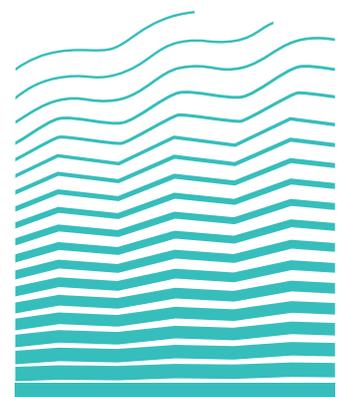


LOCAL GOVERNMENT SECTOR EDUCATION AND TRAINING AUTHORITY
STRATEGIC PLAN 2011-2016



LGSETA
CREATING GREATER IMPACT

Local Government Sector Education and Training Authority

STRATEGIC PLAN

2015/16

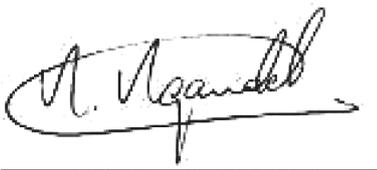
Foreword

The importance of local government for the achievement of South Africa's developmental aspirations is well documented. Local government, due to its role in how people live and work, is at the coalface of service delivery, and as such, it is how most South Africans experience government.

The vision articulated for SETAs is one in which SETAs play a catalytic role in the intersection between formal education institutions, training institutions and workplaces in facilitating skills development for the respective sectors. It is within this context that the specific skills development needs of the local government sector that the Local Government Sector Education and Training Authority (LGSETA) should support are defined. Furthermore, the third National Skills Development Strategy (NSDS III) sets the skills development goals that all SETAs should attain over a five-year period and to which this Strategic Plan seeks to address. The NSDS III provides guidelines for the country's priority skills areas and that should in part inform SETA funding decisions for skills development initiatives.

A skilled and capable workforce is central to the ability of local government to meet its constitutional mandate and live up to this vision. The LGSETA has a significant mandate to facilitate skills development within and for this important sector of society. Notwithstanding an excellent past performance over the years following its establishment, the SETA has experienced challenging times in the recent past. As a result, the organisation had to be placed under Administration, commencing from the 20th of March 2013, following a protracted period of failure to meet its statutory and other obligations. This Administration period was further extended by another 12 months.

Despite the challenges currently 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. In order to overcome current challenges as well as exploit the skills development opportunities that exist, the LGSETA will follow a new path guided by four pillars of excellence - operational, people, innovation, and governance excellence. The LGSETA will ensure that it contributes to the development of a skilled and capable workforce to support the development of a responsive, accountable, efficient and effective local government system.



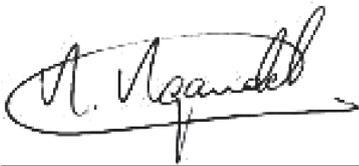
NQABA NQANDELA
ACCOUNTING AUTHORITY

14 NOVEMBER 2014

Official Sign-off

It is hereby certified that this Strategic 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
ACCOUNTING AUTHORITY

14 NOVEMBER 2014

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PART A: Strategic Overview

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.

1. Vision

The foremost SETA producing an extraordinarily skilled and capable local government sector

2. Mission

To promote and co-ordinate skills development initiatives and strategic sectorial training interventions, to enhance efficiency and effectiveness of the local government sector through:

- Conducting sectorial skills planning and research
- Developing and implementing quality learning programmes and relevant occupational qualifications
- Monitoring and evaluating the performance of training initiatives
- Communicating and marketing skills development and career advancement opportunities
- Approving and disbursing skills development grants

3. Values

Ubuntu: We embrace the principle of humanness as ingrained in our African culture and the eight service delivery principles of “*Batho-Pele*”

Transparency: We commit ourselves to be clear in the pursuit of our mandate and ensure that all our activities, strategies, policies and decisions are communicated to our stakeholders

Sustainability: We commit ourselves to the efficient use of LGSETA resources to ensure sustainable skills development in the local government system

Professionalism: We commit to impartiality, fairness, competence and shall exercise diligence in the execution of our duties

Integrity: We are committed to preserving the good image of the LGSETA by upholding good ethical standards through avoiding conflict of interest in what we do; safeguarding LGSETA assets, delivering value for money, and avoiding self-enrichment

4. Legislative and other Mandates

4.1 Constitutional Mandates

Section 29(1)(a) and (b) of the South African Constitution¹ provides for the state to take reasonable measures to make adult and further education accessible to citizens as a human right. In terms of local government, section 152 and 153 of the Constitution outline the role of local government in promoting social and economic development while maintaining and improving service delivery to all community members.

Section 152(1) of the Constitution 1996² states the objects of local government as:

- a. to provide democratic and accountable government for local communities;
- b. to ensure the provision of services to communities in a sustainable manner;
- c. to promote social and economic development;
- d. to promote a safe and healthy environment; and
- e. to encourage the involvement of communities and community organisations in the matters of local government.

Furthermore, section 156 speaks of local government as the foundation for participatory democracy and service delivery.³ Another important section of the Constitution that is applicable to local government is section 195. Section 195(1)(a)-(f) of the Constitution⁴ further articulates the values and principles governing public administration as follows:

- a. A high standard of professional ethics must be promoted and maintained.
- b. Efficient, economic and effective use of resources must be promoted.
- c. Public administration must be development-oriented.
- d. Services must be provided impartially, fairly, equitably and without bias.
- e. People's needs must be responded to, and the public must be encouraged to participate in policy-making.
- g. Public administration must be accountable.
- g. Transparency must be fostered by providing the public with timely, accessible and accurate information.
- h. Good human-resource management and career-development practices, to maximise human potential, must be cultivated.
- i. Public administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation.

1 Act 108 of 1996

2 Act 97 of 1996

3 Section 156

4 Act 97 of 1996

4.2 Legislative Mandates

LGSETA draws its mandate from the following legislation (as amended where applicable):

4.2.1 Skills Development Act No. 97 of 1998

The LGSETA derives its existence and mandate from the *Skills Development Act*⁵ and its funding mechanisms and grant regulatory framework from the *Skills Development Levies Act*⁶.

The Sector Education and Training Authorities' (SETAs) Grant Regulations regarding skills development levies received by a SETA and related matters published in the Government Gazette No. 27807 of 18 July 2005 and in the Government Gazette No. 29584 of 2 February 2007 were repealed. The new grant regulations came into effect on 1 April 2013 as published in the Government Gazette No. 35940 of 3 December 2012.

4.2.2 Public Finance Management Act No. 1 of 1999

The LGSETA is a public entity that falls under Schedule 3A of the Public Finance Management Act, No 1 of 1999.

4.2.3 Skills Development Levies Act No. 9 of 1999

The *Skills Development Levies Act*⁷ makes provision for leviable employers to pay 1% of their payroll to the South African Revenue Service (SARS).

4.2.4 Municipal Systems Act No. 2 of 2000

Section 68 (1) of the *Municipal Systems Act*⁸ requires that municipalities comply with the *Skills Development Act*,⁹ and the *Skills Development Levies Act*,¹⁰ to develop their human resource capacity, to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. *The Municipal Systems Act* asserts that should a municipality not have the financial means to provide funds for training programmes, in addition to the levy payable in terms of the *Skills Development Levies Act*,¹¹ it may also apply to the Local Government Sector Education and Training Authority for funding.

4.2.5 National Qualifications Framework Act No. 67 of 2008

The LGSETA employs the provisions of Chapter 5 of the *National Qualifications Framework Act 67 of 2008* (NQF) to design training programmes, to carry out quality assurance, assess learner achievement and accredit training providers.

5 Act 81 of 1998
6 Act 97 of 1999
7 Act 97 of 1999
8 Act 32 of 2000
9 Act 81 of 1998
10 Act 9 of 1999
11 Act 9 of 1999

4.2.6 Other legislative changes

The LGSETA will need to appropriately respond to the Public Administration Management Bill tabled in Parliament that seeks to set national standards and norms for all three spheres of government should the need arise. Furthermore, the LGSETA will work closely with other stakeholders such as the Department of Cooperative Governance and Public Service Administration who are either exploring or in the process of establishing centres of learning/skills development.

4.3 Policy Framework

The following section presents the various several policy frameworks and strategies that the LGSETA needs to respond in developing the strategic plan.

4.3.1 The 1998 White Paper on Local Government

The 1998 White Paper on Local Government is a significant policy document in that it articulates the shift towards a developmental local government that is people-centred. The Paper describes developmental local government as “local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives” (White Paper on Local Government 1998).¹² The White Paper on Local Government explains four interrelated characteristics of developmental local government that include:

- To maximise social development and economic growth;
- To integrate and co-ordinate the development activities of a variety of actors;
- To democratise development by empowering communities to participate meaningfully in development; and
- To provide leadership, promote the building of social capital and create opportunities for learning and information sharing.¹³

It is thus important that municipalities become competent development facilitators, building partnerships and networks with local communities and the private and non-governmental sector. This is in addition to assisting both national and provincial spheres of government to achieve their developmental goals and to “democratise” the development processes. This is in part facilitated through the municipality’s integrated development planning processes. Further to performing municipal functions as specified in the Constitution, municipalities are compelled to prepare an Integrated Development Plan (IDP) for a 5-year cycle, which is subject to annual review and assessment. The IDP sets out the municipality’s goals and development plans as well as its Local Economic Development (LED) strategy.

The IDP development and review process is a participatory consultative process allowing for inputs from ward level. In addition to the IDP, each municipality is required to prepare a Service Delivery Budget and Implementation Plan (SDBIP) which in effect operationalises the IDP, and forms the basis for the performance agreements of the municipal manager and the Section 57 (S57) appointees i.e. those managers appointed by Council on fixed term performance based contracts, and answering directly to the municipal manager as specified in the *Municipal Structures Act*.¹⁴

12 The White Paper on Local Government, 1998

13 The White Paper on Local Government, 1998

14 Act 32 of 2000

In terms of LGSETA's role, the SETA needs to ensure that the skills development programmes that it funds enable municipalities to deliver on their IDPs as well as longer-term strategic documents. It is anticipated that the SSP should be informed by the IDP that in turn should play a significant role for skills development funding decisions by the LGSETA and the sector.

4.3.2 Local Government Turnaround Strategy (LGTAS)

Cabinet adopted the Local Government Turnaround Strategy (LGTAS) in 2009 that was designed to strengthen the ability of municipalities to perform their functions as enshrined in the constitution. The LGTAS identified key areas of concern that included:

- Serious leadership and governance challenges in municipalities, including weak responsiveness and responsibility to communities.
- The financial management of many municipalities is very poor.
- Many municipalities are unable to deliver basic services or grow their economies.
- The legacy of apartheid spatial development patterns and inequity continues.
- There are inadequate skills and capacity to ensure professional administration and positive relations between labour, management and councils.¹⁵

To overcome these challenges, five objectives were identified as the key levers to “build and improve the basic requirements for a functional, effective and efficient developmental local government”¹⁶ that included:

- Ensuring that municipalities meet basic service needs of communities;
- Building clean, effective, efficient, responsive and accountable local government;
- Improving performance and professionalism in municipalities;
- Improving national and provincial policy, oversight and support; and
- Strengthening partnerships between local government, communities and civil society.¹⁷

While the specific interventions did not specifically highlight strengthening skills development, it can be implied that the LGSETA will be expected to play a significant role to facilitate access to skills development and training to develop a skilled and capable local government workforce that effectively implements the intended LGTAS interventions. This point is substantiated in the articulation of the identified priorities for immediate implementation and post-2011 implementation.

4.3.3 National Skills Development Strategy III (NSDS III)

The NSDS III is the key strategic guide to inform skills development interventions and sector skills planning in all SETAs to respond to skills development challenges in the country for the period 2011 - 2016. Furthermore, the NSDS III identifies seven key developmental and transformative imperatives of race, class, gender, geography, age, disability, and HIV and AIDS pandemic that will inform the nature and scope of skill development interventions by SETAs.

