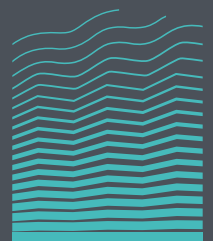




LOCAL GOVERNMENT SECTOR EDUCATION AND TRAINING AUTHORITY

SECTOR SKILLS PLAN 2016-2017



LGSETA
CREATING GREATER IMPACT

SECTOR SKILLS PLAN: SYNOPSIS

Introduction

The significance and contribution of the local government sector's workforce in the development of South Africa, cannot be understated. It is this workforce that is tasked to deliver services, sustainably and equitably to people living in South Africa, on a daily basis.

Key policy drivers

There are several policies that have been identified as key policy drivers for the LGSETA. The first policy is the 1998 White Paper on Local Government which was significant in that it articulated the shift towards a developmental local government. The LGSETA 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.

The second important policy driver for the LGSETA is the Local Government Turnaround Strategy (LGTAS) that was adopted by Cabinet in 2009. The LGTAS was designed to strengthen the ability of municipalities to perform their functions, as enshrined in the Constitution. 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 in order to develop a skilled and capable local government workforce that effectively implements the intended LGTAS interventions.

The National Skills Development Strategy III (NSDS III) is the third key policy driver for the LGSETA and in this Update, reporting on the progress to date against the seven key developmental and transformative imperatives that include race, class, gender, geography, age, disability, and the HIV and AIDS pandemic, is presented.

The National Development Plan 2030 (NDP 2030) and, in particular, Areas 1, 2, 3, 4 and 7 presented in Chapter 13, are of importance for the LGSETA. It is in these areas that the LGSETA will have a direct impact on skills development through funding innovative skills development interventions.

Another important policy driver is the Government's adoption of the 18 Strategic Integrated Projects (SIPs). The LGSETA is contributing towards the SIPs intervention through funding artisan development in a number of areas that have been identified as important for the intervention, as well as funding skills development for various occupations in the professional category.

Another policy that has been identified as a key policy driver for the sector, is the Youth Empowerment Accord. The Accord has six Commitments that include education and training; access to work exposure; increase of 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 will support Government's drive to empower the youth by facilitating access to skills development opportunities and programmes that include learnerships, internships, workplace learning and bursaries.



In addition, the new LGSETA SMME and Co-operative Strategy is expected to further provide guidance on how the LGSETA should better facilitate skills development for SMMEs and Co-operatives providing services for the sector.

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, as well as the Back-to-Basics framework released in September 2014. The LGSETA will contribute to the achievement of the vision of the draft Revised Capacity Building Framework for Local Government: 2012 to 2016 that highlights the importance of continuing to build the capacity of municipalities to deliver on their mandate.

Sector profile

The total number of Workplace Skills Plans and Annual Training Reports submitted in 2015 was 275 and this was done using the new LGSETA online WSP and ATR submission platform. Based on the WSP and ATR data for 2015 and trends from Statistics South Africa's annual non-financial census, it is estimated that the sector employed about 275 000¹ people in 2014/15. The trend is that the majority of the employees are being employed in the elementary category across all municipality types, with local municipalities employing the highest number. 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. 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 580 employees were assessed for RPL between 1 April 2015 and 31 March 2015.

Skills needs for the local government sector

Significant progress has been made in the delivery of services and this is evident in the performance management information available that indicates the extent to which municipalities provide these services. In addition to dealing with the complexities of legislatively-driven changes, local authorities have to work on eradicating service delivery backlogs inherited partly from the apartheid era, and partly generated by increasingly higher rates of urbanisation. However, the variability in terms of access to services is a concern.

¹ 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.

In identifying the skills development needs for the future, this SSP update focuses on the NDP 2030 as the guiding framework. The NDP 2030 places significant emphasis on the importance of spatial transformation. It further calls for the development of a capable and developmental state through skills development. In addition, the call for all spheres of Government to encourage active citizenry is also important, given the importance of participatory governance for local government. All of these issues and others fall within the ambit of LGSETA's strategic focus areas in terms of skills development.

Technology will have an impact on the future structure and form of local government and this will also directly have an impact on the type of skills required to meet the service delivery expectations and needs of citizens.

A concept that is gaining momentum the world over, and has begun to appear in strategic plans of many municipalities in South Africa, is that of 'smart cities'. While the role of technology in this concept is important, the smart city concept is broader than just use of technology. The smart city concept has six pillars – smart economy, smart people, smart mobility, smart governance, smart environment and smart living. From a skills development perspective, it is evident that while a significant number of municipalities are providing computing skills programmes to enable officials to work, the smart city approach goes beyond that. The smart city approach requires that municipalities meaningfully integrate technology across its entire service delivery value chain with the view to create opportunities for providing sustainable services. Thus, the extent to which officials are utilising technology at the scale that is envisioned by the smart city concept, perhaps suggest that a different approach to technology-related training/skills development will be required in the future.

The commitment by the South African Government to move towards a green economy and respond to the issues of climate change over the next few decades, should not be taken lightly as this commitment has a significant impact on all sectors. It has been suggested that local government has the unique opportunity to lead the transition to a low carbon economy as it undertakes the mammoth task of spatial transformation. It is therefore important for the local government sector to begin/accelerate the upskilling or training of appropriate skills that it will need to support the expected transition. The interesting point that is made here is that it is not that there will be the replacement of existing jobs with green jobs, but that rather it is the content of jobs, the way work is done and worker skills that will change by incorporating elements of sustainability and green practices in job descriptions (Globe Foundation, 2010).

Scarce skills

The SSP presents occupations that are considered to be scarce under one or more of the contexts that determine scarcity. Furthermore, the list has been developed based on the skills that have been identified by other stakeholders as scarce, given the lower new entrants or potential skills supply. In addition, the Auditor-General and National Treasury have indicated some of these occupations as key for service delivery as well as for ensuring proper financial and administrative governance. The scarce skills list has also taken into account future skills needed for local government such as green local government and the smart city concept, among others. The table below presents scarce skills identified for the sector, based on number of shortage.



OFO Code	Occupation	Vacancies for 2014/15
11203	Municipal Manager	19
121101	Chief Financial Officer	31
121104	Internal Audit Manager	34
121905	Project Manager	111
132301	Construction Project Manager	56
214201	Civil Engineer	150
216401	Urban and Regional Planner	58
241101	Accountant (General)	149
313201	Water Plant Operator	212
331301	Finance Clerk/Administrator	158
642601	Plumber (General)	117
671101	Electrician (General)	221

Sector skills development priorities

The LGSETA will respond to the skills development needs arising from this SSP Update for 2015/16 through its strategic focus areas. The preliminary priorities identified include municipal leadership, finance, water and waste water management, environmental practice, community development and new venture creation.

Accounting Authority Sign-off



DR MICHAEL SUTCLIFFE
LGSETA ACCOUNTING AUTHORITY

10 November 2015

FOREWORD

A skilled and capable workforce is central to local government's ability to meet its constitutional mandate and live up to its developmental local government vision. The Local Government Sector Education and Training Authority (LGSETA) has a significant mandate to facilitate skills development within and for this important sector, in accordance with the National Skills Development Strategy (NSDS) III. To this end, the purpose of the Sector Skills Plan is to analyse the skills demand and supply within the sector and to determine skills development priorities for the sector over this period and beyond.

This Sector Skills Plan (SSP) Update for 2015/16 has been prepared in accordance with the new Skills Development Act that requires each SETA to develop and update the SSP within the framework of the NSDS. It was informed by several sources of data and information, as well as the new framework, effective 2015/16. Furthermore, as part of improving the quality of data collected on the WSPs and ATRs submitted, the LGSETA successfully launched its online WSP and ATR submission portal and this, in the long-term, will make a significant contribution towards the SETA's skills planning.

Through its extensive accredited training provider network, the LGSETA has facilitated access to training for municipal officials and the unemployed towards addressing the scarce skills identified in the previous SSP Update for 2014/15. In addition, the LGSETA continues to strengthen its capacity to be a centre of research excellence and thought leader for the local government sector. The LGSETA has formed important partnerships with higher education institutions and research institutions to conduct sector-related research that will not only inform skills planning, but qualification development as well.

The LGSETA is expected to continue to play a significant role in facilitating access to skills development and training to develop a skilled and capable local government workforce. In addition, it will develop potential new entrants through its various interventions that talk to the objectives outlined in several policy documents that are in place and in anticipation of the new National Skills Development Strategy.



GUGU DLAMINI
LGSETA Chief Executive Officer



DR MICHAEL SUTCLIFFE
LGSETA Accounting Authority

10 November 2015

ACRONYMS

ATR	Annual Training Report
COGTA	Department of Co-operative Governance and Traditional Affairs
DHET	Department of Higher Education and Training
DoL	Department of Labour
DTI	Department of Trade and Industry
IMATU	Independent Municipal and Allied Trade Union
LGSETA	Local Government Sector Education and Training Authority
NEET	Not in employment, education or training
NGO	Non-governmental organisation
NQF	National Qualifications Framework
NSDS	National Skills Development Strategy
OFO	Organising Framework for Occupations
PFMA	Public Finance Management Act, 1999
PSET	Post-School Education and Training
RPL	Recognition of prior learning
SALGA	South African Local Government Association
SDA	Skills Development Act
SAMWU	South African Municipal Workers' Union
SETA	Sector Education and Training Authority
SIC	Standard Industrial Classification
SLA	Service Level Agreement
SSP	Sector Skills Plan
TVET	Technical Vocational Education and Training
WIL	Work-integrated Learning
WSP	Workplace Skills Plan

EXECUTIVE SUMMARY

The significance and contribution of the local government sector's workforce in the development of South Africa cannot be understated. It is this workforce that is tasked to deliver services, sustainably and equitably to people living in South Africa, on a daily basis.

Chapter One: "Sector Profile" includes an overview of the scope of coverage for the LGSETA. The sector's key role-players are identified and discussed while the chapter also presents an economic performance analysis focusing on the revenue and expenditure trends for municipalities, as well as assessing the extent of service delivery, considered to be key for enabling economic development within the country. The profile of employers in the sector is presented and the chapter concludes with a labour market profile analysis focusing on certain elements, including the number of employees, demographic profile of employees, geographic distribution of employees, and the qualification profile of employees in the sector.

Chapter Two: "Key Skills Issues" presents an analysis of key factors driving change in the local government sector and the corresponding implications for skills planning for the sector as identified through a process of reviewing key government policies. The identification of key factors driving change in the sector, is informed by literature review, engagement with some stakeholders, as well as, to some extent, data coming through from the WSP and ATR, such as vacancy data and training data. The chapter also addresses how the SETA is aligned to a number of national strategies and plans and the implications for skills planning.

Chapter Three: "Extent of Skills Mismatches" deals with understanding the extent of skills mismatches in the sector. At the simplistic level, mismatches or imbalances would arise where there are either too many qualified job seekers compared to the sector's needs, or vice-versa, which, in turn, would indicate whether there is a skills surplus or shortage. The chapter begins with a presentation and discussion of the extent and nature of demand, represented by vacancy data analysis, and employment trends, such as turnover among other elements. The chapter then proceeds to present and discuss the nature of supply within the sector, focusing on current occupational supply, the system for education and provision within the sector, with particular emphasis on what the SETA is doing to facilitate the development of a skills pipeline. The chapter concludes with a focus on the identification of scarce skills and skills gaps in the sector, as well as a brief discussion of the impact of these for municipalities.

Chapter Four: "Sector Partnerships" outlines the various partnerships that the SETA currently has and is segmented into different categories. The purpose, progress and intended outcomes of the various partnerships are discussed, as well as reflects on the strengths of the partnerships and areas for improvement. The chapter also presents an identification of new partnerships that are required for the sector with the role of the LGSETA articulated. This section further outlines some key actions that will be implemented to form the new identified partnerships.

Chapter Five: "Skills Priority Actions" consolidates the findings of the previous four chapters and outlines the skills priorities for the sector as well as their alignment to national strategies and plans.

