

LOCAL GOVERNMENT SECTOR EDUCATION AND TRAINING AUTHORITY
ANNUAL PERFORMANCE PLAN 2015-2016



LGSETA
CREATING GREATER IMPACT

Local Government Sector Education and Training Authority

Annual Performance Plan

2015/16

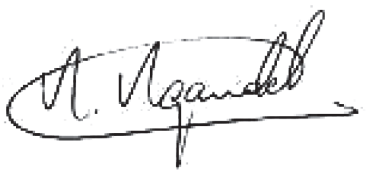
Foreword

The Annual Performance Plan is a translation of the Strategic Plan into programmes that the LGSETA will implement in 2015/16, following a period of deep introspection. The LGSETA is an organisation in the process of rebuilding itself, from a difficult past, to a future characterised by relevance to our sector, more responsiveness to our clients, and excellence in everything we do.

The organisation continues to build the internal capacity required to meet the targets set out in this APP. This process of building capacity has included human, technological and all other capacity required to become a modern knowledge driven organisation. This will result in a more efficient organisation that is able to respond to its mandate, and align with the vision of the Minister of Higher Education & Training for the SETAs.

The SETA continues to strengthen its research and sector skills planning capacity to respond to the call to be a thought leader, repertoire of information when it comes to skill matters in the local government sector. We have begun to build our project management unit to see better performance on project implementation.

As the Accounting Authority I am committed to working together with the management of the SETA, all staff, our stakeholders, and all interested parties, to achieve the targets set out in this APP.



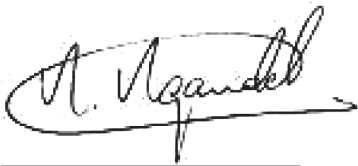
NQABA NQANDELA
ACCOUNTING AUTHORITY

14 November 2014

Official sign-off

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the LGSETA under the guidance of the Administrator, Nqaba Nqandela
- Takes into account all the relevant policies, legislation and other mandates for which the LGSETA is responsible
- Accurately reflects the strategic outcome oriented goals and objectives which the LGSETA will endeavour to achieve over the period 2011 to 2016



NQABA NQANDELA
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14 November 2014

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PART A: Strategic overview

1. Updated situational analysis

The LGSETA was established in terms of the Skills Development Act No. 97 of 1998 with the mandate to promote skills development for the local government sector. The Minister of Higher Education and Training relicensed the LGSETA, and Training, for the period of April 2011 to March 2016, to operate within the skills development framework articulated in the National Skills Development Strategy III (NSDS III) framework.

Local government, including the local government water service delivery function, are at the forefront of developmental change in South Africa, and is increasingly the implementation sphere for national policy and service delivery. As such, local government should be a key driver of initiatives in support of an equitable and inclusive economy, and provide an enabling environment for economic growth, through effective planning (including Integrated Development Plans and local economic development strategies) and the provision and maintenance of infrastructure. The efficient provision of services at local level supports private investment and economic growth, in addition to the direct alleviation of poverty through the provision of free basic services.

The following is a brief situational analysis, which the comprehensive situational analysis presented in the updated Sector Skills Plan.

1.1 Key sector drivers of change

1.1.1 Demographic

Local government in South Africa is responsible for delivering basic services to communities, investing in and maintaining physical and social infrastructure, and promoting economic growth and poverty alleviation. The capacity for municipalities to effectively and sustainably deliver basic services is impacted by changes in the demographic profile within respective municipal boundaries. South Africa's population increased from 40,5 million in 1996 to 44,8 million in 2001 to 51,7 million in 2011 and importantly, South Africa is expected to continue to see positive population growth rates.¹ Statistics South Africa's 2013 mid-year population estimate for South Africa was 52,98 with approximately 51,0% of the population being female.²

¹ Statistics South Africa, 2012. Census 2011: Provinces at a glance. Pretoria: Statistics South Africa

² Statistics South Africa, 2013. Mid-year population estimates: 2013 (P0302). Pretoria: Statistics South Africa

Census 2011 data indicates that there about 51,7 million people in South African with the highest population in Gauteng Province (12,2 million), followed by KwaZulu-Natal (10,3 million) with the Free State and Northern Cape Provinces being the least populated with figures of 2,7 million and 1,1 million respectively.³

The population growth rate combined with migration patterns is important for determining the capacity at which municipalities can deliver services. In terms of inter-provincial migration, Gauteng remains the province attracting the most people from other provinces. Census 2011 data indicated that while significantly lower than the 2001 figure of 901 600 people, Gauteng still saw an increase of 566 760 people in 2011.⁴ Statistics South Africa cites job opportunities as the main reason of why people move from one province to another. The Eastern Cape Province saw over 325 000 people move out of the province to other provinces with Limpopo also having a high population migration loss of 260 000 in 2011.⁵

1.1.2 Social environment

South Africa continues to be one of the most unequal societies with levels of poverty and inequality remaining high. Furthermore, the high unemployment rate which was estimated at about 30% in the Census 2011 findings saw more women being unemployed compared to men.⁶ The Limpopo and Eastern Cape Provinces had the highest unemployment rates at 38,9% and 37,4% respectively.

Statistics South Africa's Quarterly Labour Force Survey (QLFS), Quarter 2, 2014 indicated that overall, employment increased by 39 000 between Q1: 2014 and Q: 2 2014 mainly because of increases in the informal sector and private households but employment in the formal sector decreased by 24 000 in the same period. ⁷ The Q2: 2014 QLFS indicated that the unemployment rate was lowest among individuals with a tertiary education at 11,4% compared to the 29,3% amongst individuals with educational levels less than Matric. ⁸ An important factor to note as well is that the unemployment rate among the youth (36,1%) was more than double that of adults (16,3%) in Q2: 2014 and overall, marginally more women (27,5%) were unemployed compared to men (23,8%) in Q2: 2014. ⁹

The official rate of unemployment marginally increased from 25,2% in Q: 1 to 25,5% in Q 2: 2014 while the expanded definition of unemployment also marginally increased from 35,1% in Q1: 2014 to 35,6% in Q2: 2014.¹⁰ Focusing on the official unemployment rate, the survey indicated that proportionately at the Provincial level, the three highest unemployment rates in Q2: 2014 were in the Free State (35,0%), Northern Cape (32,3%) and Eastern Cape (30,4%) respectively. However, the expanded definition of unemployment indicated that the three highest rates of unemployment were in the Eastern Cape (44,4%), North West (42,3%) and Mpumalanga (42,2%) respectively.

3 Statistics South Africa, 2012. Census 2011: Provinces at a glance. Pretoria: Statistics South Africa

4 Statistics South Africa, 2012. Census 2011: Provinces at a glance. Pretoria: Statistics South Africa

5 Ibid.

6 Statistics South Africa, 2012. Census 2011: Provinces at a glance. Pretoria: Statistics South Africa

7 Statistics South Africa, 2014. Quarterly Labour Force Survey, Quarter 2, 2014 (P0211). Pretoria: Statistics South Africa

8 Ibid

9 Ibid

10 Ibid

Proportionately, the three lowest official unemployment rates for Q2: 2014 were in Limpopo (15,9%), KwaZulu-Natal (23,7%) and the Western Cape at 23,5%. Using the expanded unemployment rate definition, the three lowest unemployment rates were recorded in the Western Cape (25,4%), Gauteng (29,0%) and Limpopo (36,9%) respectively.¹¹

In terms of employment by occupation between Q1: 2014 and Q2: 2014, the largest job losses were at the Manager level (55 000), Elementary level (21 000) and Skilled Agriculture (7 000) level while the largest job increases were recorded at the Professional level (45 000), Clerical (40 000) and Domestic worker (21 000) levels in Q2: 2014.¹²

The average annual household income increased in South Africa from about R48 385 in 2001 to R103 195 in 2011 with Gauteng and Western Cape Provinces having average household income of R156 222 and R143 461 respectively.¹³ While Limpopo also saw an increase, it is significantly less at R56 841 in 2011¹⁴ compared to Gauteng and the Western Cape. The Financial and Fiscal Commission projects that number of social grants beneficiaries will increase from 15,6 million in 2011/12 to 16,1 million in 2012/13 to 16,5 million in 2013/14 to 16,8 million in 2014/15 – a general percentage growth increase of about 4,2% per annum.¹⁵ This has an impact on municipalities' rates and revenue generation capacity as it suggests that while municipalities need to provide access to basic services, the funding of such will mainly be through government grants as a significant number of households are indigent.

In terms of household services, there was a significant increase in the number of households with access to electricity for cooking, heating and lighting from 51,4% in 2001 to 73,9% in 2011.¹⁶ The proportion of households with access to refuse removal by their municipalities marginally improved from 57,0% in 2001 to 63,6% while the number of households with access to flush or chemical toilets increased from 53,8% to 62,6% with access to piped water significantly improved from 61,3% in 2001 to 73,4% in 2011.¹⁷

As such, local government will continue to play a significant role in reducing the levels of poverty through implementation of policies such as indigent policies as well as providing subsidised social infrastructure. This places additional fiscal pressure on local government given their mandate as well as other challenges such as ageing infrastructure and concomitant increases in population and dwellings.

1.1.3 Policy and legal environment

The new Sector Education and Training Authorities (SETAs) Grant Regulations regarding skills development levies received by a SETA and related matters came into effect on 1 April 2013 as published in the Government Gazette No. 35940 of 3 December 2012. The new grant regulations came into effect on 1 April 2013.

11 Statistics South Africa, 2014. Quarterly Labour Force Survey, Quarter 2, 2014 (Po211). Pretoria: Statistics South Africa

12 Ibid

13 Statistics South Africa, 2012. Census 2011: Provinces at a glance. Pretoria: Statistics South Africa

14 Ibid.

15 Financial and Fiscal Commission, 2013. 2014/15 Submission for the division of revenue

16 Statistics South Africa, 2012. Census 2011: Provinces at a glance. Pretoria: Statistics South Africa

17 Ibid.

The new regulations allow for 10,5% of total levies paid by the employer to pay for SETA administration costs for the financial year of which 0,5% must be transferred to Quality Council for Trades and Occupations (QCTO). A further 20% of levy income is to be disbursed as mandatory grant to levy paying organisations that submit and obtain approval for their WSP and ATR submission with a further 49,5% allocated as discretionary grant to support sector skills development initiatives and interventions.

The regulations indicate that at least 80% of discretionary funds are to be allocated to professional, vocational, technical and academic qualifications (PIVOTAL) that result in QCTO quality assured occupational qualifications training interventions. A maximum of 20% of the discretionary funds can be spent on other interventions in support of training such as research, stakeholder capacity building etc. The new regulations will have an impact on programmes.

The adoption of key strategic plans such as the National Development Plan 2030, the New Growth Path, IPAP II have broader impact on how the LGSETA responds in its facilitation of skills development in the local government sector. Furthermore, the government's adoption of 18 Strategic Integrated Projects (SIPs) will also influence LGSETA's skills development strategy over the next few years. It is also important for the LGSETA to contribute to the achievement of the vision of the draft Revised Capacity Building Framework for Local Government: 2012-2016 that highlights the importance of continuing to build the capacity of municipalities to deliver on their mandate.

