP. Del Ninno, Subbarao and Milazzo offer three broad reasons/motivations for governments to implement PWPs.<sup>23</sup>

- Firstly, to provide social protection to households that face idiosyncratic shocks<sup>24</sup>, PWPs may be designed to provide employment when needed. Participants use this as a form of income insurance, opting to work when the market wage is lower than the PWP's wage or when there are no employment opportunities for them altogether. They then may opt to move out of the programme when conditions in the market improve.
- Secondly, for countries with high levels of poverty where a significant portion of poor households are unemployed or underemployed, PWPs can be used as anti-poverty programmes to provide substantive income support.
- Thirdly, PWPs can be implemented as a "bridge to employment". Such programmes are designed with a training component to equip workers with the skills demanded in the labour market or the skills to become self-employed.

As reflected in the Theory of Change, the objectives of EPWP have been more explicitly aligned to the last two. The programme emphasises poverty alleviation through income support. Regarding the last objective, the EPWP Social Sector differs from the other Sectors (Infrastructure, Environment and Culture, and Non-State). At the end of Phase One (2004/2005 to 2008/2009), stakeholders in these sectors decided to narrow the programme's objectives. However, the Social Sector retained the emphasis on training. It did so, according to its draft Phase Two logical framework, to "enhance service delivery and beneficiary [participant] well-being"<sup>25</sup>. The Sector also emphasises promoting future employability. It has introduced the term "career pathing" to describe the "bridge to employment" that it aims to create. This refers to absorbing participants into formal employment in the same implementing department or programme, or providing them with an opportunity for further study in line with a career<sup>26</sup>. This objective is reflected in the Theory of Change as "participants find employment or self-employment outside EPWP". (This evaluation uses the term "improving employability" to refer to career pathing as well as the promotion of skills in line with jobs or "exit opportunities" outside the implementing department.)

### Design considerations

McCord and others<sup>27</sup> articulate seven programme elements that determine the potential impact of PWPs. These are considered in more detail as they provide a lens to analyse the EPWP-SS design elements.

<sup>23</sup> As discussed in Del Ninno, C. et al. (2009), *How to Make Public Works Work: A Review of the Experiences*. Social Protection & Labour. World Bank, 4 - 14.

<sup>24</sup> An "idiosyncratic shock is an uncertain event (in terms of realization, timing, or magnitude) that affects one individual or household" (Del Ninno et al. 2009)

<sup>25</sup> EPWP Social Sector (2008), *Draft Logical Framework for the Expanded Public Works Programme Phase Two: 2009-2014, version 1: 11 November 2008*.

<sup>26</sup> Kagiso Trust (2011), 60.

<sup>27</sup> McCord, A. (2012), *Publics works and social protection in Sub-Saharan Africa*. Claremont: UCT Press; Samson, M., Van Niekerk, I. and Mac Quene, K. (2010), *Designing and Implementing Social Transfer Programmes*, 2nd edition. South Africa: Economic Policy Research Institute. [http://epri.org.za/wp-content/uploads/2011/01/EPRI\\_Book\\_4.pdf](http://epri.org.za/wp-content/uploads/2011/01/EPRI_Book_4.pdf)

**Poverty alleviation through the stipend:** The monetary value of the stipend disbursed to participants is an important design element in reducing poverty. Stipends need to be adequately set against consideration of the cost of living in a given context. It needs to be enough to compensate both opportunity and direct costs of involvement in the programme as well as basic needs. It is clear that EPWP-SS seeks to reduce poverty through the stipend but there is limited indication as to the nature of the research and analysis that went into establishing a baseline of household poverty (whether monetary or multi-dimensional) before participation, against which the reported conditions of participants or ex-participants can be assessed later, or the costs associated with participation.

**Duration of the opportunity:** Duration is a critical determinant of the extent to which PWP are able to fulfil their objective of social protection. It needs to correlate to the nature of the problem that PWPs are set up to address. There is little evidence that short-term PWPs can have a lasting social protection<sup>28</sup> effect in contexts of long-term poverty. The effectiveness of short-term PWPs is limited to temporary crises. While EPWP participants are officially employed “on a temporary basis with a contract start and end date”<sup>29</sup>, the EPWP-SS Phase Two draft plan states that “the nature of jobs created in the Social Sector are generally of a long term nature”<sup>30</sup>. The mention of longer-term work opportunities in the Social Sector Phase Two and Three plans suggests that this is not an implementation anomaly but has become an accepted part of the design of many Social Sector programmes.

**Targeting:** As a social measure against the adverse effects of poverty, PWPs need to be targeted and implemented in such a way that they are most accessible to the poor.<sup>31</sup> Appropriate targeting will reduce exclusion of the target population while reducing inclusion of those who are not in desperate need of state social protection.

**Scale:** The scale of a programme is a crucial factor of its performance as a social protection intervention on the national level. PWPs need to be broad enough to accommodate as many ‘qualifying’ individuals as possible. Any approach comparing the number of EPWP jobs to unemployment will demonstrate that the number of participants who can participate (for any length of time) in EPWP is small compared to the levels of unemployment<sup>32</sup>. As long as the majority of this demographic remains without access to any form of income support, policy makers continue to consider it imperative that EPWP scale up rapidly.

**Quality of employment:** In order to be effective for social protection, PWPs have to be sensitive to the needs and opportunities of participants. Wage predictability, employment flexibility, and other stipulations that ensure a minimum standard of quality of employment are important.

**Benefit from the asset or service:** As already alluded to, if a public works programme is designed to both recruit from, and create assets or deliver services to, a poor or previously underserved community, it holds the potential to provide social protection benefits in more ways than one. A project that creates less valuable assets or delivers poor quality services provides less value to society.

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<sup>28</sup> A “social protection effect” can be protective, preventive, promotive, or transformative in nature. Protective measures provide relief from deprivation while preventive measures seek to avert deprivation. Promotive measures enhance the real incomes and capabilities of poor households while transformative measures address concerns of social inequity and exclusion. Devereux, S. and Sabates-Wheeler, R. (2004), *Transformative social protection*, IDS Working Paper 232. Institute of Development Studies, 9.

<sup>29</sup> Expanded Public Works Programme (2014), *EPWP participants’ handbook*. Pretoria: Department of Public Works.

<sup>30</sup> Kagiso Trust (2011), 11.

<sup>31</sup> McCord, A. (2012), 42.

<sup>32</sup> The EPWP-SS does not propose a methodology for calculating the scale of the programme. One may get a sense of the scale of the programme in any quarter of Phase Two by comparing the number of person-days of employment reported in EPWP to the estimated unemployment rate in the same quarter. These two indicators are available from the National Department of Public Works and Statistics South Africa, respectively.

Based on the literature review, the Theory of Change for EPWP-SS appears plausible. If participants benefit from all the intended activities (work; training; and plans to improve employability) there is evidence from the literature that the intended outcomes and objectives may be achieved. However there is a relatively broad set of objectives and their achievement depends on the cooperation of a diverse set of stakeholders. This means that the Theory of Change rests heavily on assumptions around departments' alignment and commitment to these objectives (influenced by the extent to which they are effectively coordinated and incentivised) and their capacity to see it through.

## 2.3 Implementation considerations

EPWP-SS is implemented by five departments coordinated by two other line/implementation departments with no subsidiarity or hierarchical order of authority. Each department has its own separate mandate, organisational culture and priorities, implementation arrangements, reporting requirements and accounting officers. Often EPWP is attached to more than one programme in a department, making its mandate dispersed across a number of units within a department and its provincial counterparts, and between departments. Each of the programmes implementing EPWP-SS not only seek to achieve EPWP determined outcomes (reducing poverty and unemployment for its participants), but has its own department-specific goals. This makes implementing EPWP-SS a complex process. There are a number of players (national, provincial and local government, NPOs, participants etc.) with no clear principal-agent. Thus accountability is dispersed and context is important as there are differing capabilities and systems across departments and NPOs etc. In this context a traditional implementation approach, with a single solution devised at the centre and uniformly implemented at lower levels, will be ineffective or even counterproductive. Instead, the work of Jones<sup>33</sup> and others suggest that what is needed is an adaptive governance model/approach that recognises the complexity of the issue at hand and encourages flexibility and adaptability while creating space for patterns to emerge through interaction and learning.

Jones<sup>34</sup> summarises what is important to consider when engaging with complexity in development interventions as follows:

- Firstly, Jones indicates that because the power to address the challenge is dispersed, those seeking to address it need to work in a **collaborative and facilitative mould, facilitating decentralised action and self-organisation**. There is a clear role for a central or higher-level authority as a partner that coordinates, convenes and supports collaboration, engages in knowledge gathering and sharing, and builds capacity including the capacity to adapt. Local institutions, while agreeing to performance benchmarks and minimum requirements, are allowed freedom to self-organise; draw on local understandings of the problem and its causes and what would constitute success, to devise and revise strategies to address it.
- Secondly, agencies need to deliver adaptive responses to problems, building space for interventions to be **flexible to emerging lessons**. Implementation should be seen as an evolutionary learning process, with room for pursuing various options to learn from what works – which means that implementers need room to communicate their lessons and substantially inform decision-making (which could have implications for policymaking).
- Finally, Jones argues for the importance of tools which allow for the **negotiation between and synthesis of multiple perspectives**. This is vital within a complicated delivery framework and includes supporting carefully managed and structured

<sup>33</sup> Jones, H. (2012), *Taking responsibility for complexity: How implementation can achieve results in the face of complex problems*. Overseas Development Institute (ODI) Working Paper 330.

<sup>34</sup> Ibid.

processes of deliberation, facilitation and mediation, working on ensuring a shared vision of the problem, its associated concepts and models, and allowing for power-sharing both in analytical and decision-making processes. The focus of deliberations should also be on how change happens, including making explicit the hidden assumptions about how change is expected to occur.

### Institutional arrangements

In line with Jones, Subbarao<sup>35</sup> finds that the implementation of nationwide PWP usually requires a large institution or unit with linkages to decentralised structures. Such an institution or a dedicated unit may focus primarily on establishing coordination mechanisms between the many implementing bodies and stakeholders. Beyond this there are no hard and fast rules for the choice of implementation arrangements for a programme such as EPWP-SS. The choice of arrangements and institutions<sup>36</sup> has implications for the nature of implementation dynamics, strengths and challenges that the sector is likely to face.

The inter-departmental nature of the implementation design positions the EPWP-SS as a cross-sectoral and cooperative service delivery. Devereux and Solomon<sup>37</sup> see this in a positive light. They argue that assigning responsibility for EPWP<sup>38</sup> implementation to different ministries (and departments) is beneficial in that it serves to mainstream the project, and avoids applying a one-size-fits-all approach to implementation. Van Baalen and De Coning's discussion of "programme management" also stress the value of an integrated implementation approach, but go on to caution that South Africa's public bodies are still in the process of finding the appropriate systems (human, financial and ICT) to be successful at this kind of cross-cutting programme management. Scholarship on it is still limited. Any exercise in this, including that of EPWP-SS, should therefore be considered a learning curve, and those who undertake it will need to come up with ways to maximise the potential benefits while managing the common challenge of managers viewing activities associated with cross-cutting objectives as being "not part of the core business"<sup>39</sup>. In contrast, some have argued that<sup>40</sup> that EPWP is a hybrid programme consisting of multiple/sectoral models and a multiplicity of objectives, and that though this is a pragmatic necessity, it does limit its effectiveness. This critique calls into question the ability of stakeholders to manage coherence – that which Jones refers to as "negotiation between and synthesis of multiple perspectives" – with such a complex and cross-sectoral implementation design.

The fact that multiple spheres are expected to implement Social Sector programmes means that the implementation design lends itself to the devolution of decision-making, collaboration, action, learning, and accountability, as Jones argues, this is appropriate in the face of complex problems. However, this also exposes EPWP-SS to risks common to decentralised systems<sup>41</sup> where accountability is dispersed and sometimes unclear.

<sup>35</sup> See Subbarao, K. et al. (2012).

<sup>36</sup> United Nations Development Programme (UNDP) (n. d.), *Institutional Arrangements*. [http://www.undp.org/content/undp/en/home/ourwork/capacitybuilding/drivers\\_of\\_change/institut\\_arrangemt/](http://www.undp.org/content/undp/en/home/ourwork/capacitybuilding/drivers_of_change/institut_arrangemt/) (2 February 2015).

<sup>37</sup> Devereux, S. and Solomon, C. (2006), *Employment creation programmes: The international experience*, Issues in Employment and Poverty Discussion Paper 24, Economic and Labour Market Analysis Department, International Labour Office (ILO).

<sup>38</sup> Because the Social Sector has this interdepartmental design in common with the other EPWP Sectors, we consider literature on EPWP as a whole as relevant in this regard.

<sup>39</sup> Van Baalen, J. and De Coning, C. (2011), 178.

<sup>40</sup> HSRC with SALDRU, Rutgers University, and ITT (2008), *Mid-Term Review of Expanded Public Works Programme, Final Synthesis Report*, 25. These arguments were made regarding EPWP as a whole but can be applied to the Social Sector in particular.

<sup>41</sup> Hanberger, A. (2004), *Democratic governance and evaluation*. Paper presented at the Sixth European Evaluation Society conference in Berlin, 30 September to 2 October, 5-6.

## Coordination

Where power is dispersed and accountability is shared amongst stakeholders with no strict hierarchy, Jones argues for the importance of a central stakeholder that coordinates, convenes and supports joint work of parties. In a programme like EPWP-SS where the tasks are divided into sub-tasks shared by different agencies, coordination is central to integrate different parts into one whole.

As important as coordination is, it is often difficult to define. It is a term used often for which there is no one set definition. This makes it a challenge to provide an objective lens to valuate effectiveness of coordination approaches<sup>42</sup>. However some useful conceptualisations exist. Bouckaert et al.<sup>43</sup> define coordination as “instruments and mechanisms that aim to enhance the voluntary or forced alignment of tasks and efforts within the public sector. These mechanisms are used in order to create a greater coherence and to reduce redundancy, lacunae and contradictions within policies, implementation or management” while the New Zealand State Services Commission views coordination as a process of “sharing of information, resources and responsibilities to achieve a particular outcome”<sup>44</sup>. Using a scale (Table 2) with “networking” on one end and “collaboration” on the other<sup>45</sup> we can identify the characteristics of coordination to be a sharing of information and resources; defined roles; frequent communication; some shared decisions; and some altering of activities in line with the goals of the Sector.

**Table 2. Levels of collaboration scale<sup>46</sup>**

<b>Networking</b>	<b>Cooperation</b>	<b>Coordination</b>	<b>Coalition</b>	<b>Collaboration</b>
- Aware of organization	- Provide information to each other	- Share information and resources	- Share ideas	- Members belong to one system
- Little communication	- Somewhat defined roles	- Defined roles	- Share resources	- Frequent communication is characterized by mutual trust
- All decisions are made independently	- Formal communication	- Frequent communication	- Prioritized communication	- Consensus is reached on all decisions
	- All decisions are made independently	- Some shared decisions	- All members have a vote in decision making	- <i>Members enhance each other's capacity to achieve a common purpose</i>
		- <i>Members alter activities</i>	- <i>Members alter activities to achieve a common purpose</i>	- <i>Members share risks, responsibilities and rewards</i>
			- <i>Some sharing of risks and rewards</i>	

Coordination can take many forms and there is no single approach to institutionalising coordination. Provan and Kenis<sup>47</sup> describe a “lead organisation governed” network model, in

<sup>42</sup> Dietrichson, J. (2013), *Coordination Incentives, Performance Measurement and Resource Allocation in Public Sector Organisations*. Lund University Working Paper 2013:26, 1.

<sup>43</sup> Bouckaert, G., Peters, B. G. and Verhoest, K. (2010), *The coordination of public sector organisations: Shifting patterns of public management*. Basingstoke: Palgrave Macmillan.

<sup>44</sup> New Zealand State Services Commission (2008), *The case for coordination*. <http://www.ssc.govt.nz/node/2075> (29 April 2015)

<sup>45</sup> Victoria State Services Authority (2007), cited in Impact Economix (2013), *Impact and Implementation Evaluation of Government Coordination Systems – International Literature Review, Draft 4*. <http://evaluations.dpme.gov.za/sites/EvaluationsHome/Evaluations/Forms/Evaluations%20View.aspx> (4 February 2015).

<sup>46</sup> Frey, B. B., Lohmeier, J.H., Lee, S. W., and Tollefson, N. (2006), “Measuring collaboration among grant partners,” *American Journal of Evaluation* 27(3), 383-392. We have added to the scale, in italics, another set of factors which were listed by Victoria State Services Authority (2007), cited in Impact Economix (2013).

<sup>47</sup> Provan, K. and Kenis, P. N. (2008), “Modes of network governance: Structure, management, and effectiveness”, *Journal of Public Administration Research and Theory*, 18(2), 229-252.

which a group of stakeholders is coordinated by one of its own members. The lead member can be a single organisation or a specially established support structure. This structure may also be able to provide specific functionalities that support the network (“network level competencies”). Communication within and outside the group is one of these, where the lead agency has to ensure constant communication and knowledge sharing to enhance the work of the members and also communicate with wider stakeholders on the workings of the network. This accurately describes the EPWP-SS coordination model. DSD is an implementer of EPWP and a lead coordinator of the social sector. Legislatively it has no more power than any of the implementing departments. The authority vested with DSD is conferred by agreement within the social sector.

Provan and Kenis emphasise that if a lead member takes on network level competencies, its capabilities may not exactly match them, rendering it less able to meet the needs of the group. If it is reluctant (or for some reason unable) to devote resources to developing such capabilities it may not adequately support the network. If this is the case the network may fail to achieve its purpose; or it may move into an alternative form of governance.

Effective coordination is the result of appropriate institutional arrangements as well as a facilitating environment. Such an environment can be characterised by three categories of mechanisms (see Figure 7)<sup>48</sup> which must all be in place. The mechanisms “behind the handshake” have to do with a favourable organisational culture to facilitate coordinated approaches in planning and executing programmes and policies.

**Figure 7. Three categories of coordination mechanisms<sup>49</sup>**



The “visible hand” represents strong leadership. In the absence of strong leadership, stakeholders express a lack of coherence and consistency (even if there is plenty of room for discussion). Rules and directives are also important<sup>50</sup>. The “whole-of-government” experience in the United Kingdom demonstrated that it may be necessary to make it a statutory duty for departments to collaborate; or that at the very least, lines of authority should be expressed clearly and with enough detail about what departments are expected to do. The “invisible hand” refers to an appropriate level of resources and incentives. A clear accountability framework is essential to shaping stakeholders’ incentives for coordination – including accountability and rewards for coordination itself.

<sup>48</sup> Mansholt Graduate School of Social Sciences (2008), *Governance structures or mechanisms of governance: What is it and why do we need them?* <http://www.phac-aspc.gc.ca/publicat/2009/ActNowBC/section2-partie2-eng.php#t20a>

<sup>49</sup> Ibid.

<sup>50</sup> Bakvis, H. and Juillet, L. (2004), *The Horizontal Challenge: Line Departments, Central Agencies and Leadership*. Ottawa: Canada School of Public Service. Cited in Mansholt Graduate School of Social Sciences (2008).



## Resource Allocation

Writing on South African strategic management, Cronjé states that the successful implementation of a strategy or programme depends on the allocation of the most appropriate resources<sup>51</sup>. This includes allocating resources not only to programme implementation, but ensuring adequate human and financial resources to all the Sector's coordination and supporting functions (the "network-level competencies"). This is especially relevant to EPWP given the many actors (departments, NPOs, Municipalities, etc.) involved. Resource allocation should be adequate to support all elements of implementing and coordinating the programme. This should be monitored and evaluated across all phases of the implementation process – from planning, through implementation to reporting and review.

Because EPWP seeks to use existing resources labour-intensively, the programme's full cost can be difficult to delineate. Programme expenditure does not offer a complete picture of the full cost. By nature of its design some of the programme management and coordination functions are funded by implementation programmes. Often the direct costs associated with the programme are the stipends paid to participants. However there are costs dispersed throughout all implementation programmes; costs are incurred by DPW and DSD for coordinating the programme at the three levels of government and costs borne by NPOs. NPOs bear both direct and opportunity costs in project administration (following up with DSD on payments, attending meetings, providing mentoring, reporting, etc.). Therefore to judge the adequacy of resources in supporting implementation it is important to be able to develop a view of the total costs to the state and NPOs. To do this, M&E data needs to include financial indicators that go beyond direct EPWP costs.

## Monitoring frameworks

Monitoring and evaluation systems (M&E) are important tools for the management of programme and policy implementation. Effective M&E helps inform stakeholders as to whether the intended results are being achieved as planned. It supports two crucial programme priorities: accountability and informed decision-making. In addressing complex challenges, monitoring is especially important—and should be iterative and outcome-oriented, with a strong focus on revising understandings of how change can be achieved, as opposed to only monitoring for the sake of accountability<sup>52</sup>.

It is common, but insufficient, in PWP to measure only indicators related to inputs, activities and outputs of the programme and not deeper outcome(s) and impact(s) indicators<sup>53</sup>. Only by measuring the results of the programme can stakeholders ascertain whether efforts are actually achieving the intended objectives and ultimately contributing to the broader national goal(s) for which the programme was designed.<sup>54</sup> An effective M&E framework<sup>55</sup> requires monitoring data on all the levels of a pre-identified implementation plan, as may be depicted in a logic model: inputs, activities, outputs, outcomes, and impacts/objectives<sup>56</sup>. To aid in the selection of indicators from each of these levels, it is useful to bear in mind that Kusek and

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<sup>51</sup> Cronjé, S. (2004), "Structural drivers and instruments", in Ehlers, T. and Lazenby, K. (eds.), *Strategic management. South African concepts and cases, 2nd edition*. Pretoria: Van Schaik, 319-355.

<sup>52</sup> Jones (2012), 31-32. (this is incomplete?)

<sup>53</sup> McCord, A. (2012), 48.

<sup>54</sup> Kusek, J. Z. and Rist, R. C. (2004), *Ten steps to a results-based monitoring system*. Washington, D.C.: The World Bank.

<sup>55</sup> For the questions that a good M&E framework should enable stakeholders to answer, see UNDP (2009), *Handbook on planning, monitoring and evaluating for development results*. New York: UNDP, 81-82.

<sup>56</sup> Kusek, J. Z. and Rist, R. C. (2004). See also UNDP (2009), 81-82.

Rist<sup>57</sup> write that good performance indicators should be Clear, Relevant, Economic, Adequate and Monitorable (“CREAM”).

Once indicators are defined, the data collected for them should, of course, be collected to high quality standards. A useful set of quality standards are identified by USAID<sup>58</sup> below:

- Validity – Data should clearly and adequately represent the intended result
- Reliability – Data should reflect stable and consistent data collection processes and analysis methods over time.
- Integrity – Data collected should have safeguards to minimize the risk of transcription error or data manipulation
- Precision – Data have a sufficient level of detail to permit management decision making
- Timely - Data should be available at a useful frequency, should be current, and should be timely enough to influence management decision making.

Even if an excellent monitoring framework is in place, it still needs to be used for it to be of any value.<sup>59</sup> There is a tendency for organisations to oppose M&E and to see it as a function of M&E experts/units. Institutionally M&E tends to be separated from programme and strategic management, which lessens the likelihood of monitoring data being used to inform programme planning, implementation and review or management decisions.

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<sup>57</sup> Kusek, J. Z. and Rist, R. C. (2004), 68-70.

<sup>58</sup> USAID (2013). *Data Quality Assessment of Grassroot Soccer*. Cape Town: South Africa.

<sup>59</sup> Lahey, R. (n. d.). *A Framework for Developing an Effective Monitoring and Evaluation System in the Public Sector – Key Considerations from International Experience*.



### 3 Evaluation Findings

#### 3.1 Implementation

##### 3.1.1 Roles of Overall Coordinator and Sector Lead Coordinator

In the Social Sector, the roles of overall coordinator and Sector Lead coordinator are assigned to the DPW and the DSD, respectively. EPWP is managed through close collaboration between the DPW and the Sector Lead departments. The DPW has an overarching policy and programme responsibility, while the DSD as Sector Lead department has responsibility over sector level performance. While the leadership of both the DPW and DSD is critical for EPWP-SS success, the departments need to lead in a way that is complementary. In some ways they have done well to complement each other. The DSD has strongly promoted the common values and norms that should support EPWP-SS coordination; and also worked to develop effective supporting structures for coordination, such as the Extended Steering Committee (ESC). The DPW, in turn, has provided broader policy direction and has created an enabling environment for the Sector, including provision of a financial incentive for performance, a framework of rules and directives, and resources for coordination functions. This guided EPWP-SS to ensure alignment with the broader EPW programme.

The Sector experienced some challenges with the coordination of activities and leadership in the Sector. The most prominent was the overlap between their roles. The DPW drew up a generic Responsibility Matrix stipulating the roles of the DPW and the Sector leaders at national (Table 3) and provincial levels (Table 4). It aims to define and separate the responsibility of the DPW and Sector Lead departments and to avoid potential conflict and duplication of efforts for the smooth running of the programme. The differentiator in responsibility between sector and overall leader is in where the focus lies. The DPW has an overall EPWP mandate whilst sector leaders (in this case the DSD) has a sector focus. However, the distinction is not always clear and creates potential for the functions to overlap in practice. A comparison of the first three rows of Table 3 demonstrates this potential. The matrix elaborates on each of these, making the distinction clearer, but still includes some identical responsibilities; for instance both the DPW and the Sector Lead are expected to engage implementing bodies “on their plans, ways to achieve these plans, and support interventions required to ensure targets are met.”

**Table 3. Coordination Responsibilities at National Level**

<b>Public Works</b>	<b>Sector Lead Department</b>
Monitoring, Evaluation and Reporting, including MIS	Monitoring and Managing Performance Information
Stakeholder Communication	Sector Communication
Capacity Building, Technical Support	Capacity Building, Technical Support
Policy Development & Programme Design	Sector Programme Design
Auditing and Fund Administration	
Participant Readiness and Registration	

**Table 4. Coordination Responsibilities at Provincial Level**

<b>Public Works</b>	<b>Sector Lead Department</b>
Programme lessons and challenges	Sector challenges and lessons
Planning for EPWP performance; Monitoring and managing performance information	Monitoring and managing performance information
Stakeholder communication and coordination	Sector communication and coordination
Capacity building and technical support	Capacity building and technical support
Reporting to relevant structures	

Therefore, though putting these functions to paper is a valuable first step, the document alone

has not been adequate to distinguish clearly between the responsibilities of the DSD and DPW. There are no practice notes or guiding documents specific to the Social Sector about how the general responsibilities should be applied. As a result, there has been a lack of clarity about responsibilities and accountability for these coordination functions. As a national official in the DPW puts it:

“We first confused ourselves, together with the stakeholders and whoever is out there. We went through a series of meetings trying to delineate our roles and responsibilities, and who we are, you know... consolidating our identities. But we still haven't mastered that.”

Instead of relying on a commonly agreed written set of responsibilities specific to the Social Sector, the DSD and DPW have taken to discussing and making arrangements for the sharing of responsibilities as the need arises. While the challenge of confusion and overlap of roles has not always caused tension or conflict, it has significantly slowed down decision-making and prevented either department from acting decisively before consulting with the other. A national DSD official put it as follows:

“And every time we have got to sit down and say who's going to do what. [For example] you have subcommittees—‘OK Social Development, can you convene the committees?’... ‘OK you will coordinate the training & capacity or you will do the M&E’ and ‘OK you do the finance just to cover this’... –So a lot of meetings we would sit and iron out every time rules and responsibility who runs in their track, which track belongs to whom.”

Specifically during Phase Two, the overlap of roles aggravated the following challenges at the national level:

- Functioning of the ESC Task Teams was inhibited by the assigning of both departments to leadership roles of “chairing and co-chairing,” which meant neither could take prompt action or call a meeting without consulting with the other. This is likely to have slowed down progress on communications, training, M&E, and performance incentive management (see section on Institutional Arrangements).
- By inhibiting the functioning of the Task Teams, the Sector's ability to give a prompt, clear response to implementers' questions and concerns was hampered.
- Because of the positioning of EPWP-SS within the SPO and the constant negotiation of roles and responsibilities, it has also been unclear to the DPW whom in the DSD to contact regarding what. The evaluation team perceived that it is hard to hold specific DSD personnel accountable if the DSD fails to fulfil its responsibilities.
- Some coordination functions, such as knowledge management, are necessary for effective coordination but were not undertaken by either department – possibly a case of falling through the cracks. Similarly in the area of M&E neither department took the lead in developing a system that would assess performance against the Social Sector's unique objectives.

Similar to the national dynamics, the provincial Sector Lead and DPW officials relied on regular negotiation and discussion of roles instead of a clear set of written guidelines. Provincial coordinators and implementers reported that the following happens as a result:

- Programme implementers are not always sure whom to approach regarding a specific matter. With the development of five-year business plans for instance, a provincial coordinator reported that some departments approached the DSD while others approached the DPW and received varying information.
- When the provincial DSD's coordinator does not have the resources (time, financial, human) to fulfil all the DSD's EPWP related responsibilities, the DPW regional coordinator will divert capacity to manage the DSD's tasks. In this way programme coordination suffers less in the short-term, but the DPW creates an environment for the DSD to continue in its capacity constrained position.
- The DSD provincial coordinators themselves experience uncertainty as to the delineation of their responsibilities. A DSD provincial coordinator explained that there is

a cooperative relationship, “however we are trying to get things done and pick the pieces but you're not always sure if the pieces that you are picking are your pieces or somebody else's.”

There are a number of reasons why the overlap has happened. Firstly, the DPW is held accountable for overall EPWP performance. This includes achievement on a set of numeric targets (the number of WOs and FTEs reported; the percentage inclusion of women, youth and persons with disabilities) as well as accounting for EPWP expenditure and broadly creating an “enabling environment” for implementing bodies to perform well. This creates a strong incentive for the department to ensure performance. In line with this, the DPW has institutionalised the coordination of EPWP-SS with dedicated personnel and ring-fenced finances.

On the other hand, the DSD has limited direct accountability for the Sector's performance. The national DSD Annual Report 2009/2010 included targets for “a seamless Social Sector communication strategy”, as well as targets supporting resource allocation to EPWP-SS implementing departments, and an exploration of an appropriate dispensation for the employment of EPWP participants. However, the department's subsequent Annual Performance Plans and Annual Reports mentioned only WOs and FTEs.<sup>60</sup> Other outputs, outcomes and impacts deemed important in the Sector's Theory of Change are not mentioned, nor are any of the DSD's coordination-related functions as Sector Lead (see discussion of network-level competencies in Section 2.3). This suggests an incongruence between the DSD leadership role in the Sector and its accountability for sector performance.

If there is a perceived risk that the DSD may not fulfil all its responsibilities as Sector Lead and that the Sector will underperform against its targets, there is a strong incentive for the DPW to step in. This does not necessarily negatively impact sector performance though it creates some inefficiencies in the system. Effectively there are two national departments playing a similar or interchangeable role in the management of the Social Sector. In some areas this has led to inefficiencies in decision making processes.