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CHAPTER 1: SECTOR PROFILE

1. Introduction

Local government is at the forefront of creating a better life for all in South Africa. As such, local government should be a facilitator, driver and/or enabler of initiatives that support the growth of an equitable and inclusive economy. This requires that local government creates an enabling environment through effective planning and the provision and maintenance of socio-economic infrastructure.

In this chapter, a profile of the sector is presented that includes an overview of the scope of coverage for the LGSETA, followed by a presentation of the sector's key role-players and then the economic performance of the sector. The chapter then presents an analysis of the employer profile, focusing on types of municipalities and concludes with a labour market profile analysis.

1.2 Scope of Coverage

The LGSETA was established in terms of the Skills Development Act. In 2005, the SETA was re-certified with a reduced scope of coverage. Table 1 provides an overview of the scope of coverage of the LGSETA based on levy income received for 2014/15 from its various levy payers.

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: Defined in the Constitution as a "municipality that has exclusive municipal executive and legislative authority in its area." ¹
91202	Category B municipalities: Defined in the Constitution as a "municipality that shares municipal executive and legislative authority in its area with a Category (C) municipality within whose area it falls." ²
91203	Category C municipalities: Defined in the Constitution as a "municipality that has municipal executive and legislative authority in an area that includes more than one municipality." ³
91204	Organised local government: A statutory or regulatory body assigned the function to deal with matters at an executive level within local government, as per the constitution of the RSA.
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

SIC CODE	MAIN ACTIVITY
94002	Health and community services
94005	Other community work in local governments
96001	Recreational, cultural and sporting activities by local governments
96331	Parks and gardens
96414	Local sports facilities

1.3 Key Role-Players

It is the efficient provision of services at the local level that will attract investment and support economic growth. Furthermore, it is the efficient provision of services that will continue to have a direct and significant impact on poverty alleviation through the sustainable provision of quality free basic services to the poor. As such, there are a number of key role-players in the sector.

At the policy level, the Department of Co-operative Governance and Traditional Affairs (COGTA) is the sector's line department with its functions to “develop national policies and legislation with regard to provinces and local government, and to monitor the implementation” (COGTA, 2015) of such policies and legislation. In terms of implementation, *the Local Government Municipal Structures Act* recognises three types of municipalities classified as either a metropolitan or district or local municipality. Furthermore, legislation provides for three statutory bodies of traditional leadership – the National House of Traditional Leaders (NHTLs), Provincial Houses of Traditional Leaders (PHTLs) and Local Houses of Traditional Leaders (LHTLs) that are established at all district municipalities where traditional leadership institutions are in place.

In terms of employer-employee relations, the key role-players include the South African Local Government Association, which derives its mandate from the South African Constitution as the sole employer body of local government in South Africa. In addition, the South African Local Government Bargaining Council (SALGBC) has been established to conclude collective bargaining agreements between the employer (SALGA) and the sector's trade unions – South African Municipal Workers' Union (SAMWU) and Independent Municipal and Allied Trade Union (IMATU) who are key role-players in the sector. The SALGBC also provides a conflict resolution mechanism for the sector, when needed.

Key support or enabling roles are played by a number of support national departments such as National Treasury, entities and agencies. Key support entities include the Municipal Demarcation Board, which is an independent body responsible for the “determinations and re-determinations of municipal boundaries, [declaring] the district management areas; [delimiting] wards for local elections; and [assessing] the capacity of municipalities to perform their functions” (Municipal Demarcation Board, 2015). The Municipal Infrastructure Support Agency (MISA), which is a Schedule 3 entity, is tasked with enabling COGTA's programme towards “improving municipal infrastructure provisioning and maintenance for accelerated service delivery, in line with the objectives of the Local Government Turnaround Strategy” (COGTA, 2015).

1.4 Economic Performance

The extent to which municipalities deliver on their mandate is import given, that for most South Africans, local government is how they experience Government on a daily basis. The sector plays a significant role to facilitate economic development of the country and thus, the extent to which a municipality has the capacity administratively, financially as well as the necessary infrastructure to sustainably deliver services, will have an impact on municipal viability (Municipal Demarcation Board, 2003). 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, and electricity, among others. However, service delivery backlogs still faced by 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 directing significant resources in strengthening economic infrastructure. 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.

According to the Municipal Demarcation Board (2003), a number of factors affect municipal performance or municipal capacity to fulfil their delivery and developmental mandate, aside from the skill level and qualifications of their staff. 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. Local government has considerable financial powers, including the right to raise income through property taxes and user charges for services.

Local authorities raise most of their operating budgets from their own income. Approximately 67,5% of municipal revenue was generated from rates, taxes and service charges (sale of services, e.g. electricity to consumers) in 2014 (Statistics South Africa, 2015) with 32,5% revenue coming from intergovernmental transfers and grants. However, the Fiscal and Finance Commission points to a steady decline amongst municipalities in revenue generated from own sources and an increasing reliance on transfers.

It is important to note furthermore that the Auditor-General's 2015 Report also revealed that the financial health of some municipalities was in need of an intervention as there was "material uncertainty with regard to their ability to continue operating in the foreseeable future" (Auditor-General, 2015: 10). Thus, the issue of becoming financially viable, is very important.

1.4.1 Municipal revenue and expenditure analysis

Local government receives a significant amount of grant funding in order to be able to meet its mandate and, as such, it is important that it delivers services that will support continued economic growth and development. Over the medium term, it is further anticipated that there will be significant investment in socio-economic infrastructure such as rail, ports, broadband, and important for local government, water and roads (National Treasury, 2013). It is further indicated that over the medium term, moving towards the spatial transformation objectives outlined in the NDP 2030, significant improvements will be made in urban planning as well as to provide efficient transport and local government is expected to receive R106,7 billion by 2016/17 (National Treasury, 2013).

The latest Statistics South Africa financial census of municipalities for the year ended 30 June 2014, indicates that the highest contributors to municipal revenue for the 2014 financial year were grants and subsidies received, accounting for 32,5% (2013: 32,3%), followed by sales of electricity at 28,9%, a marginal drop from 30,2% in 2013 (Statistics South Africa, 2015). The third highest contributor to municipal revenues in 2014, was property rates at 14,5%, marginally up from 14% in 2013 followed by 'other revenue' at 9,6% in 2014 (2013: 9,1%). Other revenue includes "fines, licences and permits, public contributions and donations, etc." (Statistics South Africa, 2015:2). The other main contributors in 2014, according to Statistics South Africa (2015), included revenue from the sale of water at 8,5% (2013: 8,4%), sewerage and sanitation charges at 3,4% (2013: 3,3%) and, lastly, refuse removal charges at 2,7% (2013: 2,6%).

In terms of municipal expenditure for 2014, employee-related costs accounted for 26,1% of operating costs, marginally up from 25,8% in 2013, followed by the purchase of electricity at 22,1% in 2014, marginally down from 23,3% in 2013 (Statistics South Africa, 2015). Depreciation of assets accounted for 9,4% of expenditure in 2014, marginally down from 10% in 2013 while 'other expenditure' comprising of collection costs, loss on disposal of property, plant and equipment, etc., accounted for 9,3% of operating expenses in 2014 (2013: 8,3%) (Statistics South Africa, 2015). Bad debts accounted for 6,4% of expenditure in 2014, marginally down from 6,2% in 2013, followed by general expenditure at 5,9% in 2014 (2013: 5,7%) (Statistics South Africa, 2015). General expenditure comprises "accommodation, travel and subsistence, audit fees, bank charges, consultancy and professional fees, fuel and oil, hiring of equipment, insurance costs, subscriptions and membership fees and telecommunication costs", among others (Statistics South Africa, 2015: 4).

In 2014, water purchases accounted for 5,3% of expenditure, marginally up from 5,2% in 2013, while contracted services accounted for 4,8% of municipal expenditure in 2014 (2013: 4,6%), with repairs and maintenance accounting for 4,7% (2013: 4,7%). The lowest contributors to municipal expenditure in 2014 included interest paid at 2,5% (2013: 2,6%), grants and subsidies paid at 2,3% (2013: 2,5%) and the remuneration of Councillors that remained unchanged at 1,2% in 2014 (Statistics South Africa, 2015). Importantly, consumer debt increased from about R28,2 billion in 2013 to about R31,8 billion in 2014 (Statistics South Africa, 2015).

It is significant that the allocation approach is set to change in local government where allocation will be made towards areas that have been identified as having the capacity to drive economic growth. Furthermore, the MTEF provides incentives to metropolitan municipalities, through the integrated city development grant, to improve spatial planning by adopting planning approaches that will lead to “more compact and efficient cities” (National Treasury, 2013). While about R935 million has been allocated to fund regional bulk water projects, this will see reductions in some grants that municipalities have traditionally accessed to finance infrastructure development. The grants affected, include the Municipal Infrastructure Grant, the Urban Settlements Development Grant, the Expanded Public Works Programme Integrated Grant for Municipalities, the Infrastructure Skills Development Grant and the Energy-Efficiency Demand-Side Management Grant.

1.4.2 Service delivery analysis

1.4.2.1 Water and sanitation

Of the 14 450 161 households in 2011, 73, 4% households had access to piped water, a significant improvement from 61, 3% in 2001. At the provincial level, Gauteng proportionately had the highest number of households with access to piped water, while the Free State together with the Eastern Cape had the lowest (Statistics South Africa, 2012). The Municipal Blue Drop Certification programme was introduced with the objective of ensuring the provision of clean water and to this end, the LGSETA continues to focus on facilitating access to skills development in this area. With respect to sanitation, the number of households with access to flush or chemical toilets, increased from 53,8% to 62,6%, however, much still needs to be done given the continued focus of this issue in the country (Statistics South Africa, 2012). Municipalities in the Western Cape province had the highest number of households with access to a flush or chemical toilet in 2011 at 90,5%, followed by Gauteng at 86,5%, while the lowest access was in Limpopo at 22,7% (despite having the highest number of households classified as formal dwellings in 2011) (Statistics South Africa, 2012).

1.4.2.2 Waste management

A Local Government Turnaround Strategy priority of ensuring “clean cities, by managing waste in such a way that employment and wealth are created” (COGTA, 2009), aimed at dealing with waste management in local government. The proportion of South African households with access to refuse removal by their municipalities, marginally improved from 57% in 2001, to 63, 6% in 2011. The Western Cape had the highest number of households with access to municipal refuse removal at 91,1%, followed by Gauteng at 89,8%, the Free State at 72,7%, with Limpopo having the lowest at 21,8% (but this needs to be considered in the terms of the urban/rural context) (Statistics South Africa, 2012).

1.4.2.3 Access to electricity

In terms of household services, there was a significant increase in the number of households with access to electricity for cooking, heating and lighting. About 2, 4 million households were receiving free basic electricity services in 2013 (Statistics South Africa, 2013). In terms of access to electricity for cooking, the percentage of households proportionately increased from 51, 4% in 2001, to 73, 9% in 2011, with the greatest improvements made in the provinces of Eastern Cape, Free State, and Mpumalanga (Statistics South Africa, 2012). The Western Cape proportionately had the highest number of households using electricity for cooking at 86, 9%, followed by Gauteng at 83, 9% in 2011 (Statistics South Africa, 2012). In terms of the number of households using electricity for lighting, the Western Cape recorded the highest number of households using electricity for lighting at 93,4% in 2011, followed by the Free State at 89,9% (Statistics South Africa, 2012).

Importantly, the current service delivery picture provides insights into areas of improvement that point to areas for skills development, where the LGSETA can facilitate access such as spatial planning, engineering, water and waste water management, financial management, environmental practice and local economic development as examples.

1.5 Employer Profile

The data used in this SSP update is drawn from the WSPs and ATRs submissions, together with other sources to develop the sector profile. It is important to note that while the responsibility for the accuracy of the data cited remains with the providers of such data, the LGSETA is committed to assisting entities to improve the quality of WSP and ATR submissions. This is part of improving the quality and credibility of the SSP, through improving its systems for data collection, as well as building the capacity of officials mandated to oversee the identification and implementation of skills development interventions for the sector.

1.5.1 Municipalities

During the financial year of 2014/15, there were 278 municipalities of which eight were metropolitan municipalities, 226 were local municipalities and 44 were district municipalities (see Table 2).

