

2 July 2019

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## **Case Study: Municipal funded infrastructure improvements to Khulisisizwe Crèche and Preschool, Umlazi, eThekweni**

### **1. Introduction**

Large numbers of children within informal settlements and underserved areas lack access to acceptable early childhood development (ECD) care and services. There are more than 226,000 households residing within the more than 550 informal settlements in eThekweni. This makes up approximately a fifth (20%) of the eThekweni population.<sup>1</sup>

Children in these areas may have no or very limited access to child care / ECD facilities and those who do, often face a range of health and safety threats. The challenges include: poor infrastructure and facilities (e.g. inadequate sanitation and access to clean water, no or poor boundary fencing, poor building ventilation and insulation); poor socio-emotional and inadequate learning environments (e.g. inadequate learning materials and equipment, untrained educators) and poor nutrition. Most child care facilities / ECD Centres that are located in these settlements are not yet registered and thus fall outside of the current system of registration and related support. Facilities in neighbouring, more formal areas, rendering services to children from informal infill areas are struggling to meet norms and standards as most ECD centres have been built with available resources without any state assistance.

The eThekweni Municipality recognised that ECD is critical to achieving the human capabilities required for full participation in society, that ECD is a national priority for government, and that the ECD initiative directly supports IDP objectives aimed at improving social upliftment of communities. The ECD infrastructure programme is also a key objective of the Informal Settlements Upgrade Programme (ISUP) and Incremental Services Programme (ISP); it also forms part of the broader Human Settlement responses that aims at to eradicate backlogs to essential services and supports the strategic objective of the Safer Cities initiative. It also supports the City's Social Development Strategy in various ways by addressing health and safety threats facing young children.

The eThekweni Council thus adopted a programmatic approach and the piloting of an ECD response model in July 2017 which included:

- a) a rapid ECD assessment, categorisation, mapping and selection of priority centres and
- b) the technical assessment, compilation of improvement plans, funding, procurement, implementation and registration of prioritised ECD Centres.

The Strategic ECD Infrastructure Support (SEIS) programme mainly focuses on the improvement of existing ECD Centres as it proved to be six times more cost efficient than putting up new buildings.

The objective of this case study is to write up the issues encountered with the processes followed to improve infrastructure at an existing NPO registered ECD centre in Umlazi, Durban – the first ECD centre to be improved in terms of the eThekweni ECD infrastructure improvement programme.

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<sup>1</sup> eThekweni Integrated Development Plan: 5 Year Plan:2017/18 to 2021/22, 2019/2020 Review: Adopted by Council on 29 May 2019

## **2. Institutional and funding arrangements for the roll out of the ECD infrastructure programme**

The eThekweni Council resolved in July 2017 that:

1. the Head of Human Settlements be duly authorized to co-ordinate the ECD infrastructure support project for informal settlements and other under-serviced communities as part of the City's Informal Settlements Upgrade Programme (ISUP), Incremental Services Programme (ISP) and Integrated Residential Development Programme (IRDP) and working closely with other City units such as Health, Engineering Services, Safer Cities and the KZN Department of Social Development;
2. the Head of Safer Cities be duly authorized to facilitate the engagement with Department of Social Development and NGOs to improve access to ECD services for vulnerable children within informal settlements and under serviced communities to 'get ahead of the game' in crime prevention by reducing the exposure of young children to harmful influences and the development of dysfunctional behavioural patterns; and
3. the Environment Health Practitioners (EHPs) from the City's Health Department perform usual environmental health functions including inspecting centres as part of their normal duties, working collaboratively with DSD Social Workers from the District Office, providing data on existing ECD sites already inspected, applying appropriate flexibility required for ECD in informal settlements from an environmental health point of view. A project coordinator was appointed to interface with stakeholders.

In March 2018 the eThekweni Metro confirmed the approval of R9,643 million from the Integrated City Development Grant(ICDG) to kick-start the ECD infrastructure support programme in eThekweni - R1,35 million for surveys and infrastructure pipeline planning and R8,293 million for capital expenditure on ECD infrastructure improvements over a three-year period.