Secondly, the two departments are resourced differently for the coordination function. The DPW has a dedicated EPWP chief directorate that coordinates EPWP (as a whole). The unit consists of directorates responsible for a range of coordination and implementation functions, such as M&E; Training and Capacity Building; and administering the EPWP Conditional Grant (Incentive Grant). These directorates interact with implementing bodies and Sector Lead departments across all sectors, providing overall support and accountability. One of the directorates within the NDPW EPWP chief directorate is dedicated to the Social Sector with three deputy directors focused on Social Sector specific coordination functions.

The national DPW has also established regional offices with EPWP units in each province and since 2008 has employed a Social Sector regional coordinator, at the level of deputy director, in each of these offices. These regional coordinators report to the national EPWP Social Sector director. Therefore, NDPW does not have to rely on provincial departments of public works whose involvement in EPWP-SS has varied from province to province.

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<sup>60</sup> DSD (2010), *Annual Report*, 91; DSD (2012), *Annual Report 2011/12*, 99-100; DSD (2013), *Annual Report 2012/13*, 85; DSD (2013), *Annual Performance Plan 2013-2014*, 62; DSD (2014), *Annual Performance Plan 2014-2015*, 62.

**Table 5. Resources assigned to EPWP-SS coordination**

	<b>DPW</b>	<b>DSD<sup>61</sup></b>
<b>National</b>	EPWP Unit with budget & dedicated personnel. Directorate for Social Sector (1 Director & 3 DDs at Head Office; 9 DDs in regional offices)	Special Projects Office – personnel flexibly assigned to EPWP-SS alongside other priorities No ring fenced budget
<b>Provincial (typical)</b>	National DPW Regional EPWP Unit with budget & dedicated personnel. Includes 1 Social Sector regional coordinator (DD) per province Some involvement of provincial Depts. of Public Works	Provincial DSD designates an official to act as regional coordinator for EPWP-SS but EPWP coordination is almost never this person's only responsibility. <sup>62</sup>

Establishing permanent structures to manage EPWP coordination, including Social Sector coordination, suggests that within the DPW EPWP-SS there exists what Van Baalen and De Coning call “operations management” as opposed to the management of a (relatively new, time-bound) “project”<sup>63</sup>. This makes sense given the long-term role of EPWP-SS and its scope and scale across the country, including clear plans for expansion. In contrast, the DSD houses EPWP-SS coordination in its Chief Directorate for Special Projects and Innovation (referred to as the Special Projects Office (SPO)). The SPO takes on two types of responsibilities. Firstly, the SPO staff describes it as an “innovation hub”<sup>64</sup> that works to conceptualise, formulate, incubate, and manage projects until they can be evaluated and handed over to a line function with “post-incubation support” as required. Secondly, it takes on “transversal priorities of an executive nature.”<sup>65</sup> Such transversal priorities include ongoing work in managing the support to military veterans and coordinate EPWP-SS as well as short-term high priority tasks such as coordinating support to the families of victims of the 2014 building collapse in Nigeria. It is likely that such executive tasks may occur suddenly and require a great (albeit temporary) investment of time and resources, especially when the tasks are prioritised politically.

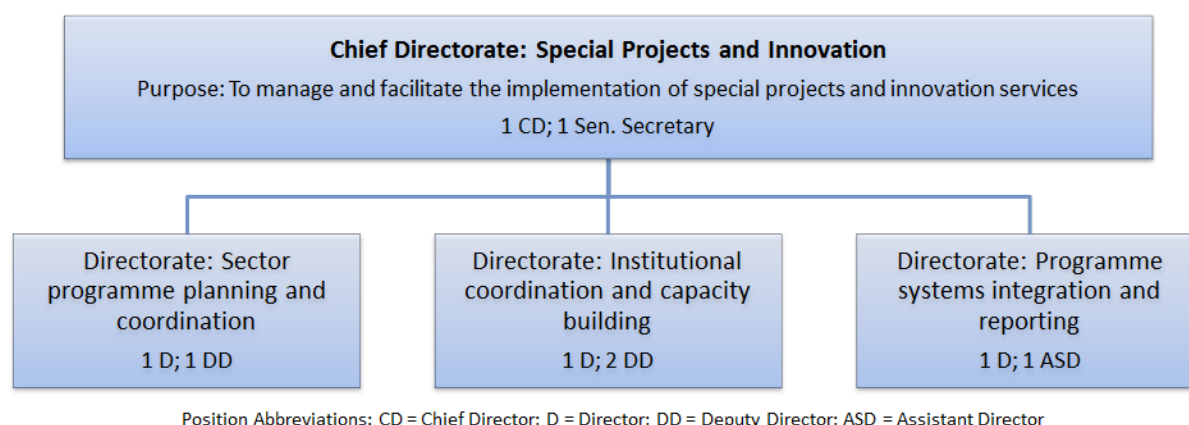
<sup>61</sup> In Gauteng the provincial sector lead department is the Department of Health, not Social Development. Where this section refers to the DSD as sector lead in provinces, the same can be considered to apply to the Department of Health as sector lead in Gauteng.

<sup>62</sup> Exception: Northern Cape's provincial DSD coordinator is solely focused on EPWP-SS coordination.

<sup>63</sup> Van Baalen, J. and De Coning, C. (2011), “Chapter 8: Programme management, project management and public policy implementation” in Cloete, F. and De Coning, C. (eds.), *Improving Public Policy: Theory, practice and results* (3rd ed.). Pretoria: Van Schaik.

<sup>64</sup> Kagiso Trust (2009), *Defining future positioning and key requirements of the DSD Special Projects Office*.

<sup>65</sup> Interview with SPO official.

**Figure 8. Summary of the DSD Special Projects Office organogram**

As an SPO project, EPWP-SS coordination in the DSD is taken on with a high degree of flexibility. For instance, personnel from all three directorates (see Figure 8) within the SPO may be nominated to sit on committees or take on new roles as the need for it emerges. Functional areas, such as coordinating and supporting training, and capacity building in EPWP-SS may be shared among personnel where others may step in and out as required. There are no personnel permanently dedicated to EPWP-SS coordination. By balancing this with the other tasks of the SPO, the capacity assigned to EPWP-SS is constantly changing. Similarly in terms of financial resources, each of the three directorates contributes resources to EPWP-SS coordination as the need arises, but because the SPO is expected sometimes to take up ad hoc tasks, the availability of funds for it in these directorates fluctuates. Resource allocation can therefore be unpredictable, and it is not always clear which personnel are accountable for what. With no personnel permanently dedicated to EPWP-SS there is also no central go-to person for records and data.

The positioning of EPWP-SS in this “incubation hub” with no dedicated personnel may suggest that the DSD still considers EPWP-SS as a “project” in the sense that it is a relatively new, time-bound initiative that requires the participation of stakeholders who are unaccustomed to working together, and in which a high degree of flexibility is required as the project is still taking shape.<sup>66</sup> This seems increasingly inappropriate given the fact that EPWP-SS has been operational for ten years and can be reasonably expected to continue for another ten or possibly longer. The benefit of ten years’ experience can support planning and decision making—a clear need has emerged for more consistency in certain coordination functions. As such the institutionalisation of the DSD’s coordination role—dedicating staff and resources to the task—is needed in order to refine accountability structures; and to improve operational systems and quality, effectiveness and efficiency. Despite these challenges there is however some value in positioning EPWP-SS coordination within the SPO in that this office is well positioned to take on “transversal” priorities, engaging with all other units within the NDSD at a high level outside the department. For instance, the SPO can engage with the heads of provincial departments of social development; can work directly with the South African Social Security Agency (SASSA) and National Youth Development Agency (NYDA) to secure their participation and support for EPWP-SS; and has engaged with a number of units across the NDSD in the establishment of EPWP-SS programmes focused on ECD, HCBC, victim support, projects addressing substance abuse, and others. If possible, the institutionalisation of its coordination role needs to be done in a way that retains this advantage.

While the NDPW has at least one regional coordinator dedicated to EPWP-SS coordination

<sup>66</sup> Van Baalen, J. and De Coning, C. (2011).

and reporting to the national Social Sector Directorate, at provincial level, the same is untrue of the DSD. The national DSD does not appoint regional coordinators, rather it asks provincial DSDs to fulfil the coordination role in their province and to assign the needed resources to this task. Unfortunately, so far this has meant under-resourcing of this function. It is common for one provincial DSD official (often at a deputy director level), who is responsible for implementation of a programme with an EPWP component, to be tasked with fulfilling all the responsibilities associated with the provincial DSD's role as Sector Lead department in the province. As a result, several DSD provincial coordinators indicated that EPWP-SS does not form a large component of their responsibilities as depicted in their Annual Performance Agreements (APPs) and that they are frequently instructed to divert their attention away from coordination-related tasks. A DPW regional coordinator explains her DSD colleague's predicament: "In Social Development... [she] is not only co-ordinating EPWP; she's also doing [a different programme]. When she's up to here with her work, she'll tell people 'You know what? EPWP is not my, you know, my entire responsibility', so whenever she's in that space, I know I have to take over whatever needs to be done in EPWP and I, you know, we do that.... [But] when you report, you report against your work plan. So sometimes you do a lot of work which... you are not able to report."

For the DSD to play an effective role as Sector Lead in a province where responsibilities include: communicating with provincial implementing departments and promoting EPWP-SS among municipalities; ensuring and leading coordination structures; and representing the Social Sector in provincial EPWP structures and strategic forums (no official list of these responsibilities), certainly dedicated human resources is required. The fact that most provincial DSDs have not dedicated personnel to this task suggests that they are not fully aware of, or do not prioritise the full set of tasks that provincial DSDs need to perform for the smooth functioning of EPWP-SS. It is possible that this insufficient human resource allocation was a result of rapid EPWP-SS growth. In its first few years the Social Sector consisted of two programmes, ECD and HCBC, and had not yet introduced certain other requirements. These are discussed in more detail in the section on Resource Allocation (3.1.3.).

## **Conclusion**

The DSD, nationally and provincially, has not always played an effective leadership role in the Social Sector. This is partly because the DSD has not sufficiently institutionalised and resourced its Sector Lead role. However, contrary to Provan and Kenis, the DSD's reduced capacity to lead the Sector did not cause the Sector to fail entirely to meet its goals. This is partly because the DPW (having a clearer accountability structure for EPWP-SS performance and ring-fenced resources for its tasks) often stepped in and filled any existing vacuum. This however resulted in significant overlaps during Phase Two, leading to inefficiencies.

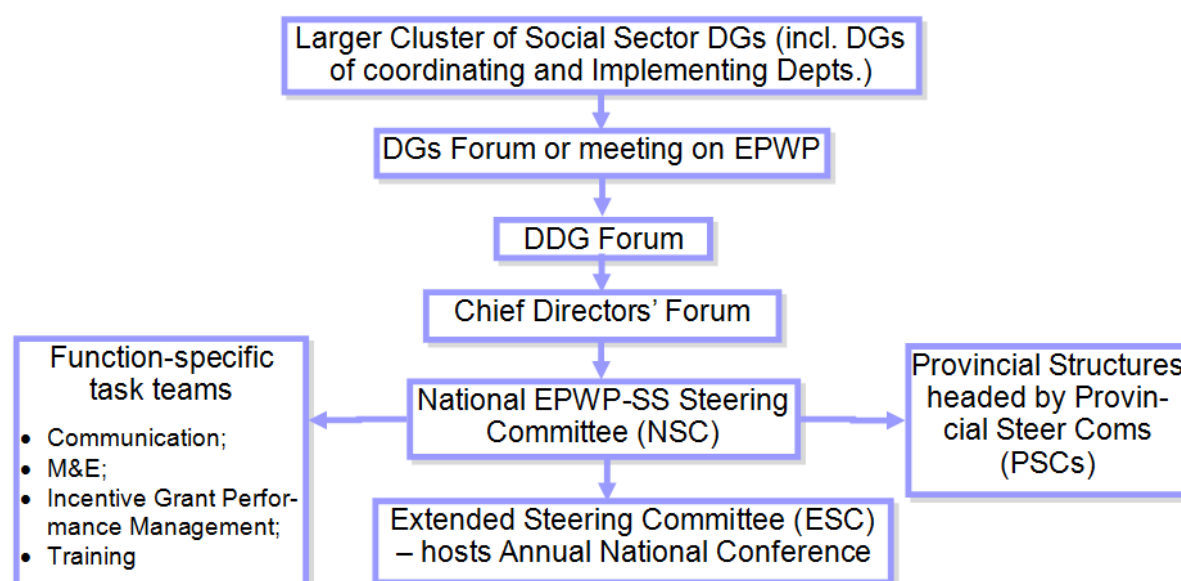
### **3.1.2 Institutional Arrangements**

Rules and formal institutional arrangements support alignment and coherence in the implementation of large programmes. Firstly, the choice of coordination mechanisms and the mandate of each mechanism or structure need to be conducive to effective coordination. Secondly, they must operate well and fulfil their mandate. In terms of the choice and structuring of coordination mechanisms, the original Cabinet memo that extended EPWP's mandate to all government departments specified high level coordination arrangements (involving DGs and political leadership) and identified the Sector Lead departments. However, it did not specify sector-specific arrangements for lower tiers of implementation. This was left

up to every sector to develop. The DSD as Sector Lead therefore developed a proposed set of arrangements in preparation for Phase One.<sup>67</sup>

EPWP-SS instituted six national level and nine provincial level structures to manage and synchronise sector activities, as depicted in Figure 9. The DGs of participating departments would convene annually to review progress, receiving information from DDGs who in turn receive information from Chief Directors. An inter-departmental steering committee of champions (what became known as the National Steering Committee (NSC)) would meet monthly and would report to Chief Directors. The NSC would have a number of task teams, also known as sub-committees, meeting regularly (bi-monthly or quarterly), focusing on particular aspects of coordination and reporting back to the NSC. The Extended National Steering Committee (ESC) was envisioned as an integration of the NSC and the PSCs<sup>68</sup>, in this way creating a national platform for interaction between national, provincial and local implementing bodies and their partners. This committee would meet quarterly and once per annum its meeting would take the form of a national Social Sector summit. Provincial Steering Committees (PSCs) similar to the NSC would be established and meet monthly, complemented by extended PSCs that meet quarterly.

**Figure 9. Envisioned national coordination structures**



This means that if all EPWP-SS structures were operational, on average the Sector would have over forty national meetings annually: at least sixteen meetings of the four sub-committees, twelve for the NSC, four for the ESC and potentially four each for the DDG and Chief Directors' forums. An additional 108 provincial forum meetings would be convened annually. Thus, on average there will be a meeting a week at a national and provincial level. The large number of structures and frequency of meetings was intended to ensure alignment and integration of the different tasks required to pursue EPWP-SS goals. However, it ran the risk of being impractical given the embedded nature of EPWP.

Each of the forums was evaluated for effectiveness. This was done by assessing frequency of meetings, attendance patterns, the nature of the work done or discussions held, and the extent

<sup>67</sup> There is limited documentation on how these arrangements developed over time. Therefore the arrangements presented here have been constructed from the available documents and conversations with DSD officials.

<sup>68</sup> DSD and DPW, (2014), *Terms of Reference: EPWP Social Sector Extended Steering Committee*.

to which they fulfilled their mandates as stated in their TORs. The findings are presented per forum.

### **(a) The Extended National Steering Committee and Provincial Steering Committees**

The ESC performed well on many counts, as did most of the PSCs.

The ESC was meant to meet quarterly and usually did, it held one Annual Social Sector National Summit and at least two quarterly meetings per year. Participation was quite high: the coordinating departments (the NDSD, provincial DSDs, and NDPW) were well represented and typically two or more programme managers from every province were present. Some implementing national and provincial departments attended less frequently than others. The involvement of provincial implementing departments was boosted by rotating the venue of the ESC meetings from province to province. Although the ESC was adequately organised and managed overall, there are indications of some inefficiencies. For example not all provincial implementing departments received invitations to the ESC meetings. Respondents also raised concern about the logistical arrangements with meetings organised at relatively short notice, making it difficult for provincial officials to get travel authorisation.

At the ESC meetings, national and provincial coordinators and implementers shared information and programme performance monitoring data. This supported peer accountability among implementing bodies. The ESC also served as a platform for sharing best practices, mutual encouragement and problem solving. Although the ESC appears to have done well on many aspects of its mandate, respondents were of the view<sup>69</sup> that issues raised were not always resolved either in the forum or through referral to other structures. Thus, the ESC has not been effective in terms of its responsibility to “resolve challenges or refer to relevant units or structures for intervention”<sup>70</sup> (as per its Terms of Reference). This challenge can be partly explained by the fact that the functioning of the ESC is tied to the functioning of other sub-committees. For instance, an issue raised at the ESC and referred to the M&E task team cannot be resolved if the M&E task team is not functional. Respondents also raised concerns that in some cases the ESC was becoming a marketing or communication platform. The ESC meetings seem to be the primary place where new entrants found information about what is expected of them. Even then they must attend quite a few before they feel well informed, with some officials who had been participating for two years still feeling “lost” and not yet up to speed. There seemed to be an over-reliance on the ESC for communication instead of producing written guides that can quickly induct new officials. This could be as a result of the ESC functioning well or because of the failures in general communication within EPWP-SS.

Fulfilling a similar role to the ESC but at a provincial level, the Provincial Social Sector Steering Committees and Extended PSCs were also generally effective in their mandate of “overseeing all areas of work relating to implementation of EPWP Social Sector at a provincial level.”<sup>71</sup> At this level, attendance problems were not frequently cited and interviewed programme managers in all provinces were supportive of these meetings. All PSCs include the discussion of targets and M&E on their agendas. They also serve as platforms for communicating new arrangements and for raising challenges, such as how to register participants for UIF and COIDA or problems with the online monitoring system, which are either resolved at the provincial level or escalated to national structures via one of the coordinating departments. Programme implementers were enthusiastic about the PSCs, saying it had “created camaraderie”, motivated officials, and supported teamwork and accountability. Some provinces have adjusted or adapted the structure to better support their work and suit their context. For instance, although it was recommended that the PSCs meet

<sup>69</sup> Only one set of ESC minutes was made available for analysis.

<sup>70</sup> DSD and DPW (2014).

<sup>71</sup> Ibid.



monthly, some have moved to meeting bi-monthly as this works better for them. Some PSCs (Western Cape and Limpopo) also include site visits on their agenda once per quarter. This allows for inter-departmental learning. Similar to the ESC some Extended PSCs rotate their meetings between districts to facilitate the involvement of district and municipal officials. By attending these meetings and interacting with programme officials from other Social Sector programmes, they potentially gain insight into the province's approach to EPWP-SS. There is evidence that, in Limpopo among others, the rotating of Extended PSC meetings between districts has allowed for frequent attendance of district officials and has supported them in better grasping the goals of the Social Sector so that they could promote these in their work with participants and on-site supervisors.

### **(b) The National Steering Committee**

The NSC is responsible for “all areas of work relating to coordination of the EPWP Social Sector at National level” and is expected to meet bi-monthly<sup>72</sup>. It serves as a link between implementers and senior management, working for instance to “ensure alignment” of sector programmes with national plans and priorities; identifying the need for policies, guidelines, and frameworks and endorsing the development thereof; discussing coordination functions; evaluating progress; and identifying the need for partnerships.

The NSC met periodically over the course of Phase Two, but not bi-monthly as expected. When it did meet, it was effective as a platform for keeping attendants abreast with developments in the Sector and to review progress on implementing the Social Sector annual action plans. It was usually well attended by both coordinating departments. However, the attendance of national implementing departments tended to be low<sup>73</sup> and several meetings noted that processes were stalled as the coordinating department awaited inputs from national implementing departments. National implementing departments indicated that they did not always find the meetings useful. These departments generally focus on providing strategic direction and informing policy (which was indeed part of the NSC's terms of reference), but they found that the NSC “doesn't go far... we go there to monitor progress” on implementation, with more direct bearing on coordinators and the provincial and local implementing departments than on national departments. For instance, a set of May 2014 meeting minutes devoted over four of its ten pages to a detailed Incentive Grant implementation report and comprehensive discussions of the challenges with the IRS and MIS monitoring systems were also recorded.

This questions the role of national implementing departments in EPWP-SS. It is unclear for implementing departments what their role is as the DSD and DPW are already working directly with the same provincial implementing departments. For example, the Department of Basic Education (DBE) raised, in the NSC meeting of December 2012, that with regards to the implementation of the IG, “it's a struggle [for DBE] to find its role in this process, noting that IDT has a critical role of helping provinces develop business plans; DSD coordinates etc. Hence one of the main reasons DBE has not been attending both NSC and ESC meetings is due to lack of clarity of their role as DBE... .” The response to this question was that, “whatever the programme does at national it is supposed to be in line with what provinces are doing” and that national departments should use their own channels to “get this information” and “use platforms like ESC to confirm what is implemented.” The response did not address the issue and the concern appears to have persisted. On paper, both the DSD and DPW, and the NSC as a whole are responsible for coordinating implementation, which leaves this issue unresolved.

<sup>72</sup> DSD and DPW, (n. d.), *Terms of Reference: Social Sector EPWP National Steering Committee*.

<sup>73</sup> Based on interviews and a review of the 8 available NSC attendance registers over these five years.

Furthermore, the meeting minutes indicated that presentations focused on progress in development of planning documents, progress against annual action plans, implementation of the skills needs assessment, and the review of the incentive grant model. Not all these presentations included a discussion of the content or findings of these processes, but where content was reported (the key implementation principles that were coming to the fore in the development of the proposed Phase Three plan) there was limited engagement or discussion of this content. National departments (those that attended) also reported on their work with regard to programmes (the rollout of HCBC training, NSNP partnerships and Mass Participation national events) and occasionally links were drawn between EPWP related concerns and these processes.

Overall, the NSC was effective in information sharing, updating each other and endorsing processes to support the Sector; however, it was ineffective in strategic discussion and refining policies and guidelines (even if individual members were working on such processes). The expected role of national implementing departments in the NSC needed to be reviewed so that there is clarity as to what aspects of the NSC meetings are relevant to them and which are not. Possibly the frequency of meetings can be reduced or smaller meetings can be held regularly solely between the coordinating departments, while the other national departments—and other strategic partners—provide written inputs on specific issues, joining in once per quarter or as needed. The envisioned institutional arrangements suggest that strategic discussion would also take place at higher coordination levels, which as discussed later in this section, did not take place as envisioned.

### **(c) National Steering Committee Task Teams**

In Phase Two, four task teams (also referred to as sub-committees) reporting to the NSC were created to devote additional attention to key aspects of EPWP-SS implementation. This constituted: Communication; Training and Capacity building; Monitoring and Evaluation and the Incentive Performance Management task team (IPMT). These were selected to focus on areas in which the EPWP-SS needs to grow. Members of the task teams were drawn from the ESC and usually consist of representatives from coordinating and implementing departments, other government stakeholders and IDT. Both the DSD and DPW were assigned leading roles in each task team. There was considerable variation in the success of the task teams in fulfilling their mandates.

#### *1. Incentive Grant Performance Management Task Team (IPMT)*

According to the 2012 EPWP Social Sector Grant Manual, the national and provincial IPMT structures were established to oversee the Social Sector incentive for each sphere. The membership of the committee includes: the Department of Public Works (as committee lead); the National Treasury; the Department of Social Development (SPO as the chair<sup>74</sup>); the National Sector Departments of Health, Education, Social Development, Sport and Recreation; and the Civilian Secretariat for Police.

According to the terms of reference<sup>75</sup> the IPMT had the following functions: endorsement of baseline and incentive FTE target setting; endorsement of the Social Sector and Kha Ri Gude Incentive Model year-on-year; support for the incentive planning process; review and endorsement of the EPWP Business Plan in line with the aims of the incentive, specifically for Kha Ri Gude; endorsement of the national Incentive Agreement template; reporting on progress in terms of implementation of the IG; and review of incentive grant proposals to the

<sup>74</sup> The difference between a lead and a chair is not explained in the document but it appears that the DSD led the meetings while the DPW presented most of the content (as department responsible for administering the grant).

<sup>75</sup> As outlined in National Department of Public Works (2012), *EPWP Social Sector Grant Manual*. Pretoria: Department of Public Works.

National Treasury. In addition, there were a number of responsibilities related specifically to Kha Ri Gude, with regard to supporting the programme's implementation.

The IPMT was intended to meet bi-monthly. It held at least four meetings per year in 2012 and 2013, but in 2014 there is evidence of only one meeting.<sup>76</sup> A review of the available attendance registers suggests that the DPW, DSD and National Treasury consistently attended. Furthermore, it is apparent that the DPW had assigned specific individuals to this committee while the DSD SPO representatives varied. With the exception of the Kha Ri Gude programme manager, national programme managers did not regularly attend. This may be because the Kha Ri Gude programme is managed directly by national DBE while all other departments receiving incentive grants are provincial or municipal. The national programme managers who are expected to attend these meetings were assigned a more general oversight role with regards to the IG, which mostly overlaps with that of the DPW and DSD SPO (for instance, "support provinces with the development of plans"; "cooperate with DPW and DSD SPO on the review and revision of the incentive model performance indicators"; "review... the use of the incentive grant in provinces").<sup>77</sup> Their only non-overlapping responsibility is to set minimum service delivery quality standards, which is not a key focus of the IPMT meetings. It is not clear that improved attendance by these departments would help to overcome the obstacles described below.

IPMT meetings mainly focused their discussion around incentive grant implementation issues and providing technical advice to unblock some of the obstacles to IG management. For example they discussed:

- The dynamics of the IG application process such as delays with submission of business plans and IG agreements.<sup>78</sup>
- The performance of implementing bodies against IG requirements, highlighting departments that were not spending, under-spending or not submitting the report on IG expenditure; delays in appointing of participants at the beginning of the year; and delays in the start of projects because of frozen tender procurement processes.
- Kha Ri Gude was given significant attention especially as major delays resulted in the late implementation of the project.
- IG Progress: Delays with submission of business plans and IG agreements.
- Lack of reporting about the Kha Ri Gude: Major delays resulted in the late implementation of the project.
- Development of Risk Management Plan: To address some of the problems relating to IG performance challenges, such as late starting of the projects and delays in grant transfers–Risk Management tool was to be developed in order to expand mitigation strategies for risks identified.

Based on the documentation available, it appears that the IPMT was unable to unblock the challenges mentioned above, at least in Phase Two. The reports presented during the meetings highlighted a number of challenges affecting the implementation of the IG, however effective measures to address the challenges were not developed. For example, challenges

<sup>76</sup> This statement and the discussion that follows are based on records of IPMT meetings: 2012, 2013, and 2014. There was evidence of 10 meetings in total. Four sets of meeting minutes and six attendance registers were made available for the evaluation.

<sup>77</sup> No author (2012), *IG Management: Roles and Responsibilities*. Presentation prepared for the IPMT meeting of 4 October 2012.

<sup>78</sup> Of the available meeting minutes only two were dated around the time of applications (April 2012 and May 2012) and both of these discuss challenges with the application process. It may be that things went more smoothly in the subsequent financial years.

facing the Kha Ri Gude Programme were often discussed without a concrete plan to resolve the challenges.

However, the IPMT served as a valuable forum for ensuring the challenges are well known and thoroughly discussed and understood. Based on this, the IPMT began a review of the Social Sector Incentive Grant Model. Recommendations from provinces include the standardisation of wages before cost-effectiveness calculation and the creation of two participation allocations depending on the size of EPWP participation. Based on the experience of Phase Two, the IPMT in 2014 also developed an intervention plan for non-performing provincial departments. At the end of Phase Two, the IPMT and the NSC were still working on these issues and so it remained to be seen whether implementation of the plan will be effective and beneficial to the functioning of the IG mechanism.

## *2. Training and Capacity Building Sub-committee*

The Training and Capacity Building Subcommittee has been regarded as the best performing of the sub-committees by a number of the DPW respondents. Its scope, roles, and responsibilities, as per a Terms of Reference, delineate what is required for the development of an effective training component to EPWP-SS, including attention to the link between training and career pathing and a range of exit opportunities. The ToR stipulates a large and diverse membership:

- NDPW (Social Sector & Training Support Unit) and DSD
- The further four National Implementing Departments
- Independent Development Trust (IDT)
- Department of Cooperative Governance and Traditional Affairs (COGTA)
- DBSA
- National Youth Development Agency (NYDA)
- Department of Higher Education (DHET)
- The relevant Sector Education and Training Authorities (SETAs): Education Training and Development Practices (ETDP SETA); Health and Welfare Sector Education and Training Authority (HWSETA); Safety and Security Sector Education and Training Authority (SSASETA); and Culture, Arts, Tourism, Hospitality and Sports Sector Education and Training Authority (CATHSSETA)

Unfortunately this sub-committee had misplaced most of its meeting records at the time of the evaluation. However, based on the few meeting records that were available, as well as a large set of additional documentation<sup>79</sup>, it is clear that this sub-committee has been active in promoting and supporting training in the Sector. This includes overseeing a national training needs assessment (commissioned by the DPW) and supporting the development of provincial training plans. There is not enough information to provide an assessment of the frequency of meetings, attendance and participation.

By the end of Phase Two, the provincial programme managers interviewed were generally aware of the training requirements and had a clear idea of the content of the Social Sector training framework (published 2012) and funding arrangements for training. There has clearly been a consideration of training options even in programmes that previously did not emphasise formal training, such as the NSNP. This suggests that the sub-committee (or its members) is contributing to promoting training in the Sector.

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<sup>79</sup> Meeting minutes on development of qualifications; training course catalogue for implementing departments; capacity building presentations made in provinces; a presentation to NSC; tender information for the needs gap assessment and provincial training plan development; training needs gap assessment report.

Despite the work it has done so far, there are obstacles to training that the sub-committee had not yet been able to resolve by the end of Phase Two, such as the extremely slow procurement processes for training service providers if training is procured through the Department for Higher Education and Training (with funding from the NSF). The training plans devised in mid-Phase Two proved to be unrealistic (see section 3.2.1) and targets were not met. Moreover, in Phase Two there were some important aspects of effective training support that were not in place, such as keeping a record of how many participants were adequately trained or qualified for their tasks; keeping a record of participants' pass rates in the training provided and identifying challenges; and working with implementing bodies to articulate plans for improving participants' future employability. Thus, while training opportunities may be provided, there needs to be further strategic thinking around what would constitute training success and how the sub-committee can best support this. Until then the sub-committee has not achieved parts of its mandate, such as ensuring that beneficiaries receive relevant skills and work experience and creating an enabling environment for career paths and opportunities to exit into formal employment in the mainstream economy. The sub-committee's work therefore remains extremely important going into Phase Three.