The LGSETA will be expected to continue to play a significant role to facilitate access to skills development and training to develop a skilled and capable local government workforce as well as to develop potential new entrants through its various interventions that talk to the objectives outlined in The White Paper on Post-School Education and Training released in 2013. In addition, the LGSETA will ensure that appropriate priority is placed on supporting the development of the required skills to support the spatial transformation as outlined in the Integrated Urban Development Framework that is expected to be finalised by 30 July 2014.

1.1.4 Economic environment

The performance of the economy has an important correlation to the financial viability of municipalities given the major sources of revenue that municipalities rely upon to deliver on their mandate. In terms of the economy, the gross domestic product (GDP) varies across municipality type and entity. Importantly though is the role that local government should play to create an enabling environment to facilitate greater local economic growth.

The key levers that municipalities can use to facilitate greater economic development include the provision of sound socio-economic infrastructure such as roads, water and sanitation, electricity among others. As such, service delivery backlogs still facing many municipalities will have a significant impact on the municipalities' ability to attract and retain business in its locale. It is for this reason among others that municipalities are focusing significant resources in strengthening economic infrastructure.

1.1.5 Technology

The rate of technological change has an impact on every sector with others experiencing higher impacts than others. The world over, there are trends of greater connectivity, greater access to and between people with about 89% of South Africans in 2011.¹⁸ A number of municipalities have already begun to embrace technology with citizens for example, able to pay their rates and taxes, submit paperwork among others. Furthermore, the issue of increasing broadband to support e-governance has seen several municipalities invest significant money into such infrastructure. Technology will have an impact on the future structure and form of local government and this directly has an impact on the type of skills required to meet the service delivery expectations of citizens.

1.1.6 Environmental factors and the sector

The commitment by the South African government to move towards a low carbon economy over the next few decades should not be taken lightly as it does have significant impact on all sectors. This requires that municipalities ensure that future infrastructure investment is able to meet green standards. Furthermore, while the impact of climate change has not yet been fully assessed, it is broadly accepted that as part a municipality's outlook, it will need to ensure that it is climate resilient. Various scenarios relating to climate change point to the reality that the impact of climate change in terms of temperature, rainfall patterns, and wind patterns will influence economic development in some sectors more than in other sectors.

1.2 Performance environment

In 2005, the SETA was recertified with a reduced scope of coverage to only focus on local government. There are some instances where certain SIC codes are in two or more other SETAs' scopes of coverage where the LGSETA will look to build partnerships to ensure greater delivery.

In terms of Section 9 of the Skills Development Act of 1998, Table 1 is an overview of the scope of coverage of the LGSETA.

¹⁸ Statistics South Africa, 2012. Census 2011: Provinces at a glance. Pretoria: Statistics South Africa

Table 1. LGSETA scope of coverage

SIC Code	Main activity
50493	Any utility or agency, wholly or partially owned by a municipality providing local government services under contractors or a municipality
91201	Category A municipalities: All functions, services and facilities provided by a metropolitan council as determined by 84 (1): (2) and (3) of Act 117 of 1998 – Local Government Municipal Structure Act of 1998
91202	Category B municipalities: All functions, services and facilities provided by local council as determined by 84 (1), (2) and (3) of Act 117 of 1998 - Local Government Municipal Structure Act of 1998
91203	Category C municipalities: All functions, services and facilities provided by a district council and district area management as per Act 117 as determined by 54 (1), (2) and (3) of Act 117 of 1998 Local government Municipal Structure Act 1998
91204	Organised local government: a statutory or regulatory body assigned the function as per constitution of RSA, to deal with matters at an executive level within local government
91300	Local authority activities
91304	Municipal planning
91306	Billboards and the display of advertisements in public places
9130F	Land use planning
93304	Social work in local governments
94001	Refuse and sanitation
94002	Health and community services
94005	Other community work in local governments
96001	Recreational, cultural and sporting activities by local governments
96331	Parks and gardens
96414	Local sports facilities

1.2.1 Employers in the sector

There are 278 municipalities of which eight are metropolitan municipalities, 226 are local municipalities and 44 are district municipalities (see Table 2). The majority of employers in the sector are Category B i.e. local municipalities. However, Category A i.e. metropolitan municipalities are significantly the largest employers and contributors to skills development levies.

Table 2 Municipality profile by Province and type, 2013/2014

Province	Metropolitan Municipality	Local Municipality	District Municipality	Total
Eastern Cape	2	37	6	45
Free State	1	19	4	24
Gauteng	3	7	2	12
KwaZulu-Natal	1	50	10	61
Limpopo	0	25	5	30
Mpumalanga	0	18	3	21
North West	0	19	4	23
Northern Cape	0	27	5	32
Western Cape	1	24	5	30
Total	8	226	44	278

KwaZulu-Natal has the highest numbers of municipalities with 61, followed by Eastern Cape with 45 municipalities. While Gauteng had the lowest number of municipalities overall in 2013/14, three of the eight metropolitan councils fell within the province.

In October 2013, the Demarcation Board announced the re-determination of municipal boundaries that will see the total number of municipalities decrease from the present 278 to 267 in 2016. Table 3 reveals the changes that are set to take effect in 2016.

Table 3. Municipal redeterminations for 2016

Province	Metropolitan Municipality		Local Municipality		District Municipality		Total	
	2011	2016	2011	2016	2011	2016	2011	2016
Eastern Cape	2	2	37	37	6	6	45	45
Free State	1	1	19	19	4	4	24	24
Gauteng	3	4	7	3	2	1	12	8
KwaZulu-Natal	1	1	50	43	10	10	61	54
Limpopo	0	0	25	25	5	5	30	30
Mpumalanga	0	0	18	18	3	3	21	21
North West	0	0	19	19	4	4	23	23
Northern Cape	0	0	27	27	5	5	32	32
Western Cape	1	1	24	24	5	5	30	30
Total	8	9	226	215	44	43	278	267

Source: Demarcation Board¹⁹

While the redeterminations are only set to become effective in 2016, the LGSETA will need to ensure that its data management systems would have the capacity to accommodate the transition period that would begin earlier.

Some municipalities establish municipal entities to deliver services. Such entities are accountable to the municipality that established them, and in terms of the MFMA, municipalities are responsible for the governance, financial accountability and performance of the entities established by that municipality. Some of the municipal entities have been transferred to other SETAs and as such less than five entities submitted a WSP/ATR to the LGSETA in 2014.

¹⁹ Source: http://www.demarcation.org.za/uploads/Final%20redetermination%20media%20release_new.pdf

Table 4 presents a detailed levy income analysis by Province, municipality type and other entities allocated to the LGSETA.

Table 4. Detailed levy income by Province and Municipality type, 2013/14

Province	Metropolitan Municipality	Local Municipality	District Municipality	Municipal Entity	Other	TOTAL
Eastern Cape	20 705 106,92	13 155 619,29	7 470 404,27	73 263,18	1 105 174,21	42 509 567,88
Free State	6 662 224,82	11 186 583,20	1 276 882,03	0.00	85 729,16	19 211 419,21
Gauteng	92 173 253,76	11 907 872,95	1 458 600,00	6 437 573,59	6 733 274,25	118 710 574,54
KwaZulu-Natal	40 731 856,59	23 345 023,80	6 165 896,47	0.00	674 453,66	70 917 230,52
Limpopo	0.00	19 276 904,40	7 373 242,66	9 067,88	711 519,20	27 370 734,15
Mpumalanga	0.00	18 817 662,64	1 438 529,46	0.00	291 397,99	20 547 590,09
North West	0.00	12 731 611,23	3 381 136,89	0.00	420 220,00	16 532 968,13
Northern Cape	0.00	9 683 730,73	1 441 710,55	0.00	65 885,04	11 191 326,32
Western Cape	49 557 601,44	20 787 039,58	2 811 532,30	116 519,00	539 662,59	73 812 354,91
Total	R209 830 043,53	R140 892 047,82	R32 817 934,63	R6 636 423,65	R10 627 316,10	R400 803 765,74

Source: LGSETA

Overall, the total levy income for all categories (Metropolitan Municipality, Local Municipality, District Municipality, Municipal Entity and Other) was R400,8 million for 2013/14 – up from R377,3 million for the same categories in 2012/13.

The 12 municipalities and municipal entities in Gauteng continued to contribute the most in terms of skills development levies in 2013/14 at R111,9 million with the three metropolitans contributing the significant majority of the levies. While KwaZulu-Natal, with 61 municipalities contributed about R70,2 million, it was marginally lower than the Western Cape's R73,2 million levy contributions from the 30 Western Cape municipalities and the various entities. The Northern Cape Province, North West Province and Mpumalanga respectively had the lowest levy contributions in 2013/14.

As anticipated, collectively, the eight metropolitan municipalities contributed about R209,8 million (2012/2013: R199,6 million) of the total R400,8 million (2012/13: R377,5 million) levy income (including the 'other' levy category for 2013/14. A significant R11,5 million was contributed by entities in the 'Other' category – entities that implement or conduct local government related activities.

1.2.2 Employee profile

The total number of Workplace Skills Plans and Annual Training Reports submitted in 2014 was 278, which was a 100% submission rate. However, the percentage of compliant submissions was marginally lower at 94%. To estimate the number of employees in the sector, the LGSETA makes use of the WSP and ATR data as well as statistics provided by Statistics South Africa in their annual “Non-financial census of municipalities” as they have a 100% response rate. The number of employees in the sector as estimated in the Statistics South Africa’s publication was 241 715 in 2009/10 increasing to 277 024 in 2010/11 with the 2011/12 figures at 284 990, showing a year-on-year increase of about 10 000 employees in the sector.

Using the data from the 278 WSPs and ATRs submitted, the estimated number of employees in the sector in 2013/14 was 265 000²⁰, a drop from the estimated 295 000 employees in 2012/13. In terms of data collection, some improvements have been made to the data collection tool used by the LGSETA.

As part of improving the quality of data collected on the WSPs and ATRs submitted, the LGSETA reviewed and updated its data collection template. Features that were included for example were definitions of an employee, the description of each OFO occupation, validation rules to ensure greater completion of data fields among others. This has seen a significant improvement in the quality of data and a significant drop in the number of employees due to the clear definition provided. A further point for consideration is that the new submission date (i.e. 30 April) might have had an impact on numbers as previously, the submission date fell at the same time as the financial year-end for municipalities.

The trend of majority of the employees being employed in the elementary category across all municipality types with local municipalities employing the highest number continued. The second highest category of employment was in the clerical and administrative workers category with metropolitan municipalities having almost double the number of such employees compared to local municipalities.

The development of critical skills in the sector is supported by the LGSETA through a combined approach of bursaries and internships, with mentoring and administration provided by the relevant professional bodies active in the sector. In support of the strategy to professionalise local government, bursaries have been offered to municipal employees who wish to study part time, allowing for professional registration in scarce skill programmes.