Table 2: Municipality profile by province and type, 2014/2015

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

Source: Auditor-General South Africa, 2015

The majority of employers in the sector are local municipalities. However, metropolitan municipalities are the largest employers and contributors of skills development levies in the sector. KwaZulu-Natal has the highest number of municipalities with a total of 61, followed by the Eastern Cape with 45 municipalities. While Gauteng has the lowest number of municipalities overall, three of the eight metropolitans fall within the province, while KwaZulu-Natal and the Eastern Cape have 16 of the 44 district municipalities.

Table 3 provides an overview of the overall WSP and ATR submissions between 2010/11 and 2014/15.

Table 3: Overall WSP and ATR submissions between 2010/11 and 2014/15

MUNICIPALITY TYPE	2010/11		2011/12		2012/13		2013/14		2014/15	
	TOTAL	SUBMITTED	TOTAL	SUBMITTED	TOTAL	SUBMITTED	TOTAL	SUBMITTED	TOTAL	SUBMITTED
Metropolitan	8	7	8	8	8	8	8	8	8	8
Local	226	221	226	216	226	216	226	226	226	216
District	44	44	44	42	44	43	44	44	44	44
Total	278	272	278	266	278	267	278	278	278	268
Submission (%)		97.8		95.7		96		100	100	96

Source: WSP and ATR 2011 to 2015 submissions

Over the past five years, the submission rate has been above 95% with a 96% submission rate recorded for 2015. Municipalities in Limpopo, Mpumalanga and Western Cape provinces recorded a 100% submission rate. Proportionately, the Northern Cape Province had the lowest submission rate at 88%.

1.5.2 Municipal entities and other employers in the sector

Some municipalities establish municipal entities to support service delivery and such entities are accountable to the municipality that established them in terms of governance, financial accountability and performance. Table 4 presents the number of municipal entities for 2011/12 (Auditor-General South Africa, 2013), 2012/13 (Auditor-General South Africa, 2013) and 2013/14 (Auditor-General South Africa, 2015) by indicating types of employers in the sector.

Table 4: Municipal-owned entities by province, 2011/12 to 2013/14

PROVINCE	2011/12	2012/13	2013/14
Eastern Cape	10	10	11
Free State	6	3	3
Gauteng	26	25	21
KwaZulu-Natal	10	11	11
Limpopo	2	2	3
Mpumalanga	0	0	2
North West	4	4	3
Northern Cape	0	0	0
Western Cape	2	2	3
Total	60	57	57

Source: Auditor-General South Africa, Consolidated general report on the local government audit outcomes MFMA, 2011/12 to 2013/14

Overall, Gauteng had the highest number of municipal-owned entities at 21 in 2013/14, followed by KwaZulu-Natal with 11, with the Eastern Cape also with 11. The development planning and urban renewal entities and the local economic development agencies are by far the majority of entities, although they do not employ significant numbers of people. Limpopo and Western Cape each recorded an increase of one municipal entity for the period 2013/14, while Mpumalanga recorded an increase of two, whereas previously there were no municipal entities in the province. In terms of 2015 WSP and ATR submissions, a total of six municipal entities and four other employer entities – SALGA, Municipal Demarcation Board, Institute of Municipal Finance Officers and Bakwena Ba Mogo submitted to the LGSETA.

1.6 Labour Market Profile

1.6.1 Number of employees in the sector

The analysis of employees in the sector presented in this section, uses data from the WSPs and ATRs submitted in 2015 and additional sources that include the Statistics South Africa “Non-financial census of municipalities.”¹ However, the figures presented, exclude employees in some municipal entities who submit to other SETAs based on their SIC classification, but is still a useful indication of the labour market profile. To this end, the estimated total number of employees (excluding vacancies) in the local government sector, was approximately 275 000² employees for 2014/15, up from the 265 000 estimate for 2012/13 (2010/11: 240 580; 2011/12: 247 792).

Table 5 presents the overall geographic distribution of the number of employees in the sector based on the WSP and ATR data submitted to the LGSETA in 2015.

Table 5: Provincial distribution of employees by municipality type and gender, 2014/15

PROVINCE	METROPOLITAN		DISTRICT		LOCAL		OTHER		TOTAL		
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	BOTH
Eastern Cape	3952	7244	2086	3394	4531	7288	18	15	10587	17941	28528
Free State	1352	2929	272	292	3730	7026	91	162	5445	10409	15854
Gauteng	23880	30377	557	587	3023	4721	2888	3970	30348	39655	70003
KwaZulu-Natal	9473	17208	1608	4042	7789	11474	7	162	18877	32886	51763
Limpopo	-	-	1764	2849	3822	6545	0	0	5586	9394	14980
Mpumalanga	-	-	328	294	4847	8387	0	0	5175	8681	13856
North West	-	-	548	913	3760	7632	20	32	4328	8577	12905
Northern Cape	-	-	284	297	2304	4785	-	-	2588	5082	7670
Western Cape	8548	17149	820	1643	5291	11428	0	0	14659	30220	44879
Total	47205	74907	8267	14321	39097	69286	3024	4341	94568	158514	260438

Source: WSP and ATR 2015 submissions

Based on the WSP and ATR submissions, Gauteng employed the highest number of employees at 70 003, followed by KwaZulu-Natal with 51 763 employees, with the Western Cape the third highest number of employees at 44 879 employees. Gauteng also recorded the highest number of employees in entities and other organisations within the sector. Similar to the previous SSP Update, the Northern Cape province recorded the lowest number of employees at 7 670. In the provinces with no metropolitan municipalities, more employees were recorded in local municipalities. Mpumalanga recorded the highest number of employees within local municipalities with 13 234 employees, followed by Limpopo with 10 637 employees, but recorded the highest number at the district municipality level with 4 613.

¹ Data obtained from Statistics South Africa, Non-financial census of municipalities for the year ended 30 June 2010, 2011, 2012 and 2013. The figures used are the total full-time and part-time number of employees, but excludes total vacancies which is used by Statistics South Africa to determine the overall employment capacity.

² This figure might be revised in the next SSP update if additional information becomes available from annual reports of municipalities and entities and/or Statistics SA or National Treasury.

1.6.2 Employees by race and gender

The majority of the employees in the sector were Black as illustrated in Table 6, based on the WSP submissions.

Table 6: Provincial distribution of employees by race and gender, 2014/15

PROVINCE	BLACK		COLOURED		INDIAN/ASIAN		WHITE		TOTAL		
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	BOTH
Eastern Cape	8804	14413	1065	2390	64	113	651	1027	10587	17941	28528
Free State	4961	9483	178	376	2	9	304	541	5445	10409	15854
Gauteng	26427	34171	1067	1337	335	404	2519	3743	30348	39655	70003
KwaZulu-Natal	15649	26197	547	760	2003	4681	678	1248	18877	32886	51763
Limpopo	5432	9176	8	20	9	11	137	187	5586	9394	14980
Mpumalanga	4847	8283	77	54	34	20	217	324	5175	8681	13856
North West	3950	7919	136	283	17	11	225	364	4328	8577	12905
Northern Cape	1330	2704	1091	2162	3	8	164	208	2588	5082	7670
Western Cape	4061	7709	8613	19108	69	93	1916	3310	14659	30220	44879
Total	72609	115941	12718	26394	2506	5318	6735	10851	94568	158514	260438

Source: WSP and ATR 2015 submissions

The local government sector employed more males (158 514) than females (94 568) in 2014/15. Gauteng employed the most females, just below 30 348, followed by KwaZulu-Natal with 18 877 and then the Western Cape with about 14 659. A similar trend was observed in relation to the geographical spread of males where Gauteng edged out KwaZulu-Natal as the highest employer of men. In terms of population groups, the Black population group had the highest number of employees for both genders, followed by the Coloured population group, with the Indian/Asian population group representing the lowest number of employees for both females and males at 7824.

1.6.3 Employees with disability (PWD)

From the WSPs and ATRs submitted in 2015, about 1794 (see Table 7) of those employed in the sector were People With Disability (PWD), with the majority (1113) being men.

Table 7: Provincial distribution of employees with disability by municipality type and race, 2014/15

Province	Metropolitan				District				Local				Total
	Black	Coloured	Indian/Asian	White	Black	Coloured	Indian /Asian	White	Black	Coloured	Indian/Asian	White	
Eastern Cape	28	3	0	1	19	1	0	3	299	7	0	0	361
Free State	14	0	0	4	17	1	0	1	95	5	0	5	142
Gauteng	134	6	9	121	13	0	0	1	75	0	0	9	368
KwaZulu-Natal	66	12	36	23	35	1	3	3	55	1	3	5	243
Limpopo	-	-	-	-	10	0	0	0	37	0	0	7	54
Mpumalanga	-	-	-	-	2	0	0	0	58	3	0	2	65
North West	-	-	-	-	4	0	0	1	60	2	0	7	74
Northern Cape	-	-	-	-	1	1	0	1	13	12	0	6	34
Western Cape	55	161	2	98	3	33	0	10	11	49	0	31	453
Total	297	182	47	247	104	37	3	20	703	79	3	72	1794

Source: WSP and ATR 2015 submissions

Most of the sector's PWD were employed in the Western Cape (453) followed by Gauteng (368) and Eastern Cape (361) provinces respectively. Overall, local municipalities employed more PWD compared to metropolitan and district municipalities. Given that the sector predominantly employs Black people, there were more Black PWD at 1 104, compared to the other population groups.

1.6.4 Employees by age

The majority of employees across the different municipality types are between the ages of 35 and 55 with a figure of 148 449, followed by 74 636 employees 35 years of age and below, and 30 017 employees older than 55 years (see Table 8).

Table 8: Provincial distribution of employees by municipality type and age, 2014/15

PROVINCE	METROPOLITAN			DISTRICT			LOCAL			TOTAL
	≤35	35-55	>55	≤35	35-55	>55	≤35	35-55	>55	
Eastern Cape	2508	7108	1580	1724	3256	500	3225	7245	1349	28495
Free State	907	2725	649	189	325	50	2884	6686	1186	15601
Gauteng	20674	27639	5944	330	691	123	2010	4722	1012	63145
KwaZulu-Natal	8310	15201	3170	1447	3424	779	6291	10744	2228	51594
Limpopo	-	-	-	465	3341	807	2096	6800	1471	14980
Mpumalanga	-	-	-	255	327	40	3056	8594	1584	13856
North West	-	-	-	472	892	98	2828	6690	1873	12853
Northern Cape	-	-	-	166	373	44	1814	4453	820	7670

PROVINCE	METROPOLITAN			DISTRICT			LOCAL			TOTAL
	≤35	35-55	>55	≤35	35-55	>55	≤35	35-55	>55	
Western Cape	7528	15356	2813	1002	1178	283	4452	10658	1609	44879
Total	39927	68029	14156	6050	13807	2724	28659	66613	13137	253073

Source: WSP and ATR 2015 submissions

Table 9 presents the age distribution of employees in municipal entities and other organisations in the sector. Overall, most of the employees were in the 35 to 55 age category and were also mostly working in Gauteng, followed by 1 788 employees in the 35 and over age categories.

Table 9: Provincial distribution of employees employed in municipal entities and other organisations in sector by age, 2014/15

PROVINCE	AGE			TOTAL
	≤35	35-55	>55	
Eastern Cape	12	16	5	33
Free State	80	173	0	253
Gauteng	1666	4020	1172	6858
KwaZulu-Natal	28	77	64	169
Limpopo	0	0	0	0
Mpumalanga	0	0	0	0
North West	2	35	15	52
Northern Cape	-	-	-	-
Western Cape	0	0	0	0
TOTAL	1788	4321	1256	7365

Source: WSP and ATR 2015 submissions

1.6.5 Number of non-South African employees

Data from the 2015 WSP and ATR submissions indicates that there were 267 non-South Africans employed in the sector (see Table 10).