### 3. Communications Sub-committee

In Phase One EPWP-SS was new and the concept had to be introduced to all. Reports at the end of Phase One and into Phase Two noted that some programme managers,<sup>80</sup> many NPO managers and actual EPWP-SS participants were either unaware of, or not fully informed about EPWP-SS<sup>81</sup>. The Communications Sub-committee was framed, in the draft Phase Two plan, as the key mechanism for improving these weaknesses in communication. It has a draft Terms of Reference (dated September 2014), which indicates that it should convene once per quarter and should be attended by representatives—including communication units—of the coordinating departments, implementing departments, Independent Development Trust (IDT), Government Communication Information Systems (GCIS) and the NYDA. Its purpose is to synergise and coordinate communication messages and to leverage human and capital resources (for communication). The involvement of the communication units of the participating departments demonstrates a move toward mainstreaming EPWP into the normal operations of these departments.

According to its ToR, the Communications Sub-committee is tasked with developing plans for internal communication (to public servants), as well as external communication (with the public and intended beneficiaries) to facilitate liaison with communication directorates of participating public bodies; to design and issue information pieces about matters pertaining to EPWP; and to serve as a platform for sharing communication experience. No record of meetings was made available for the evaluation, which is a poor indicator for a sub-committee that should surely take the lead in communicating its work and mandate. The extent to which the sub-committee fulfilled these roles is therefore assessed here based on other evidence of its activities.

The available documentation suggests that participation in the sub-committee was low, at least in the first few years of Phase Two. A 2012 NSC meeting noted that there had been a considerable effort to “resuscitate” the sub-committee in Phase Two, but the members of the sub-committee had not been providing input on communication issues when requested. The decision was made to hold sub-committee meetings at the GCIS to “galvanise” the sub-committee. Apparently this was to no effect.

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<sup>80</sup> Camissa (2013), 74-75.

<sup>81</sup> Strategieq Developments (2012) *Expanded Public Works Programme Employment of Extension Workers Study, Final Draft Consolidated Report*, 134-135; Camissa (2012), 115.

The sub-committee focused on two tasks: (1) marketing around annual Social Sector summits and (2) the drafting of a Communications Plan for the Sector. This plan was comprehensively drafted and finalised by May 2013. It is predominantly a plan for communications with the public and external stakeholders (including potential participants), and not for communication among implementing bodies and their partners. It identifies individuals—including political leaders and prominent members of the public such as academics and celebrities—who should communicate EPWP-SS's messages. It also outlines a range of planned communication activities for the last fifteen months of Phase Two (January 2013 to March 2014). However, there was limited evidence that these activities were carried out in the specified time frame.

In terms of internal communication, the Communications Plan notes its importance, but does not articulate a plan for addressing this. Given the numerous implementing bodies and partners involved in implementing EPWP-SS, this is a crucial area of communication, yet it was apparently left unaddressed. As noted in the discussion of the ESC above, there is an absence of documents or guides that lay out the goals, minimum standards, and requirements of EPWP-SS for departments and programme managers who have newly come on board. This evaluation also found evidence of ineffective communication with NPOs that are implementing EPWP-SS programmes in partnership with departments. They demonstrated highly varying levels of awareness of EPWP-SS, its objectives and minimum standards. Furthermore, the evaluation confirmed that as noted in previous studies, the EPWP-SS still remains largely unknown among participants on the ground, as well as their direct supervisors—such as teachers at schools where the NSNP is implemented and nurses managing HCBC teams at clinics—and the recipients of the services they provide. Instead, beneficiaries tend to identify more strongly with the department or the NPO that contracts them rather than EPWP-SS itself.

Possibly, the sub-committee is functioning to an extent as a space for planning, consensus building and decision making, but needs to consider improved mechanisms for ensuring buy-in and accountability. These may include adding, with the support of the HODs, explicit Social Sector related tasks and dedicated resources into the performance plans of the participating departments (or their communication units). If EPWP-SS is mainstreamed into implementing departments, it makes sense that it would form part of their communications planning and resourcing. Another potential drawback to the functioning of the sub-committee is that, according to its Terms of Reference, it is “chaired by DSD and co-chaired by DPW”—so that these departments must constantly liaise before taking steps to lead the committee. As sector lead the DSD should take full responsibility for communications that pertain to the Social Sector.

#### *4. Monitoring and Evaluation (M&E) Sub-committee*

Despite M&E being such a crucial element of programme implementation and management, the M&E Sub-committee never met during Phase Two. No terms of reference or any documentation regarding this committee is available. The lack of stakeholder deliberation and ownership around M&E left a major gap in EPWP-SS coordination in Phase Two.

The four NSC task teams or sub-committees have the potential to be catalysts for excellence in each of their focal areas. Their membership is inclusive, their terms of reference (where available for review) are generally clear and focused, and they have been selected to focus on issues that are of key interest to many sector stakeholders. However, there are many meetings in the Sector and yet, they seem ineffective in achieving the alignment and resolving problems as is intended in the ToRs. Assigning both the DSD and DPW to leading roles in the same task teams seem to be hindering the effectiveness of the task teams. The evaluation did not find any evidence of benefit accrued by having the two departments share leadership of sub-committees. The opposite seems to be true; it makes it difficult to provide guidance on how departments should assign resources to the coordination of these functions, and to hold either department accountable if the sub-committee underperforms. There would still be sufficient space for a non-chairing DPW to make substantive contributions to a committee as an ordinary member, as well as to receive feedback at the NSC meetings. As things are currently arranged, it is hard to ascertain which individual to approach for information on the sub-committees, and obtaining documentation was challenging as the secretariat function for

all committees, except the IPMT, appears to have fallen through the cracks.

#### **(d) Chief Directors' Forum, DDG Forum and DG Forum**

The forums that were set up with the intention to provide strategic direction (and interface with higher policy forums) were the Chief Directors' Forum, Deputy Director General (DDG) Forum and Director General (DG) Forum. However, these structures did not operate, and therefore the NSC became the highest level EPWP-SS coordination structure that functioned.

The NSC has its roots in a set of task teams established by the Social Cluster Directors-General around the same time as EPWP-SS' Phase One. When the envisioned senior management structures focused on EPWP-SS, it did not get off the ground, the NSC continued to report on EPWP-SS, as one of several points discussed with DGs in a Cluster<sup>82</sup> focused on social issues. The DPW also convened a National Coordinating Committee (NCC), which was intended to bring the DGs of all the Sector Lead departments together to discuss matters of strategic importance. However, interviewees in the national DPW and national DSD indicated that attendance of the NCC had been repeatedly delegated to subordinates, even down to a DD level, and had been dying "a slow death."<sup>83</sup> By the beginning of Phase Three alternative structures were being considered to involve these officials.

Unfortunately in the absence of these envisioned senior management structures, senior managers were not always closely involved with EPWP-SS and it did not always enjoy high priority in their departments. This has hampered the Sector's performance. For instance, provincial departments of social development tend not to assign sufficient resources to coordination (as mentioned earlier); implementing departments have not yet integrated EPWP-SS objectives into departmental planning and personnel performance management systems; and implementation challenges such as late payment of participants are not always swiftly resolved. When such problems were raised in the NSC and could not be resolved at that level, they either had to be escalated directly to DGs as part of the discussion point on EPWP-SS in the Cluster, or escalated to senior managers in a more ad hoc way.

Why the senior management coordination structures failed to become established is not entirely clear. In terms of factors that facilitate coordination, most of them are in place; the relevant senior managers' time is the only resource that would be impacted if they were to participate in these structures.

Part of the answer may lie in the fact that superficially, EPWP-SS seems to be working well as things are, but in a very narrow way. The success of EPWP is often spoken of predominantly in terms of whether it is reaching numeric job creation targets, mostly WOs and FTEs and the quotas for inclusion of women, youth and people with disabilities. Based on these indicators the Social Sector appears to be performing relatively well. However, these numbers do not give an indication of the underperformance of the Sector on other counts, where even the legal requirements of complying with the MD and contractual requirements are failing—like paying participants on time (as will be discussed in subsequent sections). In fact there is a risk that programmes may pursue job creation numbers at the expense of other crucial determinants of quality and impact<sup>84</sup>. If EPWP-SS' success is measured more comprehensively and outcomes

<sup>82</sup> The DG Clusters have been reshuffled a number of times; the relevant Cluster has been called the Community and Human Development Cluster and according to the Social Sector Draft Phase Three Plan the NSC will in Phase Three report to what is called the Social Sector Cluster.

<sup>83</sup> Documentation (e.g. attendance registers) substantiating this was not made available for the evaluation, but there appears agreement in this regard among DSD and DPW officials and in early Phase Three there is evidence that the DPW is considering replacing the NCC with a different structure.

<sup>84</sup> Evidence of this tendency is also presented in Vetten, L. (2015), *Who cares? Post-rape services and the Expanded Public Works Programme in South Africa*. Unpublished draft.

such as improved employability and poverty alleviation are clearly articulated, the need for increased senior management involvement is clear. A provincial coordinator expressed the view that officials were, “working to compensate for weaknesses in the system that should have been resolved at the design stage... But people looking at the programme from the outside see results coming out... and conclude that the programme has been designed very well.” To change this situation a broader set of “results” should be defined, as discussed in section 3.1.5.

### **Other coordinating mechanisms**

Besides the mechanisms discussed in detail here, there are other mechanisms that hold particular value to certain stakeholders. The DSD provincial and national coordinators meet quarterly on the day before the ESC meeting to discuss provincial progress and the DPW regional coordinators report regularly to the EPWP Social Sector directorate. In Phase One there were also national Interdepartmental Committees for the coordination of the ECD and HCBC programmes between the departments of Health, Education and Social Development. In the implementation of Phase Two, this engagement was reported to have weakened considerably. This is understandable as more programmes join the Sector and cooperation becomes more generalised. However, the three units in these three National Departments express reduced mutual agreement about how they are expected to interact with each other, and whether they should also be expected to coordinate activities between different EPWP-SS related units within their departments.

### **Conclusion**

The ESC and PSCs have been the most effective EPWP-SS coordinating structures and are likely to continue as valuable structures for intra-sectoral accountability, motivation and learning. They cannot replace effective written guides and policies.

The lack of senior management involvement in coordination has significantly limited the effectiveness of EPWP-SS’ coordination as well as implementation over the course of Phase Two. Seniors managers should engage with a broader set of results (see section on M&E) so that the need for their increased strategic input and support is clear.

Almost all the coordination structures in EPWP-SS have struggled with attendance of national implementing departments. It appears that programme managers from these departments were overstretched and or did not see value in the meetings. The NSC in particular appeared to focus more on implementation than on policy and guidelines. Furthermore, it seemed that the same national departmental officials were attending all meetings, while it would make more sense for these departments to be represented on each coordination structure by the most appropriate departmental unit (communication unit on the communication sub-committee).

The task teams have struggled to resolve issues and did not meet as regularly as intended. The decision to assign, both the DSD and DPW, to lead some of the task teams may have been motivated by the lack of capacity and dedicated personnel in the DSD, but it seems to be hindering the effectiveness of the task teams—a better solution is to improve resourcing in the DSD.

The weaknesses in these coordinating structures have implications for the assumptions underlying the Theory of Change. An important assumption is around stakeholders’ commitment and resource allocations to the activities required to achieve the objectives. Because stakeholders are not coordinated as effectively as they could be, their implementation may remain almost entirely focused on service delivery with very limited focus on the other priorities depicted in the Theory of Change. This has implications for the coherence and effectiveness of implementation across programmes, as highlighted in the following sections.

#### **3.1.3. Resource Allocation**

When EPWP was conceptualised, there was the anticipation that more jobs could be created by aligning job creation goals with existing service delivery mandates (by finding labour-



intensive methods of service delivery) rather than by setting up a separate programme to fight unemployment. Integrating EPWP into departments' existing programme budgets gives EPWP access to large and varied resources in order to meet its aims and potentially reduces costs to the state while ensuring that participants are involved in meaningful work. This is considered more efficient compared to a multiple projects approach.<sup>85</sup> This however means that EPWP-SS related expenses are integrated into departments' work and accounted for as part of programmes with broader policy objectives than job creation, making it hard to isolate them.

Notwithstanding these limitations, the evaluation used existing data to provide an indication of the adequacy and efficiency of resources allocated to support the EPWP-SS. This section considered financial and human resources allocation, nothing however that they intersect.

### Financial resource allocation

Provincial departments typically use a combination of sources to fund EPWP-SS programmes. Potential sources include departmental funds (allocated by provincial treasury); Conditional Grant funding from national departments; the EPWP Incentive Grant (a Conditional Grant managed by the DPW); and in rare cases, external donors or sponsors. Each of these funding sources has different reporting requirements. The DPW's performance management system is the only source of financial performance data that reflects all funding streams available to EPWP-SS programmes. This system requires participating programmes to report on three indicators: the value of the stipend paid to participants, overall budgets and expenditure.

The handbook for capturing data (on the IRS system),<sup>86</sup> which is generic for all Sectors, instructs departments to report the project budget which is defined as, "the overall budget including stipend for the project. This includes price tendered by the contractor and the professional fees for the professional service provider appointed to design and supervise the project. The project budget excludes government management & administration costs." Expenditure is defined as "actual expenditure (as defined by the National Treasury) on projects and supporting infrastructure, including stipends; feasibility studies; and research but excluding government administration costs. Thus management costs, which may be significant, are excluded from the data provided. There are also indications that the data is not entirely reliable:

- Risk of inconsistent reporting: Written guidance to programmes on what to enter as budget and expenditure data is limited to the definitions provided above. Given the complexity of EPWP-SS funding mechanisms and the fact that different sectors and programmes have different implementation arrangements, this could lead to inconsistent reporting.
- Risk of inaccuracy: The DPW has a unit responsible for verifying data before it is finalised, but errors may have slipped past this process. One clear error is that the 2011/2012 budget "jump" to R78 billion (Table 6) is apparently driven by an additional three zeros ("000") on a Western Cape Health budget in that year.
- Risk of under-reporting: The DPW has struggled to get provincial departments to report on time; there have also been cases where provincial departments registered concerns about data, which they did enter, not showing up in these reports. Despite efforts from both DPW and implementing departments, issues were not always resolved before data was published.

<sup>85</sup> Drawn from the work of Pellegrinelli (1997), quoted in Van Baalen, J. and De Coning, C. (2011), "Chapter 8: Programme management, project management and public policy implementation" in Cloete, F. and De Coning, C. (eds.), *Improving Public Policy: Theory, practice and results* (3rd ed.). Pretoria: Van Schaik.

<sup>86</sup> EPWP Monitoring and Evaluation Directorate, Department of Public Works (2013), *Integrated Reporting System (IRS): System User Manual: Step-by-step guide for Capturers, Viewers and Authorisers*. No publication details.

**Table 6. Reported EPWP-SS Phase Two annual budgets and expenditure excluding management costs**

<b>Year</b>	<b>Budget</b>	<b>Expenditure</b>
<b>2009/2010</b>	6,010,098,326	2,217,090,264
<b>2010/2011</b>	6,017,208,684	2,588,050,113
<b>2011/2012</b>	78,484,206,574	1,850,074,807
<b>2012/2013</b>	5,357,552,718	1,888,513,804
<b>2013/2014</b>	4,090,260,493	1,930,000,000

The data reported in Table 6 suggests that programmes in the Social Sector tend to spend less than 50% of their budgets. However, this finding could not be corroborated. Underspensing was not a common theme in interviews with coordinators or programme managers; and when three departments<sup>87</sup> that appear to have underspent according to these reports were contacted, they all disputed this and agreed to show evidence of actual budgets and expenditure. This highlighted challenges with financial data reporting in EPWP-SS.

The data on stipends and expenditure also suggested that the “cost efficiency” or labour intensity of EPWP-SS programmes is exceptionally high—in 2013/2014, participant stipends constituted 58% of the total reported expenditure. If true, this would be a remarkable achievement even by global measures for a public works programme. However, given data quality issues and concerns that the DPW system does not capture all costs associated with EPWP, these numbers have to be interpreted with caution. There are reported instances where full programme budgets were captured (in line with the guidelines quoted above) but expenditure only reflected stipends (as it is the one cost directly associated with EPWP and therefore easier to report on). This distorts the picture of performance presented in the data. A specific case pointed to particular issues with these indicators: a DPW regional coordinator who has been entering data on behalf of implementing departments explained that her unit had been instructed to enter the full budgets of the programmes, but when it comes to expenditure she only had stipend expenditure data available (from Persal reports), and that is all she reported. Naturally this would completely skew the expenditure pattern in that province, and anywhere else where this approach was followed. The general data quality concerns listed above also apply here. It has often been posited that Social Sector public works programmes are by nature highly labour intensive, and this is theoretically plausible, but this data could not give a reliable estimate in order to confirm this.

Although there were no further sources of comprehensive financial data, other data sources<sup>88</sup> provided insights into the use of the IG; stipend payments; and the resourcing of coordination. The introduction of the Social Sector Incentive Grant in 2010/2011 was positively received, as it helped ease the financial constraints that inhibit programmes from expanding or being better implemented. Although underspensing of the IG was initially widespread, a review of the IPMT minutes suggests that there was less underspensing on the grant after a few years of operation. Many programmes have used the grant as a subsidy to increase the number of participants in their programmes or to start new complementary programmes.

Documentation and interviews indicate that there is a tendency for other government programmes to shift the responsibility of funding EPWP to the IG, instead of continuing to set aside sufficient budgets to run the programmes. The danger is that the IG can become a separate source of funding for EPWP, displacing the programme implementation budget. This

<sup>87</sup> Limpopo Department of Health; Limpopo Department of Education; Gauteng Department of Community Safety and Liaison.

<sup>88</sup> The paragraphs that follow draw on IPMT related documents; primary data from interviews; and documents on internal resourcing provided by DSD SPO.

would change the nature of EPWP, making it a stand-alone programme, rather than intensifying the labour absorption capacity of existing government programmes. This may help to explain why, despite the introduction of the IG, the reported budgets in the Social Sector have actually decreased over the course of Phase Two (Table 6) although WOs and FTEs have increased.

There were some challenges that impacted on the smooth running of programmes, hence making use of the IG funds. Programme managers expressed concern about the fact that the DPW could not guarantee the size of the IG allocations over more than one year, as this posed a risk to their ability to renew participants' contracts. Additionally, the timing of the announcement of the IG was frequently cited as a problem. Programme managers indicated that they were notified in January about their IG allocation for the coming year, while their other funding stream allocations were known earlier and annual planning was already complete. There is a misalignment between the IG and other planning and funding cycles. This resulted in the late adjustment of plans, or an inability to spend all the awarded funds. These concerns are being taken into account with a review of the IG model.

Overall there is a need for EPWP-SS to improve its monitoring of financial resources. Just as with other indicators, the selection of financial indicators would need to be based on the CREAM criteria (see section on Monitoring Frameworks) and collected according to quality standards. If this process is not followed, and if there is no verification of indicators, there is a risk that financial data can be reported differently from programme to programme or even, for a single programme, from year to year. It is likely that the collection of good financial data will require dedicated expertise and a written operational policy on EPWP budgeting and reporting. Only once an acceptable data set is available can the resource allocation and cost effectiveness of the programme be assessed with any degree of confidence.<sup>89</sup> In the absence of reliable data it has been difficult to evaluate its performance on this aspect, beyond the pointing out of some clearly recurrent challenges.

## Human Resources

Phase Two has been a period of impressive growth and consolidation for EPWP-SS, which consequently has management implications. The task of managing an EPWP-SS programme has become more demanding over the course of Phase Two. The following responsibilities have been added:

- The requirement of reporting on the online management information system was introduced at the start of Phase Two.
- With the introduction of the IG in 2010/2011, most programmes are now being funded from more streams than in the past, each with their own reporting requirements.
- The introduction of the MD and the increasing emphasis on accredited training has further contributed to making EPWP-SS implementation a more demanding task.

The workload associated with coordination has also increased considerably. Up until 2008/2009 the Social Sector consisted of two programmes (HCBC and ECD) implemented by three departments (DOH, DSD, and DBE) at a national level with the same three departments in every province. By 2011, the Sector had grown to over twenty programmes implemented by up to five departments provincially and nationally, with additional municipalities.

The human resources allocated to these roles have not always kept up with these increasing demands. The number of DPW regional coordinators has not increased since 2008, and

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<sup>89</sup> McCord, A, (2012), 57-61.

provincial DSDs have tended to assign EPWP-SS coordination as one of several responsibilities to a single individual.

Similarly, most implementing departments have assigned only one person—typically a provincial programme manager at deputy director level—to liaise with the rest of the Social Sector and fulfil any responsibilities or requests in this regard. This individual is responsible for completing business plans and payments; all forms of reporting; attending EPWP-SS provincial and national meetings; and making sure that all stakeholders are adequately informed about EPWP-SS, procurement of beneficiaries in target groups, planning for beneficiary skills development, work experience, mentoring and training, planning for improved employability of participants, and compliance with the MD. All of these duties are over and above the management of the actual service delivered with the involvement of EPWP-SS participants, which includes understanding the need for the service; engaging with stakeholders; delivering the service to quality standards; monitoring the quality of service delivery; and all other management work related to any government programme. As one programme manager in KwaZulu-Natal stated: “EPWP allowed for the expansion [of our programme] but it didn’t come in with staff - be it admin support or data capturing.” The reality is that developing a programme in line with EPWP-SS priorities and contributing to sector activities, requires more resources than simply implementing it in a way that delivers the relevant service.

In practice, these programme managers, though assigned to liaise with EPWP-SS, tend to be held responsible mainly for the service delivered. A coordinator explained: “In the implementing bodies you’ll find that there is someone who is responsible as a programme manager for [for instance] ECD. They are not about EPWP. They are about service delivery.” For these individuals, the pursuit of other EPWP-SS priorities (and all the associated activities) is only a minor component of their annual performance indicators (if at all). A NSNP provincial programme manager explains this vividly when describing his choice between providing accredited or unaccredited training: “The challenge with [accredited training]—to put that way, the HR challenge to arrange all this... there’s sort of a long red tape there—complicated things, we need to be given that form... and remember it’s not our core business! Now it takes much of our time. There was a lady... who was a training officer for EPWP, but when I received that document on training [applying for NSF-funded accredited training], I found that I won’t really have time for this... otherwise [if I take the time to apply for accredited training] I will get a boot; I will be fired because I won’t be doing what I am employed to do. It [my time spent at work] will be only on this [EPWP].” Many others expressed similar arguments. Given the way their responsibilities are structured, when provincial programme managers are stretched for capacity, they focus on optimising service delivery at the expense of EPWP-SS goals.

This is likely to continue unless senior managers in implementing departments engage with, and agree to these goals, explicitly integrating them into programme personnel’s responsibilities and resource allocation. At present this is not the case, as evidenced by the limited attention and priority given to EPWP elsewhere within the same departments. For instance, EPWP is mentioned in a cursory way (if at all) in departmental Annual Performance Plans. A provincial programme manager explained that, “none of the senior management discusses EPWP. I think if management can understand what type of involvement [is required of implementing departments] and how ECD can participate within EPWP. If they can understand that it will unblock [many implementation] issues. Then they will understand... why we report.”

It seems that, like other recent efforts in joint programme management for integrated service delivery in South Africa, EPWP-SS has found at times that managers are reluctant “to release

staff from line management duties ... to perform what are often viewed as activities over and above normal work duties. This labelling of transversal programme activities as ‘add-ons’, that is, not part of the core business, often results in a lack of ownership and commitment.”<sup>90</sup> As a result, coordinators struggle to get full participation from implementing bodies, and at times take it on themselves to fulfil implementing departments’ responsibilities (provincial coordinators reporting on behalf of implementing departments) or have to request inputs repeatedly.

## Conclusion

It is clear that EPWP-SS faces resource constraints, both in coordination and implementation. The Theory of Change and original mandate for EPWP articulated an assumption that sufficient resources would be available for implementation, but the findings reported here suggest that in practice, the management and coordination of these programmes require some additional resources. With regards to human resources, constraints tend to force programme managers to focus on service delivery (“better human development” for those benefiting from the service), while pursuing and monitoring progress toward other EPWP-SS goals (improved employability; poverty reduction, unemployment alleviation) take lower priority. Furthermore, in the DSD, financial and human resource constraints—and the fact that they are not ring-fenced for EPWP-SS—hinder their ability to lead the Sector and contribute to the underperformance of some coordinating mechanisms.

Furthermore, it became clear that coordinating departments are not effectively monitoring resource allocation and utilisation. The financial assessment was limited because of the lack of reliable financial data available. The integrated nature of EPWP-SS resourcing means that monitoring resource-use is not straightforward, which became clearer when it emerged that the simple “budget” and “expenditure” indicators in the DPW performance management system are not yielding quality data. Reliable and more detailed financial data will be required to support useful M&E of this aspect going forward.

Given that the state is operating under resource constraints it is crucial that stakeholders allocate and utilise existing resources more competently, by for instance reducing the number of meetings; streamlining reporting systems; and ensuring the electronic database functions optimally. Improvements in resource allocation in the Sector will be more likely to occur if (1) the full set of EPWP-SS objectives is made clear to senior managers and they explicitly engage with and commit to these; and (2) departments are provided with a credible assessment of the required resources for their effective participation as implementers or coordinators—based for instance on a functional review.

### 3.1.4. Ministerial Determination

EPWP-SS implementation is guided by a set of minimum standards, which were first enshrined in a Code of Good Practice (2002). This code stipulated working conditions, payment and rates of pay, disciplinary and grievance procedures, and protection of workers engaged in SPWPs. It was gazetted by the Department of Labour after consultation with the National Economic Development and Labour Council (NEDLAC), and formed the basis for a labour framework for PWP. It applied to all EPWP employers and employees and was in line with all legislation including: The Basic Conditions of Employment Act; the Labour Relations Act; the Employment Equity Act; the Occupational Health and Safety Act; the Compensation of Injuries and Diseases Act; the Unemployment Insurance Act; and the Skills Development Act.

Since 2010, this code has been strengthened, and formalised, by a Ministerial Determination (MD) on Expanded Public Works Programmes. The introduction of the MD in 2010 and its

<sup>90</sup> Van Baalen, J. and De Coning, C. (2011), 177.

amendment by the Department of Labour in May 2012<sup>91</sup> reflects EPWP's alignment to the government's commitment to providing decent work. The MD stipulates the standard terms and conditions for workers employed in elementary occupations on an Expanded Public Works Programme. Overall, rights and protection now include health and safety requirements. Employers must register the participants and records must be kept in order for workers to be compensated in the event of an accident. Task-based systems should allow participants, especially females, to complete other tasks (household chores).<sup>92</sup> It is important to note that the MD excludes a number of basic provisions of the Basic Conditions of Employment Act including overtime rate, severance pay, notice of termination and others. Still it does include a number of stipulations that can be seen as contributing to the quality of employment, and therefore the social protection value of EPWP-SS. The requirement that EPWP participants should contribute to the Unemployment Insurance Fund, for instance, has the potential to extend income support to them for a brief period beyond the expiry of participant contracts.

The Social Sector EPWP Indaba on Conditions of Service held in February 2009 emphasised that the improvement of the conditions of service should promote solidarity, compassion, respect and dignity amongst the beneficiaries of the programme. The end result is to create a positive environment, which will improve the quality of the service provided by the workers.<sup>93</sup> Over the course of Phase Two the EPWP-SS steering committees—the NSC, ESC and PSCs—have played an important role in making the MD well known across the Sector<sup>94</sup> and garnering support for it. By the end of Phase Two there was agreement, in principle, among implementing programme managers that the MD should be applied as a basic minimum set of conditions to their programmes—even if they were not compliant.

### Minimum stipend level

At the end of Phase Two, most programmes were compliant with the stipend aspect of the MD (see Figure 10),<sup>95</sup> which was R70.59 at the end of Phase Two.<sup>96</sup> This represents important progress in providing income support to participants, many of whom were volunteers before the introduction of EPWP-SS. The average reported minimum wage paid in the Social Sector in 2013/2014 was R66, up from R52 in 2009/2010.

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<sup>91</sup> In terms of Section 50 of the Basic Conditions of Employment Act, 1997

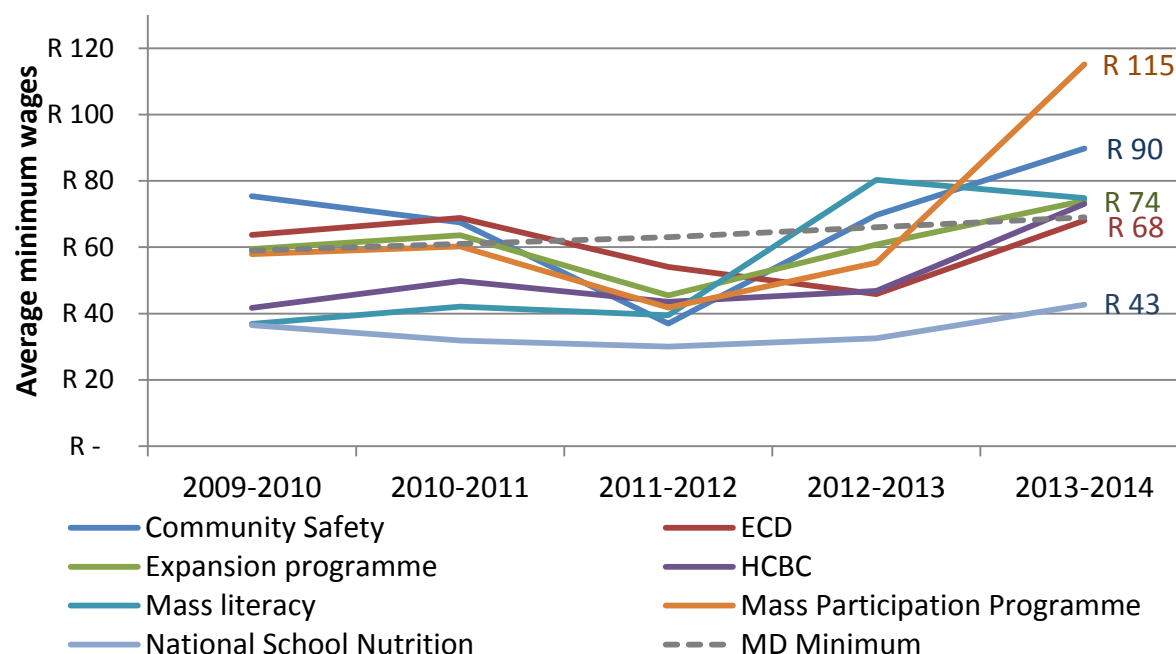
<sup>92</sup> Lwanda, G., Bockerhoff, S. & Dicks, R. (2011). *Achieving a Decent Work Agenda in South Africa: Finding synergies between public employment schemes and social security interventions within a New Growth Strategy*. National Labour and Economic Development Institute (NALEDI).

<sup>93</sup> Kagiso Trust (2011), 26-7.

<sup>94</sup> All of the 39 interviewed programme managers were aware of the MD, with the exception of one programme manager in Gauteng.