¹⁵ Department of Cooperative Governance and Traditional Affairs, 2009. Local Government Turnaround Strategy (LGTAS)

¹⁶ Department of Cooperative Governance and Traditional Affairs, 2009. Local Government Turnaround Strategy (LGTAS)

¹⁷ Department of Cooperative Governance and Traditional Affairs, 2009. Local Government Turnaround Strategy (LGTAS)

The strategic intent of the NSDS III and in particular, the challenges outlined, require that the LGSETA continuously assesses the extent to which it is responsive to the skills development needs of the local government sector, given the aspirations of becoming a developmental local government sector. To this end, the LGSETA's strategic oriented outcomes are closely linked to the goals of the NSDS III that include¹⁸:

- Goal 1: Establishing a credible institutional mechanism for skills planning
- Goal 2: Increasing access to occupationally directed programmes
- Goal 3: Promoting the growth of the public Further Education and Training (FET) College system that is responsive to sector, local, regional and national skills needs and priorities
- Goal 4: Addressing the low level of youth and adult language and numeracy skills to enable additional training
- Goal 5: Encouraging better use of workplace-based skills development
- Goal 6: Encouraging and supporting cooperatives, small enterprises, worker-initiated, non-governmental organisation (NGO) and community training initiatives
- Goal 7: Increasing public sector capacity for improved service delivery and supporting the building of a developmental state
- Goal 8: Building career and vocational guidance.

4.3.4 National Skills Accord (NSA)

The National Skills Accord is a multi-constituency agreement between business, organised labour, community constituents at the National Economic and Development Labour Council (NEDLAC), and government. It was signed to support the New Growth Path target of creating five million jobs by 2020.¹⁹ The Accord identifies eight commitments in relation to training and skills development that need to be implemented by the constituencies to achieve the New Growth Path.

The commitments are:

Commitment One: To expand the level of training using existing facilities more fully

Commitment Two: To make internship and placement opportunities available within workplaces

Commitment Three: To set guidelines of ratios of trainees: artisans as well as across the technical vocations, in order to improve the level of training

Commitment Four: To improve the funding of training and the use of funds available for training and incentives on companies to train

Commitment Five: To set annual targets for training in state-owned enterprises

Commitment Six: To improve SETA governance and financial management as well as stakeholder involvement

Commitment Seven: To align training to the New Growth Path and improve Sector Skills Plans

Commitment Eight: To improve the role and performance of FET Colleges.²⁰

¹⁸ Department of Higher Education & Training, 2011. National Skills Development Strategy III

¹⁹ Economic Development Department, 2011. New Growth Path Accord 1: National Skills Accord

²⁰ Economic Development Department, 2011. New Growth Path Accord 1: National Skills Accord

The LGSETA will need to ensure that the programmes it funds contribute to the achievement of these eight commitments. In particular, the LGSETA will need to continue and intensify its funding support for Commitment One, Two, Four, Six, Seven and Eight.

4.3.5 National HRD Strategy of South Africa (HRDSA)

The National HRD Strategy has the following commitments designed to address the priorities of the South African Government:

- Overcoming the shortages in the supply of people, with priority skills required for the successful implementation of current strategies to achieve accelerated economic growth.
- Increasing the number of appropriately skilled people to meet the demands of current and emerging economic and social development priorities.
- Ensuring improved universal access to quality basic education and schooling (up to Grade 12).
- Implementing skills development programmes that are purposefully aimed at equipping recipients/citizens with requisite skills to overcome related scourges of poverty and unemployment.
- Ensuring that young people have access to education and training that enhances opportunities and increases their chances of success in further vocational training and sustainable employment.
- Improving the technological and innovation capability and outcomes within the public and private sectors, to enhance South Africa's competitiveness in the global economy and to enable the country to meet its human development priorities.
- Ensuring that the public sector has the capability to meet the strategic priorities of the South African Developmental State.

The LGSETA's programmes have progressively contributed to the HRD Strategy for the local government sector since the establishment of the SETA. The LGSETA has facilitated access to skills development programmes and interventions in the areas that are of strategic importance for local government. Examples of such programmes include facilitating access to municipal finance programmes, community/participatory governance-related programmes, Adult Training and Education (AET) programmes among others.

4.3.6 National Development Plan 2030

Chapter 13 of the National Development Plan 2030 – 'Building a capable state' provides the interventions that have been identified "to build a professional public service and a state capable of playing a transformative and development role in realising the NDP 2030 vision."²¹

Eight areas have been identified as central to developing a capable and developmental state and these include the need to:²²

1. Stabilise the political-administration interface to build a professional public service that serves government;
2. Make the public service and local government administration careers of choices;
3. Develop technical and specialist professional skills for the state to fulfill its core functions;

21 National Planning Commission, 2012. National Development Plan 2030: Our Future – Make it Work

22 Adapted from National Planning Commission, 2012. National Development Plan 2030: Our Future – Make it Work p. 410

4. Strengthen delegation, accountability, and oversight and make it easier for citizens to hold public servants and politicians accountable for the quality of service delivery;
5. Improve interdepartmental coordination;
6. Take proactive approach to improve relations between national, provincial and local government;
7. Strengthen local government and take a long-term approach to developing skills together with a professional ethos and commitment to public service; and
8. Clarify the governance of state owned entities.

Areas 1, 2, 3, 4, and 7 are of particular importance for the LGSETA as it is in these areas that the LGSETA can have a direct impact and contribute towards by funding innovative skills development interventions.

The adoption of the New Growth Path has a broader impact on the 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) where infrastructure development has been seen a catalyst to creating five million jobs by 2020 will also impact LGSETA's skills development strategy over the next few years.

4.3.7 Youth Employment Accord

The Youth Empowerment Accord has six commitments that include education and training; access to work exposure; increase the number of young people employed in the public service; youth target set-asides; youth entrepreneurship and youth co-operatives; and to develop private sector youth absorption programmes. The LGSETA has and continues to support government's drive to empower the youth by facilitating access to its skills development opportunities and programmes that include learnerships, internships, workplace learning, and bursaries. The LGSETA has also facilitated access for the unemployed youth to such skills development opportunities.

4.3.8 White Paper on Post-Schooling Education and Training (P-SET)

The White Paper on Post-School Education and Training aims to establish a vision for the type of post-school education and training system that the Department of Higher Education and Training (DHET) desires by 2030²³. The White Paper prescribes strategies to raise the capacity of the post-school education and training system to fit South Africa's needs. It provides a policy framework to direct the skills development interventions of the DHET, and other institutions in support of building a developmental state. The policy objectives the White Paper are:

- “a post-school system that can assist in building a fair, equitable, non-racial, non-sexist and democratic South Africa;
- a single, coordinated post-school education and training system;
- expanded access, improved quality and increased diversity of provision;
- a stronger and more cooperative relationship between education and training institutions and the workplace;
- a post-school education and training system that is responsive to the needs of individual citizens, employers in both public and private sectors, as well as broader societal and developmental objectives.²⁴”

²³ Department of Higher Education and Training. 2013. White Paper for Post-School Education and Training: Building an expanded, effective and integrated post-school system.

²⁴ ibid

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 outline above.

4.3.9 Integrated Urban Development Framework

In a Discussion Document titled “Towards an Integrated Urban Development Framework²⁵,” an estimated 63% of South African's currently dwell in urban areas, and 40% of this segment can be found in metropolitan municipalities²⁶. Insomuch as the cities are concerned, the National Development Plan (NDP) envisions them driving economic growth and realizing the goals of spatial efficiency and social inclusion. Population estimates, contained within the NDP, project that by 2030 cities will be populated by a further 7.8 million people and this volume is predicted to swell by 6 million by the year 2050²⁷. It is against this future that the Integrated Urban Development Framework (IUDF) takes a critical role in furthering development that is sensitive to South Africa's rural-urban situation. At the core of initiatives going forward is planning for liveable, economically viable and sustainable towns, cities and rural areas.

The IUDF focuses on consensus building across government and society on the futures agenda, implementation as proposed by the NDP 2030:

- “identify policy priorities and interventions to ensure that all levels of government and all components of the state contribute to the progressive integration of urban development investments in order to realise the urban dividend
- Propose interventions to overcome entrenched apartheid spatial patterns and more efficient and integrated use of urban areas.
- Provide a national framework for municipalities to manage continuing urbanisation more efficiently and equitable. This will include spatial targeting and proposals for differentiated assignment arrangements between provincial and local government for key functional areas.
- Propose methods to strengthen urban and rural planning, and more targeted infrastructure provision to improve spatial integration in line with the national spatial development framework envisioned in the NDP.
- Identify sector-specific policies and possible revised regulatory arrangements to facilitate more resilient and inclusive patterns of urban development.
- Propose methods to improve the performance of existing financial instruments for accelerating infrastructure and more integrated service delivery.
- Mobilise new sources of private sector investment and international funds for urban development.
- Contribute to simplifying and harmonising existing legal and institutional frameworks to achieve more integrated urban development.
- Contribute to public dialogue and the unlocking of citizen energies for developing their communities and local environments.²⁸”

25 Department of Cooperative Governance and Traditional Affairs, 2013. Towards an Integrated Urban Development Framework.

26 Ibid.

27 Ibid.

28 Department of Cooperative Governance and Traditional Affairs, 2013. Towards an Integrated Urban development Framework.

The IUDF further outlines the key deliverables for integrated urban development, envisaged to bolster the system of local government that include to:

- “Define the core challenges for urban areas in South Africa.
- Give an overview of the journey travelled so far (where we come from), the current (ongoing) initiatives (national/provincial/local) and thus allow to build on and learn from past efforts.
- Give a definition of urban areas which is sufficient for the scope of the framework (building on the work of the NPC and other initiatives such as the Statistics South Africa project).
- Provide an outcomes-based vision for more functional, productive, resilient and inclusive urban areas.
- Define short-, medium- and long-term interventions for improved developmental outcomes for urban areas.
- Reflect on the institutional arrangements required and intergovernmental fiscal relations support needed to implement interventions.
- Propose strategic levers and tools for implementation, including ways of catalysing civil society and business involvement.
- Clarify functional and institutional roles and responsibilities across each sphere of government.
- Provide an implementation and financing framework.
- Strengthen the research and evidence base on the conditions and performance of urban governance.
- Build knowledge base of good international and domestic policy and practices in urban development.²⁹”

The LGSETA will ensure that appropriate priority is placed on supporting the development of the required skills to support the spatial transformation as outlined above.

4.4 Relevant Court Rulings

There are no specific court rulings that have a significant on-going impact on the operations of LGSETA and delivery on its mandate.

4.5 Planned Policy Initiatives

The LGSETA is guided by the policies of the Department of Higher Education and Training and thus, any policy changes will be incorporated into the operations, programmes, and activities of LGSETA as and when the need arises.

²⁹ Department of Cooperative Governance and Traditional Affairs, 2013. Towards an Integrated Urban Development Framework.

5. Updated situational analysis

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.

5.1 Key Sector Drivers Of Change

5.1.1 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 rates³⁰ Statistics South Africa's 2013 mid-year population estimate for South Africa was 52,98 with approximately 51,0% of the population being female.³¹

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.³²

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 2011.³³ 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 2011.³⁴

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

31 Statistics South Africa, 2013. Mid-year population estimates: 2013 (PO302). Pretoria: Statistics South Africa

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

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

34 Ibid.

5.1.2 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.³⁵ 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.³⁶ 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.³⁷ 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: 2014.³⁸

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: 2014.³⁹ 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. 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.⁴⁰

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: 2014.⁴¹

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.⁴² While Limpopo also saw an increase, it is significantly less at R56 841 in 2011⁴³ 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.⁴⁴ 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.

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

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

37 Ibid

38 Ibid

39 Ibid

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

41 Ibid

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

43 Ibid.

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

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 2011.⁴⁵ 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 2011.⁴⁶

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.

5.1.3 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.

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 stipulate 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.

5.1.4 Economic environment

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

46 Ibid.

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.

5.1.5 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 2011.⁴⁷ 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.

5.1.6 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.

5.2 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.

47 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

5.2.1 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. As of 1 April 2012, there were 60 municipal owned entities established by municipalities to deliver services etc. in terms of the Municipal Finance Management Act (2004).

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 shows 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 Board⁴⁸

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 only three entities submitted a WSP/ATR to the LGSETA in 2014.

48 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

Collectively, the eight metropolitan municipalities contributed just under R210 million of the R400,8 million skills development levy income for 2013/14 with local municipalities contribution about R140,8 million in 2013/14. Municipal entities contributed about R6,6 million in 2013/14 with about R10,6 million contributed by entities in the 'Other' category in the same period under review.

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.

5.2.2 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 000⁴⁹, 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.

49 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

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 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 where 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.

5.2.3 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.

5.2.4 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.

5.2.5 Partnering with Public Higher Education Institutions and Research 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.⁵⁰ 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, increased urbanisation among others.⁵¹ 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 Act⁵² 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.⁵³ 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.

5.3 Organisational Environment

Changes in any of the factors briefly explained in 5.1 and 5.2 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.

5.3.1 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.

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

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

52 Act 97 of 1998

53 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

5.3.2 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 some challenges that continue to face 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.

