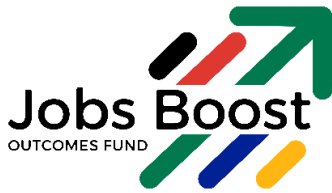


December 2023

Market Building Workshop 1

Questions and
answers about the
Jobs Boost
Outcomes Fund
from the workshop
presented on 4
December 2023



About Jobs Boost

Jobs Boost is a R300 million (~\$17 million) pay-for-performance model being piloted in South Africa. It is an outcomes fund that works with implementation partners to secure sustainable, quality jobs for unemployed, excluded youth. It is the largest youth employment outcomes fund in the world, and a major innovation in the South African government's effort to confront the chronic youth unemployment problem. Jobs Boost was initiated by the Presidency as part of the Presidential Youth Employment Intervention (PYEI).

Feedback from market building workshop

A market building workshop was held virtually on 4 December 2023. The purpose of the workshop was to detail the Jobs Boost outcomes fund and to explain the request for expressions of interest (EOI) that will be followed by the closed request for proposals (RFP). There were a number of questions posed during the session that could not be addressed due to time constraints. This document details all of the questions that were asked and the feedback from Jobs Boost.

Interested stakeholders can access the following documents on the Jobs Boost website by following the links below:

- 1) [Market building workshop – Presentation](#)
- 2) [Market building workshop - Recording](#)
- 3) Q&A document (this document)

This Q&A document loosely categorises the questions received into subcategories;

- [Reporting](#);
- [Funding and financing](#);
- [Milestones and grant payments](#);
- [Jobseeker definition and selection](#);
- [Quality jobs and placements](#);
- [Submission related and general](#); and
- [Costing](#).

We have reduced the feedback to 72 questions (received during the market building workshop and through further email correspondence).

Disclaimer

Whilst every effort has been made to ensure that all questions were addressed, there may be some questions that we have missed. Also, some questions from the chat and Q&A of the website may have been edited for brevity and/or to be inclusive of other similar questions. There are answers in this document that are not yet fully defined and may be subject to change during the proposal phase.

For more information please contact the Jobs Boost team at:

www.jobsboost.org.za
Email: info@jobsboost.org.za
Tel: +27 11 084 5200



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Reporting

1. What are the reporting guidelines and requirements by timeline for those projects who want to play a role in job creation?

Further reporting guidelines will be made available to organisations that are invited to submit a proposal. The EOI is open to all entities that are playing a role in job creation and is a prerequisite to moving to the proposal phase.

2. How much ongoing support will Jobs Boost provide?

As a pilot, we'll be actively engaged to ensure learning throughout the programme and where possible support partners to overcome obstacles they encounter.

Funding and financing

3. Can a government organisation apply to be an outcome funder, rather than an implementer, in the impact investor space?

For the pilot phase, NSF is the sole outcomes funder. As we move beyond the pilot depending on the success of the pilot, we will be seeking additional outcomes funders and there will be opportunity for more outcomes funders to join at that point. At the pilot stage, organisations are encouraged to consider acting as impact financiers that can provide working capital to implementation partners to help manage their cash flows. Email info@jobsboost.org.za if you would like us to indicate your interest to act in the capacity of an outcomes funder beyond the pilot phase.

4. Will additional private sector matched funding/fund be considered and if so, how should these proposals be made to Jobs Boost?

Yes, programmes that have alternative sources of funding will be considered but there is the requirement of additionality that needs to be determined in such agreements. This means that the implementation partners will have to be able to articulate what impact the Jobs Boost funding has had on the placement of youth into employment as well as demonstrating how this would not have been achieved in the absence of the Jobs Boost funding. The simplest way of achieving this is to isolate the variable costs per jobseeker and apply for 100% of the value of those jobs created.

Illustrative example: Your organisation currently provides training and job placements for 1,000 youth and has several funders that cover 80% of the costs. You apply for a Jobs Boost grant and reallocate your existing funding to cover 800 placements, and use the Jobs Boost grant to cover 100% of 200 placements.

*This is a position that might be subject to change depending on the proposals received and how we structure some of the agreements during the proposal phase.

5. If we are going to include an additional private sector fund that augments Jobs Boost, should this be outlined in the EOI?

Yes, this must be included in the "proposed solution" section of the EOI.