Based on the WSP and ATR submissions, the qualification profile for approximately 205 000 employees was provided for 2013/14. Of that, approximately 16 000 employees had a qualification below the NQF Level 1 with about 23 500 employees with a qualification at the NQF Level 1 with about 105 000 with qualifications between NQF Level 2 and 4. Approximately 25 000 employees had NQF Level 5 qualifications with about 20 000 with NQF Level 6 qualifications with another about 13 000 employees with NQF Level 7 qualifications while about 3 000 employees had NQF Level 8 qualifications. The sector had about 850 employees with Master’s qualifications (NQF Level 8) and about 425 employees

²⁰ This figure might be revised in the next SSP update if additional information from Annual Reports of municipalities and entities and/or Statistics SA or National Treasury is available by the next submission

with NQF Level 10 qualifications (Doctorate/PhD). In 2013/14, about 8000 (2012/13: 6000) with marginally more females provided with structured work experience.

In 2013, the sector indicated that about R2,2 billion would be spent on training about 120 000 employees in 2013/14. The municipalities that reported the actual amount spent on training in 2013/14 (as at 30 April 2014) based on the WSP and ATR submission data in 2014 indicate that about R860 million was spent on about 78 000 learning interventions with about R225 million spent on unemployed individuals. About R500 million was further indicated as being training budgeted committed for the period 1 July 2013 – 30 April 2014 for employees.

About 3 800 legislators (Councillors and Traditional Leaders) were trained in the same period with about 6 400 Managers, 11 200 Professionals, and 6 900 technicians trained. The majority of employees trained as per the occupation category were Clerical and Administrative workers – about 19 650 followed by Sales and Service Workers at about 11 250 while about 10 600 Elementary workers were training beneficiaries between 1 July 2013 and 30 April 2014.

About 4 600 individuals completed AET training as at 30 April 2014 with about 3 300 being employees. Importantly, about 1 200 employees completed AET Level 4. In terms of reported training interventions completed for the period 1 July 2013 – 30 April 2014, about 470 employed learner artisans qualified, about 5 300 employees obtained bursaries with about 5 400 learnerships completed.

In the local government sector, the **Recognition of Prior Learning (RPL)** is focused on assisting current municipal employees who have the requisite skills and practical experience to meet the qualifications criteria introduced and required by regulations, which are aimed at improving the quality of service in municipalities. About 425 employees being accessed for RPL between 1 July 2013 and 30 April 2014. A significant number of received non-credit bearing short course interventions – about 37 000 were completed while about 28 000 skills programmes were completed for the same period.

1.2.3 Rural development and skills development

The rural areas of South Africa (excluding commercial farms) are generally under traditional leadership. Traditional leaders are therefore central to leading any rural development initiative and between 1 July 2013 and 30 April 2014, about 50 traditional leaders received training. Historically, the provision of skills development programmes are skewed towards urban areas. LGSETA provides incentives in the form of discretionary grants to rural municipalities to implement learnerships for unemployment citizens. The LGSETA discretionary grant focuses on the 108 rural and vulnerable municipalities as identified by DCOG during the LGTAS process, plus the 23 vulnerable districts as identified by Cabinet (SIPS 6 & 18) with particular respect to water and wastewater treatment operations through the provision of learnerships and skills programmes.

In addition, LGSETA has established an office / operating site in Mopani South FET College (situated within Ba-Phalaborwa Municipality - Limpopo) to facilitate key skills development programmes aimed at providing capacity for rural development initiatives and projects.

1.2.4 Support for TVET Colleges and Municipal Training Centres

In an effort to re-establish municipalities as training environments, the LGSETA has embarked on a process of accrediting municipal training centres to offer mainly technical training and this is encouraging partnerships between municipalities and TVET Colleges in fields of learning. The LGSETA accredited five Municipal Training Centres enabling them to offer fire and electrical training. Training Centres and decentralised Trade Test Centres were accredited by the SETA to ensure accessibility of Trade Testing for Municipal Officials.

The LGSETA worked with several TVET Colleges to address Local Economic Development training delivery and intends on collaborating with these tertiary institutions regarding programmes for artisans within and for the Local Government sector. To provide support to TVETs the SETA embarked on a process of developing learning materials for Environmental Practices to standardise the delivery of training programmes.

1.2.5 Partnering with public higher education institutions

The LGSETA collaborated with a number of higher education institutions on the direct delivery of high-level academic training required by the sector, predominantly in municipal finance and governance related training, engineering and urban planning. North West University; Stellenbosch, University of Fort Hare; Nelson Mandela Metropolitan University; and University of Pretoria are implementing municipal Finance Development Programme (Minimum Competency Training).

The SETA has had little interaction with public higher education institutions in the area of research in the past. In 2014, the SETA began to work with some research partners to support its research agenda and plan. Several research studies have been commissioned based on the SSP 2013 Update. The studies that have been commissioned are briefly explained below.

- **Tracer survey:** A small tracer survey focusing on about 500 beneficiaries was completed in 2013 and provided useful insights. A more comprehensive tracer survey is going to be completed in 2014/15 where it is anticipated that a significantly high sample will be traced to provide insights on the impact of LGSETA funded skills interventions. The tracer study is a powerful tool to measure the relevance of training courses and document the number of trainees finding employment in their trained occupations. In addition, the graduate tracer study will assist the LGSETA ascertain the relevance and effectiveness of its various skills development interventions over the years. Gathering and documenting feedback from LGSETA beneficiaries can help improve project planning, revise or reinforce interventions, demonstrate results and contribute towards improving public confidence in vocational training. It is anticipated that the information will provide information that will support other functions in the LGSETA such as career guidance, marketing, and monitoring and evaluation.

- **Mid-term Programme Evaluation:** A mid-term evaluation of LGSETA funded NSDS III programmes will be conducted given that it is too early to assess the impact of the funding to achieve the LGSETA skills development objectives. The aim of evaluating the objectives will be to assess the extent of implementation and attainment of each programmes objectives as originally intended. The implementation and process evaluation will be used to describe the implementation of each programme as intended by assessing how inputs/resources have been allocated, what work experience activities have taken place, which partners/work places have participated in the programmes as well as how beneficiaries have been reached through the activities.
- **Perceptions Index of Young People about a career in local government:** Development of a perceptions index of young people's perceptions of working in local government as a career of choice. The purpose of this research is to identify and examine career choice factors and public sector perceptions among the youth in South Africa. It is important to research the youth's career related attitudes so that the government has a clear understanding of what they bring to the workplace, what they expect from employers and how they are different from previous generations. Understanding of the youth's perceptions will assist local government in formulating its recruitment, development and retention strategies. However, of importance, the LGSETA will have a better sense of how to refine its current Career Advice System. The Perception Index will be developed from input from TVET Colleges learners completing an online survey.
- **Climate Change and Disaster Management in Local Government:** Research indicates a linkage between disaster risk reduction and climate change. However, there is limited evidence of this research in the context of South Africa. This is important as the Disaster Management Act (No. 57 of 2002) provides the legislative framework related to disaster management at the national government, provincial government, and local government contexts. Of importance is that the Act requires that each Metropolitan and District Municipality establish a disaster management centre that has several powers and duties. In terms of prevention and mitigation, the Act requires the disaster management centre to assess and prevent/reduce disaster risks, develop and implement appropriate disaster risk reduction methodologies as well as monitor, measure and evaluate disaster management plans that have been implemented. While the impact of climate change has not yet been fully assessed, it is broadly accepted that as part of a municipality's future outlook, it will need to ensure that it is climate resilient and able to manage disasters that might arise due to climate change. It is therefore important for the local government sector to begin/accelerate the upskilling or training of appropriate skills that it will need to ensure greater risk reduction and climate change. It is against this background that this project has been commissioned with the CSIR doing the research for the LGSETA.
- **Water and Wastewater Management in Local Government: Skills Needs and Development:** Local government is responsible for providing water and wastewater services for households. The latest census data indicates that of the 14 450 161 households in 2011, 73,4% households had access to piped water in a dwelling or yard, a significant improvement from 61,3% in 2001. In addition, South Africa's water is rated as one of the cleanest in the world.²¹ In recent times, a 'water crisis' appears to be looming with several challenges being identified as key contributory factors. Some of these include inadequate and/or aging infrastructure, high levels of pollution in rivers, skills shortages,

²¹ <http://thewaterproject.org/water-in-crisis-south-africa>

increased urbanisation among others.²² Despite this looming crisis, it does not appear that a comprehensive situational analysis and its impact on local government's responsibility to provide water and manage wastewater has been conducted. It is therefore important for the LGSETA to develop a deeper understanding of the situation if it is to better facilitate skills development for the sector. It is against this background that this research project has been commissioned and will be done by the Vaal University of Technology (VUT) working with a consortia of other institutions in its network as part of the LGSETA – VUT Memorandum of Agreement signed in June 2014.

- **Skills Labour Demand and Supply Model:** In terms of the *Skills Development Act*,²³ each SETA must develop a Sector Skills Plan (SSP) within the framework of the National Skills Development Strategy and within relevant sector specific strategies. The LGSETA has not been projecting future skills demand or supply in the sector as part of skills planning. In the 2013 SSP update, an introduction to a proposed skills needs projection model was presented. At the time, the purpose was to present the emerging thinking based on desktop research on skills demand and supply forecasting.²⁴ Furthermore it was proposed that the projection model be informed by quantitative analysis as well as qualitative analysis where labour experts, organised labour, academic institutions form part of a panel that would provide additional information to inform the proposed projections. In addition, the projection should also be informed by other statistical data. A suitable research partner will be finalised and they will be tasked with developing the model.

²² Dianne Hawker. 24 June 2014. "Water crisis looms - municipal benchmarking kicks in" <http://www.enca.com/municipal-benchmarking-avoid-looming-water-crisis>

²³ Act 97 of 1998

²⁴ See National Development Plan 2030; National Skills Accord; Green Accord; New Growth Path; Ian Watson, 2011. Modelling of future skills demand: The implications for skills planning in NSW; Cedefop, 2011. Future skills supply and demand in Europe

1.3 Organisational environment

Changes in any of the factors briefly explained in 1.1 and 1.2 might present specific challenges and/or opportunities that the LGSETA must have the capacity and capability to respond to. This is particularly important given identified uncertainties such as policy/legislative changes as well as stakeholder/beneficiary skills development needs and expectations in an increasing resource constrained environment.

1.3.1 LGSETA Governance

On the 20 March 2013 the Director-General: Department of Higher Education and Training published Government Gazette No. 215 (Government Notice No.36276) in accordance with section 15(2) of the Skills Development Act in terms of which the LGSETA was placed under administration, as directed by the Minister of Higher Education and Training, in terms of section 15(1) of the Act, following serious governance and management failures. It is expected that the turnaround strategy of will among other issues, facilitate the process of repositioning the organisation to make it more relevant and responsive to the needs of the local government sector. The Administration period was extended for a further 12 months to March 2015.