5.3 Description of the Strategic Planning Process

The strategic planning process followed in updating the LGSETA Strategic Plan is outlined in Table 6 below. The process was designed to ensure that the mandate, strategic goals objectives of the LGSETA ultimately are implemented through the strategy and APP. Various stakeholders participated in the process so as to ensure that both the Strategic Plan and APP are responsive to the needs of the local government sector as well as to the staff of the entity tasked with responsibility of implementation and service delivery.

Table 6: Strategic Plan Update Process

Phase	Timeframe	Purpose/objectives	Participants
Management Strategic Review Workshop	17 – 18 March 2014	The purpose of the workshop was to review performance to date and to devise strategies to improve shortcomings. The session also focused on completing a diagnostic survey by each Unit Head Provincial Manager on different areas. In addition, a sample of other LGSETA employees were provided the opportunity to conduct the diagnostic which together provided a more holistic picture of perceptions of organisational capacity to deliver on its mandate, strategic plan and annual performance plan	LGSETA Management
Organisation-wide strategic planning survey	11 – 16 July 2014	An online survey was developed to provide every LGSETA staff member the opportunity to provide input into the strategic planning processes. The survey required input on staff experiences in relation the LGSETA's organisational strengths, shortcomings and opportunities as well as any ideas to improve organisational performance.	LGSETA Employees
Management performance and strategy review workshop	17 July 2014	The purpose of the workshop was to review present performance to inform the Strategic Plan and Annual Performance Plan Update. The process required that each Provincial Office Manager and Unit Manager makes a presentation based on consultation with respective staff members in Provincial Offices and Units. The presentations were used to develop the context of the operating environment, provide input into the situational analysis and to inform the programme review. A target setting and budgeting scenario exercise was implemented to build consensus on targets and expected performance.	LGSETA Management

Consultation with Stakeholders	9 September 2014	A presentation was made to the LGSETA Working Group to provide an overview of the strategic plan and annual performance plan	LGSETA Working Group
DHET Feedback session	29 October 2014	A feedback session was held where certain aspects of the strategic plan and annual performance plan were discussed.	DHET and LGSETA
Management final review of Strategic Plan and APP	November 2014	Management reviewed the final document after incorporating some of the feedback from DHET	LGSETA Management
Adoption and tabling of strategic plan	TBA	Adoption and tabling of strategic plan	DHET

6. Strategic Outcome Oriented Goals of LGSETA

The LGSETA has eight strategic outcome orientated goals aligned for the period of 2011 – 2016. These are presented below.

Strategic outcome-oriented goal 1	A credible skills planning and implementation system for the local government sector.
Goal statement	Local government sector skills development information is researched, documented and communicated for effective planning over the next four years and strategic projects in support of scarce skills and government priorities are implemented.
Linkage	NSDS III: 4.1 - Establishing a credible institutional mechanism for skills planning

Strategic outcome-oriented goal 2	Increasing access to occupationally-directed programmes within the local government sector.
Goal statement	Provide customised and quality training in priority skills for all categories of the local government workforce between 2012 and 2016.
Linkage	NSDS III: 4.3 – Increasing access to occupationally-directed programmes

Strategic outcome-oriented goal 3	Promote the growth of a public FET college system that is responsive to sector, local, regional and national skills needs and priorities.
Goal statement	Promote partnerships between the LGSETA, municipalities, private training providers and public FET colleges during the period 2012 to 2016.
Linkage	NSDS III: 4.3 –Promoting the growth of a public FET college system that is responsive to sector, local, regional and national skills needs and priorities

Strategic outcome-oriented goal 4	Contribute to reducing the low level of youth and adult language and numeracy skills by facilitating access to further training, resulting in sustainable work opportunities.
Goal statement	Creation of opportunities for young people leaving school and enhancement of adult education training to improve their career advancement opportunities within the local government sector between 2012 and 2016.
Linkage	NSDS III: 4.4 – Addressing the low level of youth and adult language and numeracy skills to enable additional training

Strategic outcome-oriented goal 5	Encourage better use of workplace-based skills development.
Goal statement	Improvement of workplace training for the local government sector workforce, for the overall productivity of the economy over the next four years.
Linkage	NSDS III: 4.5 – Encouraging better use of workplace-based skills development

Strategic outcome-oriented goal 6	Encourage and support co-operatives, worker-initiated small enterprises, NGOs and community training initiatives.
Goal statement	Provide relevant capacity building programmes in order to maximise the economic role of the co-operatives, small businesses, NGOs and community-based organisations.
Linkage	NSDS III: 4.6 - Encouraging and supporting cooperatives, small enterprises, worker initiated, NGO and community training initiatives

Strategic outcome-oriented goal 7	Build / Capacitate career and vocational guidance.
Goal statement	Develop and provide career guidance information to the youth between 2012 and 2016.
Linkage	NSDS III: 4.8 – Building career and vocational guidance

Strategic outcome-oriented goal 8	Position and capacitate the method of operation and quality of service for the LGSETA
Goal statement	Establish and apply functional management systems to meet operational and regulatory imperatives at all times.
Linkage	NSDS III: 4.7 - Increasing public sector capacity for improved service delivery and supporting the building of a developmental state

PART B: Strategic Objectives

7. Programmes and strategic objectives

7.1 Programme 1: Administration

Purpose: To ensure overall strategic management and support for the SETA

7.1.1 Strategic Objectives

Strategic Objective 1.1	To implement efficient, effective and transparent governance systems across the LGSETA to ensure compliance with statutory requirements and reporting.
Objective Statement	To implement efficient, effective and transparent governance systems across the LGSETA to ensure compliance with statutory requirements and reporting as regulated.
Baseline	Full compliance with statutory requirements and reporting
Indicator	Compliance to statutory requirements and reporting
Justification	Effective and efficient governance and management is important to ensure that the LGSETA delivers on its mandate and meets statutory requirements and reporting.
Links	PFMA, National Treasury Regulations

Strategic Objective 1.2	To develop and submit strategic plan and annual performance plan for approval to DHET within regulated time frames.
Objective Statement	To develop and submit an updated strategic plan and annual performance plan for approval to DHET within regulated time frames.
Baseline	Approved strategic plan and annual performance plan by DHET for 2015/16
Indicator	Approved strategic plan and annual performance plan
Justification	These documents are important to ensure that the LGSETA delivers on its mandate and meets or exceeds performance
Links	DHET, National Treasury Regulations

Strategic Objective 1.3	To continuously improve stakeholder satisfaction with the LGSETA.
Objective Statement	To improve stakeholder relations and build a positive image of the LGSETA.
Baseline	65% stakeholder satisfaction rating
Indicator	Level of stakeholder satisfaction with the LGSETA
Justification	Building stronger stakeholder relations will improve the level of confidence that the stakeholders have about the LGSETA to deliver on its mandate and will lead to greater participation with the LGSETA on various skills development and related interventions.
Links	LGSETA Communications Strategy; LGSETA Stakeholder Engagement

Strategic Objective 1.4	To implement business processes consistently throughout the LGSETA to support compliance and better service delivery.
Objective Statement	To implement business processes consistently throughout the LGSETA to support compliance efforts by all employees that leads to better service delivery.
Baseline	Compliance with organisational operational procedures and standards
Indicator	Percentage compliant with organisational operational procedures and standards
Justification	Integrated business processes that are used consistently will enable the LGSETA to become a more responsive organisation as well to optimise its resources to provide services efficiently and economically.
Links	Governance, PFMA

Strategic Objective 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.
Objective Statement	To attract, develop and retain a capable and skilled workforce that will support the needs of the LGSETA
Baseline	100% Compliance to the human resources and performance management strategy
Indicator	Percentage compliant with human resources procedures and standards
Justification	To build the required capacity in the LGSETA in order to support implementation of its strategic goals and objectives.
Links	Human resources management policies, systems and procedures

Strategic Objective 1.6	To improve employee satisfaction with LGSETA as an employer.
Objective Statement	To improve employee satisfaction with LGSETA as an employer.
Baseline	80% for 2014/15
Indicator	Employee Satisfaction Index
Justification	This objective is important as satisfied employees will more productive and will enable the LGSETA to deliver on its mandate as well as attract and retain
Links	Human resources management policies, systems and procedures

Strategic Objective 1.7	To improve information systems to optimise planning, implementation, monitoring and reporting across the LGSETA.
Objective Statement	To improve information systems to optimise planning, implementation, monitoring and reporting across the LGSETA.
Baseline	Unqualified Audit Opinion for 2014/15 on Performance Information
Indicator	Performance Information Rating
Justification	Quality and credible information is needed to support LGSETA's planning, implementation, monitoring and reporting of its interventions
Links	PFMA, Framework for Managing Programme Performance Information (FMPPi)

Strategic Objective 1.8	To develop and implement project management procedures and standards to optimise service delivery.
Objective Statement	To develop and implement project management procedures and standards to optimise service delivery.
Baseline	Compliance with project management procedures and standards
Indicator	Percentage compliant with project management procedures and standards
Justification	The project management unit will support the work of the LGSETA to improve its performance and meet its targets as well as support the management of performance information
Links	Framework for Managing Programme Performance Information (FMPPi)

Strategic Objective 1.9	To communicate the sector skills priorities and skills development opportunities to new market entrants and learners.
Objective Statement	To communicate the sector skills priorities and skills development opportunities to new market entrants and learners.
Baseline	18000 career guides distributed to new market entrants and learners in 2014/15
Indicator	Number of career guides distributed to new market entrants and learners
Justification	To communicate the sector skills priorities and skills development opportunities to new market entrants and learners so as to create awareness of career opportunities in the local government sector.
Links	NSDS III - 4.8 Building career and vocational guidance

Strategic Objective 1.10	To manage the operations of the LGSETA within the allocated budget and in accordance with the financial regulatory framework and financial management procedures and standards.
Objective Statement	To manage the operations of the LGSETA within the allocated budget and in accordance with the financial regulatory framework and financial management procedures and standards.
Baseline	Unqualified Audit Outcome for 2014/15
Indicator	Unqualified Audit Opinion
Justification	Economic, efficient and effective use of LGSETA resources towards achievement of its mandate is needed.
Links	PFMA, National Treasury Regulations, Financial Management Policies

7.1.2 Resource Considerations

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						
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. The current year factors in a number of un-common circumstances as the LGSETA was placed under Administration on the 20th March 2013. 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 R57, 9 million in 2014/15 to R69, 5 million in the last year of the MTEF.

7.1.3 Risk Management

Risk description	Consequences	Mitigating factors
Non-compliance with relevant legislation, regulations, policies and procedures	<ul style="list-style-type: none"> Negative audit report Reputational risk Sanctions and penalties 	<ul style="list-style-type: none"> Develop/ update, adopt and roll out all policies and procedures Effective communication of relevant legislation, regulations, policies and procedures Ensure alignment of policies and procedures to relevant legislation and regulations
Financial mismanagement and poor financial reporting	<ul style="list-style-type: none"> Loss of resources Reputational risk Possible litigation against the organisation Negative audit report Fruitless and wasteful expenditure 	<ul style="list-style-type: none"> Effective implementation of financial and SCM policies and procedures

Risk description	Consequences	Mitigating factors
Inadequate ICT support	<ul style="list-style-type: none"> • Operational inefficiencies • Loss of information and data • Inaccurate reporting • Non-compliance with performance reporting requirements 	<ul style="list-style-type: none"> • Integrated ICT system
Delays in disbursement of discretionary grants	<ul style="list-style-type: none"> • Non-implementation of training • Reputational risk • Under-utilisation of training budget by municipalities • Negative impact on LGSETA's performance • Negative audit opinion 	<ul style="list-style-type: none"> • Capacitate provincial offices to provide adequate support to municipalities • Effective monitoring of projects • Automated and integrated MIS
Poor stakeholder engagement	<ul style="list-style-type: none"> • Lack of visibility of LGSETA • Lack of understanding by stakeholders of role of LGSETA 	<ul style="list-style-type: none"> • Develop and implement a stakeholder engagement strategy
Failure to attract and retain skilled staff	<ul style="list-style-type: none"> • Increased operational costs • Loss of institutional memory • Increased workload on existing staff 	<ul style="list-style-type: none"> • Develop and implement recruitment and retention policies and procedures • Develop and implement performance management system • Develop and implement internal skills development plan
Delays in transfer of mandatory grants to municipalities	<ul style="list-style-type: none"> • Delays in transfer of grants from DHET to LGSETA • Delays in receiving relevant financial data from DHET • Missing municipal documents 	<ul style="list-style-type: none"> • Improve communication with SDFs and CFOs • Engage DHET on timeous submission of levy data • Enhancement of grant disbursement system
Poor organisational performance reporting, monitoring and evaluation	<ul style="list-style-type: none"> • Poor organisational performance • Non-compliance with DHET and Treasury requirements 	<ul style="list-style-type: none"> • Improve performance reporting and monitoring system • Improve project management and monitoring capacity