Table 10: Provincial distribution of employees by municipality type and age, 2014/15

PROVINCE	METROPOLITAN		DISTRICT		LOCAL		TOTAL		BOTH
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	
Eastern Cape	0	0	0	0	90	151	90	151	241
Free State	0	0	0	0	0	3	0	3	3
Gauteng	1	4	0	1	0	0	1	5	6
KwaZulu-Natal	0	0	0	0	1	3	1	3	4
Limpopo	-	-	0	0	0	3	0	3	3
Mpumalanga	-	-	0	0	2	2	2	2	4
North West	-	-	0	0	1	2	1	2	3
Northern Cape	-	-	1	1	0	1	1	2	3
Western Cape	0	0	0	0	0	0	0	0	0
Total	1	4	1	2	94	165	96	171	267

Source: WSP and ATR 2015 submissions

Eastern Cape recorded the highest number of non-South Africans employed with 241, followed by Gauteng with six, and KwaZulu-Natal and Mpumalanga with four non-South Africans each. Within municipal entities and other organisations in the sector, a total of four non-South Africans were employed in Gauteng.

1.6.6 Education profile

Table 11 provides an overview of the qualifications profile of employees for 2014/15. About 17 881 employees in the 2014/15 qualification status, was below NQF Level 1 with about 155 329 employees with qualifications between NQF Level 1 (Grade 9) and NQF Level 4 (National Senior Certificate and National Vocational Certificate). The observation is that there are fewer employees with qualifications at the higher NQF Levels. An estimated 1 698 employees in the sector hold a Master's degree or equivalent qualification (NQF Level 9), while 4 452 employees hold at least an honours or post-graduate degree (NQF Level 8) and about 12 277 holding a bachelor's degree/advanced diploma. An analysis of the qualifications with respect to the occupation category, reveals the trend that occupation categories such as managers and professionals have higher numbers of people holding higher qualifications, compared to categories such as machinery operators, drivers and elementary workers, where the inverse is the case.

Table 11: Qualification profile of employees, 2014/15

OCCUPATION CATEGORY	BELOW NQF 1	NQF 1	NQF 2	NQF 3	NQF 4	NQF 5	NQF 6	NQF 7	NQF 8	NQF 9	NQF 10
Legislators	1292	959	923	1749	3784	1543	1287	559	167	45	18
Managers	36	28	69	151	1665	1230	2751	2831	1663	327	34
Professionals	188	42	146	826	6065	2647	7380	4489	1683	147	6
Technicians and trade	677	1019	1391	3622	8205	3400	3990	1077	221	45	4
Community and personal service	43	29	56	225	1697	706	459	321	60	12	0
Clerical and administrative	1046	412	624	4240	17234	8930	8089	1940	217	51	8
Sales and service	409	584	871	3523	11416	7772	6324	411	60	3	0
Machinery operators and drivers	688	3310	2039	3868	4260	671	456	123	42	5	0
Elementary workers	13502	21681	15202	19130	14284	3166	380	526	339	1063	0
Total	17881	28064	21321	37334	68610	30065	31116	12277	4452	1698	70

Source: WSP and ATR 2015 submissions

It is important to have a picture of the qualification profile of workers in the sector as this will assist the LGSETA to better understand the skills development needs for the sector. However, the qualifications profile must be viewed with caution as there might be many instances where such information is not readily available and estimations are recorded. Importantly, the profile signals the continued importance for the LGSETA to facilitate access to adult education and training to improve the skills levels of those below NQF Level 1, as well as the potential role of the recognition of prior learning for potentially many employees who have been working the sector and jobs for some period of time.

1.7 Summary

In this chapter, the sector has been presented and discussed and the scope of coverage, key role-players, economic performance, employer profiles and labour market profile presented. The labour market profile presented the current skills profile, using several variables that included occupation category, geography, population group, gender, age, disability as well as the qualification profile of the sector.

CHAPTER 2: KEY SKILLS ISSUES

2.1 Introduction

The description of the 'ideal municipality' articulated in Local Government Turn Around Strategy (LGTAS) remains a relevant guiding framework that reiterates the constitutional obligations as well as those that go beyond these (COGTA, 2009). The ideal municipality is described as one that is:

- Providing democratic and responsible government for local communities;
- being responsive to the needs of the local community;
- ensuring sustainable service delivery to communities;
- promoting social and economic development;
- promoting a safe and healthy environment;
- encouraging the involvement of communities and community organisations in matters of local government;
- facilitating a culture of public service and accountability among its staff; and
- assigning clear responsibilities for the management and co-ordination of these administrative units and mechanisms (COGTA, 2009).

This chapter presents an analysis of key factors driving change in the local government sector and the corresponding implications for skills planning for the sector, as identified through a process of reviewing key government policies. The identification of key factors driving change in the sector, as well as the implications for skills planning, are informed by a number of national strategies and plans that will also be discussed in this chapter.

2.2 Change Drivers for the Sector

2.2.1 Population and migration trends

The capacity for municipalities to effectively and sustainably deliver basic services, is impacted by changes in the demographic profile within respective municipal boundaries. South Africa's population increased from 40, 5 million in 1996 to 44, 8 million in 2001 to 51, 7 million in 2011 and, importantly, South Africa is expected to continue to see positive population growth rates (Statistics South Africa, 2012). Linked to the expected population increases, COGTA estimates that 63% of South Africans currently dwell in urban areas whereby 40% of this segment can be found in metropolitan municipalities.

In terms of inter-provincial migration, Gauteng remains the province attracting the most people from other provinces. Statistics South Africa cites job opportunities as the main reason why people move from one province to another. The provincial migration estimates for 2011 to 2016 suggest that Gauteng, Mpumalanga, North West and Western Cape provinces will experience positive provincial net migration (in-migration > out-migration) (Statistics South Africa, 2012). Proportionately, it is anticipated that over this five-year period, Gauteng will have the highest net migration figure at about 482 000, followed by the Western Cape at about 150 000, North West at about 65 000 with Mpumalanga at about 38 000 people (Statistics South Africa, 2012). In terms of negative net migration (out-migration > in-migration) over the same period, the Eastern Cape is expected to record the highest at about 65 000, followed by Limpopo (62 000), KwaZulu-Natal (7 000), Free State (5 700) with the lowest being Northern Cape at about 3 900 people (Statistics South Africa, 2012).

As far as the cities are concerned, the National Development Plan (NDP) envisions cities driving economic growth and realising the goals of spatial efficiency and social inclusion. Thus, the population growth rate, combined with migration patterns, is important for determining the capacity at which municipalities can deliver services, particularly given the NDP Vision 2030's commitment to spatial transformation to reverse spatial inequalities for a more inclusive South Africa. In terms of spatial transformation, the NDP Vision 2030 has a vision that such transformation will result in spatial justice, sustainability, resilience, quality and efficiency. These concepts are explained as follows:

- **Spatial justice** is about reversing the historic policy of confining particular groups to limited space, as in ghettoisation and segregation, and the unfair allocation of public resources between areas, to ensure that the needs of the poor are addressed first, rather than last.
- **Spatial sustainability** is about promoting living environments whose patterns of consumption and production do not damage the natural environment.
- **Spatial resilience** is about building the capacity to withstand vulnerability to environmental degradation, resource scarcity and climatic shocks.
- **Spatial quality** is about improving the aesthetic and functional features of housing and the built environment to create liveable, vibrant and valued places that allow for access and inclusion of people with disabilities.
- **Spatial efficiency** is about supporting productive activity and jobs and reducing burdens on business. Efficient commuting patterns and circulation of goods and services should be encouraged and ensure that regulatory procedures do not impose unnecessary costs on development (NDP Vision 2030: 277).

Importantly, the Spatial Planning and Land Use Management Act (Act No 16. of 2013) that came into effect on 1 July 2015 and is used as the main tool to support spatial transformation within South Africa, signals potential implications for the LGSETA in terms of supporting the development of qualifications in the areas of spatial planning, land use inspectors, technical advisers and members of municipal planning tribunals that are to be established, to name a few. In addition, the implementation of the Act will most likely require the development and implementation of skills programmes to build the capacity of current officials within, for example, the planning and land use, infrastructure and engineering sections of municipalities to ensure the effective implementation.

2.2.2 Increased expectations to change prevailing social conditions

South Africa continues to be one of the most unequal societies with levels of poverty and inequality remaining stubbornly high. Such inequalities require that municipalities continue to provide high levels of free basic services to ensure a better life for all.

In this section, some factors/indicators of poverty, namely unemployment, average household income and dependency ratios, are discussed. The high unemployment rate which was estimated at about 30% in the 2011 Census findings, saw more women being unemployed, compared to men (Statistics South Africa, 2012). Limpopo and Eastern Cape provinces had the highest unemployment rates at 38, 9% and 37, 4%, respectively (Statistics South Africa, 2012). Such high levels of unemployment place some additional financial burden on municipalities where there is no rates base from which to generate income to pay for the delivery of services. Furthermore, in 2012, about 3 473 179 households (2 630 197 in 2011) were identified as indigent by municipalities across South Africa (Statistics South Africa, 2012).

Closely aligned to unemployment, as an indicator of poverty and inequality, is the average household income indicator. Thus, while South Africa's average annual household income increased from about R48 385 in 2001 to R103 195 in 2011 (Statistics South Africa, 2012), much of this has been due to Government's important social protection programme which is set to continue growing over the next few years.

The Financial and Fiscal Commission projects that the 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 (Financial and Fiscal Commission, 2013). This has an impact on municipalities' rates and revenue generation capacity as it suggests that while municipalities need to provide access to basic services, the funding of such will mainly be through government grants as a significant number of households are indigent.

In terms of average household income, Gauteng and Western Cape provinces had the highest average household incomes of R156 222 and R143 461 respectively (Statistics South Africa, 2012).

The final indicator that is related to poverty and inequality is the dependency ratio. In some municipalities where there are high levels of poverty as well as lower average annual household income levels, also tend to experience higher dependency ratios. It is important to note that some progress has been made, where for example, the total age dependency ratio (child dependency and adult dependency ratios) for Limpopo province proportionately decreased significantly from 81% in 2001 to 67,3% in 2011 (Statistics South Africa, 2012).

A similar improvement was noted for the Western Cape. The total age dependency ratio for the Western Cape Province proportionately improved from 48, 2% in 2001 to 45% in 2011 (Statistics South Africa, 2012). However, some municipalities in KwaZulu-Natal, North West and Mpumalanga continued to record dependency ratios greater than 70% in 2011. Gauteng province proportionately had the lowest dependency ratio in the country in 2011 (Statistics South Africa, 2012). It is therefore apparent that local government will continue to play a significant role in reducing the levels of poverty through the implementation of indigent policies, as well as by providing subsidised social infrastructure. This places additional fiscal pressure on local government given other challenges at present, such as ageing infrastructure and concomitant increases in population and number of dwellings.

With respect to the implications of this change driver for skills planning in the sector for the LGSETA, is that, firstly, the LGSETA will need to increase its contribution to skills development through building the capacity of training provision players as outlined in the Post-School Education and Training White Paper. This, at present, is through public TVET colleges of which the SETA has signed a number of partnership agreements to provide a number of training interventions such as learnerships, skills programmes, artisan development and workplace-integrated learning. This is in line with contributing to the attainment of Goal 4.3 of the NSDS III which is that of promoting the growth of a public TVET college system that is responsive to sector, local, regional and national skills needs and priorities (DHET, 2011).

Secondly, the LGSETA will continue to support co-operatives, small enterprises, worker-initiated, NGO and community training initiatives as expressed in Goal 4.6 of the NSDS III. The support of these two goals could potentially equip community members with skills that could be used to increase employability or establish enterprises that would enable them to participate in local economic development opportunities, thereby improving their social conditions.

2.2.3 Becoming a skilled and capable local government

The draft revised National Capacity Building Framework (NCBF) for Local Government 2012 to 2016, was released in March 2012. The purpose of the NCBF is “to provide an approach that will enable sustainable municipal capacity to improve the co-ordination and monitoring of the provision and resourcing of support, capacity building and training to municipalities; to determine where municipal capacity is at; and introduce relevant initiatives that achieve the pre-determined impact” (Department of Co-operative Governance, 2012: 2). The NCBF adopts the United Nations Development Programme’s (UNDP) broader definition of capacity, where capacity is articulated in terms of individual, institutional and environmental capacity.

Individual capacity is explained as the “potential of staff to occupy a job or the relevance of their qualifications, experience and competence (knowledge, skills and attitude) in relation to the job they occupy” (Department of Co-operative Governance, 2012, p. 4) in relation to the skills audit that was done for the sector from 2007 to 2010.