1.3.2 Institutional capacity

In addition to a national office, the LGSETA has the following provincial offices tasked with implementing the programmes of the LGSETA: Western Cape (Cape Town), Eastern Cape (East London), Northern Cape and Free State (Bloemfontein), Gauteng and North West (Johannesburg), Limpopo and Mpumalanga (Pretoria), and KwaZulu-Natal (Durban). To further support greater delivery on the mandate, the LGSETA has established the Mopani FET College LGSETA Office as part of increasing the SETA's visibility and footprint in the rural area.

While the LGSETA continues to face capacity constraints, some strides have been made. The organisation has adopted a new organisation structure to enable the LGSETA to better function and meet the core needs of the organisation. In addition, some senior and executive positions have been filled including as well a performance management system implemented. In addition, the establishment of the LGSETA Working Group and the LGSETA Panel of Experts to provide strategic support to the work of the Administrator as well as to review key documents such as the Sector Skills Plan and the Turnaround and Repositioning Plan of the organisation has provided some additional strategic planning capacity. In addition, it is anticipated that the establishment of the Project Management Unit will strengthen the SETA's capacity to deliver on programmes outlined in this document.

In the previous update, it was highlighted that there was an absence of a coherent communication strategy that had contributed to poor stakeholder relationship management as well as visibility of the LGSETA. Furthermore, it was highlighted that there was a lack of consistent, coherent and timely communication not only to inform stakeholders of the LGSETA's programmes but will be critical to rebuild the organisation's reputation in the SETA environment. To this end, Stakeholder Roadshows in seven Provinces to obtain stakeholder related issues that the Administration would need

to respond to as part of the turnaround and repositioning of the LGSETA took place to which the LGSETA has begun addressing.

The previous update also highlighted that The LGSETA's IT environment was characterised by the limited ability of the organisation to optimally function at the level that is required given the on-going technological changes. As part of reviewing the IT environment a comprehensive business process mapping exercise took place that led to all of the LGSETA's main processes being reviewed. This review has begun to inform some of the changes to the processes and systems of the LGSETA.

The repositioning the LGSETA aims to make it a SETA of operational and people excellence, characterised by the ability to attract top talent and retain key personnel and as a SETA that embraces modern people management practices and rewards performance a review will be conducted. The key focus areas are on organisational re-design and job analysis, learning and development – creating organisational capacity, recruitment and selection, performance management policy and procedure review and development, leadership development and change management, employee wellness as well as rewards and recognition.

The stakeholders of the LGSETA (see Table 5) can influence or be influenced by the outcomes that the LGSETA sets to achieve by 2016.

Table 5 LGSETA stakeholders

CATEGORY	STAKEHOLDER
BOARD	SALGA, COGTA, IMATU, SAMWU, Independent Members
STAFF	LGSETA Staff, Union
DIRECT	Municipalities and Municipal Entities DHET, Professional Bodies, SALGA, Unemployed Youth, Learners, SAQA, Other SETAs, DHET, Relevant Government Departments, ETD Providers, ETD Practitioners, SA Cities Network, SDFs, Municipal Training Centres, QCTO, National and Provincial Houses of Traditional Leaders, National Treasury, DRMC, MISA, SDF, DBSA, Ward Committees, Traditional Councils, Private Sectors, NGOs
SERVICE PROVIDERS	Training providers, TVETs, Higher Education Institutes, Mentors, Municipal Training Centres, Researchers, Assessors, Moderators, Verifiers, Evaluator, Coaches, Provincial Academies
OTHER	Private Sector, ETD Providers, Government Departments and Agencies, DBSA, IMFO, SAICA, Universities, ESCA, Portfolio Committees (Local Government, Higher Education and Training), Public Service Academy, NSA, Provincial Skills Development Forums (PSDFs), SALGBC (Bargaining Council), NEHAWU, Research Institutions, South African Council for Property Evaluation Program, HRDC, PSSC.

Despite the challenges facing the organisation, the stage is set for the LGSETA to reclaim its position as an important facilitator of skills development in the local government sector. The LGSETA has, as a key strategic outcome, the development of a skilled and capable workforce supporting a responsive, accountable, efficient and effective local government system.

To this end, the LGSETA has identified four pillars of excellence that will guide its transformation, overcome current challenges as well as exploit skills development opportunities that exist. These pillars of excellence are operational, people, innovation and governance excellence.

In terms of *operational excellence*, the LGSETA will strive to become an efficient and effective organisation that is stakeholder-centric by establishing and implementing processes and systems that facilitate greater access, impact quality stakeholder experiences. The people in the LGSETA are critical to the emergence of a new LGSETA. In terms of people excellence, the LGSETA will empower its employees to embrace a culture of continuous improvement, high performance and engagement, service and accountability.

Innovation excellence revolves around LGSETA becoming a responsive organisation that seeks to continually identify and facilitate skills development opportunities and interventions that address the diversity of the local government sector. The lack of sound, stable governance was a major factor in placing the SETA under administration. Moving forward to become a centre of excellence, the *governance excellence pillar* will focus on strengthening governance structures to ensure strategic intent alignment that facilitates sustainable access to skills development interventions for the sector.

2. Revisions to legislative and other mandates

There were no revisions to legislative and other mandates in 2014.

3. Overview of 2015/16 budget and MTEF estimates

3.1 Expenditure estimates

	2011/12	2012/13	2013/14	2014/15	2015/16		2016/17		2017/18
Revenue	Audited Outcome	Audited Outcome	Audited Outcome	Revised Approved budget Estimate	Original Budget Estimate	Approved Budget Estimate	Original Budget Estimate	Restated Budget Estimate	Budget Estimate
R Thousand									
Revenue									
Tax revenue	-	-	-	-	-	-	-	-	-
Entity revenue	24 017	24 201	29 797	23 430	24 742	-	26 103	-	27 408
Sale of goods and services other than capital assets	-	-	-	-	-	-	-	-	-
Of which:									
Administration fees	-	-	-	-	-	-	-	-	-
Please specify	-	-	-	-	-	-	-	-	-
Please specify	-	-	-	-	-	-	-	-	-
Please specify	-	-	-	-	-	-	-	-	-
Sales by market establishments	-	-	-	-	-	-	-	-	-
Please specify	-	-	-	-	-	-	-	-	-
Please specify	-	-	-	-	-	-	-	-	-
Please specify	-	-	-	-	-	-	-	-	-
Other sales	-	-	-	-	-	-	-	-	-
Of which:									
User charges	-	-	-	-	-	-	-	-	-
Sales other than user charges	-	-	-	-	-	-	-	-	-
Entity revenue other than sales	24 017	24 201	29 797	23 430	24 742	-	26 103	-	27 408
Fines penalties and forfeits	4 522	5 318	7 549	-	-	-	-	-	-
Gains from	-	-	-	-	-	-	-	-	-
Sale of fixed assets	-	-	-	-	-	-	-	-	-
Adjustments to fair value of assets	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	19 495	18 883	22 187	23 430	24 742	-	26 103	-	27 408
Interest	19 495	18 883	22 187	23 430	24 742	-	26 103	-	27 408

	2011/12	2012/13	2013/14	2014/15	2015/16		2016/17		2017/18
Revenue	Audited Outcome	Audited Outcome	Audited Outcome	Revised Approved budget Estimate	Original Budget Estimate	Approved Budget Estimate	Original Budget Estimate	Restated Budget Estimate	Budget Estimate
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Unclassified revenue	-	-	61	-	-	-	-	-	-
Realisation of deferred income (other than transfers)	-	-	-	-	-	-	-	-	-
Income from Sale of Tender Documents	-	-	52	-	-	-	-	-	-
Income from Insurance Proceeds	-	-	9	-	-	-	-	-	-
Transfers received	355 210	385 008	417 467	441 216	482 251	-	529 853	-	556 346
Social contributions received (social security funds only)	-	-	-	-	-	-	-	-	-
Other government units	-	-	-	-	-	-	-	-	-
National government	-	-	-	-	-	-	-	-	-
Executive Authority (Type in Department name e.g. Home Affairs)	-	-	-	-	-	-	-	-	-
Realisation of deferred transfers	-	-	-	-	-	-	-	-	-
Other government units	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Provincial governments	-	-	-	-	-	-	-	-	-
Local governments	-	-	-	-	-	-	-	-	-
Skills development (SETAS only)	355 210	385 008	417 467	441 216	482 251	-	529 853	-	556 346
Skills development levies	355 210	385 008	417 467	441 216	482 251	-	529 853	-	556 346
Admin - 10.5%	45 218	52 287	50 239	57 910	63 295	-	69 543	-	73 020
Employer grant fund levy - 20%	221 899	239 688	128 526	110 304	120 563	-	132 463	-	139 086
Discretionary grants - 49.5%	88 093	93 033	238 702	273 002	298 393	-	327 847	-	344 239
National skills fund	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Local non-government donors	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
International donor organisations	-	-	-	-	-	-	-	-	-
Tax benefit	-	-	-	-	-	-	-	-	-
Outside shareholders interest	-	-	-	-	-	-	-	-	-
Total revenue	379 227	409 209	447 264	464 646	506 993	-	555 956	-	583 754

3.2 Relating Expenditure Trends to Strategic Outcome Oriented Goals

The new grant regulations will also see a reduction in mandatory grants. However, it is expected that the levy contributions will continue to increase in the medium-term. The following sections outline the expenditure trends for the four programmes that contribute to the achievement of the strategic outcome-oriented goals.

Administration

Audited Outcome	Audited Outcome	Audited Outcome	Approved budget	Budget Estimate	Budget Estimate	Budget Estimate
2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	201/18
R'000	R'000	R'000	R'000	R'000	R'000	R'000
39 409	40 179	71 613	65 168	63 295	69 543	73 020

Administration expenditure in the financial years 2011 - 2013 remained within the regulated 10% as per SETA regulations. A number of interventions to change strategies, business processes and the entire organisational culture are currently being implemented within the LGSETA and thus, such change required an increased administration funding in order to re-establish the LGSETA administrative processes. The expenditure for the administration programme is projected to stay at the maximum of the regulated level as new personnel and systems are employed in the organisation. The medium term projections show an increase from R65,1 million in 2014/15 to R73,0 million in the last year of the MTEF.

Sector Skills Planning

Audited Outcome	Audited Outcome	Audited Outcome	Approved budget	Budget Estimate	Budget Estimate	Budget Estimate
2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	201/18
R'000	R'000	R'000	R'000	R'000	R'000	R'000
49 206	19 856	6 993	4 000	8 000	8 500	9 000

Skills Sector Planning expenditure in the financial years 2011 - 2013 reported erratic expenditure trends where expenditure significantly increased in the financial year 2011/2012 and decreasing in the 2012/2013 financial year at a 60% decline. This was mainly due to an increase in projects within 2011/2012 and non-performance in projects within the 2012/2013 financial year. The significant decrease in expenditure from 2014/15 is due to consolidating all learning programmes expenditure within the Learning Programmes budget not as in 2013/14 where some learning programmes were implemented by the Sector Skills Planning Unit. Going forward, the LGSETA plans to refine its strategies, alignment to the NSDS III and government strategies for enhanced delivery of a skilled and capable workforce supporting a responsive, accountable, efficient and effective local government sector. The SSP Unit will be conducting more research and will also be working on the development of a sectors labour supply and demand model with a major research institute.