## **3. Multi stakeholder collaboration**

One of the first and most important steps taken was the establishment of the eThekweni ECD Project Steering Committee in 2015. The eThekweni municipality is represented by Environmental Health, Human Settlements and Safer Cities. Other stakeholders include Department of Social Development, Project Preparation Trust (PPT), Ilifa Labantwana, and other NGOs, such as Network Action Group (NAG), Training and Resources in Early Education (TREE) and the University of KZN. The purpose of the eThekweni ECD Project Steering Committee is to guide and advise the implementation of the ECD infrastructure improvement programme in the City. It is also to ensure that the EHPs, Social Workers and the City will align their activities / work collaboratively towards Partial Care Registration, programme registration, skills development for the NPO Management Committees and Practitioners, the allocation of per child subsidies, etc. In May 2018 the eThekweni Municipality entered into an MOA with PPT to assist with more surveys and ECD infrastructure pipeline planning

## **4. Selection of ECD centres for infrastructure improvements**

Eighty-one (81) ECD centres were identified by the DSD, ECD training NGOs, and community members and were surveyed in the informal areas of Amaoti (42) and Umlazi (39) and surrounding areas in 2015/16. Of these, 32 centres were identified for infrastructure improvements by the eThekweni ECD Project Steering Committee, 14 (8 in Amaoti and 6 in Umlazi) were prioritised in terms of pre agreed criteria. A key factor was to limit risk in respect of the investment of state funding as was achieving a favourable cost-benefit in respect of children assisted.

Criteria applied included:

- a) centres with DSD approval (i.e. with potential to achieve DSD conditional ECD centre registration or with it already in place);
- b) centres showing capacity and potential to improve<sup>2</sup>;
- c) centres with NPO registration;
- d) dedicated ECD centres (separate building used only for purposes of ECD); and
- e) centres with 20 plus children.

Although there was a clear municipal request that risk should be limited, it was also clear that EHPs and social workers preferred to stick to ECD centres that they are familiar with. It could be that they are more familiar with the challenges experienced by the centres, or that they wanted to work in a safe space while following new processes but the end result is that no unknown (to DSD/EHPs) or unregistered ECD centres were selected for the pilot project.

One of the six centres selected for infrastructure improvements in Umlazi was the Khulisizwe Crèche and Preschool– a centre in a more formal township also offering ECD services to households in nearby infill informal settlement areas where there may be no, limited or very poor ECD services.



The following profile was drawn from the ECD survey:

- No of children                      25 when the survey was done, 47 when the EHP did his report in Oct 2016 and currently 60 children (25 Babies and 35 toddlers)
- No of practitioners                5 - Principal (NQF 4), 1 Practitioner (NQF4), 1 practitioner in training, 2 with no ECD training
- Operational base:                 Dedicated ECD centre
- Centre Ownership:                Registered NPO
- Land Ownership:                 Municipality
- Centre size                         184m<sup>2</sup> - 139m<sup>2</sup> + 45m<sup>2</sup> additional playroom built with a Grant in Aid. The total play area comes to 118m<sup>2</sup> that provides enough space for the 60 children enrolled

<sup>2</sup> This was determined in terms of a categorisation model that focused on capacity & governance, ECD Programme and Infrastructure, Health & safety to categorise each centre in one of 5 categories The preferred categories for infrastructure improvements are usually Category A for well-functioning centres with high potential to render acceptable ECD services or Category B1 for basic functioning ECD centres with good potential to provide acceptable ECD services.

- Years operational: Established 1987 – currently 32 years operational
- Type of building: Formal, brick
- NPO registration: Yes
- DSD registration: Lapsed at the time of the survey. The Principal confirmed that the centre is now fully registered.
- Programme registration: Not when surveyed. The principal confirmed that the programme has since been registered
- DSD Subsidy per child: None

Khulisizwe Crèche and Preschool is well functioning ECD centre and falls in Category A<sup>3</sup> Well-functioning, high potential and already providing ‘acceptable ECD services’ as it achieved a score of 94% for capacity and governance, 86% for the programme they followed and 85% for infrastructure, health and safety issues.

## 5. ECD Infrastructure improvement planning

Environmental Health Practitioners (EHPs) were not able to accompany PPT and the Social Workers during the initial on site infrastructure assessment in 2016 due to a moratorium placed on their participation by the Metro Department of Health until formal approval for this project was obtained in July 2017. This was most unfortunate as it is important for EHPs to agree that the specified improvements to ensure the signoff of the improvements by the EHP and the issuing of a Health Certificate required for Partial Care Registration. The DSD however requested the EHP to provide them with an inspection report, which they did in October 2016<sup>4</sup>.

PPT developed an infrastructure assessment tool that clearly stipulate the required schedule of works and costs rates for the development of improvement plans. PPT tried to provide for most of the issues raised in the EHP report. The issue of the sick bay was not addressed as the DSD minimum norms and standards allow for an office cum sick bay arrangement for 50 children and less. This was a mistake as the centre has since grown to 60 children. As this project was only advertised in 2018, PPT arranged follow up meetings with both the building advisor and the EHP to ensure agreement on the final scope of work. A detailed amended Schedule of Works was agreed to and the estimated costing was submitted to the municipality. It should be noted that the hand wash basin initially specified for the nursery slipped off the schedule of works during the retyping of the document. A prescribed plan for the jungle gym should have been provided as it caused some delays.