Institutional capacity is the municipality’s operational capacity to deliver its services where this capacity is represented by its human resources and organisational structure, physical resources; budget; strategic resources such as long-term plans, performance management systems, technology, etc.; and policy instruments to support service delivery (Department of Co-operative Governance, 2012).

Environmental capacity is described as the municipality’s potential or competence to respond to elements (where necessary) such as demographics, socio-economic, technology, environmental, among others, if found in the broader external environment that it has no control or influence over (Department of Co-operative Governance, 2012).

It is in these three areas of capacity that skills development interventions should be designed and implemented to support the objectives of capacity development of municipalities that have been identified in the draft NCBF. While all the capacity building objectives that are listed in the NCBF are important, the objectives that the LGSETA can directly influence through skills development interventions it can support, include:

- “Enabling local government-elected representatives to upgrade their knowledge and skills to better perform their responsibilities, such as implementing programmes equitably, enabling them to think in terms of concrete actions which they can take or facilitate and equipping them with the skills required for day-to-day performance of executive duties;
- Developing the capacity of local government and instituting effective mechanisms to engage civil society and the private sector in the delivery of services; and
- To create effective policies, processes and systems to facilitate new entrants and post-schooling learners into local government through mentorships, internships, holiday worker programmes, career pathing, and exposing learners to careers in the local government” (Department of Co-operative Governance, 2012: 10).

In terms of the roles and responsibilities of LGSETA as a stakeholder in supporting skills development for the sector, the NCBF indicates that the LGSETA will, together with SALGA, co-chair the National Municipal Capacity Co-ordination and Monitoring Committee (NMCCMC).

The draft Capacity Building Strategy for the Institution of Traditional Leadership identifies the challenge of the “lack of skills for some traditional leaders and practitioners” (COGTA) among other challenges. The objectives of the draft strategy are of importance to the LGSETA and, in particular, the objective of developing “human resource competency literacy within the institution” (COGTA) as it requires that the LGSETA facilitates skills development.

The draft strategy further identifies possible capacity building interventions that the LGSETA will explore when developing an appropriate skills development approach. Of relevance for immediate focus for the LGSETA, is the possibility to fund access to formal skills programmes that include project management, financial management, public participation, public presentation, legislation, international and inter-governmental relations (IGR) and media handling, among others (COGTA).

The Department of Co-operative Governance and Traditional Affairs’ (COGTA) draft discussion paper on the professionalisation and development of senior management in local government aims to “raise the standards of service delivery, produce guiding principles to managers/leaders and a code of ethics” (COGTA). The draft framework further identifies four types of professionalism – technical, managerial, administrative and public service. The LGSETA will play a supporting role by facilitating access to skills development, as required by COGTA, in areas that include, for example, leadership development, public administration, financial management, etc.

Furthermore, the importance of professionalisation is amplified in the Local Government Municipal Systems Amendment Act where section 54 indicates that the person appointed to the position of municipal manager, must have the necessary skills, expertise, competence and qualifications to occupy the position. The minimum competency levels requirements, directly impacts on municipal accounting officers, chief financial officers, heads of departments, municipal entities and senior finance staff that commenced work on or after 1 January 2013 (National Treasury, 2012). The National Treasury Minimum Competency Levels Regulations (National Treasury, 2012) advises of the possibility of applying for the recognition of prior learning (RPL) in line with the South African Qualification Authority (SAQA) framework. As such, the LGSETA will ensure that it has the necessary framework and processes to support possible requests for RPL or to support accredited training providers in such instances.

A related aspect to the need to build a skilled and capable local government workforce, is that of increased resources (namely, financial and human). The citizens are calling for higher levels of accountability and transparency with respect to public funds. Governance is key to ensuring sustainable service delivery and with the upcoming local government elections in 2016, it is imperative that the sector increases its capacity to deliver, not only in the near future, but beyond the elections. The LGTAS had set a target that by 2014, all municipalities should have a clean audit. The Auditor-General

(2015) reported that 40 municipalities received a clean audit for 2013/14, up from 22 for 2012/13, while 18 municipal entities also received a clean audit for 2013/14, up from eight for 2012/13. Thus, while progress is being made, it is significantly far from achieving the target that had been set by the LGTAS.

The Auditor-General's Report (2015) revealed some challenges in the pursuit of municipalities and entities to receive a clean audit that included, among others, that although non-compliance with key legislation remained a challenge, some improvements were being made; the number of findings with respect to supply chain management remained high; there was an increase in unauthorised spending; and inadequate management of transgressions by the leadership. While the Auditor-General's 2014 Report identified one of the root reasons to poor audit outcomes as municipalities or entities having vacancies in key positions or key officials lacking the relevant skills and competence (2014), a positive outcome of the 2015 Auditor-General's Report was the "notable improvements related to vacancies and stability in key positions", but a concern was raised that a high number of senior managers "had not yet met the minimum competency requirements as prescribed by the Municipal regulations on minimum competencies by June 30, 2014" (2015: 11-12).

The LGSETA, as a facilitator to access skills development, will continue to respond to current and future policy and legislative mandates. This requires that the LGSETA focuses on developing and/or strengthening partnerships to remain relevant and responsive to the skills development needs of the sector. Importantly, the LGSETA, will need to continue contributing to facilitating access to finance, governance, management and related programmes.

2.2.4 Continued transformation of local government through technology

The rate of technological change impacts every sector, with some experiencing a higher impact 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 with access to a cell phone, a significant increase from 32,3% in 2001 (Statistics South Africa, 2012).

Furthermore, with more South Africans (Statistics South Africa, 2012) getting access to computers (up from 8, 6% in 2001 to 21, 4% in 2011) and access to the internet (35, 2% in 2011), this is bound to significantly change the work environment in this sector and how people interface with their municipalities. A number of municipalities have already begun to embrace technology with, for example, citizens now being able to pay their rates and taxes and submit paperwork electronically.

Furthermore, the issue of increasing broadband to support e-governance has seen several municipalities invest significant money into the development of 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. Already there has been a significant amount of investment into ICT-related training, including ICT literacy and GIS training in the sector over the last few years, which interestingly, the LGSETA has not supported much.

A concept that is gaining momentum the world over and has begun to appear in strategic plans of many municipalities in South Africa, is that of 'smart cities'. While the role of technology in this concept is important, the smart city concept is broader than just technology. The smart city concept has six pillars – smart economy, smart people, smart mobility, smart governance, smart environment and smart living. Moving forward, local government might take the smart city concept to greater heights as municipalities look for ways to become more resource-efficient as well as become more competitive/collaborative in delivering services. It is evident that local government functions have a direct impact on the attainment of the smart city. Perhaps, local government has more direct influence over smart governance, smart mobility, smart environment and smart living, while smart economy and smart people will be as a result of the other four.

From a skills development perspective, it is evident that while a significant number of municipalities are providing computing skills programmes to enable officials to work, the smart city approach goes beyond that. The smart city approach requires that municipalities meaningfully integrate technology across its entire service delivery value chain with a view of creating opportunities for sustainable, quality services. Thus, the extent to which officials are utilising technology at the scale that is envisioned by the smart city concept, perhaps suggest that a different approach to technology-related training/skills development will be required in the future. Some of the skills that have been identified, include digital leadership, big data skills such as big data engineers, cloud computing, etc.

2.2.5 Transitioning to a green economy

The commitment by the South African Government to move towards a green economy and respond to the issues of climate change over the next few decades should not be taken lightly as it does have significant impact on all sectors. The United Nations Environment Programme (UNEP) defines the 'green economy' as an economy that results in "improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities" (UNEP, 2011). Green economy is thus a move in the economy altogether in the direction of "cleaner industries and sectors with low environmental impacts" (National Skills Authority, 2013). South Africa's Green Economy Accord was signed in 2011 as part of achieving the country's target of creating five million jobs by 2020.

The rapid pace of urbanisation that has been experienced and is expected to continue to be experienced the world over, suggests that if municipalities are not adequately prepared, the impact might lead to the unsustainable burden on the municipality's ecology, infrastructure and related services as in most instances, urbanisation is accompanied by greater resource consumption (UNEP, 2011). South Africa is susceptible to climate change scenarios, environmental issues associated with human vulnerability, such as air and water pollution, as well as the degradation of land and rivers (Mathiba, 2013).

Government's vision going forward, attends closely to the transition from a country with a carbon-intensive economy, to one that is climate resilient and a low-carbon economy. A key driver of this transition is developing a comprehensive, co-ordinated and systems-oriented green skills development plan and implementation thereof.

Research suggests that local government has the unique opportunity to lead the transition to a low-carbon economy as it undertakes the mammoth task of spatial transformation. It has been suggested that the creation of "compact, relatively densely populated cities, with mixed-use urban form, are more resource-efficient than any other settlement pattern..."

Furthermore, 'green' cities have the potential to enhance social inclusiveness and quality of life. Spatial transformation necessitates a robust expansion of organisations that provide products and services that aspire towards utilising resources more efficiently, providing renewable sources of energy and lowering greenhouses or environmental impacts. To this end, the concept of liveability is gaining momentum in city planning the world over where citizens' expectations are shifting towards living in an environment that supports a better quality of life. Attributes and constructs of liveability include, among others, social and cultural, economic, environment and governance matters. This requires that municipalities ensure that future infrastructure investment is able to meet green standards.

The Department of Environmental Affairs (DEA) prepared the country's first environmental sector skills plan in 2010 where scarce and critical skills related to environmental issues were identified (Department of Environmental Affairs, 2010). The DEA suggests that the country's "macro-ecological environment continues to be characterised by environmental degradation, with consequences for human well-being, effective service delivery and future development and growth options" (Department of Environmental Affairs, 2010).

The DEA further highlights that in order to overcome challenges arising from environmental degradation, new skills to enable more responsive environmental planning, management, risk management, compliance and monitoring, are required. The DEA indicates the key areas of skills demand pertaining to the environmental sector by identifying critical skills gaps for the sector, presented in Table 12 (Department of Environmental Affairs, 2010).

Table 12: Critical skills required to respond to becoming a green economy

LEVEL	IDENTIFIED COMMON CRITICAL SKILLS GAPS (ACROSS ENVIRONMENTAL SUBSECTORS)
High skills (senior management)	<ul style="list-style-type: none"> • Leadership skills • Risk assessment and risk management • Environmental law and policy skills • Organisational development • Integrative skills (e.g. policy and science)
High skills (middle management)	<ul style="list-style-type: none"> • Human resources management skills (including mentoring and coaching skills) • Environmental law and policy • ICT skills, including use and interpretation of GIS and modelling technologies • Project management skills • Research skills and report writing skills
High skills (technical professional)	<ul style="list-style-type: none"> • Environmental law and policy • ICT skills, including use and interpretation of GIS and modelling technologies • Integrative skills (e.g. ICT and science; science and policy, etc.) • Monitoring, modelling and evaluation skills

Source: Department of Environmental Affairs, 2010

However, there is evidence that skills shortages in certain green economy sectors are in short supply (Globe Foundation, 2010). It is therefore important for the local government sector to begin/accelerate the upskilling or training of appropriate skills that it will need to support the expected transition. The interesting point made here, is that it is not that there will be the replacement of existing jobs with green jobs, but that rather it is the content of jobs, the way work is done and worker skills that will change by incorporating elements of sustainability and green practices in job descriptions (Globe Foundation, 2010). In terms of the areas that are within local government's domain, research (Hammer et al., 2011) has identified green jobs for certain areas (see Table 13).