7.2 Programme 2: Sector Skills Planning

Purpose: To improve the local government sector's capacity to identify the skills needs of the sector; and to plan, manage and report on appropriate responses to those needs

7.2.1 Strategic Objectives

Strategic Objective 2.1	To implement a credible system that supports higher levels of reporting and builds the local government sector's capacity to identify the skills needs of the sector, plan for, manage and report on skills development implementation.
Objective Statement	To implement a credible system that supports higher levels of reporting and builds the local government sector's capacity to identify the skills needs of the sector, plan for, manage and report on skills development implementation.
Baseline	94% compliant workplace skills plans and annual training reports submitted in 2014
Indicator	Percentage of compliant workplace skills plans and annual training reports submitted per annum
Justification	To improve the capacity to plan for skills intervention and skills planning, it is imperative that the quality of information provided in workplace skills plans and annual training reports submitted is credible, complete and useful for the LGSETA and the sector.
Links	NSDS III Goal - Establishing a credible institutional mechanism for skills planning

Strategic Objective 2.2	To improve the credibility and coherence of the skills planning system for local government sector through partnerships to facilitate sector-specific research.
Objective Statement	To improve the credibility and coherence of the skills planning system for local government sector through partnerships to facilitate sector-specific research.
Baseline	8 research studies completed in 2014/15
Indicator	Number of completed research studies per annum
Justification	Research improves the quality of the LGSETA's skills planning and identification of interventions that are needed to facilitate access to appropriate skills development interventions for the sector.
Links	NSDS III Goal - Establishing a credible institutional mechanism for skills planning

Strategic Objective 2.3	To strengthen skills planning capacity of the local government sector to better respond to the sector's skills needs.
Objective Statement	To strengthen skills planning capacity of the local government sector to better respond to the sector's skills needs.
Baseline	Approved Sector Skills Plan update for 2015/16
Indicator	Approved annual Sector Skills Plan update
Justification	The information on labour market skills needs will serve to address the skills shortage within the local government sector and lead to improved service delivery. This will contribute to increasing the number of employees and the unemployed to access skills development training in the sector based on clearly identified skills development needs
Links	NSDS III Goal - Establishing a credible institutional mechanism for skills planning

Strategic Objective 2.4	To support the skills planning capacity of the local government sector to identify, measure and appropriately address scarce and critical skills needs.
Objective Statement	To support the skills planning capacity of the local government sector to identify, measure and appropriately address scarce and critical skills needs.
Baseline	1 scarce and critical skills guide developed
Indicator	Scarce and critical skills guide developed per annum
Justification	This indicator will enhance skills planning and identification of appropriate responses to inform skills training, budget and implementation.
Links	NSDS III Goal - Increasing public sector capacity for improved service delivery and supporting the building of a developmental state

Strategic Objective 2.5	To build capacity to support the planning and monitoring of skills development at municipal level at the provincial level.
Objective Statement	To build capacity to support the planning and monitoring of skills development at municipal level at the provincial level.
Baseline	9 training workshops in 2014/15
Indicator	Annual training for human resource development council per Province
Justification	The provincial sphere plays an important role in supporting municipalities and therefore, it is important that the LGSETA takes the opportunity to build the capacity of such structures who are then able to provide additional support to the sector.
Links	NSDS III Goal - Establishing a credible institutional mechanism for skills planning

Strategic Objective 2.6	To strengthen the capacity of local labour forums for planning, implementation and reporting on skills development at the municipal level.
Objective Statement	To strengthen the capacity of local labour forums for planning, implementation and reporting on skills development at the municipal level.
Baseline	278 local labour forums in 2014/15
Indicator	Annual local labour forum training per municipality
Justification	The local labour forum plays an important role in skills planning and monitoring of interventions and as such, it is important that the LGSETA takes the opportunity to build the capacity of such structures to assist the LGSETA meet its strategic goals and objectives.
Links	Framework for Managing Programme Performance Information (FMPPPI); NSDS III Goal - Establishing a credible institutional mechanism for skills planning

Strategic Objective 2.7	To build the capacity of skills development facilitators to plan for, implement, manage, monitor and report on skills development within the municipality.
Objective Statement	To build the capacity of skills development facilitators to plan for, implement, manage, monitor and report on skills development within the municipality.
Baseline	36 skills development facilitators forums in 2014/15
Indicator	Number of skills development facilitators forums per Province per annum
Justification	Building the capacity of skills development facilitators will enhance the LGSETA's capacity to better plan, support implementation, monitor and evaluate skills development within the sector.
Links	Framework for Managing Programme Performance Information (FMPPPI)

Strategic Objective 2.8	To improve the quality of performance information through the implementation of an effective, effective and economical monitoring and reporting system.
Objective Statement	To improve the quality of performance information through the implementation of an effective, effective and economical monitoring and reporting system.
Baseline	556 monitoring and evaluation visits
Indicator	Number of monitoring and evaluation visits per municipality per annum
Justification	To ensure that skills development interventions are being implemented and assist where possible to remove any blockages as well as to ensure that performance information is being appropriately collected and managed.
Links	Framework for Managing Programme Performance Information (FMPPPI); NSDS III Goal - Establishing a credible institutional mechanism for skills planning

7.2.2 Resource Considerations

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						
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.

7.2.3 Risk Management

Risk description	Consequences	Mitigating factors
Sector skills plan which is not reflective of the needs of local government sector	<ul style="list-style-type: none"> Irrelevant training programmes Non-participation by local government employees and employers 	<ul style="list-style-type: none"> Develop internal research capacity Strengthen capacity and functionality of Training Committees and SDFs Broaden stakeholder consultation processes
Poor/limited implementation of the sector skills plan	<ul style="list-style-type: none"> Irrelevant training programmes Shortage of skills within the sector Failure to achieve LGSETA targets 	<ul style="list-style-type: none"> Evaluation of municipal WSPs and ATRS Training of SDFs and Training Committees Increased monitoring of implementation and support to municipalities by LGSETA provincial offices Improve stakeholder communication and information sharing

7.3 Programme 3: Learning Programmes

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

7.3.1 Strategic Objectives

Strategic Objective 3.1	To continuously improve the skills of employees to support municipality performance by facilitating access to skills development programmes.
Objective Statement	To continuously improve the skills of employees to support municipality performance.
Baseline	5000 employees completing skills programme in 2014/15
Indicators	<ul style="list-style-type: none"> Number of employees registered for skills programmes per annum Number of employees completing skills programmes per annum
Justification	It is important to continuously support skills development of employees to enable better service delivery by the sector
Links	NDP 2030; Outcome 5; White Paper on Post-School Education and Training; NSDS III Goal- Increasing access to occupationally-directed programmes; NSDS III Goal - Increasing public sector capacity for improved service delivery and supporting the building of a developmental state

Strategic Objective 3.2	To facilitate access to skills development programmes and increase work readiness of unemployed individuals.
Objective Statement	To facilitate access to skills development programmes and increase work readiness of unemployed individuals.
Baseline	3500 unemployed individuals completing skills programme in 2014/15
Indicators	<ul style="list-style-type: none"> Number of unemployed individuals registered for skills programmes per annum Number of unemployed individuals completing skills programmes per annum
Justification	This objective is important to develop individuals who can potentially enter the sector by equipping them with the necessary skills required.
Links	Outcome 5; White Paper on Post-School Education and Training; NSDS III Goal- Increasing access to occupationally-directed programmes,

Strategic Objective 3.3	To facilitate access to occupationally-directed skills development learnership programmes for local government employees.
Objective Statement	To facilitate access to occupationally-directed skills development learnership programmes for employees.
Baseline	3500 employees completing learnerships in 2014/15
Indicator	<ul style="list-style-type: none"> • Number of employees registered for learnerships per annum • Number of employees completing learnerships per annum
Justification	Occupationally-directed skills development learnerships programmes will support the goal of expanding the availability of required skills for the sector as well as support the professional development of workers.
Links	Outcome 5; White Paper on Post-School Education and Training; NSDS III Goal - Increasing access to occupationally-directed programmes; NSDS III Goal - Increasing public sector capacity for improved service delivery and supporting the building of a developmental state

Strategic Objective 3.4	To increase the skills supply pipeline for the local government sector for unemployed individuals through learnerships.
Objective Statement	To increase the skills supply pipeline for the local government sector for unemployed individuals through learnerships.
Baseline	3000 unemployed individuals completing learnerships in 2014/15
Indicator	<ul style="list-style-type: none"> • Number of unemployed individuals registered for learnerships per annum • Number of unemployed individuals completing learnerships per annum
Justification	Occupationally-directed skills development learnerships programmes will support the goal of expanding the availability of required skills for the sector.
Links	Outcome 5; White Paper on Post-School Education and Training; NSDS III Goal - Increasing access to occupationally-directed programmes

Strategic Objective 3.5	To continuously improve the level of literacy and numeracy of employees in the sector.
Objective Statement	To continuously improve the level of literacy and numeracy of employees in the sector.
Baseline	75 employees completing AET level 1 in 2014/15 100 employees completing AET level 2 in 2014/15 125 employees completing AET level 3 in 2014/15 200 employees completing AET level 4 in 2014/15
Indicators	<ul style="list-style-type: none"> • Number of employees enrolled in AET level 1 per annum • Number of employees completing AET level 1 per annum • Number of employees enrolled in AET level 2 per annum • Number of employees completing AET level 2 per annum • Number of employees enrolled in AET level 3 per annum • Number of employees completing AET level 3 per annum • Number of employees enrolled in AET level 4 per annum • Number of employees completing AET level 4 per annum
Justification	It is important to build higher literacy and numeracy levels of individuals to build the skills of the country, facilitate access to better professional opportunities for individuals.
Links	NSDS III Goal - Addressing the low level of youth and adult language and numeracy skills to enable additional training; NSDS III Goal - Increasing public sector capacity for improved service delivery and supporting the building of a developmental state; Outcome 5; White Paper on Post-School Education and Training

Strategic Objective 3.6	To continuously improve the level of literacy and numeracy of unemployed individuals to increase employability prospects.
Objective Statement	To continuously improve the level of literacy and numeracy of unemployed individuals to increase employability prospects.
Baseline	75 unemployed individuals completing AET level 1 in 2014/15 100 unemployed individuals completing AET level 2 in 2014/15 125 unemployed individuals completing AET level 3 in 2014/15 200 unemployed individuals completing AET level 4 in 2014/15
Indicators	<ul style="list-style-type: none"> • Number of unemployed individuals enrolled in AET level 1 per annum • Number of unemployed learners individuals completing AET level 1 per annum • Number of unemployed individuals enrolled in AET level 2 per annum • Number of unemployed learners individuals completing AET level 2 per annum • Number of unemployed individuals enrolled in AET level 3 per annum • Number of unemployed learners individuals completing AET level 3 per annum • Number of unemployed individuals enrolled in AET level 4 per annum • Number of unemployed learners individuals completing AET level 4 per annum
Justification	It is important to build higher literacy and numeracy levels of individuals to build the skills of the country, facilitate access to economic opportunities as well as increase employability of unemployed individuals.
Links	NSDS III Goal - Addressing the low level of youth and adult language and numeracy skills to enable additional training; White Paper on Post-School Education and Training

Strategic Objective 3.7	To increase access to adult education and training programmes for the local government sector through innovative technology solutions.
Objective Statement	To increase access to adult education and training programmes for the local government sector through innovative technology solutions.
Baseline	3 e-AET programmes developed and implemented
Indicator	Number of e-AET programmes developed per annum
Justification	It is important to build higher literacy and numeracy levels of individuals to build the skills of the country, facilitate access to better professional opportunities for workers, economic opportunities as well as increase employability of unemployed individuals.
Links	NSDS III Goal - Addressing the low level of youth and adult language and numeracy skills to enable additional training; White Paper on Post-School Education and Training