<sup>95</sup> Note that the minimum stipend changes on 1 November every year, hence two minimum stipend values are given for each year. The table is based on the DPW performance management data.

<sup>96</sup> Some programmes multiply the daily wage by 20 to get to R1411.80 per month; others multiply it by 21.5 which is more correct; this comes out to R1517.69. For the purpose of this assessment R1411 and above is considered compliant.

**Figure 10. Average reported minimum wage in selected EPWP-SS programmes**

The NSNP and DSD ECD programmes were not compliant by 2014. Other individual provincial programmes also reported stipends lower than the minimum wage,<sup>97</sup> even if nationally the average minimum stipend for these programmes was compliant.

The DSD ECD practitioners' stipends vary widely, with some practitioners receiving less than R500 per month while others earn stipends well above the EPWP minimum stipend. The reason for this discrepancy is that ECD practitioners are not paid stipends directly by their provincial DSD. Instead, provincial DSDs pay the ECD centres a subsidy per child per day. Centres may also have additional income streams, including parent contributions. These funds are then allocated to the expenses of the centre based on the decisions of the centre management. Provincial DSDs do not stipulate how much ECD centres should pay practitioners. However, the ECD programme managed by departments of education, which is focused on providing accredited training to practitioners, is different. When provincial departments of education arrange for ECD practitioners to be trained, these departments pay the selected practitioners stipends compliant with EPWP minimum levels for the duration of their training. When the training period is over (typically 12 to 18 months), this direct stipend from the department of education stops and practitioners' stipends again become subject to the decisions of the centres where they work.

Most NSNP Volunteer Food Handlers<sup>98</sup> are paid the same regardless of the province in which they work. This figure was R39 per day or R840 per month in the fourth quarter of 2013/2014, which is less than 60% of the minimum. Their stipends and most other expenses associated with the programme are funded by the National Department of Basic Education and disbursed

<sup>97</sup> The finding that most programmes are compliant with the minimum stipend was corroborated by provincial quarterly reports presented at the March 2014 Annual Social Sector conference as well as by this evaluation team's data collection process. The DPW raw performance management data can be used to monitor non-compliant programmes.

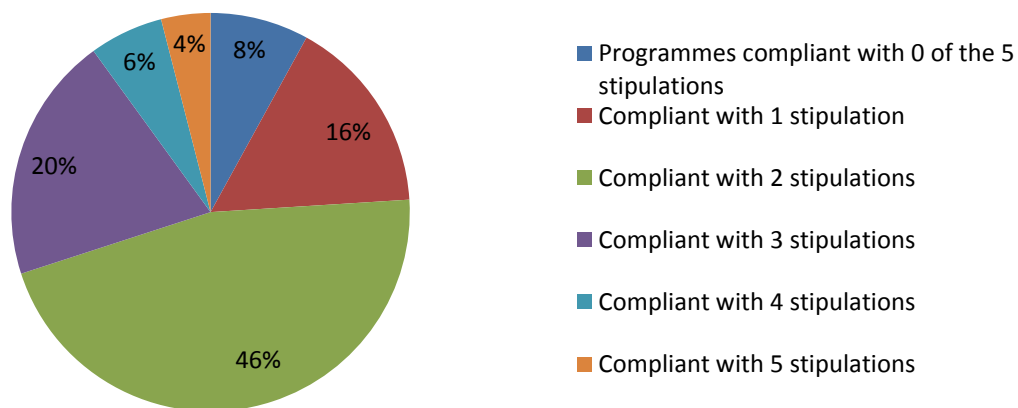
<sup>98</sup> With the introduction of the Incentive Grant, some provincial departments were able to employ additional categories of participants to enhance the implementation of the NSNP. These categories include vegetable farmers and school-based monitors (who monitor the implementation of NSNP at schools). These categories of participants are paid exactly the minimum stipend as per the conditions of the Incentive Grant.

to provinces via a Conditional Grant governed by the Division of Revenue Act (DORA). The terms of this grant stipulate the stipend level and allocate the bulk of the funding to food; effectively “the [Conditional] Grant makes sure the learners eat, and then that’s it.”<sup>99</sup> The NSNP national budget, which stood at R5.2 billion in 2013/2014,<sup>100</sup> goes predominantly to covering the rising cost of food, and has not increased in response to the issuing of the MD and minimum stipend. Some provincial programme managers have explored the possibility of using the IG to top up the stipend, but the IG rules do not allow this. Provinces are not prohibited from topping the stipend up from their own (equitable share) coffers but it is rare for them to do so. The NSNP programme may perhaps be treated as a special case. Its Volunteer Food Handlers receive far more leave per annum and are generally unlikely to work longer than six hours per day—depending on the proximity of water to the school, and other facilities required for their task. As mentioned, the MD makes provision for a worker to be paid per day or per task, in which case there may be an opportunity to justify payment of a slightly lower stipend by calling the daily serving of meals “tasks”.<sup>101</sup> This needs to be formally reviewed, taking into account that even if the lower stipend can be justified, its likely poverty alleviation impact that it can achieve directly through the stipend is reduced.

### UIF, COIDA, OHS

There has been progress in complying with other aspects of the MD, such as the Unemployment Insurance Fund (UIF), Compensation for Injuries on Duty Act (COIDA), and Occupational and Health and Safety (OHS). However, there is still room for improvement. At the end of Phase Two, only five out of 61 provincial programmes were reported<sup>102</sup> to be compliant with all five of these stipulations: the stipend, UIF, COIDA, OHS and training requirements of the MD (see Figure 11). These five programmes constituted a National Youth Service programme of the DSD in North West; an unspecified programme implemented by the Department of Health in the Northern Cape; and three ECD programmes in the Western Cape (two reported by the DSD and one by the Western Cape Education Department).

**Figure 11. Provincial programme compliance with 5 selected Ministerial Determination stipulations, March 2014<sup>103</sup>**



<sup>99</sup> Provincial NSNP Manager.

<sup>100</sup> Statement of annual NSNP overall budget and expenditure, provided by DBE.

<sup>101</sup> Almost all the Social Sector programmes sampled for this evaluation employ participants full-time (approximately 8 hour days, 5 days a week). Programmes in the Non-State Sector, in contrast, typically employ workers for fewer hours per day or fewer days per month. Programmes such as NSNP may be able to arrive at an implementation model more similar to that of the Non-State Sector.

<sup>102</sup> As indicated in the provincial quarterly reports presented at the March 2014 Annual Social Sector conference. This excludes Western Cape, Mpumalanga, and KwaZulu-Natal.

<sup>103</sup> As indicated in the provincial quarterly reports presented at the March 2014 Annual Social Sector conference. This excludes Mpumalanga and KwaZulu-Natal.



About half (31 out of 61) of the programmes reportedly contributed to UIF and 33 provided some kind of training. Interviews further suggested that many programmes have recently made progress on the UIF requirements and commenced UIF contributions in the 2014/2015 financial year. Compliance was lower on OHS (17 out of 61) and COIDA (18 out of 61).

Although overall compliance is still low on these stipulations, some programmes are doing better than others. Table 7 shows programmes that already comply with at least four of the five stipulations discussed in this section (complies with the Minimum Stipend; registered for UIF, registered for COIDA; complies with OHS act; and some form of training provided). Further investigation of the enabling factors for compliance in these programmes can assist those trying to promote compliance or improve the compliance of the programme that they manage.

**Table 7. Programmes complying with at least 4 out of 5 selected MD stipulations<sup>104</sup>**

ESC report date	Prov.	Dept.	Programme name	Stipend Min	Stipend Max	UIF	OHS	COIDA	Training
201403	NW	DSD	HCBC	R 1 500	R 1 500	Yes	Yes	No	Yes
201403	NW	DSD	National Youth Service	R 1 500	R 1 500	Yes	Yes	Yes	Yes
201403	NC	Health	Not Indicated	R 1 500	R 3 000	Yes	Yes	Yes	Yes
201403	WC	WCED	ECD & Phakamisa 3&4	R 1 535	R 1 535	Yes	Yes	Yes	Yes
201403	WC	Health	HCBC	R 2 150	R 2 150	Yes	No	Yes	Yes
201403	WC	Health	Data Capturers	R 2 150	R 2 150	Yes	No	Yes	Yes
201403	WC	Health	Emergency Care Officer	R 2 150	R 2 150	Yes	No	Yes	Yes
201406	NW	DSAC	Mass Participation	R 2 200	R 2 200	Yes	Yes	No	Yes
201406	NW	DSD	HCBC	R 1 700	R 2 200	Yes	Yes	No	Yes
201406	NW	DOH	HCBC	R 1 500	R 1 500	Yes	Yes	No	Yes
201406	FS	DSD	Social Auxiliary Support Workers	R 1 412	R 1 500	Yes	No	Yes	Yes
201406	FS	DOE	Teacher Assistant	R 1 412	R 1 500	Yes	No	Yes	Yes
201406	FS	DOH	Community Health Workers	R 1 412	R 1 500	Yes	No	Yes	Yes
201406	FS	DSAC&R	Sports Assistants	R 1 412	R 1 500	Yes	No	Yes	Yes
201406	WC	DSD	ECD Assistants	R 1 588	R 1 588	Yes	Yes	Yes	Yes
201406	WC	DSD	Family in Focus	R 1 527	R 4 653	Yes	Yes	Yes	Yes
201406	WC	DSD	Playgroup Facilitators	R 1 518	R 1 518	Yes	Yes	Yes	Yes
201406	WC	WCED	ECD & Phakamisa 3&4	R 1 535	R 1 535	Yes	Yes	Yes	Yes
201406	WC	Health	HCBC	R 2 150	R 2 150	Yes	No	Yes	Yes
201406	WC	Health	Data Capturers	R 2 150	R 2 150	Yes	No	Yes	Yes
201406	WC	Health	Emergency Care Officer	R 2 150	R 2 150	Yes	No	Yes	Yes
201406	WC	DoCS	School Safety	R 1 518	R 1 518	Yes	Yes	Yes	Yes
201406	WC	DoCS	Youth Work Programme	R 1 828	R 1 828	Yes	Yes	Yes	Yes

<sup>104</sup> As indicated in the provincial quarterly reports presented at the March 2014 Annual Social Sector conference (excludes Mpumalanga and KwaZulu-Natal) and the June 2014 ESC meeting (excludes KwaZulu-Natal and Northern Cape). For the meaning of abbreviations in this table, please see List of Abbreviations at the beginning of this report.

There is considerable work to be done before EPWP-SS will be fully compliant with the MD. The main obstacle to compliance is the burden of compliance to programme managers. Programme managers have not been able to commit the time, effort and financial resources required to set up compliant systems. As a DPW coordinator explained, “they say [UIF] is a very small amount of money and yet it involves... a lot of administrative work and they do not have capacity.”

In terms of awareness, all programme managers interviewed across five provinces and five programmes were aware of the MD and its stipulations (especially those regularly discussed in PSCs). In contrast NPO managers were rarely aware of the MD, and what it stipulates. Programme managers, although aware, were often unsure about how certain stipulations should be implemented. In programmes delivering services through agreements with NPOs, some officials were unclear as to “who is the employer in this regard” and who should pay the COIDA and UIF contributions. Western Cape implementing departments have largely gained clarity on this through engagement with the provincial Department of Labour, concluding that the NPO is the employer in such a case, but have realised that NPOs may need additional support (communication, guidance, financial and other resources) to shoulder the administrative and financial burden of compliance. Some Western Cape departments have therefore decided to pay over an extra amount, for example covering COIDA registration fees. The Limpopo Department of Health requires partnering NPOs to submit a letter of confirmation that they are contributing to UIF before transferring funds to them, thereby ensuring compliance, but placing a somewhat larger administrative burden on NPOs that seek the department’s support. A recent article<sup>105</sup> on NPOs that support victims of rape also provided evidence that departments implementing EPWP-SS programmes in partnership with NPOs sometimes expect these NPOs to shoulder a heavy compliance burden without providing the requisite funding. This can be crippling for NPOs, many of which are already facing funding crises in the current financial climate.

The Western Cape departments and the Limpopo Department of Health thus obtained the needed guidance in terms of identifying NPOs as the employer, and were then able to make arrangements to comply. But elsewhere confusion persisted and departments have not always received the guidance they need. For instance, a coordinator described how one provincial department “that has worked closely with... SARS, and [the department of] Labour, they’ve been now pushed from post to pillar to register and [pay] this [UIF] amount.” The NDPW indicated that their Partnership Support unit was working to ensure clear guidance is made available nationally (but had not yet been able to do so in Phase Two).

There were also isolated cases of resistance to the stipulations. Regarding UIF, some programme managers argued that setting up a system to contribute such a small amount to UIF is a waste of energy and that the deducting of anything from an already low stipend is perceived as an injustice.

In light of these factors, it remains important for all departments to free up the time and resources needed to set up compliant systems; however, there are clearly actions that could be taken centrally to reduce the resource burden of compliance. For instance, a compliance guide that eliminates the types of confusion described above, and presents profiles of how other departments have managed to comply, can help managers who are unsure of how to go about it. Another option is to administer some functions centrally, for instance, partnering with the South African Social Security Agency (SASSA) to administer participant stipends and manage the required COIDA and UIF deductions.

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<sup>105</sup> Vetten, L. (2015).

Another reason for slow progress in compliance is that there is a limited demand for compliance “from below” or “from above.” Few EPWP participants on the ground are aware that they are EPWP participants.<sup>106</sup> Of the few focus group participants that were aware that they are participating in EPWP, none had ever heard of the MD, nor were they clear on which basic conditions of employment applied to them. Since they are not aware of their rights, they do not demand them. Not communicating with participants not only leaves them disempowered, but it was also clear from focus group discussions, that it leaves them more unsure and less satisfied with their work. This supports a World Bank (Wiseman et al.) study, which found that participants of PWPs are more satisfied with their conditions when they understand how PWPs are meant to function.<sup>107</sup> Demand “from above” is also limited. This is partly because national monitoring systems have not placed emphasis on compliance with the MD. The ESC provincial reports document performance on compliance with the MD; however, these are not collated, escalated to higher level coordination forums or taken up with specific national departments. The limited focus on compliance may be driven by pressure for the Social Sector to demonstrate progress in meeting WOs targets instead of being accountable in a more nuanced way for the quality of programmes.

Compliance with the MD represents government’s commitment to decent work and is legally binding on implementing departments. However caution must be aired. An insistence on compliance with the MD can be disincentive to departmental participation in EPWP, as the requirements can be seen as burdensome. Programmes that do participate and need to decide how to spend limited human and financial resources may face a trade-off between putting in place systems to comply or expanding their programmes. This may help to explain why the MD has not been enforced, even by the DPW, that could introduce full compliance as a qualifying criterion for the IG. Since implementing and coordinating departments alike have a vested interest in programmes participating and expanding, these structures are unlikely to change. Thus, improvements in MD compliance are likely to be slow, unless demand “from above” and “from below” shifts their incentive structures or departmental resource constraints are relieved.

## Conclusion

Compliance with the MD has improved. This is mainly as a result of the efforts of coordinators through the NSC, ESC and PSCs. Still, compliance remains low. Lack of prioritisation, constrained HR for programme management, confusion or a lack of awareness about the MD, and limited demand from “above” (senior management and political leadership) and from “below” (programme participants, who are mostly unaware that they are EPWP participants) have interplayed to maintain low compliance levels. If MD compliance is a measure of quality employment for PWPs in South Africa, then low levels of compliance indicate ineffectiveness of EPWP-SS programmes to create a good working environment or conditions for EPWP-SS participants. Compliance is especially important in EPWP-SS programmes that incorporated existing volunteers. For these programmes’ success is not measured by new WOs created, but by the ability to formalise former volunteers’ roles into predictable WOs with some protection against exploitation. Moreover, since the MD is a stipulation legally binding to implementing agencies, non-compliance is a legal infringement. Social Sector programmes have also not been able to formalise all former volunteers.

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<sup>106</sup> See Camissa Institute for Human Performance (2012), *Cross Sectional Study of the Expanded Public Works Programme Phase Two 2009/2010: Final Report*. Unpublished draft provided by the Outcome Facilitator for Outcome 4: Economy and Employment.

<sup>107</sup> Wiseman, W., Van Domelen, J., and Coll-Black, S. (2012), *Designing and Implementing a rural safety net in a low income setting. Lessons Learned from Ethiopia’s Productive Safety Net Programme, 2005 – 2009*. <http://siteresources.worldbank.org/SAFETYNETSANDTRANSFERS/Resources/EthiopiaPSNPLessonsLearnedLite.pdf> (Accessed 18 June 2014)

Even if coordinators are reluctant to insist on compliance, they can ensure that the issue is kept firmly on the agenda by ensuring clear and reliable compliance monitoring data is compiled and regularly made available to senior managers, who can drive accountability “from above.” An indicator such as, “the percentage of MD-compliant vs. non-MD-compliant WOs created” per annum, per programme or department, can put a clear focus on this issue.

The confusion regarding the employer status of NPOs needs to be clarified. The guidance that the DPW plans to provide to departments must reflect the reality of extremely constrained resources in many NPOs. Guidance needs to anticipate the dangers of shifting the compliance burden over to them without sufficient support. The state certainly remains responsible, to an extent, for the work conditions of opportunities reported as EPWP and funded by the state. Guidance should therefore describe the lines of accountability for compliance as well as reasonable compliance support and monitoring.

### 3.1.5. Monitoring Frameworks

When EPWP was introduced in 2004/2005, a national Monitoring and Evaluation (M&E) framework<sup>108</sup> was developed to track the progress and assess the impact of the programme. The framework identified the key objectives of the programme and identified the indicators to be monitored (see Table 8). The framework also included a plan and time frame for surveys, case studies and completion reports, and impact analyses to ensure in-depth analyses of the programme’s performance and cost effectiveness.

**Table 8. EPWP Objectives to be Monitored and Evaluated**

Objective	Measure
Over the first five years to create temporary work opportunities and income for at least 1 million unemployed South Africans	Number of total, women, youth and disabled job opportunities Person days of work Average income of EPWP participants per sector
To provide needed public goods and services, labour-intensively, at acceptable standards, through the use of mainly public sector budgets and public and private sector implementation capacity.	Cost of goods and services provided to standard in the Infrastructure, Environment and Culture and Social Sectors Cost of each job created
To increase the potential for at least 14% of public works participants to earn future income by providing work experience, training and information related to local work opportunities, further education and training and SMME development.  (14% = Infrastructure 8%, environment 10%, social 40%, economic 30%)	% of participants at point of exit to secure <ul style="list-style-type: none"> <li>• Employment</li> <li>• Education or Training</li> <li>• A SMME</li> </ul>

<sup>108</sup> DPW (2005), *Framework for Monitoring and Evaluation of Expanded Public Works Programme*. [http://www.epwp.gov.za/documents/Cross\\_Cutting/Monitoring%20and%20Evaluation/report\\_framework.pdf](http://www.epwp.gov.za/documents/Cross_Cutting/Monitoring%20and%20Evaluation/report_framework.pdf) (30 March 2015).

The framework emphasised that the criteria against which the programme's objectives are evaluated will vary within sectors and programmes, and therefore must be located in the specificities of each programme. The Social Sector needed to draw on this overall EPWP framework and adapt it to their specific needs. This need was driven from the outset by the unique and varying implementation modalities in the Social Sector, such as the prevalence of NPOs as implementing agents and former volunteers to be given formal WOs; the longer-term nature of many opportunities in this sector; the professionalised fields within which some programmes operate; and the fact that participants work directly with vulnerable communities. The need became even clearer when the Social Sector continued to emphasise training and improved employability, while other sectors agreed to reduce the emphasis on these components of the programme. A Social Sector specific M&E framework would need to address these factors and plan for their assessment, either separately from the DPW's overall assessments, or by ensuring that the DPW's M&E activities are sensitive to the uniqueness of the Social Sector. The evaluation did not find such a Social Sector specific M&E framework or similar document. With the Sector Lead department not providing strong direction in this regard, and the M&E sub-committee not functioning, M&E has been weaker in the Social Sector. A number of key concepts remained undefined (making it unclear how to measure success in the achievement of objectives or targets), key indicators to the Sector were not tracked, and no baselines reflecting former volunteers were captured against which to demonstrate impact.

Despite the absence of a Social Sector specific M&E framework, two national level EPWP-SS monitoring or reporting systems were established in Phase Two. These are the EPWP performance management information system and the EPWP-SS provincial reports, presented at quarterly ESC meetings. These are the only two that include data on all programmes and provinces. There are also some provincial systems for monitoring compliance, which are described briefly at the end of this section.

### **EPWP performance management information system**

The DPW requires all public bodies implementing EPWP programmes to report key indicators on an online performance management and information system. This data is managed by the DPW EPWP unit and is used to compile quarterly cumulative reports, which are made available on the EPWP website, ([www.epwp.gov.za](http://www.epwp.gov.za)) and is submitted to the Treasury. The indicators tracked using this system (see Table 9) are geared towards enabling the DPW to account for expenditure on EPWP, as well as performance on job creation targets, (WOs and FTEs) and the inclusion of priority demographic groups (see section 3.1.6.1). The data is entered via an online platform by implementing bodies—over the course of Phase Two, three different systems were employed because of issues with the software.<sup>109</sup>

The unit of analysis in the DPW performance management data set is a “project.” This can be a single site (one clinic); an NPO; or a number of sites grouped by a local municipality, or school circuit. Hence, they vary in size and characteristics. Because the data is at a project and not an individual level, one cannot track a individuals' progress or movement within the Sector.

**Table 9. Performance Management Dataset**

Indicator reported	Description
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<sup>109</sup> The software employed in EPWP-SS for this purpose has changed a few times. Initially a system called the Web-Based System (WBS) was used; later the sector migrated to a system called IRS (Integrated Reporting System). This was in place for most of Phase Two. During the transition from Phase Two to Phase 3, programmes began to migrate from IRS to a system called MIS (Monitoring Information System). At times, as a temporary measure, some programmes have made use of offline templates which were then captured by data capturers.

Local municipality in which project is implemented	
Implementing department	
Budget	"It is the overall budget including stipend for the project. Is price tendered by the contractor + the professional fees for the professional service provider appointed to design and supervise the project. The project budget excludes government management & administration costs."
Expenditure	"It is actual expenditure (as defined by National Treasury) on and supporting infrastructure, including stipends, feasibility studies and research, but excluding government administration costs. Information to be reported: figures / Rands of actual quarterly expenditure"
Daily wage rate	"Daily wage rate (whether task-rated or time-rated) per individual project. A monthly wage should be converted into a daily wage through division by the average number of person days per month. Information to be reported is daily wage per beneficiary."
Number of youth	Persons aged 18 to 35 years of age
Number of women	
Number of persons with disabilities / physically challenged	
Person days of work	The number of people who worked on a project times the number of days each person worked.
Full-time equivalents	Auto-calculated by dividing person-days of work by 230. The figure of 230 was derived by subtracting weekends (104 days), public holidays (10 days) and annual leave (21 days) from the 365 days in a year.
Work opportunities	"It is paid work created for an individual on an EPWP project for any period of time, within the employment conditions of the Code of Good Practice for special public works programmes. In the case of social sector projects, learnerships will also constitute work opportunities. The same individual can be employed on different projects and each period of employment will be counted as a work opportunity. Information to be reported is the number of work opportunities created."
Training days	"The number of people who worked on a project times the number of days each person trained. A training day is at least 7 hours of formal training."

The indicators tracked in the DPW performance management system are all relevant, economic (measurable at a low cost), and monitorable (objectively verifiable and amenable to independent evaluation). Most indicators are clear; less clear indicators are those associated with budget and expenditure (given complex funding streams, it may not be entirely clear how to complete these fields), and persons with disabilities (how this should be determined). Though the "Work Opportunities" indicator is an objective indicator, when reported on its own it can be highly misleading. It does not explicitly indicate the number of people who have benefitted—it could be few participants who were employed for long periods of time or many participants employed for very short periods of time. Length of employment is an important determinant given the structural nature of poverty and Social Sector programmes. FTEs can be useful to an extent, as they provide a better indicator of the size of projects.

In selecting a set of indicators one has to balance economy and adequacy. EPWP-SS indicators have mistakenly tended towards economy. The Sector's monitoring is limited to outputs (job opportunities) and financial resource inputs. This is very limited given the size and complexity of the EPWP-SS. There are numerous indicators at the different results levels (human and financial inputs, outcomes and impacts) that are not measured at all. This is partly influenced by the monitoring system's primary use, which is reporting aggregate expenditure

to the Treasury and giving a sense of EPWP's scope and geographic extension. The existing list of indicators does not allow us to assess programme success, as a programme manager in the Western Cape articulated: "At the end of the day, if you talk about the objective of EPWP, [it] is to make this person employable. Then in order for that person to be employable there must be a personal and professional growth which has been assisted through the relevant skills and the exposure, and all those things... a certain tool must inform me [as to whether the person has become more employable]... So now we don't have a tool to do that."

It is possible for implementing bodies to be performing well in creating WOs without having the desired effect on participants' socio-economic circumstances. Alternatively, they may perform poorly on these indicators, but have a significant impact. The programme does not record biographical information of participants and participation in the programme is also not coded by beneficiaries' details. Only one provincial programme was found to be recording participants' exit from EPWP. None of the other programmes had records of participants' circumstances after EPWP, nor did they keep biographical information that allowed for tracking. This leaves stakeholders unable to answer important implementation questions, such as the percentage of EPWP beneficiaries that have received training; and how many dropped out, failed and passed. It also does not touch on questions regarding impact, for instance whether beneficiaries that successfully completed training were more likely to find formal employment thereafter. Similar questions can be posed regarding the timeliness of stipend payments; the effectiveness of the stipend in addressing poverty; and the effectiveness of EPWP-SS in alleviating unemployment.

Once indicators are defined, the data has to be collected and captured in a way that minimises errors and manipulation. Data governance is important to protect the quality and integrity of data collected. This can be achieved by having data management protocols, and checks and balances built into the data management system to reduce the likelihood of data manipulation, or errors that can compromise data. The DPW has taken steps to promote the quality of the performance management data:

- There is an office within the DPW that performs a spot check on data and submits queries to implementing bodies where necessary. This office also allows for a dispute period during which implementing bodies may review the data to be published and engage the DPW on any alleged inaccuracies or omissions. The credibility of the DPW data is currently compromised by not documenting the dispute resolution process and data checking processes in any of the reports made public with the data.
- A number of automatic data validation checks are built in to the Integrated Reporting System (IRS) to ensure data integrity. For instance the system will reject duplicate projects or WOs consisting of more than 23 days per month. A small set of crucial fields cannot be left blank.
- The DPW has incentivised timely submission of the data by making the allocation of the Social Sector Incentive Grant conditional on reporting.
- Regional DPW coordinators are responsible to ensure that data is submitted onto the system on time.
- Implementing bodies were trained on how to capture the data on the IRS (the system that was in use for most of Phase Two) and were supplied with a handbook—when they were asked to migrate to the Management Information System (MIS) they were trained again.

Despite these efforts, some challenges have affected the data quality. Firstly, the IRS system has been ineffective. Programme managers and coordinators in all five principle provinces expressed tremendous frustration with the IRS online system, which they said often did not reflect all of the data they had submitted, or tried to submit. Frequently cited were instances when the system was not operational shortly before the submission deadline and other challenges.<sup>110</sup> As a result of these challenges, programmes reported their data on a Microsoft Excel template that would be captured by the NDPW. This was effective as a temporary solution for some programmes, while others found that their data still did not reflect on the system.<sup>111</sup> Dispute periods were not always long enough to handle all disputes satisfactorily before the publication deadline. In more than one financial year, some departments<sup>112</sup> received a smaller IG than they would have been eligible for, if their full performance had been reflected on the system. The DPW has argued that most of the problems are because implementing bodies submit their data close to the deadline, risking finding the system offline. Blank fields and inaccurate data were a further drawback to data quality. For instance, the system makes provision for project addresses and contact persons' to be entered, but in many cases the street address is left blank and the capturer's contact details are given instead of a site manager's.

To resolve the system's issues, in the beginning months of Phase Three, provinces began to transition from the IRS to the MIS. Initial accounts suggest that the MIS is an improvement from IRS and is functioning better in Phase Three. This is progress in efforts to improve data quality. However, this does not resolve the inadequacy of indicators monitored to assess sector performance.

### ESC provincial reports

The ESC provincial reports (sometimes referred to as narrative reports) are presented in Microsoft PowerPoint format and have scope for qualitative reporting. At ESC meetings, each province's report is presented in turn, usually by the DSD provincial coordinator. The reports are based on a standard template. The unit of analysis for provincial ESC reports is the provincial programme. There is also a slide on municipal projects and some slides on province-wide activities, such as institutional arrangements; general successes and challenges. Only the provincial programme indicators are listed in Table 10 below.

**Table 10. Indicators tracked through EPWP-SS provincial ESC reports**

Indicator reported	Description (if available)
WOs: Target (Incentive Grant)	
WOs: Achieved (IG)	
WOs: Target (Equitable Share (ES))	
WOs: Achieved (ES)	
Full Time Equivalents: Target (IG)	
Full Time Equivalents: Achieved (IG)	
Full Time Equivalents: Target (ES)	
Full Time Equivalents: Achieved (ES)	
Budget (ES)	
Budget (IG)	
Expenditure (ES)	
Expenditure (IG)	

<sup>110</sup> E.g. Western Cape a programme manager as well as a coordinator noted that they would log into the IRS system and then it would go down; NW programme manager indicated the IRS system was slow.

<sup>111</sup> Cited by respondents in North West and Limpopo.

<sup>112</sup> E.g. Western Cape HCBC; Limpopo NSNP.



Training: Planned type of training and level	
Training: Annual targeted nr of training opportunities	
Training: Start & end date (planned or actual)	
Training: Comments	(Qualitative indicator)
Minimum Stipend level	Sometimes reported as daily rate; sometimes monthly
Maximum Stipend level	Sometimes reported as daily rate; sometimes monthly
Compliance with UIF	Yes/No
Compliance with OHS	Yes/No
Compliance with Ministerial Determination stipulation on training	Whether any training of participants has been planned/implemented in this financial year – Yes/No
New Programme: targeted nr of WOs	
New Programme: achieved nr of WOs	
New Programme: budget	Amount is provided, if any

The indicators reported in these presentations are also clear, relevant, and economic. They; however, still do not provide sufficient data through the entire results chain. They supplement the picture sketched by the DPW system by disaggregating some indicators with the funding source (IG or Equitable Share. It is unclear whether Conditional Grant funding from national departments is taken into account). The indicators are monitorable—in the sense that an independent auditor or evaluator could verify their accuracy if provincial programmes made the relevant data available. The added value of ESC reports is that they provide a space for qualitative reporting relating experiences around events (including coordination related events), challenges and successes in a more open-ended format. The information in some slides (not listed in the table above, and not amenable to compiling into a database) effectively opens the floor to wider sharing and reflection. This is highly beneficial to stakeholders seeking to learn from each other and understand programme performance.