Table 13: Examples of emerging jobs in green sectors

SECTORS	EXAMPLES OF JOBS	POSSIBLE SKILLS DEVELOPMENT NEEDS
Energy	<ul style="list-style-type: none"> • Energy engineers • Electricians and plumbers installing the systems • Mechanics building the infrastructure • Renewable energy plant operators • Engineers and scientists working on energy efficiency improvements (efficient lighting, smart metering, low energy monitors) 	Retraining of traditional economy workers for renewable energy production
Mobility	<ul style="list-style-type: none"> • Public transport drivers and employees • Bus retrofitters • Builders of rail networks 	Retraining of workers for low-carbon car, battery and public transport sector
Natural resources management	<ul style="list-style-type: none"> • Park and open space planners • Civil engineers • Landscape architects and gardeners 	Retraining for jobs in natural resource and water management

SECTORS	EXAMPLES OF JOBS	POSSIBLE SKILLS DEVELOPMENT NEEDS
Buildings	<ul style="list-style-type: none"> • Employees of firms producing green building materials (alternative cement, recycled wood) • Building contractors and construction workers specialised in green buildings 	Retraining of traditional economy workers for energy efficiency retrofitting and installation of distributed renewable energy generation systems
Pollution prevention, treatment and abatement	<ul style="list-style-type: none"> • Workers employed for renewing water infrastructure • Hazardous material removal workers • Chemists developing environmentally-friendly packaging, cleaning products and sprays 	Retraining of workers for waste-to-energy generation and recycling/composting activities
Green services (retail and service sectors)	<ul style="list-style-type: none"> • Energy contractors • Specialised consultants • Trainers • Green civil engineers 	

Source: Hammer, S. et al. (2011), "Cities and Green Growth: A Conceptual Framework", OECD Regional Development Working Papers 2011/08, OECD Publishing. <http://dx.doi.org/10.1787/5kgotflmzx34-en>

Green skills learning pathways are notably biased toward high skills, typically of level 7 and higher on the NQF. Intermediate level qualifications and pathways are still lagging and this creates barriers for entry for youth development. Students who exit higher education before graduating, experience a dearth of "second chance" opportunities. Bridging initiatives are thus necessary for addressing system-based areas of neglect, and build capacity in order to mitigate the effects of green skills planning occurring outside of the core system of skills planning, exemplified by the SSP.

Research suggests that human capital is key in influencing the rate of economic growth and is linked to the level of tertiary education of a country's workforce (Hammer, et al., 2011). Importantly, Hammer et al., (2011: 38) suggest that any improvements made in relation to human capital "take about three years to have an impact." Thus, the extent to, and pace at which the transition to a low carbon economy occurs, will mainly be determined by "the availability of skilled and trained people to fill the emerging green jobs."

In terms of identifying scarce skill areas, demand is relatively high for environmental technical skills such as environmental engineering, environmental sciences and environmental economists, as well as water quality management, biodiversity technicians, general environment technicians and energy technicians (National Skills Authority, 2013). The implications for public sector skills development initiatives and planning, are broad and encompasses re-skilling or up-skilling of existing staff, creating new demand pipelines for green skills and increasing research into demand creation.

Another important aspect of transitioning to a green economy, is that of climate change and in particular its implication for the local government sector. 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.

The LGSETA commissioned the CSIR to conduct a study on climate change and disaster management within the sector, given the evidence of rapid climate change such as frequent and intense storms and heavy rainfall, increases in average global temperatures, sea level rise, changes in average rainfall patterns, more intense and longer drought spells (DEA, 2013). These trends make disaster risk reduction and management a strategic priority for the country and for the sector in particular. Responding to the effects of climate change, also presents some opportunities for local government through mitigation and adaptation. This process requires changes in local governments' institutional practice, individual behaviour, resources and technologies so they can increase their adaptive capacity.

Capacity challenges exist within local governments which may limit their ability to deal with climate change. In many instances local governments fail to anticipate risks and disaster response is mainly reactive, rather than proactive. The adaptive capacity of local governments to respond successfully to climate variability and change, requires transformations in local governments as well as clearly defined roles for individuals.

The importance of skilled or trained capacity to respond to disasters has been emphasised in legislation and in various studies (SALGA, 2013; SALGA, 2011; van Niekerk et al, 2009), including the lack of this capacity at provincial and local government level. A study conducted on behalf of SALGA (2011) highlights not only the lack of required skills, but the number of personnel available at local government for disaster risk reduction and management as well, with some municipalities having as little as ten or less people dedicated for disaster management.

The impacts of extreme weather events are far reaching, affecting from the natural to the built environment. The impacts are multi-sectorial and thus require a multi-sectorial response. While many of the professions are very technical and specific, disaster risk reduction requires more than just sector-specific expertise, but more operational expertise, with the appropriate skills, expertise and training (RICS, 2009). While these professions are available, they may not have been employed or related to disaster risk reduction in South Africa.

There is an urgent need for suitably qualified and skilled councillors and officials involved in all aspects of disaster risk management. Disaster risk management requires a diverse range of skills and competencies (see Table 14) across municipalities in different provinces.

Table 14: Summary of climate change, disasters and projected skills required by Province

PROVINCE	KEY HAZARDS	SKILLS REQUIRED
Eastern Cape	<ul style="list-style-type: none"> • Droughts • Excessive rainfall and floods • Tornadoes • Fires • Sea level rise and storm surges 	<ul style="list-style-type: none"> • Hydrologist • Coastal engineering • Environmental economists • Civil and structural engineering • Environmental engineering • Fire fighting • Drought management
Free State	<ul style="list-style-type: none"> • Excessive rainfall and floods • Fires 	<ul style="list-style-type: none"> • Environmental engineering • Environmental economists • Fire fighting
Gauteng	<ul style="list-style-type: none"> • Excessive rainfall and floods (which exacerbate the sinkholes in dolomite areas) • Hailstorms • Heat waves • Fires • Windstorms • Droughts 	<ul style="list-style-type: none"> • Geophysicist • Civil and structural engineering • Hydrologist • Fire fighting • Environmental engineering • Drought management • Water management
KwaZulu-Natal	<ul style="list-style-type: none"> • Tornadoes • Strong winds • Droughts • Thunder storms • Excessive rainfall and flooding • Sea level rise and storm surges 	<ul style="list-style-type: none"> • Coastal engineering • Fire fighting • Hydrologists • Environmental engineering • Drought management • Water management

PROVINCE	KEY HAZARDS	SKILLS REQUIRED
Limpopo	<ul style="list-style-type: none"> • Thunderstorms • Hailstorms • Excessive rainfall and flooding • Droughts • Fires • Outbreak of diseases 	<ul style="list-style-type: none"> • Health impact assessment and containing of outbreaks • Fire fighting • Environmental engineering • Hydrologists • Drought management • Water management
Mpumalanga	<ul style="list-style-type: none"> • Excessive rainfall and flooding • Hailstorms • Windstorms • Fires • Outbreak of diseases 	<ul style="list-style-type: none"> • Health impact assessment and containing of outbreaks • Fire fighting • Environmental engineering • Flood management
North West	<ul style="list-style-type: none"> • Excessive rain and flooding • Thunderstorms • Windstorms 	<ul style="list-style-type: none"> • Civil and structural engineering • Environmental engineering • Flood management
Northern Cape	<ul style="list-style-type: none"> • Strong winds • Rainstorms • Drought • Decreased rainfall (drying) 	<ul style="list-style-type: none"> • Water management • Drought management • Environmental engineering • Civil and structural engineering
Western Cape	<ul style="list-style-type: none"> • Sea level rise and storm surges • Droughts • Heatwaves • Reduced rainfall • Fires • Intense storms • Diseases 	<ul style="list-style-type: none"> • Water management • Coastal engineering • Health impact assessment and containing of diseases • Fire fighting • Civil and structural engineering • Flood management

Source: LGSETA-CSIR Research, 2014

Disaster risk management is not merely the responsibility of the fireman or emergency worker for example, but requires a wide range of skills, such as those of town planning, engineering, public health and community development. As such, the LGSETA will continue to fund the implementation of programmes in disaster management, environmental practice, firefighting, water management, but look to explore the possibility of working with other SETAs to develop qualifications such as environmental financial management, or public institutions to develop skills programmes such as sustainability and resource management, climate change responses for local government, that build the capacity of current officials working with disaster risk management and infrastructure development for example.

2.3 Alignment with National Strategies and Plans

There are several policies that the LGSETA needs to consider in its implementation of the NSDS III for the period 2011 to 2016 that has identified seven key developmental and transformative imperatives of race, class, gender, geography, age, disability, and the HIV and AIDS pandemic.

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).

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.

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.

Furthermore, 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 Co-operative Governance and Public Service Administration who are either exploring, or in the process of establishing centres of learning/skills development.

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 (Economic Development Department, 2011). 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 LGSETA will need to ensure that the programmes it funds contribute to the achievement of these eight commitments. The National HRD Strategy has the following commitments designed to address the priorities of the South African Government. 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, and Adult Training and Education (AET) programmes, among others.

The adoption of the New Growth Path has had a 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) where infrastructure development has been seen as a catalyst to creating five million jobs by 2020, will also impact LGSETA's skills development strategy over the next few years. In this regard, the LGSETA has facilitated access to skills development in various artisanal trades, as well as professional qualifications.

The NDP 2030 paints a view of how South Africa might look, should the identified strategic actions be implemented by the end of 2020 and 2030 for each key pillar. It is against this backdrop that this overview seeks to address the question of what type of local government is needed to implement the NDP 2030. The NDP 2030 places significant emphasis on the importance of spatial transformation and building a capable and developmental state through appropriate skills development.

In addition, the call for all spheres of government to encourage active citizenry is also important, given the importance of participatory governance for local government. 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” (NDP 2030, 2012: 410).

Eight areas have been identified as central to developing a capable and developmental state and, important for the LGSETA, is to contribute to the development of technical and specialist professional skills as well as that of making local government administration a career of choice and adopting a long-term approach to developing skills required for the sector, together with professionalising the sector (NDP 2030).

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 2030 (DHET, 2013). 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 third objective of the P-SET framework seeks to confront the need to urgently address the issue of how to expand access to, improve the quality of and increase the diversity of post-school education and training institutions. In this regard, the LGSETA has established a number of partnerships with TVET colleges whereby it is funding a number of skills development interventions in qualifications deemed to be of importance for the sector's future skills supply. It is anticipated that these interventions will assist the country to respond to a challenge where data shows a significant number of youth between the ages of 15 to 24 neither employed, nor pursuing education or training (NEET).

In the same light, the policy objective seeks to facilitate greater access for older people, including those who have never attended school, but who have a need for education and training opportunities to enjoy a fuller and more productive life personally and in the workplace.

These actions will contribute towards the achievement of the six Youth Empowerment Accord 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 unemployed youth to such skills development opportunities which is aligned to the fourth objective of the P-SET framework that focuses on the linkages between education and work as the primary target of education. It is preparing people for the labour market, or enabling them to secure sustainable livelihoods through entrepreneurial pursuits which the LGSETA has been supporting through partnerships, such as the Free State Office of the Premier where about 250 graduates have been provided access to internships among other interventions.

As discussed earlier, implementation of the Spatial Planning and Land Use Management Act (Act No. 16 of 2013) will bring along prioritisations with respect to skills development and in this regard, the LGSETA will continue to support skills development interventions aligned to the implementation of the Act.

Finally, the LGSETA is aligned to the implementation of COGTA's Local Government Back-to-Basics Strategy (COGTA, 2014) on a number of fronts. The LGSETA invests a significant amount of resources building current and future capacity in the municipal finance management and administration learnership, as well as the public administration learnership, thereby supporting the Strategy's focus on sound financial management.

Furthermore, the LGSETA has an on-going project with SALGA to build the capacity of councillors where about 5 200 councillors will be trained in the Councillor Development Programme by March 2016 and this will contribute to the aspect of good governance outlined in the Strategy.

Furthermore, through its partnerships with some public higher education institutions and TVET colleges, the SETA is funding ward committee training which contribute towards the Back-to-Basics focus of empowering citizens to hold Government accountable and strengthen public participation.

2.4 Summary

The LGSETA operates in support of the local government sector and its efforts to achieve the output of Outcome 9 which is to be "a responsive accountable effective and efficient local government system" and the NSDS III. A crucial issue for the sector (and indeed for the country as a whole) is not only how individuals perform within municipalities, but how the municipality itself performs against its key performance areas.

The change driver's analysis points to the reality that, while municipalities have made great strides in service delivery, challenges remain. Such challenges require that the LGSETA continues to facilitate access to skills development, as well as partnering with others to ensure the development of a capable, developmental and professional local government sector. In particular, the LGSETA needs to be able to advice and direct funding into emerging skills needs for the sector and, as such, continuous research will support this task.

