

Part 2

REPORT OF THE HEAD OF TRANSPORT

SECTION 6: PROGRAMME 5: COMMUNITY BASED PROGRAMMES

Sub-Programme 5.1: Community Development

Zibambele Savings Clubs:

A total of five hundred and eleven (511) savings clubs were established in the Province. The clubs had formed joint ventures in income-generating projects. Indeed, the clubs had enhanced the quality of lives of their communities, through partnerships with other Provincial Government Departments. Private sector partnerships are also envisaged in future.

The table below illustrates total savings per region.

Table: Zibambele Savings Clubs

REGION	TOTAL NO OF CLUBS	TOTAL SAVINGS
Empangeni	258	R 790 451
Ladysmith	140	R 195 905
Pietermaritzburg	80	R 259 611,40
Durban	96	R 202 977,88
TOTAL	574	R 1 448 945 28

Organising Zibambele contractors into savings clubs has been beneficial in group supervision, training and peer review. The savings clubs also served as a channel for reciprocal communication, between the contractors and the Department.

Rural Road Transport Forums

The KwaZulu-Natal Department of Transport continued to ensure proper communication and consultation during the planning process, prioritising allocation of budget and services at grassroots levels. The Rural Road Transport Forums (RRTFs) are structures that were established in 1996 to facilitate consultation between the Department and communities. The RRTF structures promote equal participation of women and youth in decision making. To this end, the Department had established thirty one (31) RRTFs. Twenty percent (20%) of membership is women and another twenty percent (20%) is youth. This has undoubtedly unlocked development in the concerned rural communities.

Monthly meetings and an annual general meeting to discuss community needs and report back on projects were held during 2004/05 financial year with the RRTFs.

Capacity building workshops:

The Department conducted three (3) capacity building training sessions for RRTFs during the year under review. Those workshops were also instrumental in building and strengthening the relationship amongst RRTF members, community members and the Department.

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The first (1st) workshop focused on organisational development of the structures with the aim to ensure understanding of the purpose and how the structures can be effectively managed to achieve the desired output. The second (2nd) workshop which was a joint venture between RRTFs and the Community Road Safety Councils (CRSC's) focused on development planning, thus prioritising community needs in terms of the MTEF budget cycle.

The last workshop was held to empower RRTFs with a broader insight of poverty and Government's responsiveness thereto.



RRTF's members participate during Capacity Building Training Workshops

Sub-Programme 5.2: Emerging Contractor Development

The Department made significant progress with emerging contractor development. More contractors came into the programme and existing contractors advanced to higher levels. Ongoing training was also offered to empower contractors. Although some bottle-necks were encountered during the year, such as the shortage of plant for construction sites, opportunities were created.

Formal Training:

The Department has entered into learnership agreements with one hundred (100) learners of which eighty seven (87) of them have enrolled for the Construction Contractor Learnership, NQF Level 2 qualification during 2004/05 financial year. These learners were offered an opportunity to work for experiential training and a selection from the learners for the Expanded Public Works Programme for 2005/06 financial year intake will be undertaken. The table below presents statistics of learnership.

Table: Learnership Construction Contractor: NQF Level 2

REGION	TOTAL	FEMALE	YOUTH
Region 1: Empangeni	17	8	13
Region 2: Ladysmith	24	10	14
Region 3: Pietermaritzburg	22	7	18
Region 4: Durban	24	11	16
Total	87	36	61
Percentage		41%	70%



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The current Construction Contractor Learnership qualification, NQF Level 2 has been reviewed and a new qualification, NQF Level 1 will be developed to benefit the Emerging Contractors. An assessment of the Contractor Training Programme with a view to obtain input to develop a training strategy for the forthcoming financial year had been conducted.

On-Site Mentorship:

The Department has appointed mentors to assist Emerging Contractors with on-site mentorship on construction projects. This Mentorship Programme is mainly to optimise productivity and ensure that best construction methodologies are adopted.

The Department is also managing the possible risk in order to maintain its performance standards.

Joint ventures and partnerships in respect of skills development and partnerships between emerging contractors and well-established firms have been established by the Department. This initiative has positively contributed to the formation of more voluntary joint ventures and tendering for open contracts.

Organisational Development:

Among other initiatives by the Department during 2004/05 financial year, capacity development of Vukuzakhe contractors has been given focus. The starting point was organising the Vukuzakhe Associations by coordinating registration of membership at a minimal fee. As at the end of 2004/05 financial year, there were 1 949 registered Vukuzakhe Association memberships.

The Department also reviewed the Vukuzakhe Programme to ensure effective participation and efficient business or financial management of the all Vukuzakhe Associations.

Empowerment:

In an endeavour to fulfill the department's mandate, a new plant hire contract, ZNT 2800T has been implemented during 2004/05 financial year. The table below shows a comparison of the impact on empowerment of Historically Disadvantaged Individuals (HDI's) between the new contract, ZNT 2800T and the previous ZNT 1110T. The new contract shows that a larger percentage of HDI's are participating on the plant hire contract as compared to the previous contract.