6. As a potential funder, how we can join that list of organisations that could be providing financial support?

Please reach out to us at info@jobsboost.org.za

7. As a potential funder how do we ensure that we have enough time to build a relationship with an implementation partner to put together a strong bid?

Jobs Boost will only be able to introduce the potential implementation partners to the potential financiers at the conclusion of the EOI phase. Jobs Boost will share EOI information with the potential financier (with permission of the potential implementation partner) to streamline the process. In short; we will aim to improve efficiencies wherever possible. The two parties (implementation partner and working capital funder) would need to form an arrangement ideally before submitting a full proposal or at least to show a credible process toward securing working capital at the time of the proposal.

8. Does the job placement have to be achieved in 12 months?

The 12 months is stipulated as a maximum possible period within which we can consider milestone 2 because milestone 4 (six months sustained employment) must be achieved in 18 months from contract signature.

Any placements achieved beyond the 12 months will not be considered successful. Given that long lead times are likely to lead to increased costs and lower value for money, we expect most partners will aim to

achieve placements in three to six months. The maximum possible period within which all milestones need to be achieved is 18 months. Refer to graphic:

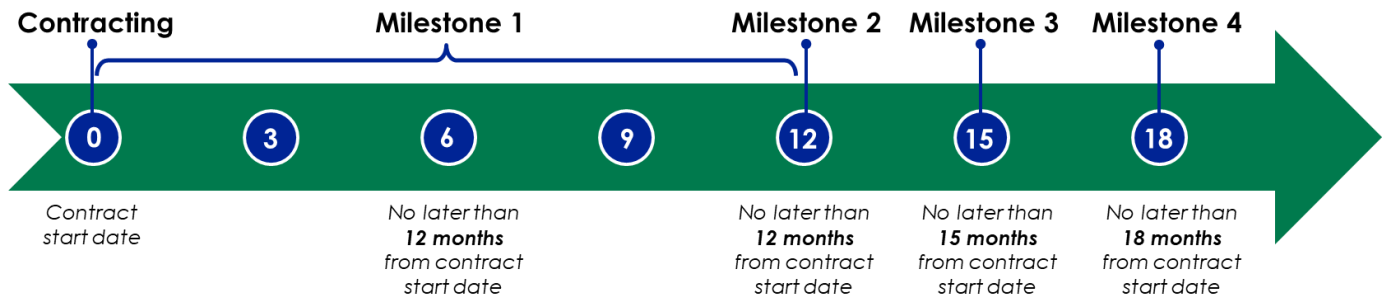


Figure 1: maximum timeline for milestones to be achieved

9. Is there a maximum ask per project in terms of funding?

No. There are no limitations in terms of what an organisation can request by way of funding. Keep in mind though that the fund is only R300 million in size and we are going to be appointing numerous implementation partners for which value for money will be an important consideration. There is a limit of 2,000 placements at Milestone 4 that can be proposed by any one partner and so the grant request should be within those very broad parameters.

10. Can we use other NSF funding for cash-flow management?

Yes. Organisations may utilise funding from this fund or any other fund in any way that is best suited for their own processes and aligned with all of their contractual agreements. This funding is completely unrelated to any other NSF funding that an organisation may receive and does not impact on any other contracts that may be in place.

11. How is double counting or double-dipping going to be prevented?

All outcomes will be assured by an independent agency and there will be reporting requirements for each beneficiary at each milestone stage pertaining to the funding utilisation of the implementation partners.

12. Can a recruitment agency apply for funding under this fund?

Yes, recruitment agencies are eligible. However, they do need to prove additionality in that either the job needs to be created or the youth that are placed would not have been placed in that job without an intervention programme by the agency. Stated differently; the recruitment agency cannot simply recruit and place into work in the normal course – there would need to be a specific programme that demonstrates additionality that would apply for Jobs Boost funding.

13. If the Jobs Boost funding is contributing to a larger budget how will the grant per job be calculated? Is it just based on the number of placements divided by the Jobs Boost funding?

Grant per job is calculated as the total grant requested (all inputs accounted for) divided by the number of placements that reach all milestones.

14. Is a cultural institution that is an entity of a department considered a state-owned entity and thus ineligible?

Unfortunately all state-owned entities will be ineligible.