However, data quality and integrity is also a big challenge with the data reported in the ESC reports. There is no evidence of a data management system for this data. Data precision and integrity is not checked either by provincial coordinators, who compile it from PSC reports, or by national coordinating departments. As a result, there are some omissions (some provincial reports omit slides from the template<sup>113</sup>) and inconsistencies in how data is reported. For instance, some provincial reports indicate the minimum monthly stipend, while others report the daily rate. This makes it difficult to analyse the sector's progress in a systematic way. The system is not appropriate to collect quantitative data and cannot be used for developing an aggregate performance picture.

### Other monitoring systems

Another centrally available data set is a new Master Database of Trained Beneficiaries managed by the DPW unit for EPWP training. It focuses only on accredited training funded through the NSF and an official indicated that it is primarily designed to account to the NSF. This data is at the individual level and can be used to track the same participant as she or he accesses multiple training opportunities. Personal contact details of the participants also make data verification possible. So far only 2013/2014 data has been captured in this system. The main drawback of this data is that it does not report on all forms of training from all funding streams, making it insufficient for correlating the number of training days reported on the DPW

<sup>113</sup> For instance, in the ESC presentations of June 2014, the Limpopo report omits slide on communication and the Gauteng report omits slide on expansion projects.

performance management system, or gaining an overall picture of training in EPWP-SS. However, it may be seen as a valuable pilot towards a more comprehensive, individual-level system (as discussed below).

Furthermore, regular financial reporting systems are in place for the monitoring of expenditure of funds from each of the different funding streams. Accounting officers account for expenditure to their provincial structures (in the case of provincial equitable share expenditure), to the relevant national department (for Conditional Grant funding) and to the NDPW (for IG funding). They do not submit these to coordinators as part of EPWP-SS M&E. Only the IG financial data is available to the DPW since it administers the grant.

Stakeholders are also piloting their own systems to compensate for limitations within current systems; some focused on programme-specific indicators, but some with clear relevance to EPWP-SS' overarching aims. For instance, the Western Cape Department of Transport and Public Works has recently developed an exit interview template to supplement its understanding of EPWP participant experiences—this gathers quantitative data on the participant's work experience and reasons for leaving.

The work already being done to develop monitoring systems can be seen as piloting experiences, which can help to inform the design of a national system after some time. It also shows that there is a M&E appetite and expertise that can be drawn on to develop a M&E framework that stakeholders agree on and want to use. In developing an EPWP-SS M&E framework the Sector should involve them—perhaps through the M&E sub-committee.

Given the limitations and quality concerns of the current monitoring systems, it is not surprising that programme implementers and EPWP-SS coordinators currently do not make extensive use of the two main national-level monitoring systems. Use of these data sets is mainly limited to reporting and accounting for financial resources allocated to the DWP. There is still a lack of awareness among some officials of the tremendous potential of monitoring data for evidence-based decision making, with many focusing their discussion about M&E purely on accountability and compliance. Even at a national level, where the DPW already has access to its database and the DSD to the narrative reports, there was still limited analysis of this data. Complicating matters for the DSD is that performance data is kept by the DPW. The DPW makes raw data available to the DSD on a limited basis. Some fields, such as individual project addresses and contact details, have to be specially requested from the DPW. This further disempowers the DSD from playing a leadership role.

## **Conclusion**

There is no specific EPWP-SS monitoring framework. In the absence of an M&E framework that reflects the uniqueness of the Social Sector and its entire results chain, the two monitoring or reporting systems collected data on an incomplete set of indicators. Systems also operated in parallel, serving the interests of different stakeholders. Both the DPW performance management data set and the ESC reports had serious data quality issues. In effect, the current monitoring systems provide an inadequate basis for learning and evidence-based decision making. They also limit accountability and incentives in the Sector because “what doesn't get measured, doesn't get done.”

However, this is not unique to EPWP-SS. Van Baalen and De Coning note that South Africa's public bodies are still in the process of finding the appropriate systems to manage cross-cutting programmes such as EPWP-SS. It is therefore perhaps to be expected that a number of parallel attempts at monitoring EPWP-SS have emerged, and that they have not been very effective in Phase Two. The Sector can draw on these experiences to improve going into Phase Three. It is crucial for the Social Sector to agree on the criteria for programme success based on an agreed Theory of Change and expanded set of indicators to cover all key elements of the programme. A monitoring system that is aligned with such criteria will enhance the Sector's ability to measure the success of the programme more comprehensively and consistently. If it is established that some indicators of success will be beyond the scope of the system to measure; plans can then be developed to measure these in a different way, for

instance through qualitative studies or individual panel studies.

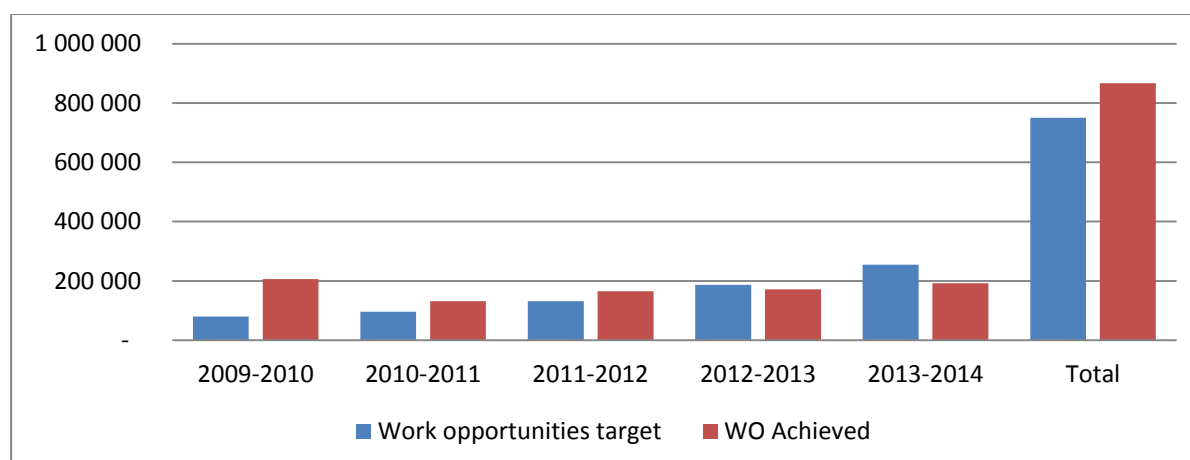
### 3.1.6. Other implementation aspects

This section discusses further important aspects of implementation: performance against WO and FTE targets; targeting (whether EPWP-SS WOs are reaching the right people), implementation of training and payment of stipends.

#### 3.1.6.1. Performance against WO and FTE targets

When the performance of EPWP-SS is discussed, government often refers to the reported number of FTEs and WOs created.<sup>114</sup> The Social Sector reported 175,769 WOs cumulatively over the five years of Phase One;<sup>115</sup> this figure quadrupled to over 866,246 over the five years of Phase Two. The Sector therefore achieved and over-performed on its Phase Two WO target of 750,000. The FTE target of 513,043 was not met—the Sector reported about 61% of this (314,943). Qualitative interviews suggest that there is under-reporting in this data set, meaning the real figures are probably higher (and achievements greater) than shown here (see Table 11 and Table 12), although it is impossible to say how much higher. It is not advisable to analyse the observed fluctuations from year to year in Phase Two data, because of data quality problems (see section 3.1.5.).

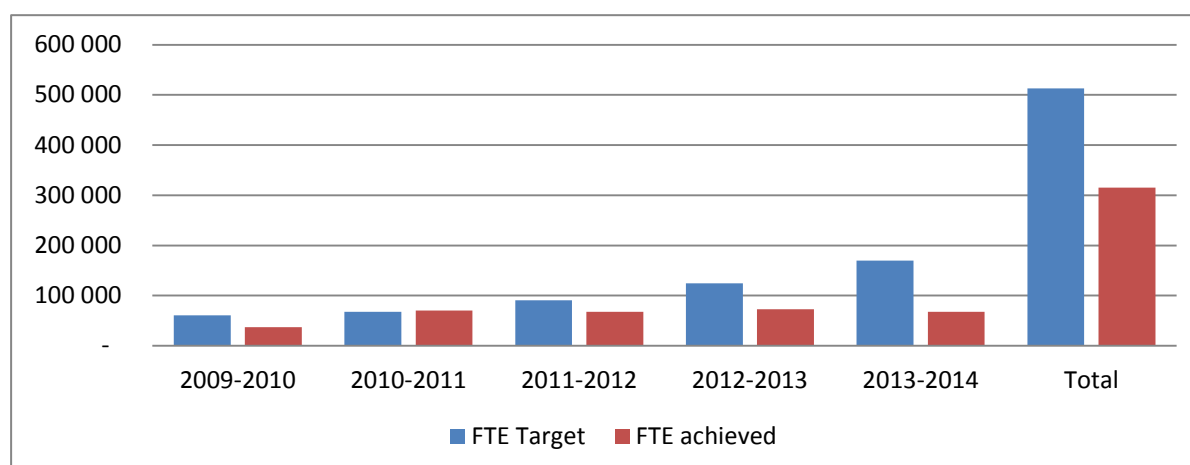
**Table 11. Phase Two performance against WO targets<sup>116</sup>**



<sup>114</sup> See for instance the New Growth Path document and the National Development Plan.

<sup>115</sup> National Department of Public Works (2009), *Expanded Public Works Programme Five Year Report: 2004/05 – 2008/09*. Pretoria: National Department of Public Works, 54.

<sup>116</sup> Source: DPW Quarterly Reports

**Table 12. Phase Two performance against FTE targets**

When interpreting these figures it is important to note that some of the positions reported here existed in volunteer form before the introduction of EPWP-SS. Other programmes (Mass Participation or Sports programmes) existed, but no baseline information was recorded on the number of formally employed workers in these programmes at the inception of EPWP-SS. These figures therefore cannot be taken as the number of new jobs created as a result of the introduction of EPWP-SS.<sup>117</sup> Section 3.2.1. elaborates on what the qualitative data suggests, regarding the likely impact of EPWP-SS on unemployment.

What the figures do show clearly is that a growing number of programmes are participating and reporting EPWP-SS opportunities. This is testament to the work of the coordinating departments in promoting EPWP-SS. Some stakeholders see this in itself as a success as it represents the growing influence of and buy-in into the EPWP mandate. Programmes reporting WOs and FTEs are those that are, in principle, pursuing EPWP-SS objectives and can continue to improve their alignment with these objectives.

### 3.1.6.2. Targeting of EPWP-SS opportunities to the target group

To be effective in alleviating poverty, PWPs need to target people living in poverty. No social protection programme has error-free targeting, but programmes strive to ensure minimal inclusion and exclusion errors. Inclusion error is the mistake of providing a benefit to someone who is not poor, while exclusion error is the failure to provide the benefit to someone who is poor.<sup>118</sup> EPWP is relatively small in scale compared to poverty and unemployment levels in South Africa, and therefore significant exclusion errors are an unavoidable part of the programme as currently implemented. However, the level of inclusion error should be minimised as it represents a loss in the effectiveness of total expenses.

At the programme level (in terms of EPWP as an overall programme), targeting is supported by setting the minimum stipend low enough only to be attractive to the poor (“self-targeting”), yet high enough to be adequate income support for participants.<sup>119</sup> The minimum stipend prescribed by the MD from 1 November 2013 to 31 October 2014 was R70.59 per day, which

<sup>117</sup> There is also the crucial requirement that EPWP jobs not replace other jobs – not only would this offer workers less protection, but it would mean there has been no real increase in employment despite growing numbers of EPWP jobs. An impact evaluation would be required to test this hypothesis as part of establishing the impact of EPWP.

<sup>118</sup> Samson, M., Van Niekerk, I. and Mac Quene, K. (2010), *Designing and Implementing Social Transfer Programmes*, 2<sup>nd</sup> edition. South Africa: Economic Policy Research Institute. [http://epri.org.za/wp-content/uploads/2011/01/EPRI\\_Book\\_4.pdf](http://epri.org.za/wp-content/uploads/2011/01/EPRI_Book_4.pdf)

<sup>119</sup> Independent Evaluation Group (IEG) (2011), *Social Safety Nets. An Evaluation of World Bank Support, 2000-2010*, 28. [http://ieg.worldbank.org/Data/reports/ssn\\_full\\_evaluation.pdf](http://ieg.worldbank.org/Data/reports/ssn_full_evaluation.pdf)

translates to approximately R1518 per month.<sup>120</sup> It is the lowest regulated minimum wage, slightly lower than the minimum wage for full-time rural domestic workers (R1618.37<sup>121</sup>). The stipend must not be exploitative, but should not be so high that it disincentivises job seekers from taking up low-income formal employment in other sectors. This is a potentially difficult balance to strike and there have been several critiques of this strategy as well as evidence that it is not always effective.<sup>122</sup> As already mentioned there are programmes that currently pay stipends lower than the minimum.

At the level of provincial EPWP-SS programmes however, there is no set criteria for selecting participants. Officially the EPWP-SS target group is simply defined as “the poor and unemployed.” Some stakeholders indicated that it is the official policy of EPWP-SS to focus on the “poorest of the poor.” This could not be corroborated by any of the Social Sector documentation.<sup>123</sup> Implementing bodies have been given a degree of autonomy in the recruitment of participants to EPWP posts. Coordinating departments only provide broad suggestions around strategies to participating implementing bodies, but cannot prescribe a targeting strategy. In some cases the provincial executives could issue directives, though this has been rare. Because the target group is not given any concrete definition this does open up space for contestation about what constitutes inclusion and exclusion error. It is also impossible to measure these errors conclusively as different provinces have defined the target group differently and have used different approaches to maximise this group’s participation in the programme. Broadly three strategies (in addition to “self-targeting” through the stipend) were used to target the poor.

The first strategy was to use some form of poverty measurement (usually implemented province-wide, such as the Operation Sukuma Sakhe programme in KwaZulu-Natal) and recruit from among those individuals or households identified as poor. Some provincial EPWP-SS programmes and provinces based recruitment on individual or household poverty levels. The Northern Cape coordinating departments checked and provided lists of households with no income to implementing bodies to assist them in identifying poor participants for recruitment. Other provinces worked with existing impoverished lists. In some provinces (including KwaZulu-Natal) these lists were compiled based on provincially driven poverty profiling exercises.

A second and related strategy was to prioritise poorer geographic areas for recruitment of new participants. The geographic poverty targeting strategy differed from province to province. Some provinces had formal, coordinated geographic targeting strategies based on the poorest wards or municipalities. Various data sources were used to identify these, including GIS mapping of census unemployment data in some provinces. Programme managers used this data to decide where to move, or expand their programmes or support for NPOs. Managers of programmes that preceded EPWP reported that, participating in EPWP-SS made them more aware of the poverty alleviation potential of their programmes and motivated them to think about this aspect when recruiting. For instance, a provincial HCBC programme manager

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<sup>120</sup> Not all participants in focus groups received this stipend – NSNP participants, were receiving R900 each.

Participants from the Western Cape sports programme focus group were paid R2958 or more. There were also participants who had been working for up to eight months and were still awaiting their first payments (see section on late payments). All others reported earning between R1200 and R2000 per month.

<sup>121</sup> This figure was the minimum wage from 1 December 2013 to 30 November 2014. Domestic workers in urban areas had a minimum wage of R1877.70 (according to the 2013 Amendment to Sectoral Determination 7).

<sup>122</sup> Barrett, B. and Clay, D. (2003), “Self-targeting accuracy in the presence of imperfect factor markets: Evidence from Food-for-Work in Ethiopia” in *Journal of Development Studies*, 39(5), 152-180; Lenbani, M. and Madala, C. (2006), *Malawi: Some Targeting Methods in Public Works Programs*. MASAF Info brief 1(1). Lilongwe: MASAF.

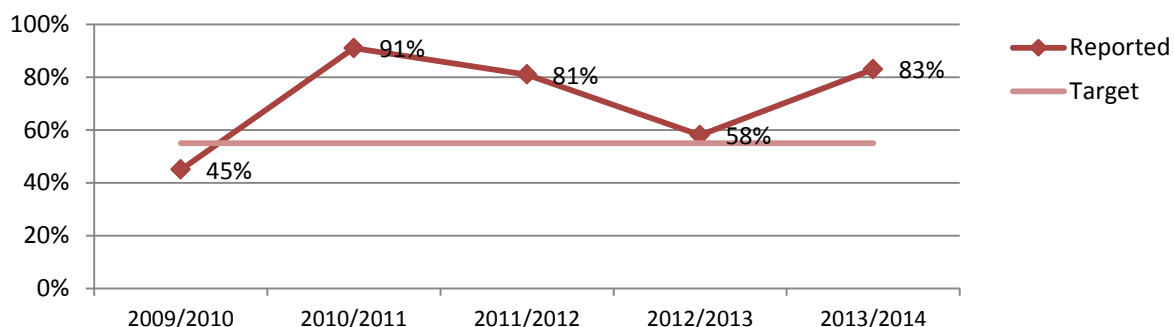
<sup>123</sup> A former draft of this report indicated that EPWP-SS aimed to target work opportunities at people in LSM 1 to 4, but a closer reading of the quoted source indicated that it was EPWP-SS communications campaigns, not opportunities, that were aimed at them.

explained: “To us we did not see [our support of volunteer] caregivers as job creation. We were calling them volunteers then. But when EPWP came on board they opened our eyes–this is job creation. When you recruit people on the ground you are creating jobs. So we realised we need to look for the ‘dry areas’ [with high unemployment and poverty] so that we know where is the poverty and recruit there for EPWP.” Nationally, the DPW is working on mapping the distribution of WOs and FTEs against the 27 districts identified by the Department of Cooperative Governance and Traditional Affairs (CoGTA) for priority intervention. This does not dictate geographic targeting to implementing bodies, but aims to complement existing strategies.

The third targeting strategy was to ensure that particular demographic groups known to have higher levels of unemployment and poverty formed a significant proportion of EPWP-SS participants. By aiming to ensure that 55% of participants are women; 40% are youth and 2% are people with disabilities, the Sector expected to boost its targeting effectiveness. Of course not all women, youth and people with disabilities are poor and the achievement of these targets does not constitute poverty targeting success. It is rather the privileging of groups believed to be more marginalised (or of more political importance) over the general poor. This strategy must be overlaid with other poverty strategies to be effective.

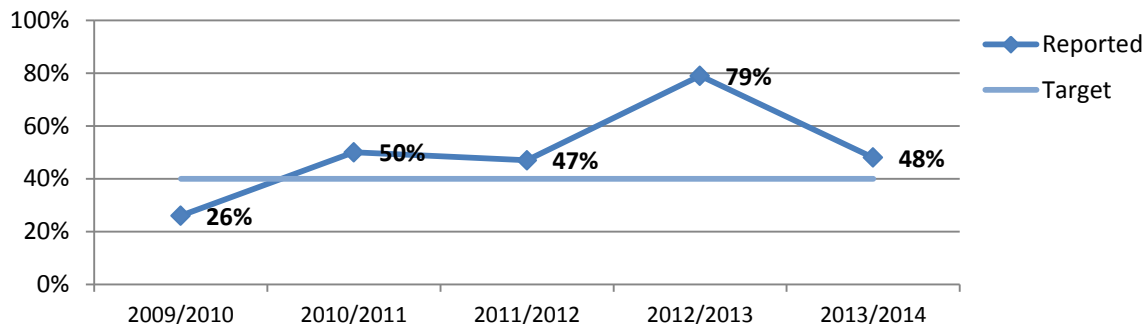
As demonstrated in Figure 12<sup>124</sup> and Figure 13, the Sector has performed well against its targets for the participation of women and youth. According to the DPW’s performance management data, more than the targeted 55% of EPWP-SS participants have been women for the last four years of Phase Two. In fact, Social Sector programmes, including many pre-existing programmes that came on board in Phase Two, are typically dominated by female workers. The Social Sector is therefore an important sector for the economic inclusion of women. This should motivate stakeholders to ensure compliance with regulations aimed at preventing their exploitation. The inclusion of over 40% of youth is also partly a result of the design of the programmes in the Social Sector, especially the sports programmes. There is an indication that the Social Sector will build on this good track record by expanding into further female and youth dominated programmes in Phase Three.

**Figure 12. Proportions of EPWP-SS participants who are women<sup>125</sup>**



<sup>124</sup> The large jumps in the percentages requires further investigation but may be owing to the addition of new programmes with different demographics over these five years.

<sup>125</sup> Compiled from Department of Public Works EPWP 4<sup>th</sup> Quarter Reports (annexure A) for the financial years 2009/2010, 2010/2011, 2011/2012, 2012/2013, and 2013/2014. All available at [www.epwp.gov.za](http://www.epwp.gov.za) except the report for financial year 2012/2013 which was provided by the DPW on request.

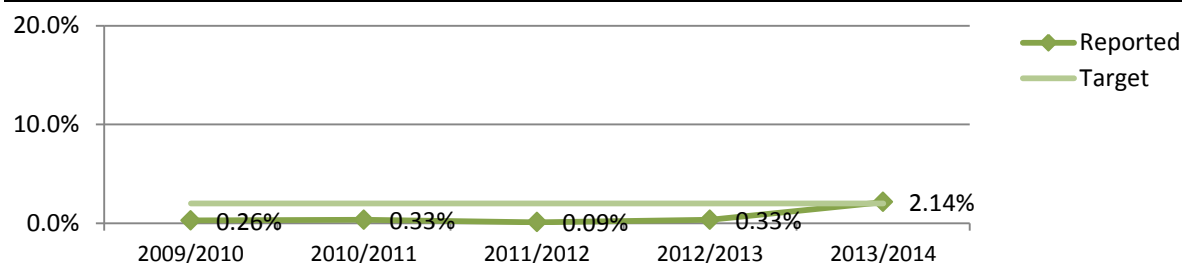
**Figure 13. Proportions of EPWP-SS participants who are youth**

The Sector underachieved on its target for the inclusion of people with disabilities, except in the last financial year, when the percentage of EPWP-SS participants with disabilities jumped from less than 0.34% in previous years to 2.14% (Figure 14). The reason for this jump is not clear and there is nothing to indicate that this figure has permanently improved. A programme manager in Limpopo and a speaker at the first Phase Three Annual Summit (March 2015) noted that people with disabilities had in the past been afraid of losing their disability grant if they start receiving a stipend through EPWP-SS. This points to a need for clear communication about EPWP-SS opportunities, both within its programmes and to SASSA. Despite this reportedly being cleared out, the inclusion levels have remained extremely low. Just as programme managers did not implement any deliberate strategies to increase the inclusion of women and youth, they did not specifically target people with disabilities.

NPO managers and local supervisors expressed openness to recruiting people with disabilities, saying for instance that: “We once had one disabled person... It was a hearing problem... she worked fine” (HCBC NPO manager) and “I think I could take some types of disability” (ECD NPO manager). Some also elaborated on which types of disabilities they could, hypothetically, accommodate: “I was thinking... we have to write the reports and we could have a disabled person who is computer literate who could do that. Enter into a data capturing program” (HCBC site supervisor). However, they had no clear strategy for attracting these individuals, nor was there any evidence of guidance or requirements from programme managers in this regard. There had not been any emphasis on this issue during Phase Two. This is proving to be insufficient as people with disabilities face higher barriers to access employment than others, which includes discrimination; lack of accessible facilities; and other supports. Their responses suggested that government programme managers have not emphasised the issue and programme documentation also does not provide evidence of any deliberate efforts to address this track record in Phase Two. One year into Phase Three, the March 2015 summit made people with disabilities one of its focal topics. This is a promising starting point, but far more needs to be done if the Sector is to improve on its Phase Two performances. Coordinating departments can play a role in raising awareness, highlighting monitoring data, and supporting and encouraging programmes to be more deliberate in their recruitment of people with disabilities. They can also connect implementing departments with key stakeholders, such as the DSD Directorate: Services to people with disabilities (and provincial equivalents) and Disabled People South Africa. National departments can take a programme-specific approach, developing guides and identifying good practice in the programmes they oversee, and disseminating this across provinces and municipalities.

**Figure 14. Proportions of EPWP-SS participants who are people with disabilities (axis reduced to 20%)**





Despite the above attempts at poverty targeting, EPWP-SS has not agreed on an official definition of poverty, so the Sector's success in poverty targeting remains debatable. However, one can still compare its participants to a range of poverty definitions if data is available on their poverty levels and other characteristics at baseline (at the time of recruitment). The Social Sector does not collect such data, but the DPW commissioned a cross-sectional study<sup>126</sup> of EPWP participants in mid-Phase Two (2011/2012). The report indicated that the vast majority of EPWP-SS participants fell in Living Standards Measure (LSM) categories 5 to 6, which means they belong to the relatively large (40.7%) proportion of South Africans that have household incomes of approximately R4,000 to R6,000 per month. If this is their standard of living including the EPWP stipend, it means that if there were no stipend, these households would be in LSM 2 to 4, earning approximately R2,000 to R4,000. This is supported by a different report,<sup>127</sup> apparently drawing on the same data, which indicates most Social Sector participants reported earning R800-R1633 (43% of participants) or R1633-R3183 (26%) "before" joining EPWP projects.<sup>128</sup> It is however hard to interpret the report without access to the data and questionnaires. However, this is an indication that most of the participating households would in the absence of EPWP-SS be earning similar or lower incomes to a single caregiver who qualifies for the Child Support Grant—these households are of varying sizes meaning their per capita incomes will generally be far lower. In this sense inclusion error (inclusion of those in LSM categories 7 to 10, who earn over R6,000 per month) has been successfully minimised by avoiding the recruitment of well-off participants. However, exclusion error pertains as very few households in LSM 1 (with household earnings of under R800) are accessing EPWP-SS employment, which means the Sector is failing to target the poorest.

### 3.1.6.3. Payment of stipends

With regard to stipend payments, the evaluation established that the late payment of stipends was pervasive in Phase Two, and this seems to have continued into the beginning of Phase Three. Participants who are paid directly by provincial departments have in several cases received their payments more than a month late. In the North West and KwaZulu-Natal, participants reported that at least once in Phase Two, they waited three or more months for payments. The North West participants described it as a regular occurrence.

A North West respondent said: "I started working here in August this year and they never paid me." Another participant added: "We have all been there. Some of us worked for two months without getting paid. Even though we were not paid, we were forced to do community work." "We once went about six months without getting paid," commented a third North West respondent.

The KwaZulu-Natal participants elaborated on back-pay and the risk of debt:

<sup>126</sup> Camissa Institute for Human Performance (2012), 43.

<sup>127</sup> Camissa Institute for Human Performance (2013), *Mid-Term Review of the Expanded Public Works Programme Phase Two 2009-2012: Final MTR Report*, 62.

<sup>128</sup> Please note that these figures are about what participants earned "before" they joined EPWP. Presumably different respondents were recruited in different years, meaning that varying levels of inflation affect these figures.



“Then after renewing [our contracts], come month end we do not get paid. Sometimes our pay is delayed for two or more months. And others receive back-pay while some do not. There is a problem when it comes to money...,” remarked a KwaZulu-Natal EPWP-SS participant. Another KwaZulu-Natal respondent voiced her situation on back-pay: “As a result [of non-payment] we end up in debt because we go to loan sharks to borrow cash. And after three months of waiting you end up with a month’s pay. Just like now I am still paying back a loan I incurred as result of missed payments. I have kids in school and we end up struggling to pay back these loans.”

In one Gauteng programme a group of new participants had been working since April 2014 for a promised monthly stipend, but had not been paid by the date of the focus group in mid-September. Interviews with officials confirmed that stipend delays are widespread, especially at the beginning of the financial year. A Gauteng programme manager explained:

“And the only challenge that we had was that people were not paid timeously. They worked for a period of I think 4 months.... You know it’s a valid complaint... After working for something like 5 months and still not getting paid. But we are still working on that... we just encourage them to continue and tell them that before you are an EPWP beneficiary you are volunteers... just make sure you volunteer your services and what is due to you will come... it is not easy.”

“There is a challenge in on-time payments... There are people who have not been paid for up to two months,” said a programme manager from the North West. A programme manager from Limpopo added: “April, May, this is a disaster basically because you’ll find that our budget is not activated on time. Now April they [participants] may not receive their funding as well as May. They’ll receive their funding in June.”

A second programme manager from Limpopo elaborated on the delayed payment of stipends: “Before they were [submitting claims to the district offices which then had to be processed before they could be paid], and it was taking long, we had a lot of those who are not paid going into the next year. A lot of challenges... sometimes they would not get their money for 3 months or even a year. We had people going to the Presidential Hotline, the Public Protector... It was really erratic... [now that they are on Persal] the money has been pushed under salaries.”

The participants quoted above were employed directly by provincial departments at the time of the delays. However, those who are paid by NPOs also sometimes experienced late payments. There were instances where, according to the programme manager, the delay was on the NPO’s side and was resolved when the department decided rather to pay the participants directly. In other programmes however, late payments were as a result of the provincial government transferring funds late to NPOs. Three of the four NPO managers interviewed reported that at least once in Phase Two, payments were more than a month late. Often NPOs are not given any explanation about the delays, as described by a Gauteng NPO manager:

“When we were paying the caregivers [before the department began paying stipends directly, i.e. before the 2013/2014 financial year] sometimes it was delayed. Then we pay them back. Sometimes they had to wait 3 months. I tried to find out who in the Department of Health was holding back the payments, but they would all refer me to each other [none took responsibility]. So we just left it like that... We would raise it with [the district coordinator for the programme], she [would say she] knows about it, she cannot do anything, she will just wait. We accepted that and we would just wait. Carers even gave it a name, “dry season”. Usually they give us the funds after three months.”

More imperilling for NPOs is that they are often not given sufficient notice about future funding. None of the NPO managers interviewed felt that they were given sufficient notice of whether funding would continue into the next financial year. In some cases NPO managers only heard a month or more into the new financial year whether their transfer agreement with the provincial government would continue. This means that most NPOs are in a perpetual state of uncertainty about renewal of transfer agreements with departments. NPOs have tended to continue operations as far as possible and cover the costs of stipends until such a time that

the contracts are renewed and funds transferred. This is financially risky for the NPOs and also places participants in a position where their stipends may either be paid late or may be abruptly terminated.

When asked why late stipend payment persisted, most programme managers raised issues relating to the cumbersome internal financial checks and balances in place in implementing departments. Many programme managers and coordinators cited the long process of approving equitable share expenditure. The programme managers of the Gauteng programme that had not yet paid participants from April to September summarised the problem as “signatures... signatures. It’s internal.” As mentioned earlier, some EPWP-SS programmes do not enjoy high priority in their departments, resulting in further delays in approving spending or insufficient support from financial personnel to the programme managers who compile the applications. Another commonly cited reason is the late notification of IG funds, as discussed above. There were also instances where, according to the programme manager, the department transferred the funds on time but the delay was on the NPO’s side.