Learning Programmes

Audited Outcome	Audited Outcome	Audited Outcome	Approved budget	Budget Estimate	Budget Estimate	Budget Estimate
2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	201/18
R'000	R'000	R'000	R'000	R'000	R'000	R'000
65 546	41 395	73 031	259 982	295 135	323 450	337 647

Learning Programme reported a steady expenditure trend in the financial years 2010/2011 and 2011/2012 respectively; and reported a significant decrease in expenditure in the financial year 2012/2013 at a 37% decline. The LGSETA has since revised its strategy and is committed to significant development of the sector. Part of the large increase in the expenditure for the programme from 2013/14 into the medium term reflects the SETA's support to the NSDS III objectives.

ETQA

Audited Outcome	Audited Outcome	Audited Outcome	Approved budget	Budget Estimate	Budget Estimate	Budget Estimate
2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	201/18
R'000	R'000	R'000	R'000	R'000	R'000	R'000
11 476	5 470	150	32 450	20 000	22 000	25 000

Although ETQA is an integral part of the LGSETA's development strategy, it has recorded modest expenditure in the past. Expenditure is expected to increase significantly as the LGSETA develops the capacity to align its processes and systems to meet QCTO requirements, continues to develop QCTO-aligned qualifications, support RPL in the sector among other initiatives.

3.4 Trends in the supply of key inputs

The LGSETA had a total levy income of about R400,8 million in 2013/14. Increases in levy income to the LGSETA reflect annual salary increases for personnel, rather than significant increases in employment. High vacancy rates in the sector, and under-expenditure on salary budgets impacts on the LGSETA's levy income.

Municipality type	2009/10	2010/11	2011/12	2012/13	2013/2014
Metropolitan	135 357 168,73	176 516 880,34	175 508 991,03	199 650 381,26	209 830 043,53
Local	94 998 843,26	113 665 581,83	116 847 523,15	131 725 549,02	140 892 047,82
District	19 345 991,20	24 207 661,66	24 908 483,82	29 266 969,16	32 817 934,63
Municipal entity	2 762 820,32	4 006 898,74	3 635 681,31	5 167 562,49	6 636 423,65
Other	8 149 220,17	9 039 384,13	8 786 047,25	11 631 665,98	10 627 316,11
Total	R260 614 043,68	R327 436 406,70	R329 686 726,57	R377 442 127,92	R400 803 765,74

The levy income trend shows steady increases in levy income over the five years. Furthermore, the significant portion of the levy income comes from the eight metropolitan municipalities. There has been a steady increase in levy income from municipal entities over the five years with the exception of 2011/12, where the levy income declined but increased again in 2012/13 and 2013/14.

The estimated levy amounts are reflected below:

Allocation	2014/15 estimate R'000	2015/16 estimate R'000	2016/17 estimate R'000	2017/18 estimate R'000
SETA admin	57 910	60 130	66 066	69 369
QCTO admin 0.5%	2 826	3 165	3 477	3 651
Mandatory Grant	110 304	120 563	132 463	139 086
Discretionary Grant	279 821	298 393	327 847	344 239
SDL Total	R452 236	R482 251	R529 853	R556 346

LGSETA anticipates levy income of R452 million in 2014/15 with the amount set to continue increasing largely due to increase in salaries rather than increase in number of people employed in the sector.

3.5 Trends in numbers of key staff

The new organisational structure adopted in 2013 is more aligned towards the mandate and strategy of the organisation. Significant implications – Headcount increase from currently 70 to approximately 100 (maximum capacity). There will be a significant increase in the salary bill from current the R1.8 million per month to over R4 million per month. However, a phased approach will be implemented with most urgent and critical positions filled.

Strategic objective	Audited/Actual Performance				Estimated Performance	Medium-term targets		
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
1.2 To develop and submit strategic plan and annual performance plan for approval to DHET within regulated time frames.	Approved strategic plan and annual performance plan	Approved strategic plan and annual performance plan	Approved strategic plan and annual performance plan	Approved strategic plan and annual performance plan	Approved strategic plan and annual performance plan	Approved strategic plan and annual performance plan	Approved strategic plan and annual performance plan	
1.3 To continuously improve stakeholder satisfaction with the LGSETA.	-	-	-	60% stakeholder satisfaction rating	65% stakeholder satisfaction rating	70% stakeholder satisfaction rating	75% stakeholder satisfaction rating	
1.4 To implement business processes consistently throughout the LGSETA to support compliance and better service delivery.	-	-	-	100% compliance to organisational operational procedures and standards	100% compliance to organisational operational procedures and standards	100% compliance to organisational operational procedures and standards	100% compliance to organisational operational procedures and standards	

Strategic objective	Audited/Actual Performance				Estimated Performance	Medium-term targets		
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
						Compliance to the human resources and performance management strategy	Compliance to the human resources and performance management strategy	Compliance to the human resources and performance management strategy
1.5 To develop, implement and comply with a comprehensive set of human resource management and development strategies and systems to meet the needs of the LGSETA.	-	-	Compliance to the human resources and performance management strategy	Compliance to the human resources and performance management strategy	Compliance to the human resources and performance management strategy	Compliance to the human resources and performance management strategy	Compliance to the human resources and performance management strategy	
1.6 To improve employee satisfaction with LGSETA as an employer.	-	-	-	70% employee satisfaction rating	80% employee satisfaction rating	85% employee satisfaction rating	90% employee satisfaction rating	
1.7 To improve information systems to optimise planning, implementation, monitoring and reporting across the LGSETA.	-	-	Integrated management information systems	Integrated management information systems	Integrated management information systems	Integrated management information systems	Integrated management information systems	

Strategic objective	Audited/Actual Performance				Estimated Performance	Medium-term targets		
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
	1.8	-	-	-		-	100% compliance to project management procedures and standards	100% compliance to project management procedures and standards
1.9	-	-	5725 career guides distributed	18000 career guides distributed	20000 career guides distributed	22000 career guides distributed	24000 career guides distributed	
1.10	Disclaimer Audit Opinion	Qualified Audit Opinion	Qualified Audit Opinion	Unqualified Audit Opinion	10 career guidance events	12 career guidance events	15 career guidance events	
					Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	

4.1.2 Programme 1 Performance indicators and annual targets for 2015/16

Performance Indicator	Audited/Actual Performance			Estimated Performance	Medium-term targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
1.1 Compliance to statutory requirements and reporting	Compliance with statutory reporting	Non-compliance with statutory reporting	Compliance with statutory reporting	Compliance with statutory reporting	Compliance with statutory reporting	Compliance with statutory reporting	Compliance with statutory reporting
1.2 Approved strategic plan and annual performance plan	Approved strategic plan and annual performance plan	Approved strategic plan and annual performance plan	Approved strategic plan and annual performance plan	Approved strategic plan and annual performance plan	Approved strategic plan and annual performance plan	Approved strategic plan and annual performance plan	Approved strategic plan and annual performance plan
1.3 Level of stakeholder satisfaction with the LGSETA	-	-	No survey	60%	70%	75%	
1.4 Percentage compliant with organisational operational procedures and standards	-	-	-	100%	100%	100%	
1.5 Percentage of compliance with human resources procedures and standards	-	-	100%	100%	100%	100%	
1.6 Employee Satisfaction Index	-	-	-	70%	80%	85%	90%
1.7 Performance Information Rating	-	-	-	90%	100%	100%	100%

Performance Indicator	Audited/Actual Performance				Estimated Performance	Medium-term targets		
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
	1.8	-	-	-		-	100%	100%
1.9	-	-	5725	18000	20000	22000	24000	
1.10	-	-	-	-	10 career guidance events	12 career guidance events	15 career guidance events	
	Disclaimer Audit Opinion	Qualified Audit Opinion	Qualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	

4.1.3 Programme 1 quarterly targets for 2015/16

Performance indicator		Reporting period	Annual target 2015/16	Quarterly Targets			
				1st	2nd	3rd	4th
1.1	Compliance to statutory requirements and reporting	Annually	100%	100%	100%	100%	100%
1.2	Approved strategic plan and annual performance plan	Annually	Approved strategic plan and annual performance plan by the DHET				Approved Strategic Plan and Annual Performance Plan
1.3	Level of stakeholder satisfaction with the LGSETA	Annually	65%	-	-	-	Stakeholder Survey
1.4	Percentage compliant with organisational operational procedures and standards	Annually	100%	100%	100%	100%	100%
1.5	Percentage compliant with human resources procedures and standards	Annually	100%	100%	100%	100%	100%
1.6	Employee Satisfaction Index	Annually	80%	-	80%	-	-
1.7	Performance Information Rating	Annually	100%	100%	100%	100%	100%
1.8	Percentage compliant with project management procedures and standards	Annually	100%	100%	100%	100%	100%

Performance indicator		Reporting period	Annual target	Quarterly Targets			
				1st	2nd	3rd	4th
1.9	Number of career guides distributed to new labour market entrants and learners	Annually	20000	5000	5000	5000	5000
	Number of career guidance events per annum	Annually	10 career guidance events	5 career guidance events	3 career guidance events	3 career guidance events	2 career guidance events
1.10	Unqualified Audit Opinion	Annually	Unqualified Audit Opinion	100%	100%	100%	100%

Strategic objective	Audited/Actual Performance				Estimated Performance	Medium-term targets		
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
2.5	-	-	0 provincial HRDC training workshops	9 provincial HRDC training workshops	9 provincial HRDC training workshops	9 provincial HRDC training workshops	9 provincial HRDC training workshops	
2.6	-	-	0 local labour forum training workshops	278 local labour forum training workshops	278 local labour forum training workshops	267 local labour forum training workshops	267 local labour forum training workshops	
2.7			32 skills development facilitators forums	36 skills development facilitators forums	36 skills development facilitators forums	36 skills development facilitators forums	36 skills development facilitators forums	
2.8	-	60 monitoring and evaluation visits	121 monitoring and evaluation visits	556 monitoring and evaluation visits	556 monitoring and evaluation visits	534 monitoring and evaluation visits	534 monitoring and evaluation visits	

4.2.2 Programme 2 Performance indicators and annual targets for 2015/16

Performance Indicator	Audited/Actual Performance				Estimated Performance	Medium-term targets			
						2014/15	2015/16	2016/17	2017/18
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18	
2.1 Percentage of compliant workplace skills plans and annual training reports submitted per annum	97.8%	95.7%	96%	100%	100%	100%	100%		
2.2 Number of completed sectoral research studies per annum	1	2	4	8	12	12	12		
2.3 Approved annual Sector Skills Plan update	Approved SSP update	Approved SSP update	Approved SSP update	Approved SSP update	Approved SSP update	Approved SSP update	Approved SSP update		
2.4 Annual scarce and critical skills guide developed	1	1	1	1	1	1	1		
2.5 Annual training for human resource development council per Province	-	-	0	9	9	9	9		