Strategic Objective 3.8	To continuously promote artisan and technical skills development in the local government sector.
Objective Statement	To continuously promote artisan and technical skills development in the local government sector.
Baseline	160 artisans (employees) in 2014/15 160 artisans (unemployed individuals) in 2014/15 100 artisans (artisan aides) in 2014/15
Indicators	<ul style="list-style-type: none"> • Number of employees registered as learner artisans per annum • Number of learner artisans who qualify as artisans per annum • Number of unemployed individuals registered as learner artisans per annum • Number of unemployed individuals registered as learner artisans who qualify as artisans per annum • Number of artisan aides registered for artisanal training per annum • Number of artisan aides who qualify as artisans per annum
Justification	Occupationally-directed skills development learnerships programmes will support the goal of expanding the availability of required skills for the sector as well as support the professional development of workers to meet the needs of the sector
Links	NSDS III Goal- Increasing access to occupationally-directed programmes; NSDS III Goal - Increasing public sector capacity for improved service delivery and supporting the building of a developmental state; Outcome 5; NDP 2030; White Paper on Post-School Education and Training

Strategic Objective 3.9	To facilitate access to further education opportunities that contribute to the professional development of employees as well as grow the skills supply for the sector.
Objective Statement	To facilitate access to further education opportunities that contribute to the professional development of employees as well as grow the skills supply for the sector.
Baseline	100 bursaries awarded to employees in 2014/15 300 bursaries awarded to employees in 2014/15
Indicator	<ul style="list-style-type: none"> • Number of employees awarded bursaries per annum • Number of unemployed individuals awarded bursaries per annum
Justification	This objective is important to facilitate access to further education opportunities and in particular occupationally-directed skills development that contribute to the professional development of employees as well as grow the skills supply for the sector
Links	NSDS III Goal- Increasing access to occupationally-directed programmes; Outcome 5; White Paper on Post-School Education and Training

Strategic Objective 3.10	To facilitate further professional development of skills development facilitators in municipalities.
Objective Statement	To facilitate further professional development of skills development facilitators in municipalities.
Baseline	60 SDFs completed the OD-ETDP certificate qualification in 2014/15 30 SDFs completed the OD-ETDP higher certificate qualification in 2014/15 10 SDFs completed the OD-ETDP diploma qualification in 2014/15
Indicator	<ul style="list-style-type: none"> • Number of SDFs registered for the OD-ETDP certificate qualification per annum • Number of SDFs completing the OD-ETDP certificate qualification per annum • Number of SDFs registered for the OD-ETDP higher certificate qualification per annum • Number of SDFs completing the OD-ETDP higher certificate qualification per annum • Number of SDFs registered for the OD-ETDP diploma qualification per annum • Number of SDFs completing the OD-ETDP diploma qualification per annum • Number of SDFs registered for the OD-ETDP degree qualification per annum • Number of SDFs completing the OD-ETDP degree qualification per annum
Justification	Building the capacity of skills development facilitators will enhance the LGSETA's capacity to better plan, support implementation, monitor and evaluate skills development within the sector.
Links	NSDS III Goal- Increasing access to occupationally-directed programmes; NSDS III Goal - Increasing public sector capacity for improved service delivery and supporting the building of a developmental state Outcome 5; NDP 2030

Strategic Objective 3.11	To grow the local government sector as a training space and improve access for new labour market entrants through workplace experience.
Objective Statement	To grow the local government sector as a training space and improve access for new labour market entrants through workplace experience that includes internships and work integrated learning and other similar programmes
Baseline	250 internships facilitated in 2014/5 3000 work integrated learning placements for TVET graduates in 2014/15 600 work integrated learning placements for HEI graduates in 2014/15
Indicators	<ul style="list-style-type: none"> • Number of unemployed graduates placed for internships per annum • Number of TVET graduates placed for work integrated learning per annum • Number of HEI graduates placed for work integrated learning per annum
Justification	Occupationally-directed skills development learnerships programmes will support the goal of expanding the availability of required skills for the sector.
Links	NSDS III Goal- Increasing access to occupationally-directed programmes; Outcome 5;

Strategic Objective 3.12	To continuously encourage and support cooperatives, small enterprises, worker initiated NGO and community training initiatives.
Objective Statement	To continuously encourage and support cooperatives, small enterprises, worker initiated NGO and community training initiatives.
Baseline	20 cooperatives supported in 2014/15 10 NGOs supported in 2014/15 10 CBOs supported in 2014/15 10 SMMEs supported in 2014/15 5 NLPEs supported in 2014/15
Indicators	<ul style="list-style-type: none"> • Number of cooperatives supported through skills development initiatives per annum • Number of NGOs supported through skills development initiatives per annum • Number of CBOs supported through skills development initiatives per annum • Number of SMMEs supported through skills development initiatives per annum • Number of NLPEs supported through skills development initiatives per annum
Justification	This objective is important to expand access to skills development opportunities as well as building the capacity of such entities to support the implementation of LGSETA programmes.
Links	NSDS III Goal - Encouraging and supporting cooperatives, small enterprises, worker initiated, NGO and community training initiatives; White Paper on Post-School Education and Training

Strategic Objective 3.13	Support the deepening of democracy through civic education, councillor training, ward education, community development worker training and training of traditional leaders
Objective Statement	Support the deepening of democracy through civic education, councillor training, ward education, community development worker training and training of traditional leaders
Baseline	2000 Councillors trained in 2014/15 500 Traditional Leaders trained in 2014/15
Indicator	<ul style="list-style-type: none"> • Number of councillors registered for skills programmes per annum • Number of councillors completing skills programmes per annum • Number of traditional leaders registered for skills programmes per annum • Number of traditional leaders completing skills programmes per annum
Justification	It is important to continuously support skills development of employees to enable better service delivery by the sector
Links	NDP 2030; Outcome 5; White Paper on Post-School Education and Training; NSDS III Goal- Increasing access to occupationally-directed programmes; NSDS III Goal - Increasing public sector capacity for improved service delivery and supporting the building of a developmental state

7.3.2 Resource Considerations

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						
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 NSDSIII objectives which include a programme to refurbish the FET Colleges infrastructure.

7.3.4 Risk Management

Risk description	Consequences	Mitigating factors
Under-developed municipal capacity to implement training systems	<ul style="list-style-type: none"> • Non-implementation of skills development interventions 	<ul style="list-style-type: none"> • Clarify roles and responsibilities of provincial offices • Strengthen capacity and accountability at provincial offices • Effective coordination and implementation of skills development within the sector • Strengthen SDFs and training committees
Ineffective /inefficient implementation and monitoring of training programmes	<ul style="list-style-type: none"> • Inadequate supervision of Coordinators and QAs • Inadequate performance reporting • Poor contract management 	<ul style="list-style-type: none"> • Effective alignment of provincial strategies to annual performance plan • Strengthen performance reporting and monitoring • Improve planning and project management • Capacitate Training Committees
Non-participation in training programmes by municipalities	<ul style="list-style-type: none"> • Non-submission of WSPs/ ATRs by some municipalities • Irrelevance of some training programmes 	<ul style="list-style-type: none"> • Improve stakeholder communication • Improve partnerships with professional bodies • Ensure relevance of qualifications • Strengthen, support and monitor of training implementation • Effective grant application and evaluation process • Impact studies and evaluation

7.4 Programme 4: ETQA

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

7.4.1 Strategic Objectives

Strategic Objective 4.1	To develop and implement QCTO aligned quality management policies.
Objective Statement	To develop and implement QCTO aligned quality management policies.
Baseline	2 QCTO policies developed in 2014/15
Indicator	Number of QCTO policies developed per annum
Justification	To ensure that there is quality training provision and qualifications.
Links	QCTO, SAQA, White Paper on Post-School Education and Training

Strategic Objective 4.2	To develop quality occupation-directed qualifications.
Objective Statement	To develop quality occupation-directed qualifications that meet the needs of professional and sector development.
Baseline	5 QCTO qualifications developed in 2014/15
Indicator	Number of QCTO qualifications developed per annum
Justification	This objective is important as there is a need to review develop new priority qualifications that will meet the skills needs for the sector as well as those identified in the NDP 2030
Links	NDP 2030, NSDS III Goal- Increasing access to occupationally-directed programmes, White Paper on Post-School Education and Training

Strategic Objective 4.3	To continuously facilitate access for training providers to support the provision of quality training in the sector.
Objective Statement	To continuously facilitate access for training providers to support the provision of quality training in the sector.
Baseline	40 new primary accreditation training providers in 2014/15
Indicator	Number of new primary accreditation training providers per annum
Justification	It is important to ensure that access to new training providers is supported to ensure quality training provision as well as to support transformation in the sector.
Links	White Paper on Post-School Education and Training, NSDS III Goal - Promoting the growth of a public TVET college system that is responsive to sector, local, regional and national skills needs and priorities

Strategic Objective 4.4	To promote collaboration to support skills development.
Objective Statement	To promote collaboration to support skills development.
Baseline	20 new MoUs with SETAs, FETs, HEIs and MTCs
Indicator	Number of new MoUs with SETAs, FETs, HEIs and MTCs per annum
Justification	To increase access as well as to support the development of the TVET College system to provide relevant, quality training.
Links	NSDS III Goal - Promoting the growth of a public TVET college system that is responsive to sector, local, regional and national skills needs and priorities

Strategic Objective 4.5	To ensure consistent training provision quality by secondary accredited training providers.
Objective Statement	To ensure consistent training provision quality by secondary accredited training providers.
Baseline	120 secondary accreditation training providers' learning programmes evaluated in 2014/15
Indicator	Number of secondary accreditation training providers' learning programmes evaluated per annum
Justification	Some training providers are accredited with other SETAs but may offer LGSETA accredited qualifications and thus, it is important that such providers demonstrate the capacity to deliver LGSETA programmes in terms of the LGSETA quality management system
Links	QCTO, White Paper on Post-School Education and Training,

Strategic Objective 4.6	To continuously improve the quality of training provision through effective monitoring.
Objective Statement	To continuously improve the quality of training provision through effective monitoring that is economical and efficient.
Baseline	50% training providers monitored in 2014/15
Indicator	Percentage of training providers monitored as per ETQA/QCTO requirements per annum
Justification	To ensure quality provision of training to the local government sector by accredited training providers.
Links	QCTO

Strategic Objective 4.7	To develop and implement RPL tools that contribute to the professional development of employees.
Objective Statement	To develop and implement RPL tools that contribute to the professional development of employees.
Baseline	3 RPL implementation guidelines and tools developed and implemented in 2014/15
Indicator	Number of RPL implementation guidelines and tools developed and implemented per annum
Justification	A high number of employees have been working in an occupation for a long period of time but lack the formal qualifications and thus, this objective seeks to provide such workers with the opportunity to develop professionally
Links	NDP 2030, NSDS III Goal- Increasing access to occupationally-directed programmes, NSDS III Goal - Encouraging better use of workplace-based skills development; White Paper on Post-School Education and Training

Strategic Objective 4.8	To continually facilitate greater access to skills development opportunities and employability for the local government sector.
Objective Statement	To continually facilitate greater access to skills development opportunities and employability.
Baseline	3 Assessment/RPL centres established in 2014/15
Indicator	Number of Assessment/RPL centres established per annum
Justification	A high number of employees have been working in an occupation for a long period of time but lack the formal qualifications and thus, this objective seeks to provide such workers with the opportunity to develop professionally
Links	NDP 2030, NSDS III Goal- Increasing access to occupationally-directed programmes, NSDS III Goal - Encouraging better use of workplace-based skills development; White Paper on Post-School Education and Training

Strategic Objective 4.9	To support access to better professional development opportunities and prospects for employees.
Objective Statement	To support access to better professional development opportunities and prospects for employees.
Baseline	1000 RPL candidates assessed
Indicator	Number of RPL candidates assessed per annum
Justification	A high number of employees have been working in an occupation for a long period of time but lack the formal qualifications and thus, this objective seeks to provide such workers with the opportunity to develop professionally
Links	NDP 2030, NSDS III Goal- Increasing access to occupationally-directed programmes, NSDS III Goal - Encouraging better use of workplace-based skills development; White Paper on Post-School Education and Training

Strategic Objective 4.10	To verify learner achievement.
Objective Statement	To verify learner achievement.
Baseline	<ul style="list-style-type: none"> 6000 learners certificated against unit standards 1000 learners certificated against qualifications
Indicators	<ul style="list-style-type: none"> Number of learners certificated against unit standards per annum Number of learners certificated against qualifications per annum
Justification	Quality assurance of qualifications if important.
Links	NSDS III Goal- Increasing access to occupationally-directed programmes,

7.4.2 Resource Considerations

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						
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.