CHAPTER 3:

EXTENT OF SKILL MISMATCHES

3.1 Introduction

In this chapter, the focus is on understanding the extent of skills mismatches in the sector. At the simplistic level, mismatches or imbalances would arise where there are either too many qualified job seekers compared to the sector's needs, or vice-versa, which in turn would indicate whether there is a skills surplus or shortage. The matching of skills supply to labour market needs is important as it has the potential to address skills shortages and shortages for sectors, as well as ensure optimum return on investment of higher education funding (CEDEFOP, 2010) and LGSETA funding support in the long term. However, in reality, matching skills supply to skills demand for the local government sector, is quite complex for a number of reasons.

Firstly, it has been suggested that the matching of skills supply to demand is mainly useful in contexts where there is the central control of skills supply (Froeschle, 2010). Thus, while this chapter indicated the potential supply pipeline of qualified people, in reality, not all can be said will enter the local government sector. This might be amplified in the local government sector given the demand for qualified people who have qualifications that are multi-disciplinary, such as engineering that can be used in other employment sectors (Froeschle, 2010).

Secondly, the challenge of matching skills supply to demand for the local government sector, is the lack of data on the qualifications profile for the sector. Thus, while some research suggests that one's qualification is a more accurate representation or measure of skill (Cappelen et al., 2013), the qualification profile of employees' data is incomplete and this further limits the capability to match skills demand to supply, using level of qualification.

Thirdly, there is a possibility of job seekers lacking perfect labour market information and/or the lack of interest to work in some occupations (Boswell, Stiller and Straubhaar, 2004) or geographic (CEDEFOP, 2010) within the sector might contribute to some natural imbalances as well as make it difficult to estimate labour supply.

Another factor that contributes to the complexity is that it is not always known how many qualified people are available, but who opt not to enter the job market, as well as the number of people who have attained skills through informal mechanisms who could enter the sector (Froeschle, 2010). The extent to which there are skills shortage in the local government sector and how it impacts on the capacity of the sector to deliver services, is well documented.

3.2 Extent and Nature of Demand

3.2.1 Vacancy analysis

Statistics South Africa estimated the number of vacancies for the sector in 2012/13 was 49 185 up from the estimated 35 443 in 2011/12 (including part-time positions). The 2014/15 WSP and ATR data indicated that the sector had about 10 400 vacancies (see Table 15), a large decrease from 39 400 vacancies in 2013/14, which might be attributed to the introduction of the new WSP and ATR online system, as well as higher numbers of new entrants which enabled better capturing of data using the categories of scarcity available. Furthermore, municipalities indicated that in addition to these vacancies, the number of staff actually needed, was about 13 526.

Table 15: Vacancy numbers by occupation category, 2014/15

MAJOR GROUP CODE	MAJOR OCCUPATION GROUP	TOTAL NUMBER OF VACANCIES	NUMBER OF STAFF NEEDED
1	Managers	800	880
2	Professionals	1648	2553
3	Technicians and Trade	1567	1800
4	Community and Personal Service Workers	145	154
5	Clerical and Administrative Workers	1586	1790
6	Sales and Service Workers	1309	1236
7	Machinery Operators and Drivers	495	748
8	Elementary Occupation Workers	2852	4365
Total		10402	13526

Source: WSP and ATR 2014/15 submissions

Proportionately, the highest number of vacancies were recorded for Elementary Occupation Workers positions, followed by Technicians and Associated Professionals and Services and Sales Workers, respectively. Table 16 provides insight into the occupations that are difficult to fill with the main reasons provided (using the absolute and relative scarcity definitions).

Table 16: Occupations difficult to fill, 2014/15

OFO CODE	OCCUPATION	TOTAL NUMBER OF VACANCIES	REASONS FOR DIFFICULTY IN FILLING VACANCY
121104	Internal Audit Manager	34	Cannot attract suitably qualified candidate to area; few, if any, candidates with the requisite skills from specific groups (employment equity); recruitment process slow; training lead time
121201	Personnel/Human Resources Manager	86	Recruitment process slow; lack of funding for post; training lead time
121202	Training and Development Manager	20	Recruitment process slow; lack of funding for post
121301	Policy and Planning Manager	40	Cannot attract suitably qualified candidate to area; few, if any, candidates with the requisite skills from specific groups (employment equity); recruitment process slow; lack of funding for post; training lead time
121902	Corporate Services Manager	61	Recruitment process slow
121905	Project Manager	111	Cannot attract suitably qualified candidate to area; recruitment process slow; lack of funding for post; training lead time
132301	Construction Project Manager	56	Cannot attract suitably qualified candidate to area; recruitment process slow; lack of funding for post; training lead time
134901	Environmental Manager	25	Recruitment process slow; lack of funding for post
213302	Environmental Officer	26	Recruitment process slow; lack of funding for post

OFO CODE	OCCUPATION	TOTAL NUMBER OF VACANCIES	REASONS FOR DIFFICULTY IN FILLING VACANCY
213306	Water Quality Technician	31	Cannot attract suitably qualified candidate to area; recruitment process slow; lack of funding for post; training lead time
214201	Civil Engineer	150	Sector attractiveness; recruitment process slow; lack of funding for post; training lead time; few, if any, candidates with the requisite skills from specific groups (employment equity)
214202	Civil Engineering Technologist	53	Sector attractiveness; recruitment process slow; lack of funding for post; training lead time; few, if any, candidates with the requisite skills from specific groups (employment equity)
216401	Urban and Regional Planner	58	Cannot attract suitably qualified candidate to area; recruitment process slow; lack of funding for post; training lead time; few, if any, candidates with the requisite skills from specific groups (employment equity)
222104	Registered Nurse (Community Health)	112	Recruitment process slow; lack of funding for post
222116	Nurse Manager	60	Lack of funding for post
224902	Liaison Officer	37	Recruitment process slow; lack of funding for post
224901	Local Economic Development Officer/ Co-ordinator	50	Recruitment process slow; lack of funding for post
226301	Environmental Health Officer	65	Recruitment process slow; lack of funding for post
241101	Accountant (General)	149	Sector attractiveness; recruitment process slow; lack of funding for post; training lead time; cannot attract suitably qualified candidate to area
241107	Financial Accountant	43	Recruitment process slow; lack of funding for post
242207	Compliance Officer (Risk Officer)	43	Sector attractiveness; recruitment process slow; lack of funding for post; training lead time; cannot attract suitably qualified candidate to area
242211	Internal Auditor	82	Sector attractiveness; recruitment process slow; lack of funding for post; training lead time; cannot attract suitably qualified candidate to area
242401	Training Officer	12	Relative scarce skill - cannot attract suitably qualified candidate to area
251101	ICT Specialist	46	Training lead time; recruitment process slow; lack of funding for post
262201	Librarian	55	Recruitment process slow; lack of funding for post

OFO CODE	OCCUPATION	TOTAL NUMBER OF VACANCIES	REASONS FOR DIFFICULTY IN FILLING VACANCY
311201	Civil Engineering Technician	261	Cannot attract suitably qualified candidate to area; recruitment process slow; lack of funding for post; training lead time; there are no people enrolled or engaged in the process of acquiring skills that need to be replaced
311203	Town Planning Technician	47	Cannot attract suitably qualified candidate to area; recruitment process slow; lack of funding for post; training lead time
312301	Building Construction Supervisor	133	Recruitment process slow; lack of funding for post; training lead time
313201	Water Plant Operator	212	Recruitment process slow; lack of funding for post; training lead time
313202	Waste Materials Plant Operator	42	Recruitment process slow; lack of funding for post; training lead time; few, if any, candidates with the requisite skills from specific groups (employment equity)
325802	Paramedic	60	There are no people enrolled or engaged in the process of acquiring skills that need to be replaced; cannot attract suitably qualified candidate to area
331301	Finance Clerk/Administrator	160	Recruitment process slow; lack of funding for post
331501	Property Valuer	42	Recruitment process slow
335913	Building Inspector	55	Recruitment process slow; lack of funding for post; cannot attract suitably qualified candidate to area
341110	Legal Advisor/Officer	42	Sector attractiveness; recruitment process slow
341201	Community Development Worker	56	Sector attractiveness; recruitment process slow; lack of funding for post
351302	GIS Specialist	40	Sector attractiveness; recruitment process slow; lack of funding for post
541101	Fire Fighter	569	Recruitment process slow; lack of funding for post
642601	Plumber	117	Recruitment process slow; lack of funding for post; training lead time
671101	Electrician (General)	221	Cannot attract suitably qualified candidate to area; recruitment process slow; lack of funding for post; training lead time; few, if any, candidates with the requisite skills from specific groups (employment equity)

Source: WSP and ATR 2014/15 submissions

The list of occupations that have been put forward are further informed by the key drivers of change and alignment to national strategies and plans discussed in the previous chapters.

These occupations can be clustered around a number of focus areas:

- **Governance and Administration:** Human Resources Manager, Training and Development Manager, Corporate Services Manager, Compliance Officer, Training Officer, ICT Specialist, Legal Advisor;
- **Delivery of Services:** Environmental Manager, Environmental Officer, Water Quality Technician, Civil Engineer, Civil Engineering Technologist, LED Officer, Environmental Health Officer, Librarian, Civil Engineering Technician, Water Plant Operator, Waste Materials Plant operator, Paramedic, Fire Fighter, Plumber, Electrician;
- **Planning and Infrastructure Development:** Policy and Planning Manager, Construction Project Manager, Urban and Regional Planner, Town Planning Technical, Building Construction Supervisor, Building Inspector, GIS Specialist;
- **Financial Management:** Internal Audit Management, Accountant (general), Internal Auditor, Finance Clerk); and
- **Social Development:** Registered Nurse, Nurse Manager, Community Development Worker.

3.2.2 Conditions of employment for the sector

The wage bill for the local government sector is governed by a sector Salary and Wage Collective Agreement for the period 1 July 2012 to 30 June 2015.¹ Using the projected levy income for the next three years and using data from the 2013/14 WSP/ATR submissions, the wage bill is set to continue to increase during 2014/15. However, this increase is not largely driven by an increase in the numbers of people employed, but rather by the annual salary increase. Statistics South Africa (2015) reports that about R37,7 billion was spent on employee-related costs in 2014, up from about R32,8 billion in 2013, with a further R3,1 billion spent on the remuneration of the board of directors and councillors in 2014, up from R2,8 billion in 2013.

3.2.3 Occupational employment trends

3.2.3.1 Employee turnover

Using data from the 2014/15 WSP and ATR submissions, the total number of employees who left the sector was 11 960. Table 17 shows the provincial employee turnover profile by municipality type and gender.

Table 17: Provincial distribution of employee turnover by municipality type and gender, 2014/15

PROVINCE	METROPOLITAN MUNICIPALITY		DISTRICT MUNICIPALITY		LOCAL MUNICIPALITY		TOTAL		
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	BOTH
Eastern Cape	50	139	55	111	167	279	272	529	801
Free State	245	187	17	28	193	630	455	845	1300
Gauteng	663	1109	24	41	103	247	790	1397	2187
KwaZulu-Natal	726	1205	85	209	256	452	1067	1866	2933
Limpopo	-	-	84	104	86	277	170	381	551
Mpumalanga	-	-	15	15	197	409	212	424	636
North West	-	-	19	33	83	282	102	315	417
Northern Cape	-	-	16	25	81	282	97	307	404
Western Cape	570	1141	18	77	229	696	817	1914	2731
Total	2254	3781	333	587	1395	3554	3982	7978	11960

Source: WSP and ATR 2014/15 submissions

¹ National Treasury, 2013. Municipal Budget Circular for the 2013/14 MTREF

Overall, more employees working in metropolitans left the sector in 2014/15, with more men (3 781) than women (2 254) leaving. KwaZulu-Natal recorded the highest number of employees leaving the sector at 2 933, followed by the Western Cape at 2 731, while the North West and Northern Cape recorded the lowest numbers for 2014/15. In terms of PWD, a total of 56 men left the sector in 2014/15 of which 45 were Black, six were White, four were Coloured and one Indian. In terms of women with disability who left the sector, 33 were Black, three were White with Coloured and Indian women each seeing two leaving the sector in 2014/15.