Some programme managers have over time developed more reliable stipend payment arrangements. In cases where NPOs caused delays it was resolved either by taking the issue up with the specific NPOs (Western Cape) or by the department opting rather to pay all participants directly (North West, see quote below). Among programmes paying participants directly, a number of programmes have recently opted to start registering and paying participants through Persal (the government’s personnel salary system), which has usually eliminated delays. A Limpopo programme manager reported that after shifting to Persal, “payments go smoothly... we don’t have this challenge of not paying people... They are happy. That’s why I’m sitting in this chair. Those people should be happy”.

A North West manager who perceived the problem to be with NPOs similarly reported:

“All of them are on Persal. Previously the NGOs were contracted to administer the stipend... We had challenges like months will pass without a person getting his or her stipend... since they are on Persal, we’ve never had challenges.”

Some Social Sector stakeholders have perceived a risk that paying participants through Persal may create the impression that participants are employed permanently as government employees. Programme managers have managed this risk in various ways, with many considering it a worthwhile move to eliminate late stipend payments. There is an opportunity for programme managers to learn from each other’s successes in this regard, bearing in mind differing contexts.

Since quality of implementation is not monitored, it is the prerogative of programme managers to notify coordinators of payment challenges, which seems to be achieved. However, the lack of a systematic monitoring for payment timeliness leaves national coordinators unaware of the extent of the challenge and unable to respond timeously to support all programme managers in removing payment blockages. The late payment of stipends is likely to have a significant negative impact on the poverty alleviation impact of EPWP-SS and has even forced some participants into debt (see section 3.2.2.).

#### **3.1.6.4 Training implementation**

Training is considered a crucial part of EPWP-SS programmes. This section considers the extent to which programmes have selected training that is appropriate to ensure that participants deliver quality services. Furthermore, the improvement of employability is assessed, looking at whether training has been implemented effectively.

##### *Appropriateness of training for quality service delivery*

EPWP-SS programmes recruit unemployed, often low-skilled participants and involves them in care and social welfare work. While this service delivery model has the potential to greatly increase communities’ access to social services it also poses the risk of deskilling the Social Sector and providing sub-standard services. Recognising this risk, EPWP-SS policy documents emphasise the importance of appropriate training. The Social Sector Training

framework recommends that a programme manager start his or her training planning by assessing the current skill levels of participants by conducting a “skills audit” and comparing these to the competencies they require to perform their tasks at work.<sup>129</sup> Training that allows participants to meet the required competencies may then be identified. In addition a national Training Needs Assessment was also conducted (commissioned by the NDPW), which involved interviews with provincial programme managers and participants. This appears to have helped provincial programme managers develop a baseline of the levels of education of their participants. Unfortunately, EPWP-SS coordinators and national departments are not as well informed about the educational background of EPWP-SS participants.

Programme managers were encouraged, by the Training Framework and in consultation with training support officials of the DPW, to select training that ensures that participants are trained up to any nationally-defined minimum required level of training for their programme. For instance, the National DSD has identified ECD NQF level 4 as the minimum required training level for practitioners; the National Department of Health expects all Home-Based Carers and Community Health Workers to complete a primary healthcare orientation and training course<sup>130</sup>; and in the NSNP all Volunteer Food Handlers should be trained in Hygiene and Food Safety. In addition to prioritising training in line with any specific minimum qualifications, programme managers are generally encouraged to focus on accredited training (learnerships leading to full NQF qualifications or skills programmes, which cover only some modules of an NQF qualification) as preferable to unaccredited training (short courses not linked to NQF qualifications). Course catalogues of potentially relevant accredited courses were made available to programme managers to help them consider the best training for their participants. Despite this, there are still some programme managers investing in unaccredited training. They do so in a pragmatic recognition that not all participants will soon access accredited training (for several reasons including cost—see below), and an unaccredited course can still support quality service delivery.

Even when training is theoretically appropriate, it can only be deemed effective if participants who pass their training courses are actually enabled to do their work as well as they should. There was strong agreement at site level that the training that has been provided, whether accredited or not, is contributing to the skills participants need to perform their work duties. Participants in focus groups as well as their supervisors were nearly unanimous in their agreement that the training they had received so far was relevant and applicable, and improved their ability to deliver high quality services. For instance, an ECD practitioner in Limpopo said: “The training was really helpful to us because we were just teaching without education, but today when I talk about life skills, literacy and numeracy I know what I am talking about. It is because of the training.” A health NPO manager said that training “has helped them so much... they are progressing.”

Similarly, an earlier study found that 97% of staff at Siyadlala (Mass Participation programme) hubs in KwaZulu-Natal agreed that the training and workshops provided by the Department of Sports and Recreation helped to improve the performance of their work at the hubs.<sup>131</sup> This is a credit to the efforts to ensure appropriate training is identified, and that programme managers’ efforts are in line with these. However, participants who had received shorter training courses (skills programmes and short courses) sometimes expressed concern that the training covered only a part of the training that they believed they need and that they hoped more training would be provided later. Thus, participants who received shorter training were

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<sup>129</sup> Social Sector Training Manual, 36-38.

<sup>130</sup> The course is delivered in two components, labelled Phase 1 and Phase 2. The training requirement for Community Health Workers will soon be changed to a new qualification at NQF level 3.

<sup>131</sup> Urban-Econ Development Economists (2013), *Impact Study of Siyadlala*. Presentation prepared for

more likely—than those whose training was over a longer period of time—to think it was appropriate but not sufficient.

Programme managers must of course balance the enthusiastic feedback of supervisors and participants with systematic assessments of the effectiveness of training. In Phase Two, they mostly did this in an indirect way by monitoring programme implementation at sites. An ECD programme manager explained that she finds this essential because in her experience, “sometimes when you visit a site you can see that the person is well trained; others you find that the site does not reflect the fact that the person has been trained, even though she has.” Visiting sites when possible helped her to identify ineffective training and address it. Although programme managers were generally confident that trained participants were better able to deliver quality services, there was a strong appetite among them for a more systematic assessment of training effectiveness, coupled with uncertainty as to how to go about it. National departments and SETAs may be able to provide useful guidance in this regard.

### *Appropriateness of training for improving employability*

In terms of improving employability, the Social Sector documentation repeatedly mentions that the training provided to participants should enhance career pathing and or should be in line with opportunities in the labour market.<sup>132</sup> However, no formal guidance was provided as to how such training should be identified. The Training Manual, for instance, lists the steps involved in selecting training (including conducting a skills audit, as described above), but there is no step related to considering what types of training would enhance participants’ future employment opportunities. Furthermore, as stated before, programme managers’ incentive structures are strongly focused on service delivery and rarely reflect the other objectives of EPWP-SS such as improved employability.

In practice therefore, programme managers appear to have only considered the career pathing opportunities of which they are aware—typically those in their own government department. Sector coordinators also emphasise career pathing into the same government department, as the ideal employment option. However, this is not realistically possible for all participants. Not many programme managers appear to have taken up the responsibility of seeking out relevant labour market information and planning participant career pathing accordingly. As a provincial programme manager put it, this is outside her scope of work, because she has “a programme to run.” This is understandable as it is effectively the responsibility of SETAs to develop sector skills’ plans that identify the skills that are in demand in their sector, and to identify priorities for skills development. SETAs have been drawn in as EPWP-SS stakeholders and are participating, for instance, in the NSC. Yet there is a disconnect between programme managers’ training decisions and the information that SETAs should have about the labour market. Coordination therefore needs to be improved, so that programme managers receive improved guidance with regard to labour market opportunities and career pathing. Guidance about specific employability improvement strategies would need to be adapted to ensure it takes into account regional variations in the labour market as well as good data on the current education and experience of participants.

The evaluation also found that some programme managers are facing a tension between improved service delivery and improving participants’ employability outside the EPWP-SS programme. This has been a particular concern in the ECD programme, where participants are trained in ECD levels 1, 4 and 5. Passing level 5 qualifies a person to be a Grade R teacher, which is a formal job opportunity with a salary (approximately R6,000) and benefits. ECD participants aspire to this and will often find employment as Grade R teachers soon after

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<sup>132</sup> See for example, DSD, Department of Education (DoE), and DOH (2004), Expanded Public Works Programme Social Sector Plan 2004/5 – 2008/9, 7; Kagiso Trust (2011), 16; Social Sector Draft Annual Action Plan 2012/13, 3.

qualifying. As an ECD practitioner explained: “EPWP is losing because they take us to training on their own costs from level 1 to 5; after we get our certificate we get opportunities in mines [presumably as teachers] and leave the ECD without trained practitioners.” This is an excellent outcome for both the teacher and for South Africa’s efforts to improve the quality and accessibility of Grade R; however, ECD programme managers explained that in their view, a central aim of ECD training is to improve service delivery to children pre-Grade R. Thus, the loss of participants as soon as they become qualified is understandably viewed as a downsize to this aim.

While this issue has arisen specifically in the ECD, it is possible that other programmes where participants are employed for a longer term, as in the HCBC, may also encounter this. If EPWP-SS programmes provide participants with training that open up new opportunities for them outside the programme, then the programme may lose the benefit of their newly acquired skills. On the other hand, it is not desirable for participants, especially those who have completed training, to remain in EPWP-SS programmes indefinitely—in fact, a worker who is qualified and able to find work outside EPWP-SS no longer falls in the programme’s target group. To address the problem of attrition, some health programmes have resorted to paying better qualified participants slightly more in an effort to keep them for a longer time period. The same ECD practitioner quoted above also recommended this strategy: “EPWP should not dump us after training. They must give us reasons to stay here! We don’t want stipend but monthly salary.” The ECD programme cannot do so under the current implementation arrangement, as provincial DSDs do not stipulate practitioner stipend levels. This reflects tension between EPWP design (short-term, unskilled labour) and the nature of services provided in the Social Sector. There is a greater benefit to the recipient of the service when participants are better trained and more experienced. However, this contradicts the notion of the PWP as distributing income protection more widely.

### *Training implementation*

In terms of implementation, the EPWP-SS coordinators also provided some guidance and support in Phase Two. Among others, there was a number of initiatives to ensure that the NSF and SETA funding is available for Social Sector programmes to implement training. The DPW regional offices have training managers who are tasked with liaising with programme managers to apply for these funds and visiting training venues to ensure training occurs and runs smoothly. However, they do not submit quantitative data on implementation issues.

The implementation of training activities in EPWP-SS is monitored through at least three systems, partly duplicating and overlapping with each other:

1. As mentioned earlier, the DPW training unit has kept a Master Database of Trained Beneficiaries in the Social Sector. It focuses only on accredited training funded through the NSF. This data is at the individual level and can be used to track the same participant as she or he accesses multiple training opportunities. Personal contact details of the participants also make data verification possible.
2. The quarterly ESC provincial reports include a presentation slide on the training implemented by provincial programmes. All types of training are reported: learnerships, skills programmes and short courses. These reports have been compiled by the DPW EPWP-SS Directorate into a database. The reports were not necessarily created with the intention of being compiled and therefore, it takes time and some background knowledge of the programmes to get the data into a useable format. It may also not be entirely complete or accurate—some provincial coordinators indicate that they are struggling to get programme managers to report all forms of training to them, and there is no evidence of a data verification process.
3. The DPW performance management data system keeps track of the total number of training days, but these are not useful without further details.
4. There are also some provinces where the provincial DSD or provincial DPW keeps its own record of all training conducted in the province, but these are not centrally

compiled and were not studied for the evaluation.

The data sources available all focus on the number of training opportunities or the number of training participants. The data does not indicate the throughput of participants from selection for training; to attendance and dropout rates; passing and failing assessments; and graduating or receiving certificates. This may mask some major implementation failures and successes. For instance, in a programme such as HCBC where participants are given bursaries to study to become qualified nurses, up to 98% of participants who start training successfully graduate.<sup>133</sup> In contrast, in the Thogomelo programme,<sup>134</sup> skills programmes in line with the NQF level 4 Counselling qualification was provided to 2,704 learners, but only 197 graduated and it is estimated that over 1,000 had qualified, but had not yet graduated.<sup>135</sup> The data also does not indicate the length of each training opportunity.

In general participants view training as satisfactorily implemented in terms of ensuring participants knew what is expected in order to pass; presenting material at a level they can follow; and organising the relevant logistics such as meals and transport. One common concern was around certificates. Focus groups revealed several instances where training was provided and participants were promised certificates but have not received them. This is possibly because programme managers or service providers do not prioritise the issuing of certificates for shorter or unaccredited training courses, but these are extremely important to participants. Additionally, numerous participants claimed they had been promised training, or there had been mention of training, and that they were “still waiting” several months or a year later, reinforcing this evaluation’s overall finding that communication with participants is weak.

The data that is available supports the notion that over the last three years of Phase Two, programme managers were not able to provide the number of training opportunities that they had intended. The Social Sector set training targets for the latter three years of Phase Two, to 144,569 training opportunities, including both accredited and non-accredited opportunities.<sup>136</sup> The training opportunities reported by provinces were 31,007 in 2011/12, 28,961 in 2012/13,<sup>137</sup> and 23,917 in 2013/14<sup>138</sup>. While this data should be interpreted with caution (see above), it suggests that the target was met at about 60% and most provinces managed to provide less than half of their targeted number of training opportunities. A coordinator suggested that these targets, which were drawn up in 2011, were abandoned and lower targets adopted—but the documentation on this was not available, demonstrating that accountability is opaque and that most programmes struggled in Phase Two to provide training.

<sup>133</sup> Both the Western Cape and KwaZulu-Natal programme managers described the high pass rate in these courses, citing the fact that these participants are highly motivated and already have some experience of the course content from their work as caregivers. The entry requirements for this qualification also include matric, meaning the participants have already demonstrated some aptitude for formal study.

<sup>134</sup> A programme, newly participating in EPWP-SS, that aims to improve the quality of services offered to children by enhancing the psychosocial wellbeing and child protection skills of the community caregivers looking after them. See <http://sites.path.org/southafrica/hiv-and-tb/thogomelo-project/>

<sup>135</sup> Presented at the ESC meeting, September 2014, in Mbombela. Further discussion with an official suggested that the training is very intense and very new; the service providers had only recently been accredited by the Health and Welfare SETA (HWSETA) and there were therefore implementation challenges. For these and a number of other reasons there was a high dropout rate, with caregivers not doing their homework between the first and the second 5-day training block; and caregivers not returning for the second block. For those who completed the training, there has so far been insufficient funding for graduation ceremonies.

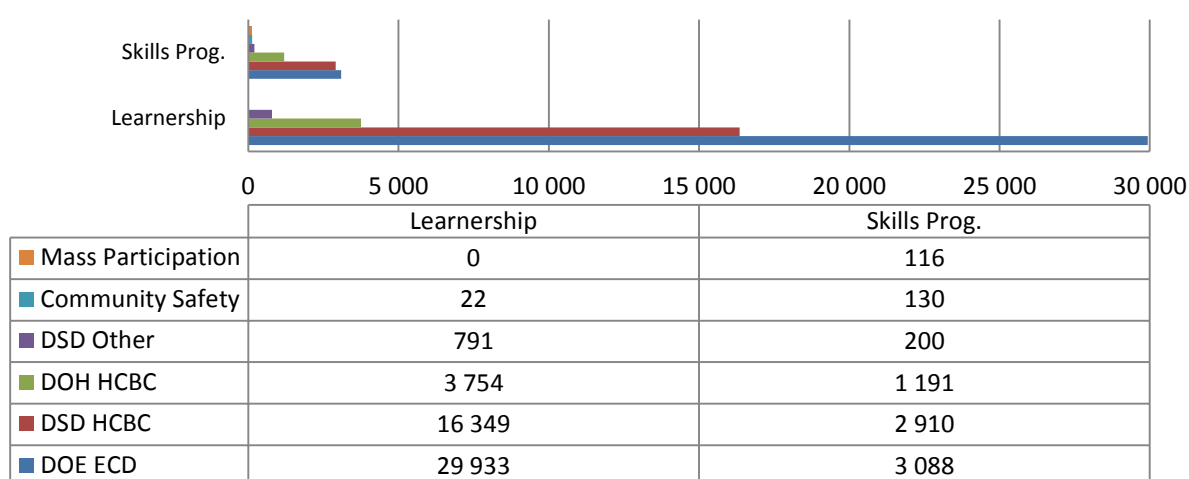
<sup>136</sup> National Social Sector Training Targets 2011-2014. (Unpublished document provided by the Department of Public Works, EPWP Social Sector directorate).

<sup>137</sup> Social Sector Training Progress Reports. Unpublished document provided by the Department of Public Works, EPWP Social Sector directorate. The NDPW EPWP Training Unit compiled the progress data from Narrative Reports presented by provinces at an ESC meeting (see caveats about the quality of this data).

<sup>138</sup> Department of Public Works, EPWP Social Sector Training Progress Report 2013-14 March. Unpublished document provided by the Department of Public Works, EPWP Social Sector directorate.

Accredited training was most common<sup>139</sup> in the ECD and HCBC programmes, with no accredited training provided to NSNP participants and a small number of opportunities to Mass Participation and Community Safety participants (see Figure 13). Learnerships were more common than skills programmes. Of the over 50,000 learnerships provided covering the last three years of Phase Two (see Figure 15), most were provided by provincial departments of education to ECD practitioners. There were 29,933 such learnerships over the last three years of Phase Two. The second-largest number of learnerships was provided by the DSD to participants in HCBC programmes.

**Figure 15. Accredited training provided in EPWP-SS programmes, 2011/2012 to 2013/2014**



Number of opportunities

The Master Database of Trained Beneficiaries, which only reports on NSF-funded opportunities, indicated that 1,040 beneficiaries (participants) have received 8,111 skills programmes in 2013/2014. As these numbers suggest, most participants took several courses towards a qualification; one person would take a number of units at level 1, 2 and 3 all towards the same HCBC qualification. This is the only dataset in which it is possible to calculate how many opportunities every individual participant received. Most training was in the Home Community Based Care programmes (355 participants).

In terms of whether the training provided was sufficient for service delivery, the data on the number of participants who do not meet the minimum training requirements is not available centrally for comparison with training figures. For instance, the National Department of Health has detailed information on the introductory training it has provided, but does not keep a record of the training levels of others. The Department estimates that there are 70,000 health workers (all categories) in South Africa, of whom 12,000 have received Phase 1 training. Among the remainder some have undergone other healthcare training, while some (an unknown number) have no training at all. Provincial departments appear to have a clearer sense of these figures (since they work with the NPOs employing these participants), but the data is not centrally available to coordinators or to the national departments. The DSD estimates that “between a quarter and a half of all existing ECD centre managers and even

<sup>139</sup> These findings are also drawn from the Social Sector Training Progress Reports.

larger numbers of ECD practitioners are unqualified,”<sup>140</sup> (most of them do not have the required NQF level 4 qualification).<sup>141</sup>

A number of factors influencing the ability of departments to reach their training targets and implement the training opportunities successfully can be identified.

Firstly, the ability to plan and implement training is strongly linked to human resource capacity. Many programmes participating in EPWP-SS have constrained human resources for programme management. A programme manager facing competing priorities will consider training in light of the other factors mentioned here and may decide not to pursue training, or to implement unaccredited instead of accredited training. If training is implemented the programme manager may be less able to manage it effectively (leading to implementation problems). In contrast, programmes with sufficient human resources are better able to train participants. As a Limpopo programme manager put it, the reason why her department was providing several training opportunities to participants (from several funding streams) was because “we are focusing... With other programmes you find that it’s not that they don’t want [to provide training], but it’s because they are doing other things... they are apologising, saying ‘bear in mind that this is not the only thing we are doing.’” The Gauteng Department of Health can be seen as an example of a relatively successful department in this regard. The department performed well against its training targets and was also responsible for a large proportion of the 1,268 participants that were reportedly career pathed into permanent positions outside EPWP in the last two years of Phase Two.<sup>142</sup> This can be partly attributed to the fact that the department, which also serves as Sector Lead department in Gauteng, has three staff members dedicated to EPWP-SS. These individuals have backgrounds not only in health but also in community development and public works.

Secondly, where there are nationally defined minimum competencies, programmes are more likely to prioritise training in order to meet these competencies. The DSD has set a minimum training requirement for ECD practitioners. In line with this, ECD programme managers pointed out that there is a growing emphasis nationally on ensuring that ECD practitioners have the required qualifications, and that this drives the prioritisation of accredited training in their departments. Other national departments, including SRSA and the Civilian Secretariat, have not set such requirements.

Thirdly, funding for training continued to be a limiting factor in many programmes. Most departments set aside some of their own (equitable share) funds for training (an exception is the North West Department of Health). Typically; however, these funds can only provide a limited number of opportunities. The coordinating departments have worked with SETAs and the Department of Higher Education and Training (DHET), which administers the National Skills Fund (NSF) to make funds available, subject to an application process, for certain training programmes. However, some programme managers indicated that they had not been able to access it. In some cases there still seem to be misunderstandings about how to access the NSF. Furthermore, several programme managers indicated that the NSF funding applications were approved but experienced challenges in supply chain management that prevented the intended training from taking place, especially where service providers had to be procured through the NDPW (larger tenders). There are indications that these challenges are being reviewed, but it remains essential for implementing bodies to have their own training budgets.

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<sup>140</sup> Department of Social Development (2015), *Draft Early Childhood Development policy of the Republic of South Africa*. Circulated for public comment. Government Gazette No. 38558, 13 March.

<sup>141</sup> *Ibid.*, 124.

<sup>142</sup> Compiled from ESC provincial reports, into a Social Sector Training Progress Report. Unpublished document provided by the Department of Public Works, division for EPWP Social Sector Training.



Fourthly, programme managers and supervisors point out that many participants have not completed school up to the required grade (Grade 11 or Grade 12)<sup>143</sup> and therefore, do not meet the entry requirements for accredited training. Especially the types of training that enable participants to enter professions tend to have stricter entry requirements. For instance in health a programme manager explained that “the ones that go for exit opportunities obviously are the ones that have maybe had matric because obviously when you want to enrol someone into a recognised training, you know, they have got entry requirements.” EPWP-SS aims to provide individuals with lower levels of education with WOs, and programmes need to devise ways to provide training for participants, to improve their employability. Some programme managers and supervisors encourage participants to register for Adult Basic Education and Training (ABET). Unfortunately, most focus group participants not accessing training, did not seem to be considering whether they can improve their chances by studying through an ABET facility. This points back to the need for improved communication with participants so that they know what they can do to improve their chances of accessing training.

Fifthly, a number of programmes have struggled to find accredited training service providers that can provide the type of training their participants need. There is an ongoing effort, working with SETAs to improve this situation but, it was still common in Phase Two.

## Conclusion

This section considered the implementation of training, noting there is an emphasis on the skills participants need to perform their EPWP-SS work. It noted that the training provided in the programmes studied appears to be relevant (well aligned with the work participants are expected to do), but that it was not always sufficient in that it did not always cover everything participants need to know and did not reach all unqualified participants.

A number of the obstacles to training implementation were known and were being addressed by the end of Phase Two. This may contribute to improved training implementation in Phase Three. However, human and financial resources for training planning and management are likely to remain a key constraint, unless implementing departments act to address it. Furthermore, there was limited evidence that the Social Sector is actively working to improve M&E in this crucial area. Of particular concern is that the Sector does not have clear data on the adequacy of participants' current training levels in those programmes where minimum qualifications have been set by national departments.

## 3.2 Achieving EPWP Objectives

As described in the Theory of Change (see Appendix), EPWP-SS aims to achieve two objectives directly through the provision of WOs: (1) the reduction of unemployment and (2) the reduction or alleviation of poverty. Through training, work experience and providing information, the Sector also aims to improve the skills base of participants and improve their employability in the long-term. This evaluation was primarily focused on implementation, and hence this section will avoid reporting on a rigorous impact assessment. Rather it discusses the likelihood of achieving these objectives in light of the implementation assessment and any available data. These findings should be tested with an impact assessment.

### 3.2.1. Likelihood of reducing unemployment

#### **(1) EPWP-SS is likely to have shifted the status of many volunteers into that of employees**

Part of the intention behind EPWP in the Social Sector is to absorb community volunteers into formal positions. Individuals who have been working under unregulated work conditions for no or token payments may have been considered unemployed; if an EPWP-SS programme then provides them with the basic protections of a formal employment opportunity, including legally compliant work conditions, a stable and regulated income, formal contracts and training, then their absorption into EPWP-SS can be considered an increase in employment. Compliance with the Ministerial Determination that sets the minimum standards of a formal EPWP-SS opportunity can be used as a proxy to measure quality of employment opportunities and therefore the extent to which EPWP is shifting the employment status of volunteers. Evidence suggests that MD compliance is nascent; however, fewer programmes are complying with the full set of MD stipulations. Nonetheless, most programmes are complying with the stipend stipulations, which is the most important characteristic for poverty alleviation. A participant who receives a compliant stipend is likely to be considerably better off than if they had been unemployed, or volunteering with no remuneration.

Two programmes were considered highly likely to fall short of shifting volunteers into decent WOs. The first is that of Volunteer Food Handlers in the NSNP, who are still explicitly referred to as Volunteers. As mentioned they are paid less than 60% of the MD minimum. Participation of NSNP programme managers in EPWP-SS has apparently resulted in a greater emphasis on training (although not accredited training, so far). The second is the DSD ECD programme. The ECD practitioners reported as DSD ECD participants are those working in registered ECD centres that are subsidised by the DSD. This subsidisation may contribute to centre coffers, but the practitioner's contract is with the ECD centre management with no regulation of stipend levels or other conditions. These individuals therefore remain without basic labour protection, while they provide a service that plays a determining role in children's development. It is open to question whether it is appropriate or legitimate for government to report these practitioners

as “jobs created.”<sup>144</sup> Some provincial departments of social development, such as the Western Cape and Limpopo, did not report these opportunities on the DPW performance management system in the last year of Phase Two, citing their inability to ensure compliance, but other provinces reported it. The National DSD encourages them to report these opportunities.

## **(2) EPWP-SS is likely to have created new job opportunities**

There are indications that some programmes have been able to scale up using Social Sector Incentive Grant funding. This was observed in HCBC, Crime Prevention, Sports and the NSNP. There are also indications that some programmes’ involvement in EPWP-SS served to keep or promote job creation on their departmental agendas so that programmes remain or expand, or new programmes are created. For instance there is an indication that EPWP has given impetus to the development of new programmes that address public health challenges in ways that create employment for unskilled workers, branching out from typical HCBC programmes into peer education programmes and HIV support group facilitators, among others. In these programmes therefore, it is likely that departments fund the stipends of more members of the target groups than they would have in the absence of EPWP-SS. Although it is impossible to prove quantitatively that unemployment among these programmes’ participants would have been higher in the absence of these programmes, it seems likely.

An important determining factor in the ability of EPWP-SS to address unemployment is the length of the employment opportunity. Most programmes offer one-year contracts. Some programmes renew these a limited number of times (the total opportunity is only one, two or three years). Policies vary from province to province and sometimes from site to site, but limiting the number of times a contract can be renewed is a more common practice in the NSNP, Crime Prevention and Sports programmes. In these cases the direct impact at an individual level ends when the contract ends and a different unemployed person is given the opportunity to work. There appears to have been an assumption among policy makers that even a relatively short-term experience will have rendered the existing participant more “employable”; the next section discusses whether this appears likely.

There are many programmes in the Social Sector that effectively employ participants for the long-term by renewing their contracts annually (or funding the NPOs for which they have worked for several years). Repeated contract renewal is common in programmes implemented by NPOs, for instance most HCBC programmes. In these programmes no limit of a maximum number of renewals is imposed, meaning that some participants, as in HCBC, have had their contracts renewed annually for more than ten years. The agreement appears to be that contracts with these NPOs and or participants will be renewed annually for the foreseeable future unless the department’s funding or priorities change. In these programmes EPWP is effectively creating near-permanent employment. This creates continuity for the recipients of the services that the participants provide. It is also in effect a recognition of the structural nature of unemployment that renders unskilled individuals in need of long-term social protection. At the same time it has implications for the number of individuals that can benefit from the programme (see discussion of scale in section 3.3). A regional DPW coordinator explained the motivation for this policy as follows: “Even if EPWP is short-term, we do not want to take people out [of their positions] for the sake of taking them out [just] because it is supposed to be short-term. As long as the person does not exit into a better opportunity, we want funds to be available so that the person does not go back to poverty again. If we skill such people and put them on career paths, we can put a limit to their contracts, but otherwise

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<sup>144</sup> Please note the distinction between DSD ECD and ECD practitioners that are selected for accredited ECD training organised by provincial departments of education (the “Education ECD” programme). The latter receive stipends in line with the Ministerial Determination for the duration of the training opportunity.

we do not; as long as the funds are available and the person's service is still needed, we would keep them on."

As this coordinator points out and as a later section will argue, the most effective way to ensure that participants gain employment outside of EPWP is by providing them with skills (training coupled with work experience) that lead to (defined) career paths or exit opportunities. Participants who remain in EPWP-SS programmes for several years stand a better chance of accessing sufficient training to access such opportunities, but this is by no means the norm yet, nor is it clear that there are post-EPWP formal opportunities available for trained candidates in all the types of courses that EPWP-SS presents.

For the majority of participants whose contracts are repeatedly renewed and remain in the programme, long-term EPWP-SS work means more work experience and the continued hope or chance (though not guaranteed) of receiving training that can help them find a better job. It also means the benefit of a formalised EPWP-SS position (to the extent that the position is indeed formalised); earning an EPWP-SS stipend, which is lower than the minimum in any other sector and yet, likely to make a big difference for their households' ability to afford food (see below). However, EPWP was not designed as long-term employment. This raises an ethical question. Is it acceptable for a government programme to employ someone for the long-term on such terms? Answering this question should be balanced with a realisation that longer-term employment is an effective response to unemployment in a context where causes of unemployment are structural.

### 3.2.2. Likelihood of addressing poverty

There are many different ways to measure poverty, ranging from a narrow (and older) conceptualisation of poverty as the lack of resources needed for basic survival, to a (newer) more multi-dimensional conceptualisation that incorporates the need for housing, health, education, access to services and resources, and social capital.<sup>145</sup> Similarly, the poverty impact of a social programme can range from making a small, short-term reduction in material deprivation (poverty relief); to reducing the negative impact of poverty on the lives of the poor in a more sustained way (poverty alleviation); to reducing the proportion of people who live in poverty by lifting some of them out of poverty completely (poverty reduction).<sup>146</sup>

The stakeholders of EPWP-SS have not defined the intended poverty alleviation effect. Neither EPWP documents in general, nor Social Sector documents in particular have indicated what kind of poverty alleviation EPWP-SS is intended to achieve. For this reason there was no consensus amongst respondents about whether EPWP-SS, as currently implemented, is likely to be effective in achieving the intended impact on poverty. The argument has been put forward that though participants are paid less in terms of monetary remuneration, they are provided with training.<sup>147</sup> This suggests a thrust toward what theorists call "transformative social protection"<sup>148</sup>—an effort to provide temporary assistance while equipping beneficiaries to lift themselves out of poverty over time. For participants who do receive appropriate training and go on to access opportunities outside EPWP-SS, this impact is indeed transformative. That is dependent however on successful implementation of the appropriate training, which as discussed earlier is not yet the norm across programmes. Overall therefore, the poverty alleviation goal of EPWP-SS is currently opaque and so, is its success. With these caveats

<sup>145</sup> Studies in Poverty and Inequality Institute (SPII) (2007), *The measurement of poverty in South Africa Project: Key Issues*. Johannesburg: Studies in Poverty and Inequality Institute. <http://www.treasury.gov.za/publications/other/povertyline/SPII%20document.pdf> (9 January 2015).