7.4.3 Risk Management

Risk description	Mitigating factor
Use of unaccredited training providers	Accredit training providers

PART C:

Links to other plans

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

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

ANNEXURE 1:

Updates to the strategic plan

The strategic outcome-oriented goals remain as in the Strategic Plan 2011 - 2016, but amendments were made to other aspects of the strategic objectives. The information in the following tables was revised in the 2015/16 Annual Performance Plan as follows:

Strategic Objective 1.1	To implement efficient, effective and transparent governance systems across the LGSETA to ensure compliance with statutory requirements and reporting.
Objective Statement	To implement efficient, effective and transparent governance systems across the LGSETA to ensure compliance with statutory requirements and reporting as regulated.
Baseline	Full compliance with statutory requirements and reporting
Indicator	Compliance to statutory requirements and reporting
Justification	Effective and efficient governance and management is important to ensure that the LGSETA delivers on its mandate and meets statutory requirements and reporting.
Links	PFMA, National Treasury Regulations

Strategic Objective 1.2	To develop and submit strategic plan and annual performance plan for approval to DHET within regulated time frames.
Objective Statement	To develop and submit an updated strategic plan and annual performance plan for approval to DHET within regulated time frames.
Baseline	Approved strategic plan and annual performance plan by DHET for 2015/16
Indicator	Approved strategic plan and annual performance plan
Justification	These documents are important to ensure that the LGSETA delivers on its mandate and meets or exceeds performance
Links	DHET, National Treasury Regulations

Strategic Objective 1.3	To continuously improve stakeholder satisfaction with the LGSETA.
Objective Statement	To improve stakeholder relations and build a positive image of the LGSETA.
Baseline	65% stakeholder satisfaction rating
Indicator	Level of stakeholder satisfaction with the LGSETA
Justification	Building stronger stakeholder relations will improve the level of confidence that the stakeholders have about the LGSETA to deliver on its mandate and will lead to greater participation with the LGSETA on various skills development and related interventions.
Links	LGSETA Communications Strategy; LGSETA Stakeholder Engagement

Strategic Objective 1.4	To implement business processes consistently throughout the LGSETA to support compliance and better service delivery.
Objective Statement	To implement business processes consistently throughout the LGSETA to support compliance efforts by all employees that leads to better service delivery.
Baseline	Compliance with organisational operational procedures and standards
Indicator	Percentage compliant with organisational operational procedures and standards
Justification	Integrated business processes that are used consistently will enable the LGSETA to become a more responsive organisation as well to optimise its resources to provide services efficiently and economically.
Links	Governance, PFMA

Strategic Objective 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.
Objective Statement	To attract, develop and retain a capable and skilled workforce that will support the needs of the LGSETA
Baseline	100% Compliance to the human resources and performance management strategy
Indicator	Percentage compliant with human resources procedures and standards
Justification	To build the required capacity in the LGSETA in order to support implementation of its strategic goals and objectives.
Links	Human resources management policies, systems and procedures

Strategic Objective 1.6	To improve employee satisfaction with LGSETA as an employer.
Objective Statement	To improve employee satisfaction with LGSETA as an employer.
Baseline	80% for 2014/15
Indicator	Employee Satisfaction Index
Justification	This objective is important as satisfied employees will more productive and will enable the LGSETA to deliver on its mandate as well as attract and retain
Links	Human resources management policies, systems and procedures

Strategic Objective 1.7	To improve information systems to optimise planning, implementation, monitoring and reporting across the LGSETA.
Objective Statement	To improve information systems to optimise planning, implementation, monitoring and reporting across the LGSETA.
Baseline	Unqualified Audit Opinion for 2014/15 on Performance Information
Indicator	Performance Information Rating
Justification	Quality and credible information is needed to support LGSETA's planning, implementation, monitoring and reporting of its interventions
Links	PFMA, Framework for Managing Programme Performance Information (FMPPi)

Strategic Objective 1.8	To develop and implement project management procedures and standards to optimise service delivery.
Objective Statement	To develop and implement project management procedures and standards to optimise service delivery.
Baseline	Compliance with project management procedures and standards
Indicator	Percentage compliant with project management procedures and standards
Justification	The project management unit will support the work of the LGSETA to improve its performance and meet its targets as well as support the management of performance information
Links	Framework for Managing Programme Performance Information (FMPPI)

Strategic Objective 1.9	To communicate the sector skills priorities and skills development opportunities to new market entrants and learners.
Objective Statement	To communicate the sector skills priorities and skills development opportunities to new market entrants and learners.
Baseline	18000 career guides distributed to new market entrants and learners in 2014/15
Indicator	Number of career guides distributed to new market entrants and learners
Justification	To communicate the sector skills priorities and skills development opportunities to new market entrants and learners so as to create awareness of career opportunities in the local government sector.
Links	NSDS III - 4.8 Building career and vocational guidance

Strategic Objective 1.10	To manage the operations of the LGSETA within the allocated budget and in accordance with the financial regulatory framework and financial management procedures and standards.
Objective Statement	To manage the operations of the LGSETA within the allocated budget and in accordance with the financial regulatory framework and financial management procedures and standards.
Baseline	Unqualified Audit Outcome for 2014/15
Indicator	Unqualified Audit Opinion
Justification	Economic, efficient and effective use of LGSETA resources towards achievement of its mandate is needed.
Links	PFMA, National Treasury Regulations, Financial Management Policies

Strategic Objective 2.1	To implement a credible system that supports higher levels of reporting and builds the local government sector's capacity to identify the skills needs of the sector, plan for, manage and report on skills development implementation.
Objective Statement	To implement a credible system that supports higher levels of reporting and builds the local government sector's capacity to identify the skills needs of the sector, plan for, manage and report on skills development implementation.
Baseline	94% compliant workplace skills plans and annual training reports submitted in 2014
Indicator	Percentage of compliant workplace skills plans and annual training reports submitted per annum
Justification	To improve the capacity to plan for skills intervention and skills planning, it is imperative that the quality of information provided in workplace skills plans and annual training reports submitted is credible, complete and useful for the LGSETA and the sector.
Links	NSDS III Goal - Establishing a credible institutional mechanism for skills planning

Strategic Objective 2.2	To improve the credibility and coherence of the skills planning system for local government sector through partnerships to facilitate sector-specific research.
Objective Statement	To improve the credibility and coherence of the skills planning system for local government sector through partnerships to facilitate sector-specific research.
Baseline	8 research studies completed in 2014/14
Indicator	Number of completed research studies per annum
Justification	Research improves the quality of the LGSETA's skills planning and identification of interventions that are needed to facilitate access to appropriate skills development interventions for the sector.
Links	NSDS III Goal - Establishing a credible institutional mechanism for skills planning

Strategic Objective 2.3	To strengthen skills planning capacity of the local government sector to better respond to the sector's skills needs.
Objective Statement	To strengthen skills planning capacity of the local government sector to better respond to the sector's skills needs.
Baseline	Approved Sector Skills Plan update for 2015/16
Indicator	Approved annual Sector Skills Plan update
Justification	The information on labour market skills needs will serve to address the skills shortage within the local government sector and lead to improved service delivery. This will contribute to increasing the number of employees and the unemployed to access skills development training in the sector based on clearly identified skills development needs
Links	NSDS III Goal - Establishing a credible institutional mechanism for skills planning

Strategic Objective 2.4	To support the skills planning capacity of the local government sector to identify, measure and appropriately address scarce and critical skills needs.
Objective Statement	To support the skills planning capacity of the local government sector to identify, measure and appropriately address scarce and critical skills needs.
Baseline	1 scarce and critical skills guide developed
Indicator	Scarce and critical skills guide developed per annum
Justification	This indicator will enhance skills planning and identification of appropriate responses to inform skills training, budget and implementation.
Links	NSDS III Goal - Increasing public sector capacity for improved service delivery and supporting the building of a developmental state

Strategic Objective 2.5	To build capacity to support the planning and monitoring of skills development at municipal level at the provincial level.
Objective Statement	To build capacity to support the planning and monitoring of skills development at municipal level at the provincial level.
Baseline	9 training workshops in 2014/15
Indicator	Annual training for human resource development council per Province
Justification	The provincial sphere plays an important role in supporting municipalities and therefore, it is important that the LGSETA takes the opportunity to build the capacity of such structures who are then able to provide additional support to the sector.
Links	NSDS III Goal - Establishing a credible institutional mechanism for skills planning

Strategic Objective 2.6	To strengthen the capacity of local labour forums for planning, implementation and reporting on skills development at the municipal level.
Objective Statement	To strengthen the capacity for planning, implementation and reporting on skills development at the municipal level.
Baseline	278
Indicator	Annual local labour forum training per municipality
Justification	The local labour forum plays an important role in skills planning and monitoring of interventions and as such, it is important that the LGSETA takes the opportunity to build the capacity of such structures to assist the LGSETA meet its strategic goals and objectives.
Links	Framework for Managing Programme Performance Information (FMPPi); NSDS III Goal - Establishing a credible institutional mechanism for skills planning

Strategic Objective 2.7	To build the capacity of skills development facilitators to plan for, implement, manage, monitor and report on skills development within the municipality.
Objective Statement	To build the capacity of skills development facilitators to plan for, implement, manage, monitor and report on skills development within the municipality.
Baseline	36 skills development facilitators forums in 2014/15
Indicator	Number of skills development facilitators forums per Province per annum
Justification	Building the capacity of skills development facilitators will enhance the LGSETA's capacity to better plan, support implementation, monitor and evaluate skills development within the sector.
Links	Framework for Managing Programme Performance Information (FMPPI)

Strategic Objective 2.8	To improve the quality of performance information through the implementation of an effective, effective and economical monitoring and reporting system.
Objective Statement	To improve the quality of performance information through the implementation of an effective, effective and economical monitoring and reporting system.
Baseline	556 monitoring and evaluation visits
Indicator	Number of monitoring and evaluation visits per municipality per annum
Justification	To ensure that skills development interventions are being implemented and assist where possible to remove any blockages as well as to ensure that performance information is being appropriately collected and managed.
Links	Framework for Managing Programme Performance Information (FMPPI); NSDS III Goal - Establishing a credible institutional mechanism for skills planning

Strategic Objective 3.1	To continuously improve the skills of employees to support municipality performance by facilitating access to skills development programmes.
Objective Statement	To continuously improve the skills of employees to support municipality performance.
Baseline	5000 employees completing skills programme in 2014/15
Indicators	<ul style="list-style-type: none"> • Number of employees registered for skills programmes per annum • Number of employees completing skills programmes per annum
Justification	It is important to continuously support skills development of employees to enable better service delivery by the sector
Links	NDP 2030; Outcome 5; White Paper on Post-School Education and Training; NSDS III Goal- Increasing access to occupationally-directed programmes; NSDS III Goal - Increasing public sector capacity for improved service delivery and supporting the building of a developmental state

Strategic Objective 3.2	To facilitate access to skills development programmes and increase work readiness of unemployed individuals.
Objective Statement	To facilitate access to skills development programmes and increase work readiness of unemployed individuals.
Baseline	3500 unemployed individuals completing skills programme in 2014/15
Indicators	<ul style="list-style-type: none"> • Number of unemployed individuals registered for skills programmes per annum • Number of unemployed individuals completing skills programmes per annum
Justification	This objective is important to develop individuals who can potentially enter the sector by equipping them with the necessary skills required.
Links	Outcome 5; White Paper on Post-School Education and Training; NSDS III Goal- Increasing access to occupationally-directed programmes

Strategic Objective 3.3	To facilitate access to occupationally-directed skills development learnership programmes for local government employees.
Objective Statement	To facilitate access to occupationally-directed skills development learnership programmes for employees.
Baseline	3500 employees completing learnerships in 2014/15
Indicator	<p>Number of employees registered for learnerships per annum</p> <p>Number of employees completing learnerships per annum</p>
Justification	Occupationally-directed skills development learnerships programmes will support the goal of expanding the availability of required skills for the sector as well as support the professional development of workers.
Links	Outcome 5; White Paper on Post-School Education and Training; NSDS III Goal- Increasing access to occupationally-directed programmes; NSDS III Goal - Increasing public sector capacity for improved service delivery and supporting the building of a developmental state

Strategic Objective 3.4	To increase the skills supply pipeline for the local government sector for unemployed individuals through learnerships.
Objective Statement	To increase the skills supply pipeline for the local government sector for unemployed individuals through learnerships.
Baseline	3000 unemployed individuals completing learnerships in 2014/15
Indicator	<ul style="list-style-type: none"> • Number of unemployed individuals registered for learnerships per annum • Number of unemployed individuals completing learnerships per annum
Justification	Occupationally-directed skills development learnerships programmes will support the goal of expanding the availability of required skills for the sector.
Links	Outcome 5; White Paper on Post-School Education and Training; NSDS III Goal- Increasing access to occupationally-directed programmes