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<sup>3</sup> CATEGORY A: Well-functioning, high potential and already providing ‘acceptable ECD services’ i.e. good governance and capacity; structured, acceptable and often DSD-registered ECD programmes; adequate infrastructure; no significant health or safety threats – any infrastructural deficiencies can be easily mitigated and typically are the main barrier to registration (where it is not already in place); often registered or else registerable as a partial care facility easily and quickly (typically well within a year); Thus viable for investment and support (e.g. to address minor infrastructure deficits, extend buildings to cater for more children).

<sup>4</sup> The findings were as follow:

- Number of children: 47 children;
- Building: Sufficient lighting and ventilation; Floor: satisfactory; Walls: some structural cracks
- Accommodation: Classrooms: separated for different age groups; Sanitary facilities: sufficient and satisfactory; No sick room; Kitchen: double bowl sink, bottles not marked with name of child and not stored in cooler box or refrigerator; kitchen accessible to children. No hot water supply
- Health and safety: No emergency plan; Fencing: with lockable gate; First aid kit and training – insufficient; Fire extinguishers - not serviced
- External play area – unsatisfactory (noxious plant growth and rubble)

	<b>Improvements planned</b>	<b>Estimated costing</b>
	Health & Safety: First Aid kit, Fire Extinguisher, replace 1,8m fence, using existing gate,	R49 197,00
	Basic Services: Water: Construction of tank stand, guttering linked to water stand.	R5 295,90
	Roofing: replace roof tiles and paint roof	R15 147,63
	Doors: replacing internal and external door frames and doors	R12 100,00
	Ceilings Replace, repair ceilings	R34 750,00
	Walls – remove half built walls and build dividing wall as per plan	R12 852,00
	Paintwork: limited internal and external painting as specified	R3 344,85
	Floor: remove, supply and fit floor tiles	R15 493, 08
	Other: Balustrade- fix prime and paint, replace chains on jungle gym and swing , Hooks for children’s bags	R6 050,00
	<b>Subtotal</b>	<b>R154 230,46</b>
	<b>VAT (15%)</b>	<b>R23 134,57</b>
	<b>TOTAL</b>	<b>R177 365,03</b>

*Note: the construction of the additional free standing playroom was not included in the project scope due to the fact that the budgets were already approved in 2017. This was partially funded by the R28 000 Grant in Aid received from the eThekweni Municipality. The playroom is built but still needs tiles and ceilings. The additional classroom provides much needed additional space.*

## **6. Procurement**

The Metro’s Human Settlements Department is responsible for the coordination of the ECD infrastructure support programme and also for the procurement of contractors. Since most of the works were costed below R200 000, it was decided to make use of Professional Quotations (PQs) as it was also the quickest way to obtain quotations. PPT works on a Schedule of Works with per item cost estimates. This formed the basis of the specifications used in the PQ. The Municipality, however, required that the detailed Schedule of Work be translated into a Bill of Quantities. The Building advisor offered to assist and provided some inputs on quantities. This created a delay.

The PQ was advertised on 3 May 2018. A CIDB 1 registration was specified. The compulsory contractor briefing took place on 9 May. The bid closed on 16 May 2018. The PQs were adjudicated by 30 May 2018. The successful contractor met the quality analysis but the bid amount of R97 198,70 was almost 40% below the estimated cost. The Metro organised a subsequent meeting with the contractor to raise concern that the contractor may not be able to complete the work to specification. The contractor insisted that he would be able to attend to the full schedule of work and provided a letter on 10 September 2019 in which he committed to providing a professional service.

A service level agreement was subsequently signed. It took almost 7 months for the contractor to get to site. The contractor may have worked elsewhere, but it took a long time for the contractor to supply the necessary support documentation such as a health and safety plan. The Contractor’s health and safety plan did not make provision for health and safety precautions to be taken at ECD centres despite the health and safety stipulations in the PQ. This is a concern especially when improvements are made while the children are present. This issue is linked to the indemnity provisions listed in the service level agreement and the issue of insurance to cover contractor’s liability in this regard. These issues were raised in meetings with the Municipality but needs to be unpacked a bit more. A project manager was appointed to oversee the infrastructure improvements.