<sup>146</sup> Ibid., 14.

<sup>147</sup> See for instance DSD, Department of Education (DoE), and DOH (2004), *Expanded Public Works Programme Social Sector Plan 2004/5 – 2008/9*, 7.

<sup>148</sup> Devereux, S. and Sabates-Wheeler, R. (2004).

this section draws on the available qualitative and quantitative data to discuss the likely effect of the stipend on the poverty of participants.

When asked about the effect of the stipend, most focus group participants indicated that their stipend “puts food on the table.”<sup>149</sup> Groups went on to describe trying to meet immediate basic household needs, such as soap, electricity, water, and clothes with it.<sup>150</sup> This corresponds to findings from the cross-sectional study of EPWP Phase Two participants.<sup>151</sup> The findings suggest that from the participants’ views the stipend is adequate to cover several of their most pressing immediate needs, but not to lift them out of poverty. It was also not adequate to support activities that would make a sustainable difference to their incomes, such as by studying further or engaging in income generating activities. The evaluation found very few participants who were using the stipend for anything more than boosting consumption. This was generally true even for participants who were aware that their contracts will likely not be renewed after two years.

Despite the continued constraints to their income, being able to meet more of their basic needs had an important effect on other aspects of participants’ lives. If poverty is understood in multi-dimensional terms, the stipend in some cases appeared to be alleviating more than just income poverty. For instance, participants reported a sense of being recognised and valued in the community (especially in the HCBC programme); a sense of dignity associated with being less dependent on family; and the ability to make some improvements to their homes. Supervisors also described observable improvements in confidence and a sense of self-worth that participants obtained from being able to dress well. A district supervisor in Limpopo emphasised: “It has made an impact, you can see how they dress, how they make their hairstyles, that something is happening... [...] even the way they speak to you you can feel that this person has gained confidence”. Another programme manager explained how participants “come alive” because of the stipend.

In addition to lived experiences of poverty and poverty relief, the evaluation attempted to provide a quantitative estimate of the likely poverty impact of the stipend. In rigorous impact assessments such a measure will require estimation of both direct costs to participation (travel to the site) and indirect opportunity costs (foregone earnings, and a reduction in domestic activities and own production).<sup>152</sup> This evaluation however does not use these estimates. This is because the qualitative research suggested that it is not common for participants to incur significant direct costs in the form of transport—programmes tend to recruit participants within walking distance from the sites wherever possible. Cell phone expenses and the need to buy special clothing was not common either. The evaluation team felt that not having an estimation of opportunity costs will not negatively influence the results, as the aim is not to give an impact estimate but indicate likely effect.

The other critical issue needed to estimate impacts on poverty is a defined and agreed set of “basic needs” that are to be met, and what their cost is. A poverty line is an often useful and globally utilised measure. Such a line will always be an imperfect construct, but can be used in order to understand the nature of poverty.<sup>153</sup> South Africa does not have an agreed poverty

<sup>149</sup> Some needs remained unmet. In peri-urban KwaZulu-Natal, the participants’ supervisor indicated that members of her team still go hungry for parts of the month. This group reported large household sizes (7 to 13 members per household) and the stipend made up half or more of each of their reported household incomes.

<sup>150</sup> The fact that they mostly spent it on essentials is a further fairly good indicator that the programme is targeting the poor.

<sup>151</sup> Camissa Institute for Human Performance (2012), 51.

<sup>152</sup> McCord, A. (2012), 82; Subbarao, K. (2003), *Systemic Shocks and Social Protection: Role and Effectiveness of Public Works Programs*. World Bank Social Protection Discussion Paper Series No. 0302, 17.

<sup>153</sup> Leibbrandt, M. and Woolard, I. (2006), *Towards a Poverty Line for South Africa: Background Note*. SALDRU. Cape Town: UCT. quoted in Statistics South Africa (2008), *Measuring Poverty in South Africa, Methodological*

line and debates on what constitutes a decent standard of living remain unresolved.<sup>154</sup> Though being of the view that policy departments are better placed to determine relevant or applicable poverty lines, Statistics South Africa (StatsSA) has made an attempt to create a national poverty line. In 2008, StatsSA proposed three poverty lines to be piloted for use in reporting on poverty levels and profiles. These were rebased in 2015<sup>155</sup> on the 2010/2011 Income and Expenditure Survey (IES). The StatsSA lines are useful because they are based on the basic need of food for survival and are calculated taking into account the price of a food basket that would meet the minimum caloric intake of South African households.<sup>156</sup>

**Table 13. Poverty lines for South Africa (StatsSA 2015)**

Line	2011 Amount per person p.m.	2012 Amount per person p.m.	Explanation
Lower poverty line	R335	R375	Households that survive by sacrificing basic food needs
Food Poverty Line	R501	R529	Cost of basic nutritional requirements
Higher poverty line	R779	R823	Typical expenditure of households whose food expenditure equals the food poverty line

To assess whether the minimum stipend is effective in alleviating poverty, we compared what households would have earned if they had no stipend with what they would earn if they receive the minimum stipend.

We conducted this assessment using the data provided by focus group participants. This was a very small sample of households (N=47) and the team supplemented this with a sample from the National Income Dynamics Survey (NIDS), 2012 of households who could hypothetically participate in EPWP-SS (poor households<sup>157</sup> with unemployed adults) and simulated the effect of providing the minimum stipend to them. In the NIDS data set, two different money-metric measurements of poverty (household income and household expenditure) were used to select poor households. As can be expected, we found slightly different results depending whether we used the EPRI focus group participants' reported income, the NIDS income-based poverty measure or the NIDS expenditure-based poverty measure. In the figures that follow, the black line depicts the range of results, which can be seen as a "confidence interval" within which the true result is likely to lie.

It should be emphasised that the data sources used to conduct this analysis are not ideal—the survey of focus group participants is very small, while the NIDS sample, although nationally representative, does not reflect actual participating households. A more reliable assessment would be possible with a nationally representative sample of actual EPWP-SS participants, such as the cross-sectional survey conducted by the DPW. The findings are presented here to demonstrate the type of methodology that stakeholders can consider to assess poverty

*report on the development of the poverty lines for statistical report.* Technical report D0300. Available at [www.statssa.gov.za/publications/d0300/d03002008.pdf](http://www.statssa.gov.za/publications/d0300/d03002008.pdf) (7 January 2015).

<sup>154</sup> See, for instance, work on a Decent Living Level by the Studies in Poverty and Inequality Institute (SPII).

<sup>155</sup> StatsSA (2015), *Methodological report on rebasing of national poverty lines and development of pilot provincial poverty lines*, Report No. 03-10-11, 14. Available at <http://beta2.statssa.gov.za/publications/Report-03-10-11/Report-03-10-11.pdf> (14 March 2015).

<sup>156</sup> StatsSA (2008).

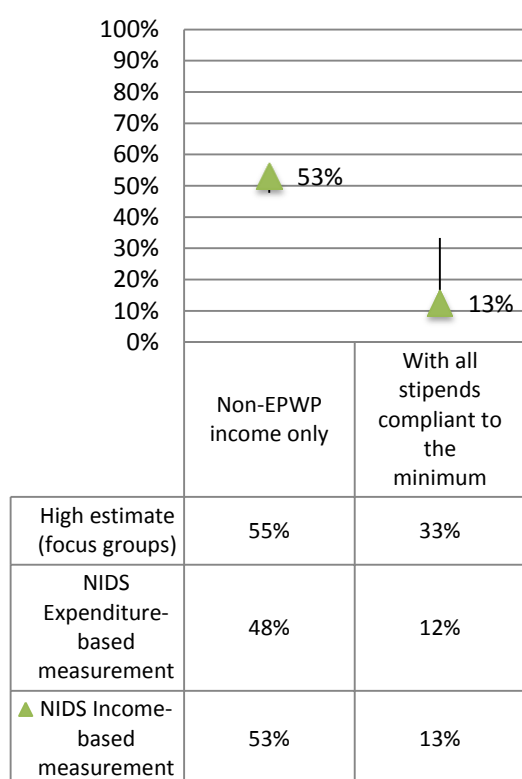
<sup>157</sup> "Poor" households were selected based on the annual household income categories of households "before EPWP" in the Mid-Term Review, p. 62.

impact; and to corroborate the qualitative findings with the available quantitative findings in order to comment on likely impact.

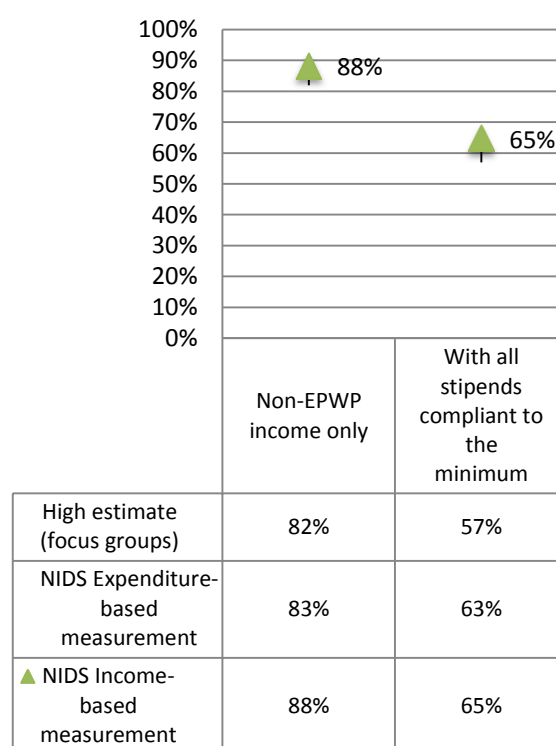
Our first set of simulations assessed the likely impact of the stipend in terms of the food poverty line (Figure 16). About half (between 48% and 55%) of the households in our data sets would be food-poor without the stipend. When the minimum stipend<sup>158</sup> is added to their incomes, most of them (67%-88%) end up out of food poverty, while the rest (13%, with a confidence interval of 12% to 33%) remain food-poor. Upon closer investigation the households that remain unable to buy sufficient food tend to be large (with many members) and have few adults of working age to support them. Their incomes are nevertheless far closer to the amount they would need to afford sufficient food, that is to say they are much better able to afford it (see calculations on the poverty gap index below).

We repeated the comparison to assess the impact of the minimum stipend on upper bound poverty. As shown in Figure 17, the EPWP-SS minimum stipend reduces upper bound poverty from 83% (or approximately between 82% and 88%) to 63% (between 57% and 65%). This means the minimum stipend does lift some better-off participants out of poverty, but almost two-thirds of participants and their households remain unable to afford their basic needs in addition to sufficient food (if basic needs are defined as per the StatsSA methodology).

**Figure 16. EPWP-SS participant households below the food poverty line with and without the minimum stipend**



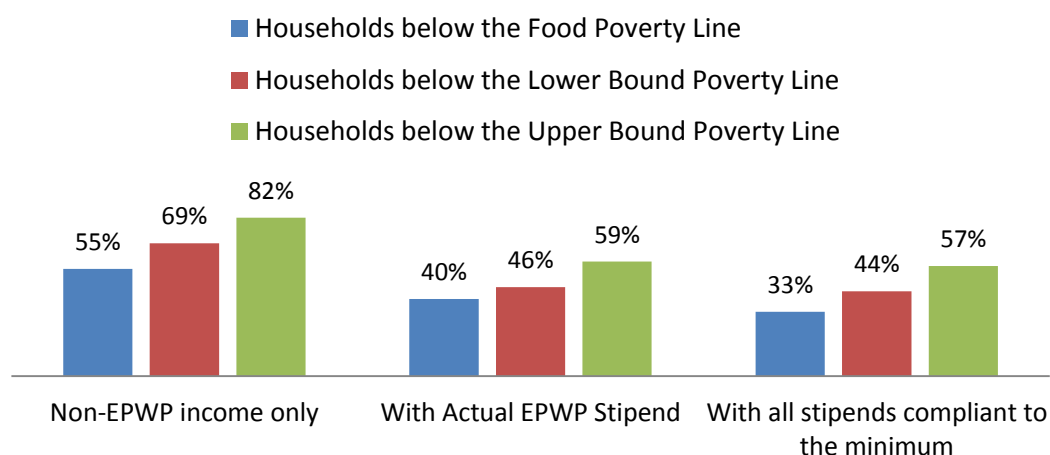
**Figure 17. EPWP-SS participant households below the upper bound poverty line with and without the minimum stipend**



<sup>158</sup> For the NIDS survey (with data from 2012) we used a minimum stipend of R1358.37 and for the EPRI focus groups (with data from 2014) we used a minimum stipend of R1517.69.

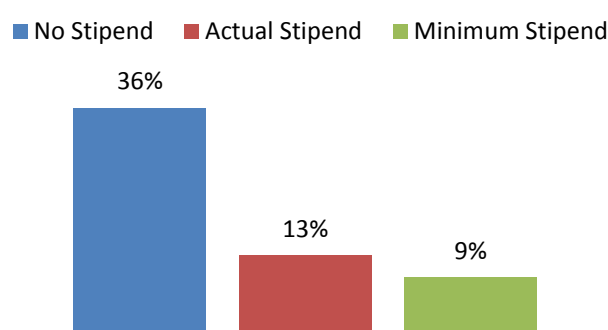
We also assessed the likely impact of the actual stipends provided to the focus group participants against the three poverty lines (Figure 18). These stipends vary from R900 for NSNP participants to over R3000 for Mass Participation participants in the Western Cape. Without the stipend 55% of participant households would be under the food poverty line; 69% under the lower bound poverty line and 82% under the upper bound poverty line. With the actual stipends they currently receive, these proportions are greatly reduced, but the reduction would be enhanced if programmes paying less than the minimum would raise their stipends to the minimum.

**Figure 18. Impact of stipends on focus group participant households' poverty levels**



One can also use the food poverty gap index to assess the poverty alleviation impact of a transfer (Figure 19). The poverty gap index is the average poverty gap of all poor individuals in the society expressed as a percentage of the poverty line.<sup>159</sup> The actual stipend disbursed to focus group participants reduced their food poverty gap index from 36% to 13%. If all sub-minimum stipends were raised to the minimum, this would be further reduced to 9% (NIDS results not shown here suggest as low as 2%). This means that the average shortfall between these households' incomes and the amount they need to afford sufficient food, is drastically reduced.

**Figure 19. Food poverty gap index of focus group participants, 4 stipend scenarios**



<sup>159</sup> This indicator captures the average Rand value difference between the poor's incomes and the poverty line, as a percentage of the poverty line. For instance, a person earning R300 when the poverty line is R375 has a poverty gap of R75 which is 20% of R375. Another person may have a poverty gap of R125 which is 33%. If they are the only two people in this society, the poverty gap index is the average of their poverty gaps, i.e. 26.5%.



In summary, both the qualitative and the quantitative findings suggest that at current levels, the stipend is likely to be ensuring that thousands of beneficiaries and their households do not go hungry. Those who do still struggle to afford food are still likely to be, on average, much better able to afford it. Most of them are likely to remain poor (falling under the upper bound poverty line) but the severity of poverty is reduced.

Programme managers had differing views on the likely impact of the stipend. Some think the stipend makes a negligible difference, for instance an ECD programme manager said: “I guess the mere fact that the person earns something makes a difference. But how much of a difference does it really make if it’s such a small amount? That’s something else.” Others were of the view that the stipend makes a difference for participants, with one coordinator saying, “We believe that these work opportunities [with stipends below the MD minimum] need to be recognised because they do bring about relief. They do meet the intended objective. This is a poverty alleviation programme firstly... I think the compliance thing should not be such a major thing, because if we make it a major thing then these projects have to be thrown out... [and then] we will see [such projects] drifting back to where it came from—exploiting labour—and these people are women and young, you know, and the people with disabilities. They are the needy, the previously disadvantaged. Then it’s got serious implications going forward at macro level.”

The findings suggest that at its current level, the minimum stipend has the potential to address poverty, but the Social Sector needs to be much clearer about what is considered sufficient. Moreover, the Sector needs to address non-compliance with this minimum level, and the administrative and implementation inefficiencies that have the potential of eroding gains from stipends. In addition to financial value, predictability of stipends has been underscored as an important determining factor for the impact of the stipend on poverty, and late payments can significantly reduce the poverty alleviation effect of EPWP-SS. They leave participants unable to plan financially and in some cases unable to overcome the income shock without going into debt or otherwise compromising their material well-being. In one focus group a participant explained: “As a result [of late payments] we end up in debt because we go to loan sharks to borrow cash. And after three months of waiting you end up with a month’s pay. Just like now I am still paying back a loan I incurred as result of missed payments. I have kids in school and we end up struggling to pay back these loans.”

### 3.2.3. Likelihood of improving the skills base and enhancing employability

As stated in the introductory sections, the South African labour market is characterised by an oversupply of unskilled workers, many of them with limited work experience, and a higher demand for skilled labour. If the definition of “employable” is “able to find formal work or self-employment,” then a public works programme with a focus on providing appropriate work experience and training can potentially improve participants’ “employability.”

Programme managers face plenty of challenges in ensuring that participants have the skills they need service delivery. It is perhaps unsurprising that programme managers appear preoccupied with the immediate need to deliver services, failing to consider how participants’ employability beyond the programme can be improved. However, there were exceptions. In HCBC programmes for instance, some successful trainees—in pharmacy assistance or ancillary nursing—were assisted in finding employment opportunities in government or going on to study full-time. Some also found employment in the private healthcare industry. In 2011/2012 and 2012/2013 combined there were 1,268 individuals who accessed “career

paths” such as these, according to ESC provincial reports.<sup>160</sup> All these participants were “career pathed” by provincial departments of health and social development. Unfortunately, at national level the Social Sector does not keep any record of what happened to those participants whose opportunity with EPWP-SS ended without accessing such a career path, or who left the programme of their own initiative (including the ECD practitioners who leave to become Grade R teachers). Therefore, this evaluation cannot draw firm conclusions about the overall impact of work experience and training on participants’ employability beyond the programme. What is presented below is based on what is known about the labour market and the impressions of Social Sector stakeholders who were interviewed.

There was a strong sense among coordinators, programme managers and participants themselves that the right type of training is an important factor in determining their future employability outside EPWP. Indeed an official in the SPO expressed the belief that in EPWP-SS, “career-pathing cannot be done outside of training.” After all, fields such as teaching and nursing are professionalised with explicit qualification requirements for promotion; and even in other fields a qualification helps to set a candidate apart in a labour market characterised by low skill levels. But as mentioned earlier, programme managers’ information about how to match training with labour market opportunities tends to be limited, and programme managers are supported in doing skills needs assessments, but not planning for improved employability. The training opportunities provided are therefore likely to improve the skills of some participants in line with their EPWP-SS jobs, but unlikely to equip significant numbers of participants with the skills they need to pursue opportunities outside EPWP. Training opportunities rooted in a good understanding of participants’ existing education and designed to be in line with the opportunities in the labour market (government, non-governmental and private) is more likely to lead to career pathing or exit into better work.

There was evidence that EPWP-SS work experience was in itself somewhat beneficial in improving participants’ employability. Participation in the programme tended to improve access to information, and gave participants experience in a structured work environment while building both their technical capabilities and interpersonal skills. Most participants indicated that they were seeing changes in personal attributes that had held them back or were likely to cause them to remain unemployed. The reasons identified for this transformation included the poverty alleviation effect of the stipend, which brought about a sense of dignity and being able to “afford one’s life”<sup>161</sup> as well as participants’ strong sense of having purpose and value in the community. This is an important finding as a more confident person may be more able to make a good impression on a potential employer. However, appropriate skills are crucial to improve an unskilled worker’s ability to compete for opportunities that exist in a labour market increasingly skewed towards skilled work. The value of training was therefore underscored. In some focus groups where no accredited training is provided, participants stated outright that their predecessors in these positions are “back home”, “doing nothing”, and or that they expect the same. An NSNP Volunteer Food Handler explained that “when this job ends we will be at home and when you are at home you do not have a lot of access to information so at least while we are here we meet people and share [information about] opportunities but going back home is really going back to square one.” One focus group was attended by former Community-Based Crime Prevention participants whose contracts had ended and who were now unemployed. Therefore work experience and access to information, though a positive element of EPWP, was deemed unlikely to be sufficient to provide a bridge to employment. As noted in the literature review, there are also other barriers to unemployment that are not addressed by EPWP-SS, including discrimination and the long distances between townships

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<sup>160</sup> Even if there is some under-reporting on this figure, qualitative data suggests that this type of direct career pathing by an implementing department was not a common occurrence. This is a very small number compared to the reported Social Sector FTEs for the same two years – 67,607 in 2011/2012 and 89,117 in 2012/2013.

<sup>161</sup> This supported the notion, noted in the literature review, that poverty reinforces unemployment.

and employment opportunities.

Despite these general findings, it should also be kept in mind that EPWP participants are diverse. In Sports programmes where participants are typically young and many have finished matric, it was clear that despite the uncertainty of a short-term contract and a lack of training directly in line with a career path, participants were carefully considering how to make the most of the experience they had gained. For these participants the likelihood of accessing other opportunities after EPWP might be higher than for those who are older or with limited basic education. For example Volunteer Food Handlers tend to be older females with lower levels of education, and family responsibilities that would prevent them from migrating to find employment. Even if work experience provides them with the same benefits of information, confidence and work ethic, their chances of finding work will improve minimally.

Many of the recorded cases of improved employability are in the HCBC and ECD programmes—the same programmes in which the repeated renewal of contracts is common. Possibly this is because these programmes provide more time for a participant to study towards a qualification. In contrast, it was rarer in the Sports, Community-Based Crime Prevention and NSNP programmes for training to be explicitly aligned with career pathing or exit opportunities. These were the programmes in which participants were less clear on what will happen when their opportunity in the EPWP-SS programme ends. There are notable exceptions, for example the Chrysalis Academy supported by the Western Cape Department of Community Safety and Liaison, is actually designed around the central objective of preparing its young participants with the life skills and experience that they need to be successful in future study and work. In contrast, Mass Participation participants are typically taught sporting codes that are not in line with the sporting federations most likely to employ coaches. In recognition of the need to support their employability outside the programme some of these programmes have therefore supplemented code-specific training with accredited training in more generic fields like event management. In other words, there are ways to make even shorter-term opportunities valuable for improved employability, with sufficient planning and adjustment of the programme. Therefore, in the absence of comprehensive data this evaluation therefore found that EPWP work experience appears to have some beneficial impacts on personal attributes that determine employability. Stakeholders strongly correlate accredited training in line with a defined career path as an important factor in improving a participant's employment. This also makes sense if many participants have low skill levels. Programme managers can be better supported and incentivised to plan for the alignment of participants' skills with the labour market. Furthermore, though it is not the mandate of EPWP to address issues such as the spatial distribution of jobs, distance between residential and economic centres; and other discrimination that all play a role to keep people unemployed, the programme can give due consideration of these issues in how it offers opportunities to participants. If these factors are understood as they pertain to a given programme's participants (taking into account differences within the population of participants), the opportunity can be optimised in line with their needs.

### **3.3 Designing EPWP to reach its Outcomes and Outputs**

#### ***Alignment of service delivery and employment creation objectives***

A key strength of the EPWP Social Sector's design has been the alignment of work creation and service delivery priorities in many departments. Comparatively low input costs are required to implement these programmes that deliver stipends as well as social services, usually to the same (often marginalized) communities. In this way EPWP-SS represents an important example of the potential for synergy between social protection mechanisms. This integrated service delivery model of EPWP-SS is both a key strength of its design and an important challenge. As much as EPWP-SS gains access to tremendous resources by forming part of so many public bodies' mandates, the experience with implementation in Phase Two has also shown that it is challenging to get diverse departments to make EPWP's cross-cutting priorities their own. The objectives that receive less attention are those that are not directly linked to the service delivery mandates of the implementing departments. These objectives include complying with all aspects of the conditions of employment stipulated in the Ministerial

Determination; communication with local supervisors and beneficiaries about EPWP-SS; and planning for improved employability. This remains a challenge as the Sector moves into Phase Three.

Although this is a challenge inherent in the design of a cross-cutting programme, the sections on implementation have highlighted numerous ways in which coordination (including alignment of intra-departmental incentive structures), institutional arrangements, monitoring, and communication can be strengthened to maximise the likelihood of the Sector working together towards the achievement of its full set of objectives.

### ***Implications of the de facto longer-term employment in EPWP conditions***

The EPWP-SS has not held strictly to the broader EPWP design in terms of providing only short-term work opportunities. This has been beneficial in that it provides income support and stability to participants over a longer period; provides more opportunities for training that improves their employability; and allows programmes to benefit from the skills and work experience that participants gain over time. Local stakeholders (e.g. parents; teachers at schools benefiting from sports programmes; a community leader liaising between traditional authorities and a clinic implementing HCBC) also supported the practice of keeping participants in their position over several years as this gives them time to build up a relationship of trust. These are important benefits; however, there are also two downsides. The first is that longer-term employment in EPWP-SS creates a situation where participants may earn the EPWP minimum wage, which is better than no income at all but less than the minimum wage in all other regulated employment, indefinitely, which was not the intention when EPWP was designed. The second is that keeping one person in a position over several years means that fewer poor and unemployed persons can benefit from the stipend. It is important to acknowledge these downsides, but also recognise that it is appropriate to provide some form of long-term social protection in a context of structural unemployment.

### ***Scale of the programme is supply-driven***

A further reality of the programme's design is that it can only absorb as many participants as can be usefully and affordably contracted (recruited, inducted, managed, and provided with stipends) on a full-time basis by the participating departments. This has led to the involvement of participants where their services are truly needed and valued, but it also renders the scale of the programme "supply-driven."<sup>162</sup>

This evaluation found evidence that EPWP-SS programmes generate considerable value for government, participants as well as the recipient communities (and have potential to do even more if implementation is improved). However, given its current design the Social Sector and other supply-driven EPWP programmes cannot provide income support to all the unemployed adults who need it. Government needs to acknowledge that these programmes need to be supplemented by programmes with a different design if government is to provide social protection to unemployed adults at a national level.

The Indian Employment Guarantee Scheme<sup>163</sup> is an example of a programme design that may supplement supply-driven programmes. This Scheme provides part-time employment, which enables limited budgets to provide income support to a larger proportion of the unemployed and under-employed population, and leaves space for participants to engage in multiple strategies to support their short-term and longer-term income generating capacity. The Indian programme has been able to scale up to a point where its scale is determined by the demand

<sup>162</sup> "Supply-driven" is used here in reference to the government's ability to supply work opportunities, not participants' ability to supply labour. See for instance Subbarao, K. (2012), 58; McCord, A. (2012), 55.

<sup>163</sup> Full name Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).

for WOs. A universal cash transfer is another mechanism with the potential to fill the social protection gap left by supply-driven PWP.

### 3.4 Opportunities for Expansion

EPWP-SS is working to achieve ever growing targets, and so “expansion” is a key priority. The programme has already significantly scaled up its operations, as described earlier. The programme has, in Phase Two, been successful in bringing many programmes and two departments (Sports and Recreation; and the Civilian Secretariat for Police—and many of their provincial counterparts) as well as some municipalities on board. Some programmes were already creating WOs, but now report these to EPWP, and are expected to adjust their programmes to comply with the MD and the range of EPWP-SS objectives.

The Sector has been mandated to meet even higher targets for Phase Three, which will take further creativity and coordination work. The evaluation methodology focused on the implementation dynamics of existing programmes, and this is where the opportunities for increased numbers of WOs and FTEs were most clearly highlighted to the evaluation team.

**Opportunity 1: Improve performance against training targets.** Full Time Equivalents are calculated to include the number of training days provided as part of EPWP-SS. The section on training implementation indicated that most provinces did not meet their training targets. If training targets are reached in existing programmes, the reported number of FTEs will increase. If the Sector had managed to meet its training target (144,569 training opportunities) for the latter three years of Phase Two, and even if training opportunities were each only 10 days long, the Sector would have increased the reported FTEs by 2,639. If each training opportunity was two months long, reported FTEs would have increased by 11,087.

**Opportunity 2: Ensure smooth functioning of the DPW performance management reporting system.** As described in the section on monitoring frameworks, many programme managers were concerned that not all of their performance data reflected accurately on the DPW database in Phase Two. If this is the case, then smoothing MIS reporting may ensure that the Sector’s expansion is more accurately reflected. Programmes whose performance data is consistently and accurately reported on the system will have an improved chance to qualify for IG funding. This will enable them to expand their programmes and or start additional programmes.

**Opportunity 3: Ensure that programmes are up and running from the start of the financial year.** Programme managers and coordinators indicated that some programmes got off to a late start at the beginning of the new financial year. For instance, programmes may still be procuring new participants at the start of the financial year and they may start working only in the second or even the third quarter. A common reason for this was late notification of the funds allocated for the coming financial year. Addressing this implementation challenge will increase the number of days per year that participants work, which will reflect in more FTEs.

### Expanding into new programmes

In terms of new programmes, or programmes particularly suited to scale-up, the following were identified by programme managers:

#### Health

- There is the potential to fund performing arts groups that raise awareness on health issues
- Coordinators for Traditional Medical Male Circumcision

#### General

- Monitors of the services being provided by others, similar to the school-based monitors employed in the NSNP expansion programmes

#### Social Development

- Replication of the War Room on Poverty programme in other provinces

**Education**

- Appoint people to beautify schools
- Assistants to help schools to capture data on the Education Management Information System (EMIS) on behalf of schools
- Assistants for schools for children with special needs

**Community Safety and Liaison**

- The Western Cape has independent prison monitors who could be absorbed into an EPWP-SS programme
- Replicate the Chrysalis programme in other provinces

## 4 Conclusion

This section reviews some of the main findings reported in Section 3, underscoring their interconnected nature, and reflecting on what this means for the Theory of Change. It identifies the main challenges that the recommendations (Section 5) seek to address. Before doing so, it should be emphasised that EPWP-SS is attempting to address complex social problems and consists of many different stakeholders, operating at different levels and spheres and with differing interests. In addition there is considerable intra-sectoral variation, with different programmes and implementing bodies employing different implementation arrangements. This evaluation was unable to go into detail on all the different components considered important to the sector's many stakeholders. Instead we focused on what are considered to be cross-cutting implementation characteristics, acknowledging that the findings and recommendations may apply to different degrees to individual programmes and departments.