Strategic Objective 3.5	To continuously improve the level of literacy and numeracy of employees in the sector.
Objective Statement	To continuously improve the level of literacy and numeracy of employees in the sector.
Baseline	75 employees completing AET level 1 in 2014/15 100 employees completing AET level 2 in 2014/15 125 employees completing AET level 3 in 2014/15 200 employees completing AET level 4 in 2014/15
Indicators	<ul style="list-style-type: none"> • Number of employees enrolled in AET level 1 per annum • Number of employees completing AET level 1 per annum • Number of employees enrolled in AET level 2 per annum • Number of employees completing AET level 2 per annum • Number of employees enrolled in AET level 3 per annum • Number of employees completing AET level 3 per annum • Number of employees enrolled in AET level 4 per annum • Number of employees completing AET level 4 per annum
Justification	It is important to build higher literacy and numeracy levels of individuals to build the skills of the country, facilitate access to better professional opportunities for individuals.
Links	NSDS III Goal - Addressing the low level of youth and adult language and numeracy skills to enable additional training; NSDS III Goal - Increasing public sector capacity for improved service delivery and supporting the building of a developmental state; Outcome 5; White Paper on Post-School Education and Training

Strategic Objective 3.6	To continuously improve the level of literacy and numeracy of unemployed individuals to increase employability prospects.
Objective Statement	To continuously improve the level of literacy and numeracy of unemployed individuals to increase employability prospects.
Baseline	75 unemployed individuals completing AET level 1 in 2014/15 100 unemployed individuals completing AET level 2 in 2014/15 125 unemployed individuals completing AET level 3 in 2014/15 200 unemployed individuals completing AET level 4 in 2014/15
Indicators	<ul style="list-style-type: none"> • Number of unemployed individuals enrolled in AET level 1 per annum • Number of unemployed learners individuals completing AET level 1 per annum • Number of unemployed individuals enrolled in AET level 2 per annum • Number of unemployed learners individuals completing AET level 2 per annum • Number of unemployed individuals enrolled in AET level 3 per annum • Number of unemployed learners individuals completing AET level 3 per annum • Number of unemployed individuals enrolled in AET level 4 per annum • Number of unemployed learners individuals completing AET level 4 per annum
Justification	It is important to build higher literacy and numeracy levels of individuals to build the skills of the country, facilitate access to economic opportunities as well as increase employability of unemployed individuals.
Links	NSDS III Goal - Addressing the low level of youth and adult language and numeracy skills to enable additional training; White Paper on Post-School Education and Training

Strategic Objective 3.7	To increase access to adult education and training programmes for the local government sector through innovative technology solutions.
Objective Statement	To increase access to adult education and training programmes for the local government sector through innovative technology solutions.
Baseline	3 e-AET programmes developed and implemented
Indicator	Number of e-AET programmes developed per annum
Justification	It is important to build higher literacy and numeracy levels of individuals to build the skills of the country, facilitate access to better professional opportunities for workers, economic opportunities as well as increase employability of unemployed individuals.
Links	NSDS III Goal - Addressing the low level of youth and adult language and numeracy skills to enable additional training; White Paper on Post-School Education and Training

Strategic Objective 3.8	To continuously promote artisan and technical skills development in the local government sector.
Objective Statement	To continuously promote artisan and technical skills development in the local government sector.
Baseline	160 artisans (employees) in 2014/15 160 artisans (unemployed individuals) in 2014/15 100 artisans (artisan aides) in 2014/15
Indicators	<ul style="list-style-type: none"> • Number of employees registered as learner artisans per annum • Number of learner artisans who qualify as artisans per annum • Number of unemployed individuals registered as learner artisans per annum • Number of unemployed individuals registered as learner artisans who qualify as artisans per annum • Number of artisan aides registered for artisanal training per annum • Number of artisan aides who qualify as artisans per annum
Justification	Occupationally-directed skills development learnerships programmes will support the goal of expanding the availability of required skills for the sector as well as support the professional development of workers to meet the needs of the sector
Links	NSDS III Goal- Increasing access to occupationally-directed programmes; NSDS III Goal - Increasing public sector capacity for improved service delivery and supporting the building of a developmental state; Outcome 5; NDP 2030; White Paper on Post-School Education and Training

Strategic Objective 3.9	To facilitate access to further education opportunities that contribute to the professional development of employees as well as grow the skills supply for the sector.
Objective Statement	To facilitate access to further education opportunities that contribute to the professional development of employees as well as grow the skills supply for the sector.
Baseline	100 bursaries awarded to employees in 2014/15 300 bursaries awarded to employees in 2014/15
Indicator	<ul style="list-style-type: none"> • Number of employees awarded bursaries per annum • Number of unemployed individuals awarded bursaries per annum
Justification	This objective is important to facilitate access to further education opportunities and in particular occupationally-directed skills development that contribute to the professional development of employees as well as grow the skills supply for the sector
Links	NSDS III Goal- Increasing access to occupationally-directed programmes; Outcome 5; White Paper on Post-School Education and Training

Strategic Objective 3.10	To facilitate further professional development of skills development facilitators in municipalities.
Objective Statement	To facilitate further professional development of skills development facilitators in municipalities.
Baseline	60 SDFs completed the OD-ETDP certificate qualification in 2014/15 30 SDFs completed the OD-ETDP higher certificate qualification in 2014/15 10 SDFs completed the OD-ETDP diploma qualification in 2014/15
Indicator	<ul style="list-style-type: none"> • Number of SDFs registered for the OD-ETDP certificate qualification per annum • Number of SDFs completing the OD-ETDP certificate qualification per annum • Number of SDFs registered for the OD-ETDP higher certificate qualification per annum • Number of SDFs completing the OD-ETDP higher certificate qualification per annum • Number of SDFs registered for the OD-ETDP diploma qualification per annum • Number of SDFs completing the OD-ETDP diploma qualification per annum • Number of SDFs registered for the OD-ETDP degree qualification per annum • Number of SDFs completing the OD-ETDP degree qualification per annum
Justification	Building the capacity of skills development facilitators will enhance the LGSETA's capacity to better plan, support implementation, monitor and evaluate skills development within the sector.
Links	NSDS III Goal- Increasing access to occupationally-directed programmes; NSDS III Goal - Increasing public sector capacity for improved service delivery and supporting the building of a developmental state Outcome 5; NDP 2030

Strategic Objective 3.11	To grow the local government sector as a training space and improve access for new labour market entrants through workplace experience.
Objective Statement	To grow the local government sector as a training space and improve access for new labour market entrants through workplace experience that includes internships and work integrated learning and other similar programmes
Baseline	250 internships facilitated in 2014/5 3000 work integrated learning placements for TVET graduates in 2014/15 600 work integrated learning placements for HEI graduates in 2014/15
Indicators	<ul style="list-style-type: none"> • Number of unemployed graduates placed for internships per annum • Number of TVET graduates placed for work integrated learning per annum • Number of HEI graduates placed for work integrated learning per annum
Justification	Occupationally-directed skills development learnerships programmes will support the goal of expanding the availability of required skills for the sector.
Links	NSDS III Goal- Increasing access to occupationally-directed programmes; Outcome 5;

Strategic Objective 3.12	To continuously encourage and support cooperatives, small enterprises, worker initiated NGO and community training initiatives.
Objective Statement	To continuously encourage and support cooperatives, small enterprises, worker initiated NGO and community training initiatives.
Baseline	20 cooperatives supported in 2014/15 10 NGOs supported in 2014/15 10 CBOs supported in 2014/15 10 SMMEs supported in 2014/15 5 NLPEs supported in 2014/15
Indicators	<ul style="list-style-type: none"> • Number of cooperatives supported through skills development initiatives per annum • Number of NGOs supported through skills development initiatives per annum • Number of CBOs supported through skills development initiatives per annum • Number of SMMEs supported through skills development initiatives per annum • Number of NLPEs supported through skills development initiatives per annum
Justification	This objective is important to expand access to skills development opportunities as well as building the capacity of such entities to support the implementation of LGSETA programmes.
Links	NSDS III Goal - Encouraging and supporting cooperatives, small enterprises, worker initiated, NGO and community training initiatives; White Paper on Post-School Education and Training

Strategic Objective 3.13	Support the deepening of democracy through civic education, councillor training, ward education, community development worker training and training of traditional leaders
Objective Statement	Support the deepening of democracy through civic education, councillor training, ward education, community development worker training and training of traditional leaders
Baseline	2000 Councillors trained in 2014/15 500 Traditional Leaders trained in 2014/15
Indicator	<ul style="list-style-type: none"> • Number of councillors registered for skills programmes per annum • Number of councillors completing skills programmes per annum • Number of traditional leaders registered for skills programmes per annum • Number of traditional leaders completing skills programmes per annum
Justification	It is important to continuously support skills development of employees to enable better service delivery by the sector
Links	NDP 2030; Outcome 5; White Paper on Post-School Education and Training; NSDS III Goal- Increasing access to occupationally-directed programmes; NSDS III Goal - Increasing public sector capacity for improved service delivery and supporting the building of a developmental state

Strategic Objective 4.1	To develop and implement QCTO aligned quality management policies.
Objective Statement	To develop and implement QCTO aligned quality management policies.
Baseline	2 QCTO policies developed in 2014/15
Indicator	Number of QCTO policies developed per annum
Justification	To ensure that there is quality training provision and qualifications.
Links	QCTO, SAQA, White Paper of Post-School Education and Training

Strategic Objective 4.2	To develop quality occupation-directed qualifications.
Objective Statement	To develop quality occupation-directed qualifications that meet the needs of professional and sector development.
Baseline	5 QCTO qualifications developed in 2014/15
Indicator	Number of QCTO qualifications developed per annum
Justification	This objective is important as there is a need to review develop new priority qualifications that will meet the skills needs for the sector as well as those identified in the NDP 2030
Links	NDP 2030, NSDS III Goal- Increasing access to occupationally-directed programmes, White Paper of Post-School Education and Training

Strategic Objective 4.3	To continuously facilitate access for training providers to support the provision of quality training in the sector.
Objective Statement	To continuously facilitate access for training providers to support the provision of quality training in the sector.
Baseline	40 new primary accreditation training providers in 2014/15
Indicator	Number of new primary accreditation training providers per annum
Justification	It is important to ensure that access to new training providers is supported to ensure quality training provision as well as to support transformation in the sector.
Links	White Paper of Post-School Education and Training, NSDS III Goal - Promoting the growth of a public TVET college system that is responsive to sector, local, regional and national skills needs and priorities

Strategic Objective 4.4	To promote collaboration to support skills development.
Objective Statement	To promote collaboration to support skills development.
Baseline	20 new MoUs with SETAs, FETs, HEIs and MTCs
Indicator	Number of new MoUs with SETAs, FETs, HEIs and MTCs per annum
Justification	To increase access as well as to support the development of the TVET College system to provide relevant, quality training.
Links	NSDS III Goal - Promoting the growth of a public TVET college system that is responsive to sector, local, regional and national skills needs and priorities

Strategic Objective 4.5	To ensure consistent training provision quality by secondary accredited training providers.
Objective Statement	To ensure consistent training provision quality by secondary accredited training providers.
Baseline	120 secondary accreditation training providers' learning programmes evaluated in 2014/15
Indicator	Number of secondary accreditation training providers' learning programmes evaluated per annum
Justification	Some training providers are accredited with other SETAs but may offer LGSETA accredited qualifications and thus, it is important that such providers demonstrate the capacity to deliver LGSETA programmes in terms of the LGSETA quality management system
Links	QCTO, White Paper of Post-School Education and Training,

Strategic Objective 4.6	To continuously improve the quality of training provision through effective monitoring.
Objective Statement	To continuously improve the quality of training provision through effective monitoring that is economical and efficient.
Baseline	50% training providers monitored in 2014/15
Indicator	Percentage of training providers monitored as per ETQA/QCTO requirements per annum
Justification	To ensure quality provision of training to the local government sector by accredited training providers.
Links	QCTO

Strategic Objective 4.7	To develop and implement RPL tools that contribute to the professional development of employees.
Objective Statement	To develop and implement RPL tools that contribute to the professional development of employees.
Baseline	3 RPL implementation guidelines and tools developed and implemented in 2014/15
Indicator	Number of RPL implementation guidelines and tools developed and implemented per annum
Justification	A high number of employees have been working in an occupation for a long period of time but lack the formal qualifications and thus, this objective seeks to provide such workers with the opportunity to develop professionally
Links	NDP 2030, NSDS III Goal- Increasing access to occupationally-directed programmes, NSDS III Goal - Encouraging better use of workplace-based skills development; White Paper of Post-School Education and Training