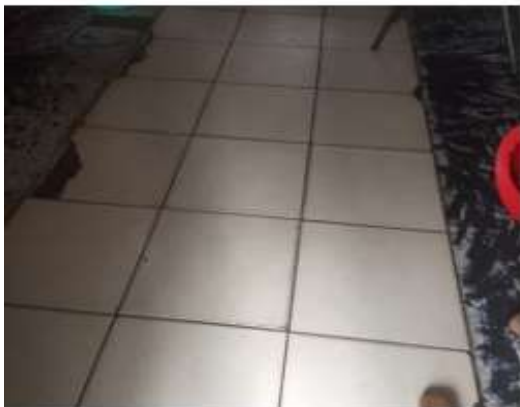
## 7. Implementation

Preparation for implementation: The contractor moved on site on 11 February 2019. The principal was not properly informed ahead of time. She was however briefed on the scope of work and the municipality spoke to the principal about safety matters. The children were on site while the improvements were done. The principal merely moved the children to other playrooms if the contractor needed to work in that space. The principal could not recall which toilet facilities the contractor staff was using. It is imperative that proper arrangement be made on the use of ablution facilities and to ensure children's safety at all times. Site meetings were held. The contractor was represented at the meetings if he could not attend himself.

Before



After





**Poor workmanship:** Although the contractor attended to most of the work specified, not all was done according to specification and satisfaction as could be expected. The contractor did not have adequate equipment and used centre furniture e.g. cots to stand on and inevitably broke and damaged the furniture which he did not replace. He also did not reimburse the principal for the damages. The principal was very disappointed about the poor quality of work e.g. broken swing as reflected on the photo sent by the principal. Poor workmanship could be due to the fact that the contractor underquoted and thus provided sub quality materials, but it could also be because the contractor lacked skills and experience - the Construction Industry Development Board (CIDB) registration is based on turnover and not necessarily technical skills.



The EHP requested that the hand wash basin for the nappy changing area be installed. This item was dropped from the Schedule of Works in error. The Project Manager was advised by Supply Chain Management that a Variation Order could not be issued without exceeding the contract amount.

The contractor was unable to replace the fence as specified and repaired the fence quite unsatisfactorily. This was a big disappointment as the principal was really looking forward to the installation of a new fence. In an interview soon after the contractor moved on site, she said: *“Fencing will ensure that children are safe and not exposed to the road”*. Some rectification work was done by the contractor, but it does not meet the required standards. There is also other outstanding work identified during inspections that was not attended to – e.g. the doors are still problematic and the lock is causing problems. Shoddy workmanship is a very real frustration, but did not affect the re-registration which was done prior to the improvements. The service level agreement did not make provision for snag listing and a retention amount to be kept for a period of 3 months. The contractor submitted his invoice by the end of March 2019 prior to a final on-site inspection. No formal completion certificate was issued but the invoice is being processed.

An EHP visited Khulisizwe Crèche and Preschool in May 2019 and recorded work not attended to:

1. Fence 1,8m mesh plus poles / stays and pedestrian gate not installed.
2. Clarity is sought on roof fixing at the kitchen area as evidence of water leaks was observed on the walls.
3. Internal paint – only the newly built wall was painted.
4. No provision of storage space / shelves for children’s personal belongings
5. No rebuilding of walls to separate classrooms

It needs to be noted that agreement was apparently reached during assessment that the vehicular gate can be used and that a pedestrian gate was not needed, that limited painting will be done; and that hooks will be provided for the children's bags. The roof was fixed. It is possible that the wall was not painted after the repair work was done. Painting is expensive and not considered an essential requirement for Partial Care Registration. A dividing wall was actually built that separated the room into a nursery and bigger playroom. The principal asked that enough space be provided for the bigger playroom to enable them to use the classroom for events and meetings. It is assumed that the EHP did not consult the building plan when commenting on the dividing wall.

## 8. Impact assessment

The Khulisizwe principal reported that

- *“Children enjoy learning in a better /improved centre with adequate space provided through breaking half walls which had small compartments and installing a new partition. The partition has increased playroom and created a nursery for 0-2 years old.”*
- *“Broken floor tiles posed a serious safety threats. Luckily no children were cut by these tiles”*
- *“More children are coming to the centre because of the jungle gym”*
- Partial care registration and programme registration were obtained but not as a direct result of the improvements.
- It was too soon to say if there would be any improvements in parent contributions.
- The principal would have preferred better communication with the municipality with regard to the construction arrangements e.g. when the contractor will be on site, the expected duration etc. so that she could plan better.