Performance Indicator	Audited/Actual Performance			Estimated Performance	Medium-term targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
26 Annual local labour forum training per municipality	-		0	278	278	267	267
27 Number of skills development facilitators forums per Province per annum (1 forum/ province/quarter)			32	36	36	36	36
28 Number of monitoring and evaluation visits per municipality per annum (2/municipality/ annum)	-	60	121	556	556	534	534

4.2.3 Programme 2 quarterly targets for 2015/16

Performance indicator	Reporting period	Annual target 2015/16	Quarterly Targets			
			1st	2nd	3rd	4th
2.1 Number of compliant workplace skills plans and annual training reports submitted per annum	Annually	100%	100%	-	-	-
2.2 Number of completed sectoral research studies per annum	Quarterly	12	3	3	3	3
2.3 Approved annual Sector Skills Plan update	Annually	Approved SSP update	-	-	-	Approved SSP update
2.4 Annual scarce and critical skills guide developed	Annually	1	-	-	1	-
2.5 Annual training for human resource development council per Province	Annually	9	-	-	9	-
2.6 Annual local labour forum training per municipality	Annually	278	-	-	139	139
2.7 Number of skills development facilitators forums per Province per annum	Annually	36	9	9	9	9
2.8 Number of monitoring and evaluation visits per municipality per annum	Annually	556	-	278	-	278

4.3 Programme 3: Learning Programmes

Purpose: To improve the skilled workforce available in, to and through the local government sector through facilitating the provision of quality training

4.3.1 Strategic objective annual targets for 2015/16

Strategic objective	Audited/Actual Performance				Estimated Performance	Medium-term targets		
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
3.1 To continuously improve the skills of employees to support municipality performance through skills programmes.	160	6165	360	5000 employees	5500 employees	6000 employees	6500 employees	
3.2 To facilitate access to skills programmes and increase work readiness of unemployed individuals.	288	1463	553	3500 unemployed individuals	4000 unemployed individuals	4500 unemployed individuals	5000 unemployed individuals	
3.3 To facilitate access to occupationally-directed skills development learnerships programmes for employees	851	1302	530	3500 employees	4000 employees	4500 employees	5000 employees	
3.4 To increase the skills supply pipeline for the local government sector for unemployed individuals through learnerships.	224	72	384	3000 unemployed individuals	3300 unemployed individuals	3500 unemployed individuals	3800 unemployed individuals	

Strategic objective	Audited/Actual Performance				Estimated Performance	Medium-term targets		
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
	3.5	-	-	-		-	300 candidate professionals	300 candidate professionals
3.6	-	-	-	-	15 TVET lecturers on lecturer development programme	20 TVET lecturers on lecturer development programme	25 TVET lecturers on lecturer development programme	
3.7	-	-	0	375 AET Level 1 learners	300 AET Level 1 learners	500 AET Level 1 learners	750 AET Level 1 learners	
	-	-	0	375 AET Level 2 learners	400 AET Level 2 learners	600 AET Level 2 learners	800 AET Level 2 learners	
	-	-	0	375 AET Level 3 learners	500 AET Level 3 learners	700 AET Level 3 learners	900 AET Level 3 learners	
	-	-	0	375 AET Level 4 learners	700 AET Level 4 learners	800 AET Level 4 learners	1000 AET Level 4 learners	

Strategic objective	Audited/Actual Performance				Estimated Performance	Medium-term targets		
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
	3.8	-	-	0		375 AET Level 1 learners	500 AET Level 1 learners	750 AET Level 1 learners
	-	-	0	375 AET Level 2 learners	500 AET Level 2 learners	750 AET Level 2 learners	900 AET Level 2 learners	
	-	-	0	375 AET Level 3 learners	500 AET Level 3 learners	750 AET Level 3 learners	900 AET Level 3 learners	
	-	-	0	375 AET Level 4 learners	500 AET Level 4 learners	750 AET Level 4 learners	900 AET Level 4 learners	
3.9	-	-	-	3 e-AET programmes	5 e-AET programmes	5 e-AET programmes	5 e-AET programmes	
3.10	67	264	39	400 employed learner artisans	300 employed learner artisans	400 employed learner artisans	500 employed learner artisans	
	202	203	88	400 unemployed learner artisans	600 unemployed learner artisans	700 unemployed learner artisans	800 unemployed learner artisans	
	-	-	-	200 artisan aides	250 artisan aides	300 artisan aides	350 artisan aides	
3.11	1	6	0	100 employee bursaries	150 employee bursaries	200 employee bursaries	250 employee bursaries	
	0	0	488	300 unemployed individuals bursaries	350 unemployed individuals bursaries	400 unemployed individuals bursaries	450 unemployed individuals bursaries	
				individuals bursaries	individuals bursaries	individuals bursaries	individuals bursaries	

Strategic objective	Audited/Actual Performance				Estimated Performance	Medium-term targets		
	2013/14		2014/15			2015/16	2016/17	2017/18
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
3.12 To facilitate further professional development of skills development facilitators in municipalities.	-	-	-	100 SDFs - OD-ETDP certificate	100 SDFs - OD-ETDP certificate	100 SDFs - OD-ETDP certificate	50 SDFs - OD-ETDP certificate	40 SDFs - OD-ETDP certificate
	-	-	-	75 SDFs - OD-ETDP higher certificate	75 SDFs - OD-ETDP higher certificate	75 SDFs - OD-ETDP higher certificate	90 SDFs - OD-ETDP higher certificate	100 SDFs - OD-ETDP higher certificate
	-	-	-	20 SDFs - OD-ETDP diploma	20 SDFs - OD-ETDP diploma	20 SDFs - OD-ETDP diploma	50 SDFs - OD-ETDP diploma	70 SDFs - OD-ETDP diploma
	-	-	-	5 SDFs - OD-ETDP degree	5 SDFs - OD-ETDP degree	5 SDFs - OD-ETDP degree	10 SDFs - OD-ETDP degree	15 SDFs - OD-ETDP degree
3.13 To grow the local government sector as a training space and improve access for new labour market entrants through workplace experience.	0	27	0	250 internships	250 internships	400 internships	500 internships	600 internships
	-	-	1292	3000 WIL (TVET)	3000 WIL (TVET)	3600 WIL (TVET)	4000 WIL (TVET)	4500 WIL (TVET)
	-	-	0	600 WIL (HEI)	600 WIL (HEI)	700 WIL (HEI)	800 WIL (HEI)	900 WIL (HEI)
3.14 To continuously encourage and support cooperatives, small enterprises, worker initiated NGO and community training initiatives	439	0	22	20 cooperatives	20 cooperatives	25 cooperatives	30 cooperatives	35 cooperatives
	0	0	0	10 NGOs	10 NGOs	15 NGOs	20 NGOs	25 NGOs
	0	0	0	10 CBOs	10 CBOs	15 CBOs	20 CBOs	25 CBOs
	0	0	0	10 SMMEs	10 SMMEs	15 SMMEs	20 SMMEs	25 SMMEs
	0	0	27	5 NLPEs	5 NLPEs	10 NLPEs	15 NLPEs	10 NLPEs
		2 Trade Unions	2 Trade Unions	2 Trade Unions	2 Trade Unions	2 Trade Unions	2 Trade Unions	2 Trade Unions

Strategic objective	Audited/Actual Performance				Estimated Performance	Medium-term targets		
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
	3.15	0	0	0		2000 Councillors trained 500 Traditional Leaders trained	2000 Councillors trained 500 Traditional Leaders trained	3000 Councillors trained 600 Traditional Leaders trained

4.3.2 Programme 3 Performance indicators and annual targets for 2015/16

Performance Indicator	Audited/Actual Performance				Estimated Performance	Medium-term targets		
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
3.1	Number of employees registered for skills programmes per annum							
	4703	1110	805	5000	5500	6000	6500	
3.2	Number of registered employees completing skills programmes per annum							
	160	6165	360	3000	4000	4500	5000	
3.2	Number of unemployed individuals registered for skills programmes per annum							
	46	1118	553	3500	4000	4500	5000	
3.3	Number of registered unemployed individuals completing skills programmes per annum							
	288	81	0	1800	3000	3500	4000	
3.3	Number of employees registered for learnerships per annum							
	1866	1119	1031	3500	4000	4500	5000	
3.4	Number of registered employees completing learnerships per annum							
	851	1302	530	1200	2000	2500	3000	
3.4	Number of unemployed individuals registered for learnerships per annum							
	943	364	1888	3000	3300	3500	3800	
3.5	Number of registered unemployed individuals completing learnerships per annum							
	224	72	384	1800	2200	2800	3000	
3.5	Number of individuals registered for the candidacy programme per annum							
	-	-	-	-	300	300	300	
3.5	Number of registered individuals completing candidacy programme per annum							
	-	-	-	-	-	-	200	
3.6	Number of TVET College lecturers registered on the development programme per annum							
	-	-	-	-	15	20	25	
3.6	Number of registered TVET College lecturers completing the development programme per annum							
	-	-	-	-	12	18	20	

Performance Indicator		Audited/Actual Performance			Estimated Performance	Medium-term targets		
		2011/12	2012/13	2013/14		2014/15	2015/16	2016/17
3.7	Number of employees enrolled in AET level 1 per annum	-	-	0	375	300	500	750
	Number of enrolled employees completing AET level 1 per annum	-	-	0	75	150	300	400
	Number of employees enrolled in AET level 2 per annum	-	-	0	375	400	600	800
	Number of enrolled employees completing AET level 2 per annum	-	-	0	100	200	400	500
	Number of employees enrolled in AET level 3 per annum	-	-	0	375	500	700	900
	Number of enrolled employees completing AET level 3 per annum	-	-	0	125	250	500	700
	Number of employees enrolled in AET level 4 per annum	-	-	0	375	700	800	1000
	Number of enrolled employees completing AET level 4 per annum	-	-	0	200	350	600	800
3.8	Number of unemployed individuals enrolled in AET level 1 per annum	-	-	0	375	500	750	900
	Number of enrolled unemployed learners individuals completing AET level 1 per annum	-	-	0	75	400	600	800
	Number of unemployed individuals enrolled in AET level 2 per annum	-	-	0	375	500	750	900
	Number of enrolled unemployed learners individuals completing AET level 2 per annum	-	-	0	100	400	600	800
	Number of unemployed individuals enrolled in AET level 3 per annum	-	-	0	375	500	750	900
	Number of enrolled unemployed learners individuals completing AET level 3 per annum	-	-	0	125	400	600	800
	Number of unemployed individuals enrolled in AET level 4 per annum	-	-	0	375	500	750	900
	Number of enrolled unemployed learners individuals completing AET level 4 per annum	-	-	0	200	400	600	800
3.9	Number of e-AET programmes developed per annum	-	-	0	3	5	5	5