This evaluation found that EPWP-SS has shown growth in terms of the number of programmes and opportunities reported. The increasing numbers of reported participants is encouraging as it represents the growing buy-in of social sector programmes into the EPWP mandate.

The Theory of Change is that EPWP-SS can contribute to improved human development for communities; can in the short term reduce participants' poverty and unemployment; and can render participants more "employable" outside the programme. It indicates that these objectives can be achieved by delivering social services in a way that creates EPWP work opportunities; providing training, skills and information to participants; and planning for their improved employability. This evaluation did not rigorously assess impact, but in reviewing Phase Two implementation did not disprove the programme logic.

The logic underlying the short term poverty and unemployment alleviation objectives of the Theory of Change appears to hold, based on the implementation experience. This evaluation has found it likely that Social Sector programmes will alleviate poverty and unemployment in the target groups. What is needed here is a clearer set of definitions and measurements. At the minimum stipend level, the opportunities are likely to make a meaningful difference to the ability of participants and their households, lifting 67%-87% of them out of food poverty but very few out of broadly defined poverty. Should this be considered success? Stakeholders have not yet agreed whether it should. In terms of unemployment reduction, the evaluation pointed out that WO and FTE indicators cannot be equated with reducing unemployment. Instead it distinguished between "new jobs" and "formalised volunteer positions", arguing that both are relevant for reducing unemployment among the target groups, and that there are indications of increases in both. The Social Sector will need to refine these definitions if meaningful claims of impact are to be made.

The depiction of improved employability as a key objective in the Theory of Change was driven by the importance attached to it by the Theory of Change workshop participants as well as the strong emphasis it received from programme managers and coordinators in interviews. It is perhaps a popular objective because it expresses hope for a better future for participants. However, in practice this objective and its associated activities enjoyed comparatively little time, planning, monitoring, and accountability. This limited the evaluation's ability to assess the validity of this pathway, at least in terms of what has emerged from implementation so far. It appears unlikely that the Sector can ensure the employability of all its participants, but by improving coordination and ironing out implementation problems the Sector may be able to improve its effectiveness. Monitoring data or periodic impact assessments will be required to compare the Sector's track record over time.

Given that there has been limited effort from programme managers in terms of planning for improved employability, and little effort from coordinators and other stakeholders in terms of supporting it, it seems too soon to dismiss this objective as entirely unattainable. Nevertheless the Sector needs to be clearer about what it aims to achieve. If not all participants will find work elsewhere, what should the target be—can programmes conduct the necessary research

and then come up with reachable targets to pursue? There is also the question of long-term employment as EPWP participants, which can be framed as a success in terms of long-term social protection and continuity in service delivery but raises concerns in terms of the conditions of employment as well as the ability of EPWP-SS to reach a larger percentage of the unemployed. If improved employability outside EPWP-SS is seen as ideal, can long-term work in EPWP-SS be seen as a second-best alternative? Certainly the concept of long-term EPWP work is a real outcome for many participants but is not currently captured as a long term objective in the Theory of Change.

The training related components of the Theory of Change raise similar concerns. It is feasible that different types of training may be required depending whether the objective is to improve service delivery within the EPWP programme, or to improve employability outside the programme. In such a case, it is likely that stakeholders will agree on assigning top priority to ensuring participants meet minimum training criteria for their EPWP work. Beyond this however, it is less clear what type of training should enjoy priority, because improved employability and improved service delivery objectives are typically expressed as of equal priority. The evaluation questions in the Terms of Reference did not focus on assessing the likelihood that EPWP-SS programmes are likely to improve or expand service delivery and improve human development; however the findings reported here do not disprove that this is achievable if programmes are effectively implemented and the needed training provided.

The main issues with the Theory of Change as employed for this evaluation are not with the programme logic but with the assumptions underpinning it. The programme logic rests heavily on the assumption that programmes would commit to EPWP-SS objectives and would align their programmes accordingly, and would allocate the required resources to these programmes. It also assumes that they would have the support they need from other stakeholders (SETAs, the Department of Labour, etc.) to achieve the objectives. The evaluation focused on unpacking the experience of the sector with regard to these assumptions. Overall, it found that the sector holds the potential to improve the lives of even more people, and more effectively, if it addresses a number of implementation issues.

A key implementation issue was with regard to the quality of coordination. The significant overlap of responsibilities between the two coordinating departments, DSD and DPW and their provincial counterparts, was driven by a resource imbalance (with under-resourcing and a lack of dedicated resources in DSD in particular), and a more direct system of accountability for EPWP performance in DPW. It resulted in DSD playing a reduced role as sector lead and neither department taking up certain coordination functions, like knowledge management and the development of a comprehensive monitoring system for the sector.

Challenges within and between the coordinating departments contributed to the ineffective functioning of coordination structures. The ESC and PSCs were still relatively effective as spaces for sharing information and best practices, mutual encouragement, and problem solving. However there was a tendency to assign joint responsibility for leadership of structures to the two departments, limiting the ability of one department to take decisive action. National implementing departments did not participate as closely as expected in coordination, partly because coordination structures developed a heavy emphasis on reporting implementation progress as opposed to refining policy and developing guidelines. There was an over-reliance on meetings, rather than effective communication, to ensure alignment in the sector. This put pressure on already constrained human resources and resulted in low attendance. The envisioned senior management coordination structures never functioned. This appears to have been driven in part by the limited way in which EPWP-SS success was measured. Low levels of senior management involvement in coordination structures had a knock-on effect for the effectiveness of other structures in resolving strategic / policy issues.

Although the sector exceeded its Work Opportunity target and achieved 61% of its FTE target, compliance with the Ministerial Determination improved unacceptably slowly. Training, which is crucial in a sector that delivers specialised services to poor and vulnerable communities, was supported by a number of initiatives, but programmes still faced significant challenges in



the provision of appropriate and sufficient training to participants. Stipends, although potentially valuable for poverty alleviation, were often delivered months late. Communication within the sector was weak, with many NPOs and participants still uninformed of EPWP-SS. Progress and successful implementation need to be defined in ways that include these considerations. Monitoring systems fell short of this. The monitoring systems operated in parallel and were designed to serve the interests of different stakeholders, leaving important objectives undefined (as mentioned) and variables unmeasured. Neither of the two national systems yielded reliable data.

The original mandate was to create EPWP work opportunities with existing resources, but the Phase Two experience indicated that there is a need to resource the coordination and management of these activities. Because senior managers did not regularly engage the EPWP-SS objectives and the sector's progress and challenges in achieving them, they were also less likely to assign the needed resources and adjust their staff's incentives to support the achievement of these objectives. This evaluation found that programme staff's incentives were usually aligned only to the service delivery objective; coupled with resource constraints this hampered the sector's effectiveness.

Though conditions are improving, there are few programmes that comply with the basic employment conditions enshrined in the Ministerial Determination. The challenges with monitoring, resources, and engagement of senior managers converge to slow down progress in this regard and the challenge is compounded by the failure to communicate with participants about their status and rights.

Although this implementation evaluation did not suggest that the EPWP-SS Theory of Change is necessarily invalid, it demonstrated that the assumption that stakeholders are aligned to EPWP-SS objectives and would assign sufficient resources to their achievement did not always hold. Many of the challenges faced in implementing EPWP-SS have to do with the overarching challenges of ineffective coordination and institutional arrangements; resource constraints and inappropriate allocation of existing resources; the lack of involvement of senior management; weak internal communication; and the need for more effective monitoring and evaluation. The recommendations therefore focus on these factors.

## 5 Recommendations

As the concluding section demonstrated, the sector's challenges are largely interrelated. So, therefore, are the recommendations presented here. The matters cannot be addressed in isolation; for instance, delineating the roles of the coordinating departments will be ineffective unless resource constraints in DSD are also addressed.

### **R1: Clarify institutional mandates and delineate roles of the DPW and DSD in the sector.**

The roles of these departments as well as national implementing departments should be reviewed in line with the experience in Phase Two and clearly spelled out in a Social Sector-specific responsibility matrix or similar document that is endorsed by senior managers and then integrated into personnel's APPs and management performance contracts. Coordination of the Social Sector should be normalised within DSD through the establishment of a dedicated unit with appropriate resources, responsibility and accountability. As sector lead department DSD should be accountable for sector-wide performance and this should be integrated into dedicated personnel's APPs and management performance contracts.

**R2: Ensure strategic management engagement with EPWP-SS.** For this to happen, stakeholders must agree on the EPWP-SS indicators against which senior managers must enable their departments to perform. Merely focusing on WOs and FTEs is likely to leave many implementation issues unaddressed. Once indicators are defined they can be included in departments' strategic plans and performance agreements. The NSC subcommittees' roles should be revisited in order to ensure that they feed into strategic issues; and subcommittee members' specific roles and responsibilities reviewed.

**R3: Improve monitoring and evaluation.** EPWP-SS differs from the other EPWP sectors. Its programmes directly deal with vulnerable and poor people, and can have lasting effect in communities where they are implemented. The overarching EPWP monitoring and evaluation framework does not adequately cover or reflect all the EPWP-SS specificities. Therefore the sector can benefit from a separate but nested Theory of Change and M&E framework. A Theory of Change has been developed as part of the evaluation. Though this focused on Phase Two, it may offer useful learnings and a basis for formulating the Social Sector's Phase Three problem statement, the logic of the intervention, assumptions made, outcomes sought and indicators of both performance and results in people's lives. It is important that stakeholders reach agreement on these, changing the Theory of Change if necessary, to clear out the lingering differences as to the purpose and intent of EPWP with regards to social protection, skills development, service delivery, and the potential tensions between these. Among other definitions there should be a distinction between MD-compliant and MD non-compliant work opportunities.

Once the framework is agreed it must be clearly communicated to all stakeholders so that it can be understood and pursued at all levels. It should then be used to identify the indicators that need to be tracked. Project-level data of the type gathered by DPW in Phase Two may be useful and it would therefore be valuable for the Social Sector's M&E framework to inform the improvements currently being made to the DPW performance management system. But the framework will also require financial indicators that support meaningful analysis of resource allocation. Moreover, effective M&E for EPWP-SS will require individual-level data for the whole sector.

Key individual indicators must be collected at baseline (at the time of recruitment, or for those already working, as soon as the system is introduced). Baseline indicators should include at minimum: Household income; the number of household members; education history; employment history; gender, age, and disability status. While the participant holds a work opportunity in the programme the system should track indicators on the following aspects of implementation (the specific indicators should be decided following the definition of concepts, targets and criteria): training; stipend payments; and socio-economic indicators. When the participant leaves the EPWP-SS programme (or is promoted to a non-EPWP position in the same programme) the following indicators should be captured: reasons for ending participation; and reported employment and socio-economic indicators at the time of follow-up

calls / surveys.

Indicators with relevance to EPWP-SS goals and objectives, even if collected through more than one system, should be measured in a way that is aligned or compatible with it, and should be fully accessible to the DSD. Resources in DSD and participating departments should be assigned to M&E, including ensuring data quality and analysing trends to inform continuous learning and improvement.

**R4: Ensure adequate resources are in place to support the implementation and coordination of EPWP-SS.** The evaluation identified resource constraints and inappropriate resource allocation in coordinating as well as implementing departments. It is recommended that coordinating departments undertake a functional review<sup>164</sup>, incorporating business process analysis, with a view to arrive at an optimal organisational design and resource allocations. In doing so it is important to note that increasing resources is not the only solution to implementation challenges related in this evaluation. Given the constrained fiscal environment the sector needs to think of ways to reduce inefficiencies and do more with little resources. The sector needs to also find ways of reducing unnecessary and unproductive expenditure and costs, including opportunity costs. Meetings and conferences can be streamlined to reduce the demand on human and financial resources but in doing so the sector should seek creative ways to maintain the sense of community of practice that it has built up over time. A clearly articulated Theory of Change can also provide implementer guidance on which activities are absolutely essential and which can be eliminated without undermining performance and likelihood of achieving results.

**R5: Prioritise training and skills development.** Training should be prioritised in programmes where participants are not meeting the minimum qualifications set by national departments. Furthermore every implementing department should have a realistic long term training plan linked to the achievement of service quality objectives and sufficient human and financial resources. Training plans should wherever possible reflect the overlap between skills required in the programme and those required in the labour market.

**R6: Develop sound strategies for improvement of employability.** Coordinators, SETAs, and national departments should work to address the need for general guidance in improving employability, for instance in a guiding document or a revised version of the Social Sector training manual. It falls within the mandate of the Training and Capacity Building subcommittee of the NSC and its counterpart subcommittees in provinces to coordinate such guidance. Implementing departments in turn will need to commit to this objective and task their programme managers with planning and implementing such strategies. Any work to improve employability should be grounded in sound research on the national as well as local/regional labour market and the characteristics of participants.

**R7: Identify and address the key implementation inefficiencies.** The Sector has performed weakly on a number of fundamental aspects of implementation. The two most pressing concerns are timely stipend payments and communication with NPO managers and participants. The widespread persistence of late stipend payments must be treated as a crisis and the causes of problems urgently identified and addressed. DSD should in the short term implement an effective monitoring system for late payments and each implementing body should be held to account for its track record. Coordinating departments should prioritise the clearing out of common problems between sector stakeholders that lead to late payments,

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<sup>164</sup> See Maning, N. and Parison, N. (2004), *Determining the structure and functions of government: Program and function reviews*. Moscow: World Bank.

<http://www1.worldbank.org/publicsector/civilservice/ACSRCourse2007/Session%208/DeterminingStructureFunctions.pdf> (24 April 2015)

such as misalignment of Incentive Grant disbursements and provincial departmental planning cycles. In terms of communication, too, the Sector needs to make a concerted effort to address gaps and confusion. NPO managers should be informed of EPWP-SS; Ministerial Determination and their responsibilities in this regard; and the implementing body's approach to important implementation aspects such as contract renewal; training of participants; the expected mentoring and in-house training to be provided by the NPO; and how NPOs should support strategies for improved employability. All new participants should be formally inducted into EPWP-SS and existing participants should attend an information session. Participants should receive effective verbal and written communication on the goals of EPWP-SS and their implementing programme in particular as well as the Ministerial Determination. The outcomes of these communication efforts – i.e. the extent to which NPOs and participants understand and can articulate these messages – should be monitored and evaluated. In addition to paying stipends on time and communicating with NPOs and participants, the Sector will need to develop a strategy for bringing programmes in line with the MD and revising the coordination structures to be more effective while making more efficient use of resources including time.

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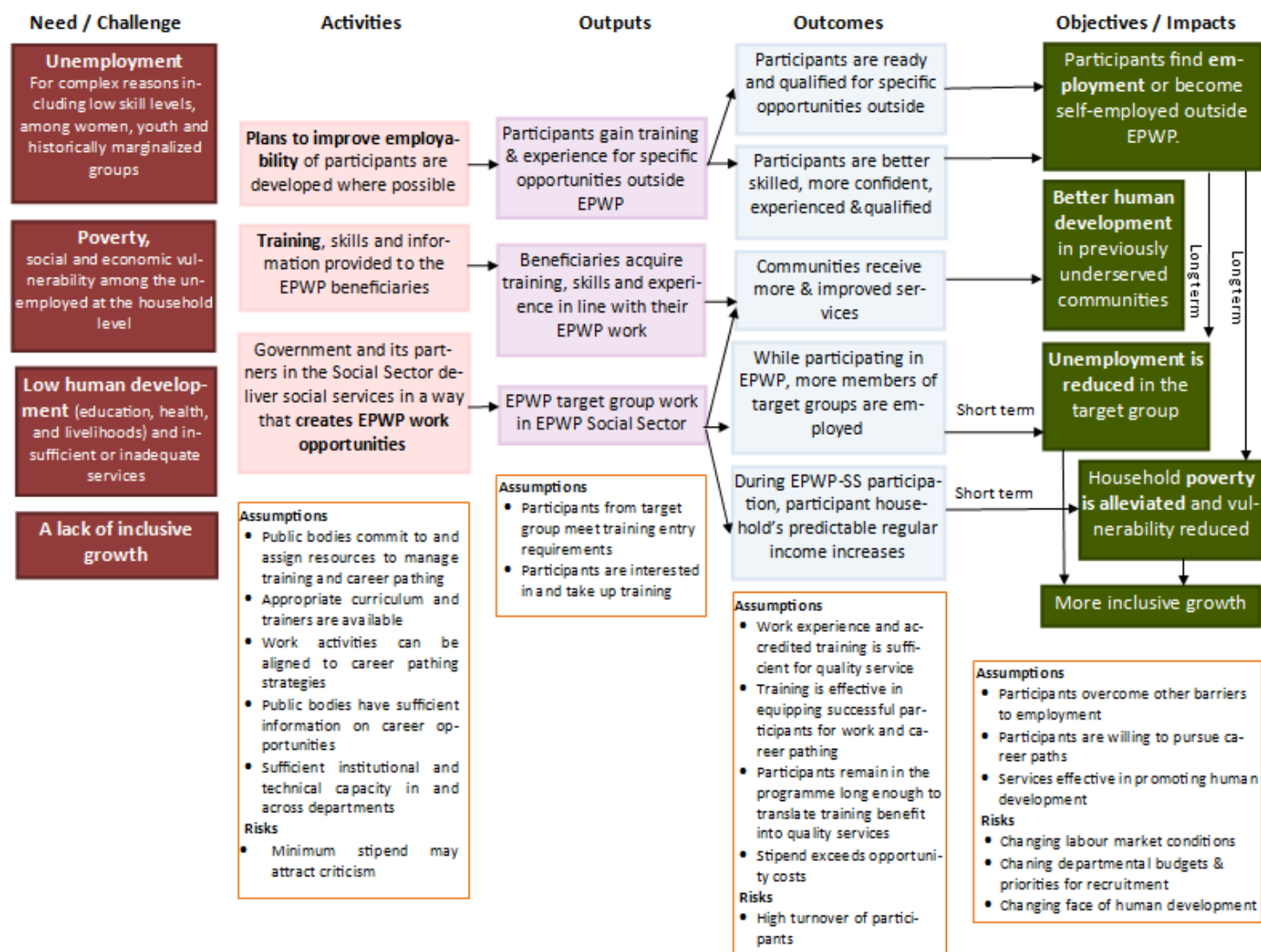
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## Theory of Change



A Theory of Change provides an overview of the programme logic. This section presents the EPWP-SS Theory of change, drawing on what has been discussed above regarding the challenges the programme seeks to address, and points to the links between the sector's activities, outputs, outcomes and objectives. Assumptions and risks are highlighted.

### Challenges

South Africa's high levels of unemployment persist for a number of reasons. A major driver of unemployment is that a large part of the labour force is unskilled (characterised by poor education outcomes) and has limited work experience, while the formal economy increasingly favours skilled labour. Unemployment, coupled with low skill levels and a lack of experience, is especially acute among women, youth, historically marginalised groups including black Africans, and especially in former homelands<sup>165</sup> and rural areas in general. High levels of unemployment are compounded by a small informal sector.

As described earlier, not only is poverty a policy challenge in itself, but poverty also contribute to unemployment and its persistence. The "social and economic vulnerability" among the poor refers to the lack of a broad-based social protection mechanism that can help unemployed adults mitigate against short-term livelihoods shocks or long-term, chronic poverty.

The high levels of unemployment and poverty are recognised to be compounded by a lack of inclusive growth. As described in the previous section, South Africa has struggled to reduce unemployment and poverty partly because of the low labour absorption rate. The country's economy is growing, but without absorbing sufficient labour to significantly reduce unemployment. Because of social, political and economic factors including the segmentation of the labour market across various dimensions, certain sections of the population in particular face barriers to economic inclusion. These include women, youth and historically marginalised populations.

Human development is used here broadly as a term that refers to the range of issues that the Social Sector participating departments are dedicated to addressing, such as health, safety and security, education, and livelihoods.<sup>166</sup> The design of EPWP-SS is centred on addressing low levels of human development wherever it is possible to do so through the involvement of the EPWP-SS target group in social service delivery. As such it is part of government strategy to achieve several of the priority Outcomes as articulated in the Medium Term Strategic Framework (MTSF) of 2009-2014, including quality basic education, a long and healthy life for all South Africans, and promoting all people in South Africa's safety. In the MTSF 2014-2019, these same Outcomes remained relevant, and the addition of the outcome of a comprehensive, responsive and sustainable social protection system underscored the

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<sup>165</sup> Noble, M., Zembe, W. and Wright, G. (2014), *Poverty may have declined, but deprivation and poverty are still worst in the former homelands.* <http://www.econ3x3.org/sites/default/files/articles/Noble%20et%20al%202014%20Former%20homelands%20FINAL.pdf> (1 May 2015)

<sup>166</sup> DSD SPO (2014), 16.

importance of initiatives related to building the capabilities of individuals of individuals, households and communities and reducing their vulnerability.

### Activities

EPWP in the Social Sector aims to develop plans to improve the employability of its participants. . The Phase Two plan identified two strategies that the Sector would focus on: 1) departments will promote EPWP-SS in their departments, creating opportunities for participants to be placed in employment in these departments after their EPWP-SS contracts; and 2) the EPWP-SS programmes will provide some of the accredited training unit standards in line with a career path during the EPWP-SS contract period, and then support further study towards the full qualification. This is mentioned in line with the importance of tapping into the broader job market (not only the public sector). Additionally, there remains in the Social Sector a recognition of the original EPWP mandate which included a possibility for participants to set up their own business or service (in other words, to engage in an entrepreneurial activity). Planning for improved employability may also include this activity.

The emphasis is on career pathing<sup>167</sup> for opportunities in the same field. Planning for career pathing entails identifying the entry requirements for specific occupations (particularly those involving scarce skills) and then developing strategies for aligning participants' work experience and accredited training programmes with these requirements. Because of the long-term nature of employment opportunities in many EPWP-SS programmes, it is deemed possible to incorporate skill development strategies that may unfold over several years.

The phrase "where possible" was added to this element in the Theory of Change, because the Phase Two plan expressed a degree of doubt as to whether implementing agents should be expected to take responsibility for securing employment for participants after their involvement with EPWP-SS ends. It is implied that this activity and its associated impact pathways may not be pursued across the sector – at least not always to the point of actually organising employment for participants.

The second set of activities through which EPWP-SS seeks to achieve its objectives is through the provision of training. Training needs to feed into two objectives: career pathing (described above) and quality service delivery (and improved human development) for the recipients of the services that EPWP-SS participants provide. The latter objective is important in itself, separate from career pathing, as participants often have low skill levels and need to do deliver quality social services.

The format of training should ideally be a learnership or a skills programme. Learnerships and skills programme are training opportunities in line with a National Qualifications Framework qualification and related to an occupation. Learnerships are longer in duration (12 to 18 month) and lead to a complete qualification; while skills programmes lead to at least one unit standard in line with a qualification. Short courses are not necessarily accredited and are expected to contribute less to career pathing; implementing bodies are

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<sup>167</sup> Kagiso Trust (2011), 16-17.

not encouraged to focus on these.<sup>168</sup> The training must skills, information, and work experience gained as part of EPWP-SS work must also contribute to the development of participants in line with their responsibilities.

Of course, the Social Sector undertakes the above activities through creating EPWP Work Opportunities in the Social Sector. The Social Sector, like all EPWP sectors, is mandated to “utilise public sector budgets to increase the number of unemployed people who enter productive work where they can earn an income.”<sup>169</sup> Implementing departments must create work opportunities that contribute to their fulfilment of their departmental mandate. These Work Opportunities must be created in line with the Ministerial Determination (discussed earlier), including compliance with the EPWP minimum wage.

### ***Assumptions associated with activities***

In order for the above activities to be undertaken, it is assumed that:

Public bodies commit to the activities (for instance, the activities feature in their planning and approach to executing their mandates). This has to do with the prioritisation of EPWP-SS.

Public bodies assign the required human and financial resources to implement the activities. Because of the realisation that this assumption, at least with regard to financial resources, did not always hold true in Phase One, Phase Two saw the introduction of the EPWP Incentive Grant, disbursed under the Division of Revenue Act by the National Department of Public Works. In terms of training, the Sector has sought out partnerships with Sector Training and Education Authorities (SETAs) and the Department of Higher Education and Training (DHET) through which National Skills Fund (NSF) funds can be sourced.

It is assumed that there is sufficient institutional and technical capacity for implementation, which relates to human resources as well as the supporting and coordinating mechanisms in place across departments.

To implement the training activities, it is assumed that appropriate (accredited) curriculum and service providers are available. This assumption proved only partially true and Phase Two saw an effort to support the development and identification of these.

The improved employability planning activity is expected to take place in a way that supports the work that participants undertake while in the programme, and as such it is assumed that work activities can be aligned to employability strategies.

It is furthermore assumed that public bodies have sufficient information on labour market opportunities to be able to plan for them.

### ***Risks associated with activities***

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<sup>168</sup> Department of Public Works (2011), *Training Guidelines for the Social Sector*. Pretoria: Department of Public Works, 18-20.

<sup>169</sup> DSD et al. (2004), 7.

In Phase Two, implementers of EPWP (all sectors) identified the risk that the Ministerial Determination minimum stipend may attract criticism in the context of demands for higher minimum wages in other sectors.

### **Outputs**

It is expected that the EPWP-SS target group will take up the Work Opportunities created in EPWP-SS. In Phase Two, the number of work opportunities and full-time equivalents reported gave an indication of the extent to which this output was achieved. Ensuring that it is the target group that takes up this employment is dependent on effective targeting and recruitment. The target group is broadly defined as the “poor and unemployed”, and furthermore there are inclusion targets for women, youth and people with disabilities.

If training plans are implemented effectively, participants should acquire skills and experience in line with their work in EPWP-SS. Additionally, or where possible, concurrently, participants should gain training and experience in line with opportunities outside EPWP. Two monitoring indicators related to these outputs were measured in Phase Two: the number of training days provided per programme, and in a separate monitoring system, the number of training opportunities. Targets for the latter indicator were set per annum for the last three years of Phase Two.

### **Assumptions associated with the Outputs**

It is assumed that participants from the target group will be able to meet the entry requirements for accredited training.

It is also assumed that these participants will be interested in, and take up, the training opportunities.

Furthermore it is assumed that work opportunities can accommodate training requirements.

It is also assumed that there will be sufficient resources (financial and human) available for training.

### **Outcomes**

If the outputs described above are produced, then the following outcomes are likely:

All participants, by virtue of training and work experience, will be better skilled, more confident, experienced and qualified.

If they have received the relevant training and experience required for the opportunities identified during the planning stage, then it is expected that EPWP-SS participants are ready and qualified for specific opportunities outside EPWP.

Communities receive more and improved services, in line with the mandate and norms and standards of the implementing department, provided to them by participants who are gaining the needed training and work experience. The involvement of the EPWP-SS participants is expected to improve the quality of the service or expand its reach.<sup>170</sup>

Inherent in the EPWP-SS Theory of Change is the assumption that involving the target group in EPWP-SS programmes will result in a situation where more members of the target group are employed. This is possible if the work opportunities created in the sector are either *new* opportunities (expanding the public sector payroll) or formal positions for previously unemployed individuals who were volunteering.

Participants working in EPWP-SS programmes must receive a stipend at least in line with the Ministerial Determination minimum. Even if there are some costs and opportunity costs associated with taking up EPWP-SS work (as discussed in 2.2.) the stipend is expected to increase participants' incomes and thereby the income of their households.

### ***Assumptions associated with Outcomes***

In order for communities to receive more and improved services, it is assumed that the work experience and training provided to participants is sufficient for them to deliver quality service.

It is further assumed that the training and work experience is sufficient to prepare participants for opportunities outside EPWP (i.e. personal and other barriers to employment are overcome through these activities or other interventions supplementing the EPWP programme).

It is assumed that the EPWP-SS stipend exceeds opportunity costs of participation.

### ***Risks associated with Outcomes***

If there is high turnover of participants, the ability to provide improved services to communities may be impacted.

### **Impacts**

#### **1. Participants are able to “translate the experience”**

If planning has taken place for improving employability in line with the identified opportunities, and participants receive training and work experience, and if these inputs are effective in readying them to take up opportunities outside the sector, then it is anticipated that they will ultimately find employment or pursue entrepreneurial activities outside of EPWP.

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<sup>170</sup> Kagiso Trust (2011), 17.

There is also an anticipation that the experience of working and receiving training in an EPWP-SS programme may in itself improve participants' chances of taking up an opportunity outside of the EPWP-SS. In other words, this impact may be achieved even though the participants were not formally readied for a specific opportunity outside EPWP.

This impact is not monitored in EPWP-SS and there is no written indication of how the Sector intends to evaluate it.

## 2. Improved human development outcomes

The programmes in EPWP-SS are each designed to address some aspect of human development. If participants take up the work opportunities in this sector and if they manage to expand the reach or improve the quality of social services provided by government, then the expectation is that South Africa's previously underserved communities will benefit in terms of the associated human development outcomes: health, education, safety, and so on.

Attributing these impacts to EPWP-SS will require carefully managed research. These impacts may to an extent be measured by the relevant implementing departments, but it is not clear from the available documentation that this is reported to the Social Sector. There is no written indication of how the Sector intends to evaluate it.

## 3. Unemployment is reduced (short-term and long-term)

If EPWP-SS can succeed in creating a larger number of opportunities and/or formalising previous volunteer positions, and if the target group takes up these opportunities, then this is expected to have an immediate and direct impact on the overall unemployment levels of the target group, for the duration of their employment.

Additionally, if the EPWP-SS – through the planning for improved employability, training, and work experience that it provides – succeeds in enabling participants to take up opportunities for better employment or entrepreneurial activities outside of EPWP, then the overall unemployment level in the target group is reduced for long term.

This impact is not monitored in EPWP-SS and there is no written indication of how the Sector intends to evaluate it.

## 4. Poverty is alleviated (Short-term and long-term)

By the same logic as above, EPWP-SS is expected to alleviate poverty, in the short term (through the wage), and in the longer term by enabling them to take up opportunities elsewhere.

This impact is not monitored in EPWP-SS and there is no written indication of how the Sector intends to evaluate it.

### ***Assumptions associated with impacts***

For participants to find employment outside EPWP, participants must overcome other barriers to employment. The barriers that target groups face include not only skills and

experience (which can be addressed through training and experience), but also poverty, psycho-social factors, and discrimination (as discussed earlier). For the entrepreneurial route to career pathing, they will also need to cover start-up costs.

It is further assumed that with the appropriate training and experience, participants will be willing to pursue the opportunities newly available to them – in other words, that they will not prefer to remain in EPWP-SS indefinitely.

It is assumed that human development can be positively impacted through EPWP-SS service provision.

### ***Risks***

Changing labour market conditions may change what opportunities are available to participants outside EPWP, so that the planning to improve their employability may be ineffective.

Where career pathing is into public sector bodies, there is a risk associated with changing departmental budgets and recruitment priorities.

There are risks associated with the changing face of human development: for instance, services may become obsolete as health and security challenges change.