Table: ZNT 2800T Versus ZNT 1110T/00T

	ZNT2800T/2004T	ZNT1110T/00T
No. of Tenders received	108	102
No. of Tenders recommended for Acceptance.	91	74
Ownership of Tenderers -100% HDI	52.75 %	49.32 %
Ownership of Tenderers Female	36.26 %	16.22 %
SMME Status of Tenderers	87.91 %	50 %

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Occupational Health and Safety:

The Department has compiled a Standard Safety File, Safety Specification and conducted a Generic Risk Assessment of its projects. The safety specifications have been incorporated into contract documentation to ensure awareness of Occupational Health and Safety requirements. This is also intended to assist the contractors with appropriate pricing of site safety in their tender offers. However, this has been implemented on a very small scale during the financial year under review. It is envisaged that the process will be rolled out on a larger scale in the forthcoming financial year.

The following picture shows one of the initiatives that had been implemented.



An artisan fitting the concrete shutters on a bridge as a minimum requirement for Site Safety.

Growth and Development of Vukuzakhe Contractors:

The following table indicates the Growth in the number of Vukuzakhe Contractors and their Stage Advancement.

Table: Vukuzakhe Contractors

Stage	No. of Contractors in each Stage	Contractors progressed to the next Stage
Stage 1	22883	121
Stage 2	292	33
Stage 3	109	4
Stage 4	31	0
TOTAL	23 315	158



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The Vukuzakhe Program has grown substantially over the last few years and the following table indicates investment to this end.

Table: Vukuzakhe Investment

ALL CONTRACTS (all Budgets in millions)	Financial Years							
	1998 /99	1999 /00	2000 /01	2001 /02	2002 /03	2003 /04	2004 /05	TOTAL
Total Budget Spent on Contracts					R 520.0	R 736.1	R 635.7	R 1 891.8
No. of Contracts - Stage 1	26	232	295	488	563	549	521	2 774
No. of Contracts - Stage 2	54	142	106	138	232	222	210	894
No. of Contracts - Stage 3	8	17	101	82	78	101	142	529
No. of Contracts - Stage 4	0	0	0	18	18	40	47	123
ALL STAGES	88	391	502	726	891	912	920	4 320
Value of Contracts - Stage 1	R 12.0	R 21.0	R 24.4	R 20.5	R 40.7	R 43.9	R 60.9	R 162.5
Value of Contracts - Stage 2	R 9.0	R 15.0	R 17.4	R 18.1	R 48.5	R 73.3	R 55.0	R 181.0
Value of Contracts - Stage 3	R 6.0	R 54.0	R 62.6	R 66.8	R 42.1	R 69.7	R 73.5	R 374.7
Value of Contracts - Stage 4	R 0.0	R 0.0	R 0.0	R 0.0	R 40.0	R 152.8	R 96.7	R 289.5
Value of Contracts on all Stages	R 27.0	R 90.0	R 104.4	R 105.4	R 171.3	R 339.7	R 286.2	R 1 124.0
Vukuzakhe Training budget	R 0.0	R 0.0	R 2.1	R 6.0	R 9.3	R 11.2	R 11.5	R 40.1
Employment Opportunities over 3 - 4 months	0	0	12 214	26 907	27 500	28 750	29 258	124 629
Total Budget (incl. Supervision, Training & Overheads)	R 49.0	R 123.5	R 151.6	R 171.9	R 251.6	R 413.3	R 359.0	R 1 519.9

Black Economic Empowerment:

The Department also implemented a Black Economic Empowerment (BEE) Policy Framework. The policy framework sets transformation targets and progress measurement in the main areas of the BEE Scorecard.

In terms of the BEE Scorecard, the following were achieved:-

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Table: BEE Scorecard Achievements

BEE Core Component	Indicators of Empowerment	Proposed DOT Targets	Actual Achieved																								
Employment Equity	Across Top 3 levels as indicated in the EEA2 report.	SMS Level (13-16) AF=11 All others should be nil.	AF=5																								
	Black Women	<table border="1"> <thead> <tr> <th>SALARY LEVEL</th> <th>AFRICAN FEMALE</th> </tr> </thead> <tbody> <tr> <td>13-16</td> <td>11</td> </tr> <tr> <td>11-12</td> <td>38</td> </tr> <tr> <td>9-10</td> <td>49</td> </tr> <tr> <td>6- 8</td> <td>404</td> </tr> <tr> <td>1- 5</td> <td>1099</td> </tr> </tbody> </table>	SALARY LEVEL	AFRICAN FEMALE	13-16	11	11-12	38	9-10	49	6- 8	404	1- 5	1099	<table border="1"> <thead> <tr> <th>SALARY LEVEL</th> <th>AFRICAN FEMALE</th> </tr> </thead> <tbody> <tr> <td>13-16</td> <td>5</td> </tr> <tr> <td>11-12</td> <td>18</td> </tr> <tr> <td>9-10</td> <td>14</td> </tr> <tr> <td>6- 8</td> <td>125</td> </tr> <tr> <td>1- 5</td> <td>346</td> </tr> </tbody> </table>	SALARY LEVEL	AFRICAN FEMALE	13-16	5	11-12	18	9-10	14	6- 8	125	1- 5	346
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PLWD	2% of people living with disabilities	11 People 6- male 5- female																									
Youth1	As per the EE Act only																										
Skills Development	Expenditure on Training as a proportion of total payroll (incl 1% Skills Levy & all associated costs)	As per SDA 1% of total payroll R 2 312 860.00	1.8% of total payroll R 4 123 913.93																								

Likewise, the following table indicates Socio-economic Outputs that were achieved during 2004/05 financial year.