Performance Indicator	Audited/Actual Performance			Estimated Performance	Medium-term targets			
	2013/14		2014/15		2015/16		2016/17	2017/18
	2011/12	2012/13			2013/14	2015/16		
3.10	171	112	125	400	300	400	500	
	65	61	39	160	150	250	300	
	381	188	404	400	600	700	800	
	202	203	88	160	300	400	600	
	-	-	-	200	250	300	350	
	-	-	-	100	150	200	275	
3.11	181	321	132	100	150	200	250	
	176	127	436	300	350	400	450	

Performance Indicator	Audited/Actual Performance				Estimated Performance	Medium-term targets			
	2012/13		2013/14			2014/15	2015/16	2016/17	2017/18
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18	
3.12	-	-	-	100	100	50	40		
Number of SDFs registered for the OD-ETDP certificate qualification per annum	-	-	-	60	80	40	30		
Number of registered SDFs completing the OD-ETDP certificate qualification per annum	-	-	-	75	75	90	100		
Number of registered SDFs completing the OD-ETDP higher certificate qualification per annum	-	-	-	30	50	75	80		
Number of SDFs registered for the OD-ETDP diploma qualification per annum	-	-	-	20	20	50	70		
Number of registered SDFs completing the OD-ETDP diploma qualification per annum	-	-	-	10	10	40	50		
Number of SDFs registered for the OD-ETDP degree qualification per annum	-	-	-	5	5	10	15		
Number of registered SDFs completing the OD-ETDP degree qualification per annum	-	-	-	0	0	0	3		

Performance Indicator		Audited/Actual Performance				Estimated Performance	Medium-term targets		
		2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
3:13	Number of unemployed graduates placed for internships per annum	86	344	121	250	400	500	600	
	Number of placed graduates completing internships per annum	-	-	-	-	-	-	200	
	Number of TVET graduates placed for work integrated learning per annum	-	-	1292	3000	3600	4000	4500	
	Number of placed TVET graduates completing work integrated learning per annum	-	-	-	-	-	-	2000	
	Number of HEI graduates placed for work integrated learning per annum	-	-	-	600	700	800	900	
	Number of placed HEI graduates completing work integrated learning per annum	-	-	-	-	-	-	5	
3:14	Number of cooperatives supported through skills development initiatives per annum	439	0	22	20	25	30	35	
	Number of NGOs supported through skills development initiatives per annum	0	80	27	10	15	20	25	
	Number of CBOs supported through skills development initiatives per annum	-	-	0	10	15	20	25	
	Number of SMMEs supported through skills development initiatives per annum	-	-	0	10	15	20	25	
	Number of NLPEs supported through skills development initiatives per annum	-	-	0	5	10	15	20	
	Number of Trade Unions supported through skills development initiatives per annum	-	-	2	2	2	2	2	

Performance Indicator	Audited/Actual Performance				Estimated Performance	Medium-term targets			
	2012/13		2013/14			2014/15	2015/16	2016/17	2017/18
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18	
3.15									
Number of councillors registered for skills programmes per annum	-	-	-	2000	2000	2000	3000	4000	
Number of registered councillors completing skills programmes per annum	-	-	99	1500	1500	1500	2500	3500	
Number of traditional leaders registered for skills programmes per annum	-	-	-	500	500	500	600	700	
Number of registered traditional leaders completing skills programmes per annum	-	-	-	400	400	400	400	500	

4.3.3 Programme 3 quarterly targets for 2015/16

Performance indicator	Reporting period	Annual target 2015/16	Quarterly Targets			
			1st	2nd	3rd	4th
3.1	Number of employees registered for skills programmes per annum	5500	1375	1375	1375	1375
	Number of registered employees completing skills programmes per annum	4000	1000	1000	1000	1000
3.2	Number of unemployed individuals registered for skills programmes per annum	4000	1000	1000	1000	1000
	Number of registered unemployed individuals completing skills programmes per annum	3000	500	1000	1000	500
3.3	Number of employees registered for learnerships per annum	4000	2500	1500	-	-
	Number of registered employees completing learnerships per annum	2000	-	-	-	2000
3.4	Number of unemployed individuals registered for learnerships per annum	3300	2000	1300	-	-
	Number of registered unemployed individuals completing learnerships per annum	2200	-	-	250	1950
3.5	Number of individuals registered for the candidacy programme per annum	300	300	-	-	-
	Number of registered individuals completing candidacy programme per annum	-	-	-	-	-
3.6	Number of TVET College lecturers registered on the development programme per annum	15	15	-	-	-
	Number of registered TVET College lecturers completing the development programme per annum	12	-	-	-	12

Performance indicator		Reporting period	Annual target 2015/16	Quarterly Targets			
				1st	2nd	3rd	4th
3.7	Number of employees enrolled in AET level 1 per annum	Annually	300	150	150	-	-
	Number of enrolled employees completing AET level 1 per annum	Annually	150	-	-	100	50
	Number of employees enrolled in AET level 2 per annum	Annually	400	200	200	-	-
	Number of enrolled employees completing AET level 2 per annum	Annually	200	-	-	100	300
	Number of employees enrolled in AET level 3 per annum	Annually	500	300	200	-	-
	Number of enrolled employees completing AET level 3 per annum	Annually	250	-	-	150	100
	Number of employees enrolled in AET level 4 per annum	Annually	700	350	350	-	-
	Number of enrolled employees completing AET level 4 per annum	Annually	350	-	-	150	200
3.8	Number of unemployed individuals enrolled in AET level 1 per annum	Annually	500	250	250	-	-
	Number of enrolled unemployed learners individuals completing AET level 1 per annum	Annually	400	-	-	300	100
	Number of unemployed individuals enrolled in AET level 2 per annum	Annually	500	250	250	-	-
	Number of enrolled unemployed learners individuals completing AET level 2 per annum	Annually	400	-	-	200	200
	Number of unemployed individuals enrolled in AET level 3 per annum	Annually	500	250	250	-	-
	Number of enrolled unemployed learners individuals completing AET level 3 per annum	Annually	400	-	-	150	250
	Number of unemployed individuals enrolled in AET level 4 per annum	Annually	500	250	250	-	-
	Number of enrolled unemployed learners individuals completing AET level 4 per annum	Annually	400	-	-	100	300
3.9	Number of e-AET programmes developed per annum	Annually	5	5	-	-	-

Performance indicator		Reporting period	Annual target 2015/16	Quarterly Targets			
				1st	2nd	3rd	4th
3.10	Number of employees registered as learner artisans per annum	Annually	300	200	100	-	-
	Number of learner artisans who qualify as artisans per annum	Annually	150	-	-	-	150
	Number of unemployed individuals registered as learner artisans per annum	Annually	600	400	200	-	-
	Number of unemployed individuals registered as learner artisans who qualify as artisans per annum	Annually	300	-	-	-	300
3.11	Number of artisan aides registered for artisanal training per annum	Annually	250	125	125	-	-
	Number of artisan aides who qualify as artisans per annum	Annually	150	-	-	-	150
	Number of employees awarded bursaries per annum	Annually	150	150	-	-	-
	Number of unemployed individuals awarded bursaries per annum	Annually	350	350	-	-	-
3.12	Number of SDFs registered for the OD-ETDP certificate qualification per annum	Annually	100	100	-	-	-
	Number of registered SDFs completing the OD-ETDP certificate qualification per annum	Annually	80	-	-	40	40
	Number of SDFs registered for the OD-ETDP higher certificate qualification per annum	Annually	75	75	-	-	-
	Number of registered SDFs completing the OD-ETDP higher certificate qualification per annum	Annually	50	-	-	25	25
3.12	Number of SDFs registered for the OD-ETDP diploma qualification per annum	Annually	20	20	-	-	-
	Number of registered SDFs completing the OD-ETDP diploma qualification per annum	Annually	10	-	-	-	10
	Number of SDFs registered for the OD-ETDP degree qualification per annum	Annually	5	5	-	-	-
	Number of registered SDFs completing the OD-ETDP degree qualification per annum	Annually	0	-	-	-	-

Performance indicator		Reporting period	Annual target	Quarterly Targets			
				1st	2nd	3rd	4th
3.13	Number of unemployed graduates placed for internships per annum	Quarterly	400	50	150	150	50
	Number of placed graduates completing internships per annum	Annually					
	Number of TVET graduates placed for work integrated learning per annum	Quarterly	3600	600	2000	500	500
	Number of placed TVET graduates completing work integrated learning per annum	Annually					
	Number of HEI graduates placed for work integrated learning per annum	Quarterly	700	100	250	250	100
	Number of placed HEI graduates completing work integrated learning per annum	Annually					
	Number of cooperatives supported through skills development initiatives per annum	Quarterly	25	5	10	5	5
3.14	Number of NGOs supported through skills development initiatives per annum	Quarterly	15	4	5	5	1
	Number of CBOs supported through skills development initiatives per annum	Quarterly	15	4	5	5	1
	Number of SMMEs supported through skills development initiatives per annum	Quarterly	15	4	5	5	1
	Number of NLPES supported through skills development initiatives per annum	Quarterly	10	2	4	4	2
	Number of Trade Unions supported through skills development initiatives per annum	Annually	2	-	-	-	2
3.15	Number of councillors registered for skills programmes per annum	Quarterly	2000	500	500	500	500
	Number of registered councillors completing skills programmes per annum	Quarterly	1500	375	375	375	375
	Number of traditional leaders registered for skills programmes per annum	Quarterly	500	125	125	125	125
	Number of registered traditional leaders completing skills programmes per annum	Quarterly	400	100	100	100	100

4.4 Programme 4: ETQA

Purpose: To build an education and training provider system that better serves the needs of local government

4.4.1 Strategic objective annual targets for 2015/16

	Strategic objective	Audited/Actual Performance				Estimated Performance	Medium-term targets		
		2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
4.1	To develop and implement QCTO aligned quality management policies	-	-	-	2 QCTO policies developed	2 QCTO policies developed	2 QCTO policies developed	2 QCTO policies developed	
4.2	To develop quality occupation-directed qualifications.	3 QCTO qualifications developed			5 QCTO qualifications developed	5 QCTO qualifications developed	5 QCTO qualifications developed	5 QCTO qualifications developed	
4.3	To continuously facilitate access for training providers to support the provision of quality training in the sector.				40 new primary accreditation training providers	50 new primary accreditation training providers	55 new primary accreditation training providers	60 new primary accreditation training providers	
4.4	To promote collaboration to support skills development.	-	-	-	20 new MoUs with SETAs, FETs, HEIs and MTCs	5 new MoUs with SETAs, FETs, HEIs and MTCs	5 new MoUs with SETAs, FETs, HEIs and MTCs	5 new MoUs with SETAs, FETs, HEIs and MTCs	