Milestones and grant payments

15. Is there a difference between placement and entering into a job?

No, placements in this programme refer specifically to the placement into a job.

16. Are the milestone payments allocated for after the initial 12 months or during the 12 months?

Milestone payments will be made when the respective milestones are achieved. The only caveat is that the placement milestone cannot exceed 12 months from signing of contract.

17. Our concern is that there are tranche payments linked to retention. This is out of the control of the training provider. Training providers will ultimately increase their costs to break even on placement.

Unfortunately this is a risk that is associated with this programme for the implementation partner. Some placements may not be sustained and the implementation partner needs to account for that as well in the costing of the programme. The intention is to incentivise the implementation partner to work closely with employers to ensure employment is sustained and to provide training that increases probabilities that it will be.

18. How long do you have to deliver on the outcomes?

Implementation partners must achieve the placement milestone in 12 months or shorter. We expect that shorter time frames are more likely to deliver value for money in terms of grant required per job.

19. Is there a cap on the duration of training?

Not on the training but the placement milestone needs to be achieved in 12 months or shorter.

20. Can you have two sources of government funding in one programme/entity, but funding different outcomes?

Yes but we do need to prove additionality of the grant specific to Jobs Boost.

21. Is there any indication about what other matched funding you may or may not be able to include?

No, we are not prescriptive but we do need to prove additionality.

22. What is the frequency of outcome assurance reviews & payments?

The assurance reviews will follow the milestone completion dates. This will vary across the different implementation partners.

23. What if we are only able to place lower than the 50 minimum but we will enroll more than that, are we still eligible?

Yes, we still encourage you to apply and include what your anticipated attrition rate will be. We ideally want to see upward of 50 placements but we also do not want to exclude organisations that enroll more than 50 jobseekers and are able to place slightly less than the full 50 into employment. Acceptance of the "slightly less" criteria will be subjective to our administrative capacity and other programmes assessed and within a reasonable range.

24. What happens if the outcomes aren't achieved?

If the outcomes are not achieved, milestone payments will not happen. Payments are attached to the number of candidates that meet the milestone. For example, if 80% of the candidates reach the milestone, the grant paid will be 80% of that targeted by the programme.

25. Can candidates be re-employed, should they resign or be retrenched from/by the first placement?

In principle yes, although this will be confirmed in the RFP. We are looking into a mechanism to include subsequent formal employment that still meets "high quality job" criteria within the three and six month milestones.

26. If the youth decide, after a few months of employment to pursue further studies, would that jeopardise the recovery of the remainder of the tranches?

Yes. If they are not employed at the three or six month period then the job is not a sustained placement (even though they are progressing to better opportunities).

27. Can there be multiple payments per milestone? Allowing for a phased recruitment.

Yes. Phased approaches are acceptable.

28. What's the Jobs Fund's historical record of timely payments for milestones achieved?

No record. This is the first iteration of the programme.

29. The online M&E system - is it well described in the RFP? Is it an existing system and if so, what is its name?

The M&E system is in development and is being custom designed to this programme. More information will be detailed through the proposal phase.

Jobseeker definition and selection

30. When we refer to a child support grant, would it have been the parents of the jobseeker that received the grant?

Yes, the parents would have received the payment but the CSG is allocated to the child.

31. What is the rationale of the highest qualification of jobseeker being an NQF 4 (matric)?

Statistically, it is youth from disadvantaged backgrounds with an NQF 4 or lower that are the most excluded from participation in the labour market and where we see the highest unemployment rates. It is this group that we are specifically targeting.

32. Can we assume that you can source from multiple talent pools and register them on SA Youth, or must all sourcing and registration come through the current SA Youth database?

All sourcing and registration must come from the National Pathway Management Network. Youth can be target recruited to join the network and then recruited from there – but the process must be unbiased and equitable.

33. Is there guidance as to how the beneficiary would evidence being a person on which a grant was paid? Would this be by means of affidavit or another form of evidence?

Affidavit.

34. We run a community based treatment service for people who ended up on the streets and using substances. We have developed pathways to try help them to transition into jobs. Would we qualify given that the youth concluding the rehabilitation programme are a specific group and not from a general database?

Yes, they would qualify if they meet the other criteria but they will need to be first added to the NPMN.

35. Must the youth have a South African ID to be eligible?

Yes. This is a programme driven by the Presidency and is specific to South African citizens.

