

**MINISTRY**

**PUBLIC WORKS**

**REPUBLIC OF SOUTH AFRICA**

Department of Public Works l Central Government Offices l 256 Madiba Street l Pretoria l Contact: +27 (0)12 406 2034 l +27 (0)12 406 1224

Private Bag X9155 l CAPE TOWN, 8001 l RSA 4th Floor Parliament Building l 120 Plain Street l CAPE TOWN l Tel: +27 21 468 6900 Fax: +27 21 462 4592

[www.publicworks.gov.za](http://www.publicworks.gov.za)

**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION NUMBER: 222 [NO.** **NW225E]**

**INTERNAL QUESTION PAPER NO.: 01**

**DATE OF PUBLICATION: 11 FEBRUARY 2021**

**DATE OF REPLY: 26 FEBRUARY 2021**

**222. Ms S J Graham (DA) asked the Minister of Public Works and Infrastructure:**

(1) Whether, with reference to the 89 Non-Profit Organisations (NPO) in the Eastern Cape that form part of the Non-State Sector Expanded Public Works Programme, the NPOs are required to pay Unemployment Insurance Fund (UIF) and Compensation for Occupational Injuries and Diseases Act (COIDA) contributions on behalf of their participants; if not, why not; if so, are the contributions monitored by the Independent Development Trust;

(2) whether the specified contribution from the NPOs are up to date; if not, (a) what measures are in place to ensure that outstanding monies are paid up on behalf of the participants and (b)(i) what total amount of outstanding contributions are owed for UIF and COIDA to her department and (ii) by which NPOs;

(3) whether the stipend allocations are made in advance; if not, what is the position in this regard; if so, (a) what happens to any excess monies that are not paid over to participants in cases such as absenteeism, (b) how often are the calculations made as to the amount of excess monies held by the NPO and (c) is there a record of anticipated expenditure versus actual expenditure in respect of each NPO;

(4) in cases where the stipend allocations are made in arrears, what are the time frames for payments to the NPOs for each payment period? **NW225E**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**REPLY:**

**The Minister of Public Works and Infrastructure:**

1. I am informed by the Department that to implement the Expanded Public Works Programme (EPWP) Non-State Sector Non-Profit Organisation (NPOs) programme in the Eastern Cape Province, a total of forty eight (48) NPOs were contracted for two years in the 2019/20 financial year. From April – November 2020, twenty four (24) NPOs were utilized to implement the EPWP COVID-19 Response Project.

Based on the contract signed between the intermediary the Independent Development Trust (IDT) and the NPOs, there is an allocation paid to NPOs to ensure they pay the Unemployment Insurance Fund (UIF) and Compensation for Occupational Injuries and Diseases Act (COIDA) for participants contracted in the programme.

The payments done by the NPOs towards UIF and COIDA to the Department of Employment and Labour (DEL) are monitored by the IDT in the following manner:

* Upon contracting, NPOs have to submit a valid Letter of Good Standing with the UIF and for COIDA to cover the period of the programme/project implementation.
* NPOs also expected to submit a proof of payment of the UIF to DEL to the IDT before the allocation can be paid.

1. All twenty four 24 NPOs contracted to implement the EPWP COVID-19 response are up to date with the COIDA contributions. However, from these NPOs, three (3) NPOs are not up to date with the UIF contributions.

(a) To ensure all outstanding monies are paid on behalf of participants to UIF and COIDA, the IDT continues to remind and encourage NPOs to settle any outstanding payments as the existing contracts signed with the NPOs does not have any punitive measures to be enforced.

(b)

(i) There are no outstanding contributions owed to and by NPOs on COIDA. Only three (3) NPOs have outstanding contributions on UIF. The 3 NPOs submitted their invoices to the IDT in February 2021 for the payment of UIF they did on behalf of participants, while participants had finished working on 13 November 2020. No payment has been done yet by the IDT to the NPOs, as the NPOs have been requested to provide evidence that payment was done for participants during the implementation of the EPWP COVID-19 Response Project.

(ii) The three (3) NPOs mentioned above are indicated in table 1 below:

Table 1: NPOs with outstanding UIF Payments

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Item** | **District Municipality** | **Name of NPO** | **UIF Allocation** | **UIF Amount Spent** | **UIF Amount Un-spent** |
| 1. | Alfred Nzo | Ixabiso Lomntu Aids Awareness & Home Base Care | R5,641.86 | R0.00 | R5,641.86 |
| 2. | Alfred Nzo | Mount Frere Paralegal Advice Centre | R6,363.00 | R0.00 | R6,363.00 |
| 3. | Amathole | Ubabalo Lusanele Skills Centre | R5,641.86 | R0.00 | R5,641.86 |

1. Payment of stipends/wages to the NPOs are not made in advance. The payments to NPOs for participants stipends are based on claims submitted to the IDT for the work done supported by attendance registers.
2. The issue of excess monies does not apply in the NSS NPOs programme, as payments of stipends/wages are made on the basis of submission of the invoices which are supported by the attendance registers.
3. Calculations for payments held by NPOs on outstanding stipends/wages do not apply in the NPOs programme, as there are no advance payments made in the programme.
4. Yes, there are records of projected expenditure and actual expenditure for each NPO kept. Upon contracting, NPOs are allocated a budget based on the number of participants they should contract against the number of work days included in the contract. From this information, the IDT is able to project monthly expenditure for each NPO prior. For actual expenditure of projects, NPOs are also expected to submit invoices on monthly basis before payments can be done.

4) It takes 14 days to process the invoice of the NPO provided there are no corrections needed to be made by the NPO. The NPO invoice payment will exceed 14 days in cases where the NPOs have to make corrections. The turn-around time for payment depends on the speed of correction of the invoice by the NPOs. This varies from NPO-to-NPO. The IDT does not pay the NPO until all corrections / queries have been addressed.