Table: Demand for and Performance of Community Based Programmes by Region

Magisterial Districts	Number of unemployed people				Community based programmes			
	Female	Male	Total	% of National Total	Number of Projects 2004/05	Number of person days employment created		
						Female	Male	Total
Region 1: Empangeni	164 110	128 103	292 213	4.3	5	26 302	22 162	48 464
Region 2: Ladysmith	139 055	117 015	256 070	3.8	3	14 876	8 418	23 294
Region 3: Pietermaritzburg	116 374	94 757	211 131	3.1	1	1 637	1 005	2 642
Region 4: Durban	407 580	356 222	763 802	11.2	5	12 236	14 104	26 340
TOTAL	827 119	696 097	1 523 216	22.4	14	55 051	45 689	100 740

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Table: Poverty Eradication: Zibambele

Measurable Objective	Performance Measure	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
					Unit	%
Input						
Process						
Number of Training Programmes		1	2	2		
Output						
Number of Employment Days created		1 536 672	1 890 432	1 946 640	56 208	30
% of Employment Days going to Youth				13.5		
% of Employment Days going to Females		93	95	95		
Quality						
Average daily wage paid		43.75	46.25	46.25		
Efficiency						
Cost per day employment created	48.78	48.2	51.35	48.88	(2.47)	(4.8)
Average daily wage as % of cost per employment day		90.8	90.0	94.6	4.6	5.1
Outcome						

Table: Poverty Eradication : Labour Based Construction

Measurable Objective	Performance Measure	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
					Unit	%
Input						
Process						
Number of training programmes		1	1	1		
Output						
Number of Employment Days created		1 596	200 000	100 740	(99,26)	(49,6)
% of Employment Days going to Youth			70	62.1	(7.9)	(11.3)
% of Employment Days going to Females		57.9	70	52.9	(17.1)	(24.4)

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Quality						
Average daily wage paid		44	44	44		
Efficiency						
Cost per day employment created			125	114.97		
Average daily wage as % of cost per employment day			35.2	38.3	3.1	8.8
Outcome						

Expanded Public Works Programme:

The National Government launched the Expanded Public Works Programme (EPWP), using KwaZulu-Natal Department of Transport's initiated models, such as Zibambele, Vukuzakhe and Labour Based Construction Programmes which have been nationally classified as best practice.

The EPWP is a nationwide programme that involves re-orientation of public sector expenditure on goods and services to draw significant numbers of the unemployed into productive work, so that workers gain skills on the job and also increase their capacity to earn an income.

The EPWP is aimed at creating productive employment opportunities through intervention in four main sectors of the economy, namely; social, economic, infrastructure and environmental and cultural programmes.

Provincial Cabinet has nominated this Department to drive EPWP throughout the province. This Department is also responsible for co-ordinating the infrastructure sector of the EPWP. The project involves the development of a provincial EPWP framework and investigation of mechanisms to manage and extend the programme and monitoring of service delivery on the programme.

The Department co-ordinated the Launch of the KwaZulu-Natal EPWP which was held on 29th August 2004. The objectives of the programme are listed below:

- **Ability to earn an income:** To enhance the ability of workers to earn an income through either labour market or entrepreneurial activities.
- **Work experience:** To provide unemployed people with work experience.
- **Training and skills development:** To provide education, on the job training and skills development programmes to the workers.

In attendance at the launch, were the Deputy President and the Premier of KwaZulu-Natal. Some departmental Zibambele and Vukuzakhe projects were visited by dignitaries where they had an opportunity to interact with contractors and obtain insight into the impact of the programmes on the lives of poor people.



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The Deputy President, KwaZulu-Natal Premier and other dignitaries socialise with Zibambele contractors during the launch of the KwaZulu-Natal Expanded Public Works Programme at Ndwedwe



A local woman employed as unskilled labour as part of the department's initiative of creating employment opportunities for women and youth, assisting the artisan with the construction of a

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The table below presents outputs that had been achieved by the Department towards the EPWP targets:-

Departmental Total	Target 2004/05	Achieved 2004/05
EPWP Project Budget (R '000)	318 129	259 124
Person days of Work	2 439 432	2 497 007
Number of Jobs Opportunities	34 515	35 101
Number of Youth Employed	5 600	10 122
Number of Women Employed	25 350	26 304
Number of People with Disabilities	0	1
Number of Learnerships	100	87



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