Strategic Objective 4.8	To continually facilitate greater access to skills development opportunities and employability for the local government sector.
Objective Statement	To continually facilitate greater access to skills development opportunities and employability.
Baseline	3 Assessment/RPL centres established in 2014/15
Indicator	Number of Assessment/RPL centres established per annum
Justification	A high number of employees have been working in an occupation for a long period of time but lack the formal qualifications and thus, this objective seeks to provide such workers with the opportunity to develop professionally
Links	NDP 2030, NSDS III Goal- Increasing access to occupationally-directed programmes, NSDS III Goal - Encouraging better use of workplace-based skills development; White Paper of Post-School Education and Training

Strategic Objective 4.9	To support access to better professional development opportunities and prospects for employees.
Objective Statement	To support access to better professional development opportunities and prospects for employees.
Baseline	1000 RPL candidates assessed
Indicator	Number of RPL candidates assessed per annum
Justification	A high number of employees have been working in an occupation for a long period of time but lack the formal qualifications and thus, this objective seeks to provide such workers with the opportunity to develop professionally
Links	NDP 2030, NSDS III Goal- Increasing access to occupationally-directed programmes, NSDS III Goal - Encouraging better use of workplace-based skills development; White Paper of Post-School Education and Training

Strategic Objective 4.10	To verify learner achievement.
Objective Statement	To verify learner achievement.
Baseline	<ul style="list-style-type: none"> • 6000 learners certificated against unit standards • 1000 learners certificated against qualifications
Indicators	<ul style="list-style-type: none"> • Number of learners certificated against unit standards per annum • Number of learners certificated against qualifications per annum
Justification	Quality assurance of qualifications if important.
Links	NSDS III Goal- Increasing access to occupationally-directed programmes,

ANNEXURE 2:

Materiality and Significance Framework

Materiality and Significance Framework

Local Government Sector Education and Training (LGSETA)

April 2015

Materiality framework

LGSETA has developed a materiality and significance framework which outlines materiality and significance as follows:

TREASURY REGULATION 28.3.1		
“For purposes of “material” [sections 55(2) of the Act] and “significant” [section 54(2) of the Act], the accounting authority must develop and agree a framework of acceptable levels of materiality and significance with the relevant executive authority.”		
		Materiality approach adopted
Section 55	<p>(2) The annual report and financial statements referred to by PFMA Subsection 55 (1) (d) must –</p> <p>(a) Fairly present the state of affairs of the public entity, its business, its financial results, its performance against pre-determined objectives and its financial position as at the end of the financial year concerned;</p>	<ul style="list-style-type: none"> The LGSETA commits itself to present its affairs fairly without any material misstatements and/or to immediately correct or adjust any misstatements identified by its auditors.
	<p>(b) include particulars of –</p> <p>(i) Any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year;</p> <p>(ii) Any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful expenditure;</p> <p>(iii) Any losses recovered or written off;</p> <p>(iv) Any financial assistance received from the state and commitments made by the state on its behalf; and</p> <p>(v) Any other matters that may be prescribed; and</p> <p>(c) Include the financial statements of any subsidiaries.</p>	<ul style="list-style-type: none"> All material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure will be disclosed in the LGSETA financial statements until such time that they have been properly investigated and condoned. Internal controls will be bolstered to detect and prevent the above losses. Not applicable. Not applicable. Not Applicable.

Section 54	<p>(2) Before a public entity concludes any of the following transactions, the accounting authority for the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its executive authority for approval of the transaction</p> <p>a. Establishment or participation in the establishment of a company;</p> <p>b. Participation in a significant partnership, trust, unincorporated joint venture or similar arrangement</p> <p>c. Acquisition or disposal of a significant shareholding in a company</p> <p>d. Acquisition or disposal of a significant asset</p> <p>e. Commencement or cessation of a significant business activity; and</p> <p>f. A significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.</p>	<ul style="list-style-type: none"> • Not applicable.
<p>Materiality of 0.5% of the total revenue received for the year is applied. For the 2015/16 revenue of R507 million, this translates to a materiality value of R2, 535 million.</p>		

This Materiality Framework is re-assessed and adjusted on an annual basis and approved by the Accounting Authority.

ANNEXURE 3:

Technical Indicator Descriptions of Strategic Outcome-oriented Goals

2014/15 Financial Year

Organisational strategic outcome-oriented goals

Goal	Strategic outcome-oriented goal	Goal statement
1	A credible skills planning and implementation system for the local government sector.	Local government sector skills development information is researched, documented and communicated for effective planning over the next four years and strategic projects in support of scarce skills and government priorities are implemented.
2	Increasing access to occupationally-directed programmes within the local government sector.	Provide customised and quality training in priority skills for all categories of the local government workforce between 2012 and 2016.
3	Promote the growth of a public FET college system that is responsive to sector, local, regional and national skills needs and priorities.	Promote partnerships between the LGSETA, municipalities, private training providers and public FET colleges during the period 2012 to 2016.
4	Address the low level of youth and adult language and numeracy skills to broaden access to further training, resulting in sustainable work opportunities.	Creation of opportunities for young people leaving school and enhancement of adult education training to improve their career advancement opportunities within the local government sector between 2012 and 2016.
5	Encourage better use of workplace-based skills development.	Improvement of workplace training for the local government sector workforce, for the overall productivity of the economy over the next four years.
6	Encouraging and supporting co-operatives, worker-initiated small enterprises, NGOs and community training initiatives.	Provide relevant capacity building programmes in order to maximise the economic role of the co-operatives, small businesses, NGOs and community-based organisations.
7	Build / Capacitate career and vocational guidance.	Develop and provide career guidance information to the youth between 2012 and 2016.
8	Position and capacitate the method of operation and quality of service for the LGSETA	Establish and apply functional management systems to meet operational and regulatory imperatives at all times.

Technical indicator descriptions of strategic outcome-oriented goals

Goal title	A credible skills planning and implementation system for the local government sector
Short definition	The development of the sector skills plan to inform skills development needs for the sector
Purpose/importance	Information from the sector skills plan will be used to inform skills development for the local government sector as well as the increase in the number of employees and the unemployed to access skills development training
Source/collection of data	WSPs/ATRs, National Treasury, other government departments, Auditor-General, Municipality strategic documents, Statistics South Africa, Demarcation Board, Provincial Plans, Sector Research
Method of calculation	N/A
Data limitations	Dependent on accuracy and completion of data provided by Municipalities in the case of WSPs/ATRs; timing differences in relation to availability of data e.g. different financial year-end between LGSETA and Municipalities and other government departments
Type of indicator	Measuring outputs/impact, activities and outcomes-driven
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	All municipalities to submit the WSP/ATR
Indicator responsibility	Sector Skills Planning

Goal title	Increasing access to occupationally-directed programmes within the local government sector.
Short definition	The number of young people accessing workplace experiential learning opportunities
Purpose/importance	To provide workplace learning opportunities within local government that would ensure that young people obtain exposure to and meaningful workplace experience
Source/collection of data	Quarterly Monthly Reports, Project Reports, Enrolment/registration data, certification data
Method of calculation	Qualitative and quantitative analysis of programme data and statistics
Data limitations	This will depend on extent to which there is quality assured, complete data as well as tracer studies
Type of indicator	Measuring outputs/impact, activities and outcomes-driven
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Increased access to PIVOTAL programmes
Indicator responsibility	Learning Programmes

Goal title	Promote the growth of a public FET College system that is responsive to sector, local, regional and national skills needs and priorities.
Short definition	Building the capacity of public FET Colleges to support skills development
Purpose/importance	To build the capacity of the public FET College system to support skills development for the sector
Source/collection of data	MoUs
Method of calculation	Qualitative and quantitative analysis of programme data and statistics
Data limitations	None
Type of indicator	Measuring outputs/impact, activities and outcomes-driven
Calculation type	Cumulative for the year
Reporting cycle	Annually
New indicator	No
Desired performance	Increased partnerships with public FET Colleges
Indicator responsibility	Administration

Goal title	Contribute to reducing the low level of youth and adult language and numeracy skills by facilitating access to further training, resulting in sustainable work opportunities
Short definition	Increasing youth and adult language and numeracy skills
Purpose/importance	This will broaden access to further training, resulting in sustainable work opportunities or self-employment
Source/collection of data	Programme registrations and completion, tracer studies
Method of calculation	Qualitative and quantitative analysis of programme data and statistics
Data limitations	Depends on uptake in adult education and training programmes
Type of indicator	Measuring outputs/impact, activities and outcomes-driven
Calculation type	Cumulative for the year
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	Increased registration of and achievement by people in adult education and training programmes
Indicator responsibility	Learning Programmes

Goal title	Encourage better use of workplace-based skills development.
Short definition	Increase workplace skills development
Purpose/importance	To support the training of employed people in the local government sector
Source/collection of data	WSPs/ATRs, tracer studies
Method of calculation	Qualitative and quantitative analysis of programme data and statistics
Data limitations	Depends on uptake
Type of indicator	Measuring outputs/impact, activities and outcomes-driven
Calculation type	Cumulative for the year
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	Increased number of work place-based skills development opportunities
Indicator responsibility	Learning Programmes Unit

Goal title	Encourage and support co-operatives, worker-initiated small enterprises, NGOs and community training initiatives.
Short definition	The number of co-operatives, worker-initiated small enterprises, NGOs and community training initiatives that the LGSETA supports during the reporting period
Purpose/importance	To build a more inclusive economy where skills development also empowers people not only to be skilled for the labour market but also to enable them to create a living through self-employment
Source/collection of data	Programme information
Method of calculation	Count
Data limitations	Depends on availability of programmes
Type of indicator	Measuring outputs/impact, activities and outcomes-driven
Calculation type	Cumulative for the year
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	Increased support of co-operatives, worker-initiated small enterprises, NGOs and community training initiatives
Indicator responsibility	Learning Programmes Unit

Goal title	Build / Capacitate career and vocational guidance
Short definition	This is the information that is provided about a career and the different occupations for the local government
Purpose/importance	To increase awareness about a career in local government by providing relevant information about occupations and qualifications required to work in the sector
Source/collection of data	Perception index, enrolment and throughput figures of learners, career exhibitions, learnership numbers
Method of calculation	Simple count for events; Qualitative and quantitative analysis of programme data and statistics
Data limitations	Depends on participation in survey, availability of throughput data, statistics of people attending career-related events
Type of indicator	Measuring outputs/impact, activities and outcomes-driven
Calculation type	Cumulative for the year
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	Increased number of young people studying sector-related qualifications and entering the sector
Indicator responsibility	Stakeholder relations/Communications

Goal title	Position and capacitate the method of operation and quality of service for the LGSETA
Short definition	Efficient and effective management and governance systems
Purpose/importance	To ensure efficient and effective management and governance of the LGSETA to deliver on its mandate
Source/collection of data	Programme information, stakeholder input
Method of calculation	Qualitative and quantitative analysis of programme data and statistics; financial and other organisational
Data limitations	Depends on reliability of data provided as influenced by robustness of internal controls
Type of indicator	Measuring outputs/impact, activities and outcomes-driven
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	Full compliance
Indicator responsibility	Administration

Abbreviations and Acronyms

AET	Adult Education and Training
APP	Annual Performance Plan
ATR	Annual Training Report
CoGTA	Department of Cooperative Governance and Traditional Affairs
DHET	Department of Higher Education and Training
EDT	Education, Training and Development
ETQA	Education and Training Qualifications Authority
FET	Further Education and Training
FMPPPI	Framework for Managing Programme Performance Information
HEI	Higher Education Institution
HRDSA	Human Resource Development Strategy
IMATU	Independent Municipal and Allied Trade Union
IUDF	Integrated Urban Development Framework
MFMA	Municipal Finance Management Act
MIS	Management Information System
NDP	National Development Plan
NQF	National Qualifications Framework
NSDS III	National Skills Development Strategy III
OD-ETDP	Occupationally Directed Education Training Development Practices
OFO	Organisation Framework for Occupations
PFMA	Public Finance Management Act
PIVOTAL	Professional, Vocational, Technical and Academic Learning
QCTO	Quality Council for Trades and Occupations
RPL	Recognition of Prior Learning
SALGA	South African Local Government Association
SAMWU	South African Municipal Workers Union
SAQA	South African Qualifications Authority
SCM	Supply Chain Management
SDF	Skills Development Facilitator
SETA	Sector Education and Training Authority
SIP	Strategic Integrated Project
SSP	Sector Skills Plan
TVET	Technical Vocational Education and Training
WSP	Workplace Skills Plan