36. With regard to highest level of qualification of youth: Would a person be eligible who has attended higher level training (at or above NQF L5) and has not completed that training and has not been certified?

Yes. As long as the highest completed qualification is lower than NQF L5.

37. Please give clarity on the flexibility around quintile categories. Is level 1 to 3 fixed. would you consider youth from Quintile level 4 as long as they fit all of your other requirements?

The jobseekers must fit any one of the criteria to be considered excluded youth. IE: if they were recipient of a CSG or social grant and attended a quintile 4 school they will still be eligible.

Quality jobs and placements

38. Could the 30 hrs per week minimum employment include training hours?

If the training is work-place based learning and is included in the time for which they are remunerated, that does count. Out of work training and support would not count in the 30 employment hours.

39. If, as implementation partners, we have separate social enterprises and seek to place jobseekers at these partners - can these count as jobs as per this programme?

Yes, that should be acceptable as long as we can prove additionality and that the partners are distinct legal entities.

40. Why are we not allowing implementation partners to place jobs within their own organisations?

The main reason is that we are controlling for a scenario where an organisation is offsetting its own training requirements by using grant funding (for example; a bank using grant funding to train tellers, a cost that it should normally incur). If an organisation has vacancies that it needs to fill within itself, it should retain that cost of training and development in order for the job to be an authentic job.

41. Will independent service provider contracts that exclude BCEA (Basic Conditions of Employment Act) qualify?

No. unfortunately this does not give us enough control for quality jobs.

42. Is there preference of sectors the youth will be working in?

No. There will be no impact on how proposals are scored as long as the jobs meet the quality requirements. Longevity and sustainability of the job will be a factor influencing the quality assessment.

43. What is the definition of "high quality job" and what is the defining scale of that quality?

The guiding principle is that the job needs to be life-changing in terms of the future trajectory of the jobseeker. All jobs need to be remunerating at minimum wage or higher and the duration of the contract needs to be 12 months or longer (preference for permanent). Other criteria such as security in the job, travel times etc will also be a consideration beyond the minimum requirements.

44. Will virtual placements (remote jobs) be acceptable?

Yes. As long as there is a contract of employment at a registered entity and other quality criteria are satisfied.

45. Are we allowed to embark learners onto a 12-month learnership?

As long as it leads to a contract of employment at the end of the learnership or if the learnership is remunerating at minimum wage or over, from the employing organisation (ie: not from the implementation partner) then it can be accepted.

46. At the time of enrolment, the youth are NQF4, but the programme trains them to NQF5, so at the time of placement, they are NQF5, is that okay?

Our only requirement with regards to qualifications is that the highest level of qualification at the point of enrollment is an NQF level 4 or lower. Therefore, if they obtain NQF5 subsequently through the programme, this would be acceptable.

47. Is the main purpose of this programme to enrol and place excluded youth in quality jobs, or may we provide skills development (credit bearing/not credit bearing) for the youth as well?

The focus of this programme is on placements into quality jobs. Skills development without placement will not be considered.

48. Can one organisation place in more than one province?

Yes.

49. The implementation partner may be part of a group of companies that are registered employers. Will these companies not be accepted as employers?

That should be acceptable as long as we can prove additionality and that the organisations are distinct legal entities with appropriate contracting arrangements between them.

50. What happens if the job includes training as part of ongoing development of the youth placed? ie: over the 3 years that they are employed they also receive training?

Workplace training is acceptable as long as the job is remunerated at minimum wage or higher, but the programme final milestone will be at the six month point.

51. Why is "the additionally test" only applicable to the training component when we know some of the activities that need to be undertaken include demand side work?

The additionality test is for both the demand and supply side. Most of our communications focus on the additionality aspect from the demand side because few implementation partners are able to operate at a scale necessary to influence the demand side but if additionality can be proven on the demand side (that is; a job is created and filled) then that is a valid form of additionality.

52. Our youth development programme currently partners with various workplace experience partners who we send youth to so that they gain work experience. The youth will have a 12-month contract with us, but have multiple short term workplace experiences with various 3rd party organisations throughout the year. Would we qualify under such an arrangement?

Not unless the youth are placed into a full time permanent or 12-month contract job the end of that experiential learning but within the 12 months.