## 9. Lessons and recommendations

### Selection of ECD Centres

- 38% of the ECD centres surveyed, were unknown to the Municipality, EHPs and Social Development. The ECD centres selected for improvements were however all known to the stakeholders. This may be due to the fact that the officials are familiar with the issues of the centres. The fact that the eThekweni ECD PSC was cautioned to limit risk certainly also played a role. It is however recommended that a set percentage of the ECD sites to be prioritised for infrastructure improvements should be taken from the pool of previously unknown and unregistered centres to ensure an inclusive approach and to provide infrastructure support where most needed. It is imperative to help ECD centres to meet minimum norms and standards that will enable them to obtain partial care registration.

### Technical Assessments

- **Agreement on type & level of improvements:** All stakeholders represented on the Multi-stakeholder ECD Project Steering Committee should agree upfront (prior to the assessment of centres) on the type and level of improvements that will be attended to keep the programme affordable. Examples of the type and level of improvements include accommodation required in terms of minimum standards; addressing of health and safety issue; which issues will not be dealt with e.g. external and internal painting (unless some rectification works requires painting to be done). This should really be approved by Council to prevent any unmet expectations.
- **The technical assessment must be attended by all relevant parties**, e.g. social worker, the EHP, building advisor where applicable. It is recommended that all parties sign off on the agreed scope of work. A



quantity surveyor (provided by the municipality) must also be invited if a Bill of Quantities is required. The EHPs should attend the final inspection upon project completion in order to co-sign the happy letter.

- **Improvement plans must provide all the necessary plans** (e.g. building plans for extensions, new builds, jungle gyms) that the contractor may require. This means that the Municipality will have to either provide a draughtsman to draw up the plans or allocate a budget for the appointment of a draughtsman.

### Procurement

- **The tender system** made provision for the possibility of accepting a quote almost 40% below the cost estimate which all knew would not benefit the ECD Centre. Such low quotes may be because the contractor does not understand the scope of work, lacks skills to properly cost a tender but it is suspected that it was because the contractor knew he would have to be considered if he submits the lowest bid in the hope that the Municipality would allocate more funding to complete the project. The Municipality did not add more funding. It would have been extremely unfair to the contractors that submitted realistic bids. However, the fact remains that the ECD centre is the loser in this situation. It is recommended that a more appropriate procurement and delivery system be investigated to fast track ECD infrastructure improvement processes, to attract contractors with good technical skills and not having to accept the lowest bid
- **Building improvements require good technical skills and experience.** A CIDB level 1 registration is not sufficient and the PQ system is seemingly not attracting the required expertise needed for these projects. CIDB levels are based on project turn over and not on technical skill and experience. Strict quality control measures must be put in place.
- **The possibility of using a system of prescribed rates should be investigated.** In such a case screened contractors will either register on a roster or if they have to compete, then only on functionality.

### Service level agreement

- **The service level agreement did not make provision for making good<sup>5</sup> any damages to the property of the ECD Centre.** The contractor indemnified the municipality but there is no real recourse / procedure for the ECD to follow in such cases. It is therefore recommended that if the contractor does not pay for damages, such damages be deducted from his final payment.
- The service level agreement **did not make provision for retention.** It is suggested that a retention amount of at least 5% be kept for a period of three months to ensure that snags are attended to.
- **It is important to make provision for a contingency** amount that can be spent at the discretion of the project manager e.g. to cover issues such as the hand basin for which the project manager could not issue a variation order or other unforeseen issues. In other words, the 10 % contingency should be regarded as part of the overall cost of the project even though it would not be included in the contractor's bid amount.

### Municipal capacity building

- The Human Settlements department of the Municipality has not yet dealt with ECD infrastructure rectification / upgrading projects in the past. There are **no clear guidelines for the implementation** of ECD infrastructure improvement projects (similar to the guidelines developed for housing) officials are forced to improvise as they go along. There is no approved documentation which can be used for this programme. There are very **specific issues unique to the ECD programme** that should be dealt with e.g. safety of children while the contractor is on site and insurance to cover contractor liability. It is therefore recommended that 1) technical guidelines be developed for the municipality and 2) that municipal staff

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<sup>5</sup> The term 'making good' or 'to make good' is used in construction to refer to the process of repairing or bringing something up to a finished standard, or restoring it to its previous condition.

[https://www.designingbuildings.co.uk/wiki/Making\\_good](https://www.designingbuildings.co.uk/wiki/Making_good)

(e.g. building advisors, project managers, EHPs SCM officials etc.) be orientated and trained to deal with issues unique to ECD Centres - e.g. communication, documentation to be utilised (e.g. safety precautions that need to be incorporated in the tender and contract documentation such as the letter of commitment, standard site handover meetings, and the completion certificate (happy letter) to be signed by the ECD Centre.

Compiled by: Liesel du Plessis  
Project Preparation Trust