



## **POLICY DOCUMENT**

# **LOCAL LABOUR PROMOTION PROGRAMME (LLPP)**

***“Building a better life for all”***

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**ABBREVIATIONS AND DEFINITIONS**

LLPP	Local Labour Promotion Programme
IDP	Integrated Development Plan
SDBIP	Service Delivery and Budget Implementation Plan
AGENT	A person that agreed to work on a project on behalf of a holder of an arrear municipal services account.
PROJECT MANAGEMENT PLAN	Specify the scope, cost, time, quality and other objectives to be achieved by the project.

## 1. PRINCIPLES

- 1.1 The LLPP was developed to improve the socio-economic position of local residents through the recovery of outstanding municipal debt by the provision of job opportunities on municipal projects mainly for the holders of arrear municipal services accounts or their agents.
- 1.2 LLPP as a job creation/ labour intensive programme strives to develop infrastructure of quality through good workmanship and cost effectiveness.
- 1.3 The labour capacity will primarily be sourced from the database of municipal services account holders. The mentioned municipal account holders must make a contribution towards the recovery of their debt from income earned by means of the employment opportunity.
- 1.4 The programme will furthermore strive to provide skills training/development of participants to support / sustain the future employment of participants in the broader labour force.

## 2. LEGISLATIVE FRAMEWORK AND INTEPRETATION

- 2.1 The policy framework is accordance with the following legislation:
  - (a) The Constitution of the Republic of South Africa, 1996

Section 152 (1) (b) refers to the provision of services to communities in a sustainable manner.

Section 153 (a) states that a Municipality must structure and manage its administration and budget and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community.
  - (b) Local Government: Municipal Systems Act No. 32 of 2000

Section 96 requires a Municipality to adopt, maintain and implement a credit control, debt collection and customer care policy.

Section 68 determines that a Municipality may make additional provision for training over and above the 1% of the annual salary budget prescribed for in the Skills Development Act.

## 3. IDENTIFICATION OF PROJECTS

- 3.1 The size and nature of projects for LLPP must be within the scope of the following criteria:

- (a) Capital projects not exceeding the amount of R500,000,00 (five hundred thousand rand) excluding possible unforeseen cost increases,
- (b) Projects that can be labour intensive with the view to employ people / their agents with arrear municipal services accounts,
- (c) Projects that require minimum technical skills and professional expertise as part of the implementation/ construction phase of a project.

3.2 Capital Projects must be identified through the IDP process and funded by means of Council's approved budget.

3.3 Operational projects must be identified through the IDP process and/ municipal administration and must be funded by means of the municipality's approved budget.

3.4 The identification of projects as part of LLPP must include the development of a project management plan, in order to determine that the project can be executed in terms of the particular programme.

#### **4. APPOINTMENT OF CONTRACTORS AND SPECIALISED EXPERTISE**

4.1 Contractors must be appointed for the purposes of supervision of employees, project management and other expertise required. The monetary value of work to be performed by contractors will be set out in a list of labour rates approved by the municipal manager on an annual basis.

4.2 Specialised expertise, e.g. electricians, engineers, must be appointed as per the municipality's supply chain management policy.

4.3 Contractors/ artisans/ other professional service providers may be appointed without being in possession of arrear municipal services accounts. In the instances where the last mentioned employees are not holders of arrear municipal services accounts, no deductions will be made from their earnings on the particular project for payment of municipal service accounts.

4.4 Contractors will only be appointed for one project at a time and can only be considered for another project upon satisfactory completion (as per evaluation by the municipality) of the previous project.

#### **5. IDENTIFICATION AND EMPLOYMENT OF ARREAR MUNICIPAL SERVICES ACCOUNT HOLDERS**

5.1 The holder(s) of arrear municipal account(s)/their agents may be appointed (per agreement) for their individual labour skills on a particular project in their local municipal area of residence, namely Gansbaai/Stanford/Hermanus/Kleinmond. The mentioned employees may be appointed to work in areas outside their local municipal area, after preference was given to local residents.

- 5.2 The list of arrear municipal account holders per area must be provided to the designated manager, responsible for LLPP, in order to source participants for projects.
- 5.3 A fixed percentage determined by Council, will be deducted from the gross income of the individual mentioned employees, as contributions towards the individual's identified arrear municipal services accounts.
- 5.4 The contribution towards arrear municipal services accounts must not exceed a credit amount of more than R2,000, 00 (two thousand rand) per account. If the maximum credit is reached on an account, whilst the particular employee is still employed on the project, the employee's further deductions must be credited to another outstanding municipal service account of his/her choice. It means that the employee will continue to work on the particular project as an agent for the holder of another arrear municipal account.

## **6. MONITORING AND CONTROL**

- 6.1 Designated municipal officials, e.g. building inspectors must monitor quality of construction work.
- 6.2 Designated municipal officials e.g. project manager, must monitor actual performance against the project's management plan.
- 6.3 The mentioned designated officials (refer to 6.2 above) is also responsible to certify certificates before payment can be effected.
- 6.4 A reports on projects be compiled and submitted as per the municipality's SDBIP.
- 6.5 Contractors may be requested by the municipality to attend training programmes (identified by the municipality) in order to improve capacity/performance.

**7. PROCESS PLAN**

<b>NO</b>	<b>ACTIVITY</b>	<b>DESIGNATED OFFICIAL/ DEPARTMENT (CENTRE)</b>
7.1	Identification of projects	Project managers and Manager: Corporate Projects
7.2	The annual compilation of a list of labour rates	Manager: Corporate Projects
7.3	The annual approval of the list of labour rates	Municipal Manager
7.4	Development of project management plans	Manager: Corporate Projects
7.5	Approval of project management plans	Director: Community Services
7.6	Provision of database regarding arrear municipal services accounts	Manager: Income
7.7	Identification and appointment of labourers	Project managers and Manager: Corporate Projects
7.8	Acquisition of materials	Officials in the department of Corporate Projects
7.9	Deduction of municipal service accounts	Officials in the department of Corporate Projects and Treasury
7.10	Evaluation of performance by respective contractors	Respective Project Managers

<b>POLICY SECTION:</b>	<b>Corporate Projects</b>
<b>CURRENT UPDATE:</b>	
<b>PREVIOUS REVIEW:</b>	
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