Strategic objective	Audited/Actual Performance			Estimated Performance	Medium-term targets		
	2011/12	2012/13	2013/14		2014/15	2015/16	2016/17
4.5 To ensure consistent training provision quality by secondary accredited training providers.			52 secondary accreditation training providers' learning programmes evaluated	120 secondary accreditation training providers' learning programmes evaluated	130 secondary accreditation training providers' learning programmes evaluated	150 secondary accreditation training providers' learning programmes evaluated	180 secondary accreditation training providers' learning programmes evaluated
4.6 To continuously improve the quality of training provision through effective monitoring.			17% accredited training providers monitored	50% accredited training providers monitored	60% accredited training providers monitored	65% accredited training providers monitored	70% accredited training providers monitored
4.7 To develop and implement RPL tools that contribute to the professional development of employees.	-	-	-	3 RPL implementation guidelines and tools	3 RPL implementation guidelines and tools	3 RPL implementation guidelines and tools	3 RPL implementation guidelines and tools
4.8 To continually facilitate greater access to skills development opportunities and employability.	-	-	-	3 Assessment/RPL centres established	2 Assessment/RPL centres established	2 Assessment/RPL centres established	2 Assessment/RPL centres established

Strategic objective	Audited/Actual Performance				Estimated Performance	Medium-term targets		
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
4.9 To support access to better professional development opportunities and prospects for employees.	-	-	-	1000 RPL candidates assessed	1000 RPL candidates assessed	1200 RPL candidates assessed	1500 RPL candidates assessed	
4.10 To verify learner achievement	-	-	4907 learners unit standard achievement verification	6000 learners unit standard achievement verification	10000 learners unit standard achievement verification	15000 learners unit standard achievement verification	20000 learners unit standard achievement verification	
	-	-	763 learners qualification achievement verification	1000 learners qualification achievement verification	2000 learners qualification achievement verification	3000 learners qualification achievement verification	4000 learners qualification achievement verification	

4.4.2 Programme 4 Performance indicators and annual targets for 2015/16

Performance Indicator	Audited/Actual Performance				Estimated Performance	Medium-term targets		
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
	4.1	-	-	-	2	2	2	2
4.2	3			5	5	5	5	
4.3				40	50	55	60	
4.4	-	-	-	20	5	5	5	
4.5				120	130	150	180	
4.6				50%	60%	65%	70%	
4.7	-	-	-	3	3	3	3	
4.8	-	-	-	3	2	2	2	
4.9				1000	1000	1200	1500	
4.10	-	-	-	6000	10000	15000	20000	
	-	-	-	1000	2000	3000	4000	

4.4.3 Programme 4 quarterly targets for 2015/16

	Performance indicator	Reporting period	Annual target 2015/16	Quarterly Targets			
				1st	2nd	3rd	4th
4.1	Number of QCTO policies developed per annum	Annually	2	-	-	-	-
4.2	Number of QCTO qualifications developed per annum	Annually	5	-	3	-	-
4.3	Number of new primary accreditation training providers per annum	Annually	50	10	15	10	15
4.4	Number of MoUs with SETAs, FETs, HEIs and MTCs per annum	Annually	5	5	-	-	-
4.5	Number of secondary accreditation training providers' learning programmes evaluated per annum	Quarterly	130	50	40	40	40
4.6	Percentage of accredited training providers monitored as per ETQA/QCTO requirements per annum	Quarterly	60%	25%	25%	25%	25%
4.7	Number of RPL implementation guidelines and tools developed and implemented per annum	Annually	3	3	-	-	-
4.8	Number of Assessment/RPL centres established per annum	Annually	2	1	1	-	-

	Performance indicator	Reporting period	Annual target 2015/16	Quarterly Targets			
				1st	2nd	3rd	4th
4.9	Number of RPL candidates assessed per annum	Quarterly	1000	250	250	250	250
4.10	Number of learners certificated against unit standards per annum	Quarterly	10000	2500	2500	2500	2500
	Number of learners certificated against qualifications per annum	Quarterly	2000	500	500	500	500

4.3 Reconciling Performance Targets with the budget MTEF

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	Audited Outcome	Audited Outcome	Audited Outcome	Approved budget	Reprioritised budget estimate	Reprioritised budget estimate	Reprioritised budget estimate
Objective/Activity							
Administration	39 409	40 180	71 613	65 168	63 295	69 543	73 020
Discretionary Grants	126 228	66 721	80 174	296 432	323 135	353 950	371 647
Skills Sector Planning	49 206	19 856	6 993	4 000	8 000	8 500	9 000
Learning Programmes	65 546	41 395	73 031	259 982	295 135	323 450	337 647
ETQA	11 476	5 470	150	32 450	20 000	22 000	25 000
FET College							
Infrastructure	-	-	80 867	-	-	-	-
Mandatory Grants	212 862	240 154	86 920	110 304	120 563	132 463	139 086
Total	378 499	347 055	319 574	471 904	506 993	555 956	583 753
Economic classification							
Current payments	39 409	40 180	71 613	65 168	63 295	69 543	73 020
Compensation of employees	21 308	16 722	25 702	26 691	28 186	29 736	31 223
Salaries and wages	15 009	15 276	23 197	24 496	25 868	27 291	28 655
Social contributions	6 299	1 446	2 505	2 195	2 318	2 446	2 568
Goods and services	17 137	22 336	44 758	37 259	33 823	38 450	41 797
Of which 1							-
Agency and support / outsourced services	-	-	-	-	-	-	-
Communication	3 717	4 329	8 234	8 695	9 182	9 687	10 171
Computer services	-	-	-	-	-	-	-
Consultants	2 319	2 322	8 771	2 500	2 640	2 785	2 924
Contractors	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-
Lease payments	2 521	2 681	3 996	4 220	4 456	4 701	4 936
Repairs and maintenance	1 540	2 470	2 107	2 225	2 350	2 479	2 603
Research and development	422	-	-	-	-	-	-
Training and staff development	259	239	6	350	370	390	409
Travel and subsistence	2 834	4 862	5 682	6 000	6 336	6 685	7 019

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	Audited Outcome	Audited Outcome	Audited Outcome	Approved budget	Reprioritised budget estimate	Reprioritised budget estimate	Reprioritised budget estimate
Other	3 525	5 433	15 962	13 269	8 489	11 723	13 734
Depreciation	925	1 034	1 153	1 218	1 286	1 356	-
Losses from	39	88	-	-	-	-	-
Sale of fixed assets	39	88	-	-	-	-	-
Impairments and Adjustments to Fair Value	-	-	-	-	-	-	-
Adjustments to Fair value of financial assets	-	-	-	-	-	-	-
Impairments to non-financial assets	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Interest, dividends and rent on land	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-
Transfers and subsidies	339 090	306 875	247 961	406 736	443 698	486 413	510 733
Employer Grant (SETAs only)	212 862	240 154	86 920	110 304	120 563	132 463	139 086
Other government units	212 862	240 154	86 920	110 304	120 563	132 463	139 086
National government	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-
Municipalities	212 862	240 154	86 920	110 304	120 563	132 463	139 086
Public corporations and private enterprises (subsidies and other transfers)	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-
Households and non government units	-	-	-	-	-	-	-

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	Audited Outcome	Audited Outcome	Audited Outcome	Approved budget	Reprioritised budget estimate	Reprioritised budget estimate	Reprioritised budget estimate
Discretionary Grant (SETAs only)	126 228	66 721	161 041	296 432	323 135	353 950	371 647
Other government units	76 244	40 986	152 989	281 610	306 978	336 253	353 065
National government	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-
Municipalities	76 244	40 986	152 989	281 610	306 978	336 253	353 065
Public corporations and private enterprises (subsidiaries and other transfers)	49 984	25 735	8 052	14 822	16 157	17 698	18 582
Public corporations	-	-	-	-	-	-	-
Private enterprises	49 984	25 735	8 052	14 822	16 157	17 698	18 582
Households and non government units	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-
Technical reserves (social security funds only)	-	-	-	-	-	-	-
Tax payment	-	-	-	-	-	-	-
Outside shareholders	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total Expenditure	378 499	347 055	319 574	471 904	506 993	555 956	583 753

4.4 Breakdown of discretionary budget for 2015/16

PROGRAMME	ACTIVITY	TARGET	BUDGET
SECTOR	Workplace Skills Plan submission	278	R500 000,00
SKILLS PLAN	Research studies	12	R6 000 000,00
	Sector Skills Plan update	1	R500 000,00
	Scarce and critical skills guide	1	R500 000,00
	Annual Provincial human resource development council training	9	R1 200 000,00
	Annual local labour forum training per municipality	278	R3 000 000,00
	Skills development facilitators forums	36	R2 000 000,00
	Monitoring and evaluation visits	556	R5 000 000,00
	CAREER GUIDANCE	Number of career guides distributed to learners per annum	20000

LEARNING PROGRAMMES	Employees skills programmes training	5500	R27 500 000,00
	Unemployed skills programmes training	4000	R20 000 000,00
	Learnerships - employees	4000	R72 000 000,00
	Learnerships - unemployed individuals	3300	R99 000 000,00
	AET level 1 - employees	300	R9 500 000,00
	AET level 2 - employees	400	
	AET level 3 - employees	500	
	AET level 4 - employees	700	
	AET level 1 - unemployed individuals	500	R10 000 000,00
	AET level 2 - unemployed individuals	500	
	AET level 3 - unemployed individuals	500	
	AET level 4 - unemployed individuals	500	
	Development of e-AET programmes	5	R3 000 000,00
	Learner artisans - employees	300	R41 850 000,00
	Learner artisans - unemployed individuals	600	
	Artisan aides artisanal training	250	R11 625 000,00
	Number of employees awarded bursaries per annum	150	R2 700 000,00
	Candidate professionals	300	R18 000 000,00
	Number of unemployed individuals awarded bursaries per annum	350	R15 750 000,00
	OD-ETDP certificate training	100	R2 000 000,00
	OD-ETDP higher certificate training	75	R1 650 000,00
	OD-ETDP diploma training	20	R500 000,00
	OD-ETDP degree registration	5	R225 000,00
	Internships	400	R18 600 000,00
	TVET graduates work integrated learning placement	3600	R77 760 000,00
	HEI graduates work integrated learning placement	700	R15 120 000,00
	Cooperatives supported	25	R10 000 000,00
	NGOs supported	15	R10 000 000,00
	CBOs supported	15	R10 000 000,00
	SMMEs supported	15	R5 000 000,00
	NLPEs supported	10	R15 000 000,00
	Councillor skills programmes training	2000	R10 000 000,00
	Traditional leaders' skills programmes training	500	R2 500 000,00

ETQA	Number of QCTO policies developed per annum	2	R300 000,00
	Number of QCTO qualifications developed per annum	5	R5 000 000,00
	Number of new accredited training providers per annum	40	R1 000 000,00
	Number of new MoUs with FETs, HEIs and MTCs per annum	10	R500 000,00
	Number of learning programmes evaluated per annum	50	R1 000 000,00
	Monitoring of training providers as per ETQA/QCTO requirements	350	R1 500 000,00
	RPL implementation guidelines and tools developed	3	R10 000 000,00
	Assessment/RPL centres established	2	R2 000 000,00
Total			R530 780 000,00

PART C:

Links to other plans

5. Links to the long-term infrastructure and other capital plans

The LGSETA does not have a long-term infrastructure plan.