53. Is the training simultaneous with the work placement and what is the focus of it?

Training may be provided but it is not a necessity. The milestone is on job placements and then at three and six month sustained employment. Any training is acceptable without prescription from Jobs Boost.

54. Don't you think your assessment of the 'quality of placement' needs a stronger connection to the job demand side whereby if the company absorbing the youth lays off at some point for any potential reasons, the youth should be holding a skill highly sought elsewhere?

We expect organisations to factor in attrition rates into their programme design. Our focus is on placements and sustained employment. We expect that if youth are placed and sustain employment they will acquire skills.

55. With the employment placement, does that contract have to be with an employer with specific registrations? For example we are thinking of job placements with community-based organisations many of which may not be formally registered etc, but would provide a high quality job. What are the contract rules?

No. unfortunately this does not give us enough verifiable control for quality jobs. The community organisations would need to be formally registered.

Submission related and general

56. Is there a guide on how many Job placements we should apply for?

No. the only parameters are that it should fall between 50 and 2,000 for any single partner.

57. Is there a guide on how to calculate what we should apply for?

No there will not be a guide. We will assist in calculating the "grant-per-job" but will not be prescriptive on the total value. The proposals will be assessed for viability, including whether the budgets for the programme are realistic.

58. What are the minimum governance requirements?

We will be conducting due diligence and compile a risk register for all organisations that we assess in the proposal phase. There are a few immediate disqualifiers such as fraud convictions of board members, tax non-compliance and other similar items but beyond that we will conduct a full risk analysis on several components including governance and that will make up a weighted risk assessment per organisation.

59. How to position a consortium or joint venture?

Consortiums and joint ventures are encouraged but we seek to contract with a single "main partner", which could be a formally constituted JV.

60. In the event of an EOI being submitted prior to the market building workshop, are we able to request the EOI to be "unsubmitted" so further information can be included?

Yes, send an email to info@jobsboost.org.za with more information.

61. Do we qualify to host a Jobs Boost Programme while running other government funded programmes? e.g.: YES and Internship Programmes

Yes. This programme functions completely independently of any other programmes.

62. Why are we not including SMME development and most gig-economy?

For the pilot it is very difficult, given the time limitations, to assess the sustainability of the employment created through SMME development. Similarly in the gig-economy, in most cases, it is very difficult to ascertain how sustainable those jobs are. Some exceptions in the gig-economy may be considered but not in the SMME development space.

63. Does this program only support training that delivers NQF 5 qualifications or less?

No. there are no limitations on the type of training that is provided.

64. There is an opportunity for sustainable job creation and circular economy development but we have not yet established an independent entity for the roll out of this programme. Can we create the jobs through our main entity that is also the placement organisation? (Example given of a solar company that seeks to create a circular economy and employ in their local community).

The employer and the grant receiving partner would need to be separate legal entities.

65. In our EOI, can we formally register declarations where there may be perceived conflicts. For example, should one of our board members sit on partially related boards. Whilst there is little to no risk, how can we be proactive about lodging declarations to mitigate risks?

This is not necessary for the EOI, it will be dealt with in the proposal phase.

Costing

66. Is there a cap on the grant-per-job?

No.

67. Can we include stipends?

There are no stipulations as to how programmes use the grants provided. Therefore, stipends would be acceptable if the implementation partner believes it will ensure success.

68. Explain the value-for-money consideration in the costings?

When we look at value, we will be considering a number of factors such as rural vs urban split, gender, disability, starting salary, sustainability of the job, contract vs permanent, growth potential as well as numerous other factors that will be detailed further in the proposal phase.

69. Is the salary of the youth part of the grant?

No. the salary that the youth receive must be “authentic” and from the employing organisation.

70. What else is funded?

All programme and other costs that make up the cost of the programme. This is unrestricted in nature.

71. It will be more costly to place persons with disabilities due to lack of accessible transport, but at the same time they are the most marginalised - would this be considered when assessing applications for grants?

Yes, this will be a factor and additional weight will be given for placements of persons with disabilities.

72. Some jobs (industry sectors) imply high training costs such as any technical equipment, software, longer time-to-completion due to demands of the training etc – not sure how your model factors in such differences in the training costs?

We will be weighing the quality of the job and the grant required to achieve that job together and comparing it to other options.