Table 18 shows the provincial employee turnover profile by population group and gender for 2014/15.

Table 18: Provincial distribution of employee turnover by population group and gender, 2014/15

PROVINCE	BLACK		COLOURED		INDIAN / ASIAN		WHITE		TOTAL		
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	BOTH
Eastern Cape	231	457	17	39	2	0	22	33	272	529	801
Free State	422	802	14	11	0	1	19	31	455	845	1300
Gauteng	664	1201	25	49	8	12	93	135	790	1397	2187
KwaZulu-Natal	870	1381	33	35	86	309	78	141	1067	1866	2933
Limpopo	168	365	0	1	0	1	2	14	170	381	551
Mpumalanga	194	391	3	4	1	2	14	27	212	424	636
North West	90	288	2	7	0	1	10	19	102	315	417
Northern Cape	37	154	50	133	0	1	10	19	97	307	404
Western Cape	256	462	424	1221	3	7	134	224	817	1914	2731
Total	2932	5501	568	1500	100	334	382	643	3982	7978	11960

Source: WSP and ATR 2014/15 submissions

Overall, almost two times more men left the sector in 2014/15 where 8 433 employees who left were Black and of which 5 501 were men. The Western Cape recorded the highest number of men who left the sector at 1 914, while KwaZulu-Natal recorded the highest number of women leaving employment in the sector during 2014/15.

Table 19 presents the employee turnover by age and gender for 2014/15.

Table 19: Provincial distribution of employee turnover by age and gender, 2014/15

Province	Age						Total		
	≤35		35-55		>55		Women	Men	Both
	Women	Men	Women	Men	Women	Men			
Eastern Cape	98	82	92	225	82	222	272	529	801
Free State	167	144	220	419	68	282	455	845	1300
Gauteng	296	362	327	434	167	601	790	1397	2187
KwaZulu-Natal	504	531	361	724	202	611	1067	1866	2933
Limpopo	35	45	70	182	65	154	170	381	551
Mpumalanga	48	53	108	229	56	142	212	424	636
North West	30	40	40	144	32	131	102	315	417
Northern Cape	29	61	36	129	32	117	97	307	404
Western Cape	174	202	438	941	205	771	817	1914	2731
Total	1381	1520	1692	3427	909	3031	3982	7978	11960

Source: WSP and ATR 2014/15 submissions

Overall, of the 11 960 employees who left the sector in 2014/15, the majority were men in the 35 to 55 age category at 3 427, followed by 3 031 men who were older than 55 years. At the provincial level, KwaZulu-Natal recorded the highest number of employees 35 years or younger leaving the sector at 1 035, followed by Gauteng at 658 employees.

Table 20 shows the distribution of those leaving the sector by the major occupation category.

Table 20: Provincial distribution of employee turnover by major occupation category, 2014/15

MAJOR OCCUPATION GROUP	BLACK		COLOURED		INDIAN / ASIAN		WHITE		TOTAL		
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	BOTH
Legislators	37	77	4	12	1	6	11	21	53	116	169
Managers	122	279	13	38	1	16	21	97	157	430	587
Professionals	525	344	112	65	28	31	93	130	758	570	1328
Technicians and Trade	112	546	8	133	15	62	19	150	154	891	1045
Community and Personal Service	392	192	30	20	5	3	11	8	438	223	661
Clerical and Administrative	779	574	233	227	37	42	177	85	1226	928	2154

MAJOR OCCUPATION GROUP	BLACK		COLOURED		INDIAN / ASIAN		WHITE		TOTAL		
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	BOTH
Sales and Service	238	564	57	171	0	19	38	92	333	846	1179
Machinery Operators and Drivers	26	622	2	152	1	64	0	19	29	857	886
Elementary Occupation Workers	701	2303	109	682	12	91	12	41	834	3117	3951
Total	2932	5501	568	1500	100	334	382	643	3982	7978	11960

Source: WSP and ATR 2014/15 submissions

Of the 11 960 employees who left the sector in 2014/15, Elementary Occupation Workers recorded the highest number at 3 951, followed by Clerical and Administrative Employees at 2 154, and then Professionals at 1 328. Table 21 provides a provincial breakdown of the reasons for leaving the sector in 2014/5.

Table 21: Provincial distribution of employee turnover by reason, 2014/15

PROVINCE	DEATH		DISMISSAL		MEDICAL		RESIGNATION		RETIREMENT		RETRENCHMENT		END OF CONTRACT		TOTAL	
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN
Eastern Cape	28	93	11	41	2	15	146	146	64	196	1	1	20	37	272	529
Free State	35	138	67	279	2	14	80	102	34	183	1	1	236	128	455	845
Gauteng	34	136	15	57	7	31	426	446	176	554	0	5	132	168	790	1397
KwaZulu-Natal	69	240	41	126	9	45	453	566	155	485	0	5	340	399	1067	1866
Limpopo	13	67	1	13	0	9	111	147	33	132	0	0	12	13	170	381
Mpumalanga	30	113	9	25	3	9	61	149	49	120	0	0	60	8	212	424
North West	15	72	5	17	3	4	44	95	32	117	0	2	3	8	102	315
Northern Cape	7	42	2	43	4	9	46	78	26	109	0	0	12	26	97	307
Western Cape	28	129	41	292	14	79	410	623	186	676	0	0	138	115	817	1914
Total	259	1030	192	893	44	215	1777	2352	755	2572	2	14	953	902	3982	7978

Source: WSP and ATR 2014/15 submissions

The main reason for employees leaving the sector was resignation with figures of 4 129, followed by retirement at 3 327. KwaZulu-Natal recorded the highest number of resignations at 1 019, end of contracts at 739 and deaths at 309, while the Western Cape recorded the highest number of employees retiring with 862. The Free State recorded the highest number for dismissals with 346 employees in 2014/15.

3-3 Extent And Nature of Skills Supply

3-3-1 Current employed officials

It is estimated that the sector employed about 275 000 local government employees in 2014/15. Table 22 provides an overview of the distribution of employees by the broad occupational groups within the sector by gender and population group for 2014/15.

Table 22: Occupational distribution of employees by gender and population group, 2014/15

OCCUPATIONAL CATEGORY	BLACK		COLOURED		INDIAN		WHITE		TOTAL	
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN
Legislators	4301	6081	343	509	94	175	310	689	5048	7454
Managers	2645	4766	411	908	128	264	618	1489	3802	7427
Professionals	9262	7096	1580	1372	517	627	1502	2111	12861	24067
Technicians and Trade	3849	12415	311	2879	332	1428	281	2284	4773	19006
Community and Personal Service	1872	1244	249	150	34	40	71	68	1502	2226
Clerical and Administrative	18295	10230	5538	3124	1061	689	3360	1215	28254	15258
Sales and Service	7949	15851	1133	3378	163	569	449	2003	9694	21801
Machinery Operators and Drivers	954	11681	56	2418	33	643	355	19	1398	14761
Elementary Workers	26334	50691	3163	11750	174	915	736	203	30407	63559
Total	86188	109328	15146	24126	3146	4740	7346	10417	111102	149335

Source: WSP and ATR 2015 submissions

While Legislators form a part of Managers, the two have been separated for analysis purposes where overall, there were more male Legislators compared to female Legislators in 2015. With regards to Managers, there were almost double the number of Black male Managers compared to Black women, while proportionately, there was a high number of White male Managers.

With respect to Professionals, there were marginally more women compared to men while in terms of Technicians and Trade Workers, there were almost four times more men compared to women.

Overall, there were more women employed in clerical and administrative occupations compared to men, with 18 295 being Black women. The Machinery Operators and Drivers occupation category saw almost seven times more men than women in 2015, with a significant majority being Black men with a number of 11 681. In terms of distribution of employees by occupational category, the majority of the workers were Elementary Workers at 93 966 with over half of that figure being Black men (50 691) in 2015.

3.3.2 Unemployed skilled people

It is also important to indicate that people that are currently unemployed, but have the necessary skills applicable for the sector, are also considered as potential employees for the sector. Given the nature of work in the local government sector, it is quite difficult to indicate the number of the people currently unemployed.

3.3.3 New recruits

The recruitment approach by municipalities suggests that attention is being paid to recruiting females, although it is lower than that of males. Table 23 provides an analysis of new recruits by gender, using 2014/15 WSP and ATR data.

Table 23: Provincial distribution of new employee recruits by municipality type and gender, 2014/15

PROVINCE	METROPOLITAN MUNICIPALITY		DISTRICT MUNICIPALITY		LOCAL MUNICIPALITY		TOTAL		
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	BOTH
Eastern Cape	578	487	102	150	411	545	1091	1182	2273
Free State	297	171	18	26	253	487	568	684	1252
Gauteng	1583	1015	23	32	147	200	1753	1247	3000
KwaZulu-Natal	1068	1073	133	229	362	586	1563	1888	3451
Limpopo	-	-	6	13	177	242	183	255	458
Mpumalanga	-	-	37	25	242	361	279	386	665
North West	-	-	78	208	125	170	203	378	581
Northern Cape	-	-	36	31	118	275	154	306	460
Western Cape	572	751	30	79	433	659	1035	1489	2524
Total	4098	3497	463	793	2268	3525	6829	7815	14644

Source: WSP and ATR 2014/15 submissions

There were a total of 14 644 new recruits in 2014/15, with marginally more men than women. Compared to the other categories of municipalities, metropolitans recorded the highest number of new recruits with more women (4 098) compared to men (3 497). At the district level, KwaZulu-Natal recorded the highest number of new recruits at 362 while at the local municipality level, the Western Cape recorded the highest number of new recruits with 1 092.

Table 24: Provincial distribution of new employee recruits by population group and gender, 2014/15

PROVINCE	BLACK		COLOURED		INDIAN / ASIAN		WHITE		TOTAL		
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	BOTH
Eastern Cape	994	1067	68	97	4	5	25	13	1091	1182	2273
Free State	552	656	12	24	0	1	4	3	568	684	1252
Gauteng	1688	1158	16	29	10	13	39	47	1753	1247	3000
KwaZulu-Natal	1449	1672	25	41	71	129	18	46	1563	1888	3451
Limpopo	178	252	1	1	1	0	3	2	183	255	458
Mpumalanga	274	373	1	3	2	0	2	10	279	386	665
North West	197	369	4	6	0	0	2	3	203	378	581
Northern Cape	90	207	57	91	0	1	7	7	154	306	460
Western Cape	332	458	607	913	9	9	92	109	1035	1489	2524
Total	5754	6212	791	1205	97	158	192	240	6829	7815	14644

Source: WSP and ATR 2014/15 submissions

In terms of population group, 11 966 new recruits were Black of which about 6 212 were Black men, marginally higher than the 5 754 Black women. About 1 996 new recruits were Coloured, with more men (1 205) compared to women (791) entering the sector in 2014/15. The lowest number of new recruits were Indian/Asian with 255 new recruits. KwaZulu-Natal recorded the highest number of new recruits at 3 451, followed by Gauteng at 3 000, while Limpopo recorded the lowest number of new recruits entering the sector. Table 25 shows the age and gender distribution of new recruits for the sector.

Table 25: Provincial distribution of new employee recruits by age and gender, 2014/15

PROVINCE	AGE						TOTAL		
	≤35		35-55		>55		WOMEN	MEN	BOTH
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN			
Eastern Cape	638	565	435	568	27	49	1091	1182	2273
Free State	291	379	266	271	11	34	568	684	1252
Gauteng	1199	618	479	578	75	51	1753	1247	3000
KwaZulu-Natal	1149	1196	366	650	48	44	1563	1888	3451
Limpopo	106	123	76	128	1	4	183	255	458
Mpumalanga	152	171	120	207	8	8	279	386	665
North West	132	176	68	191	3	11	203	378	581
Northern Cape	106	170	44	129	4	7	154	306	460
Western Cape	604	906	416	560	20	23	1035	1489	2524
Total	4377	4304	2270	3282	197	231	6829	7815	14644

Source: WSP and ATR 2014/15 submissions

Of the 14 644 new recruits, 8 681 were 35 years and younger, with KwaZulu-Natal recording the highest numbers, followed by Gauteng. Interestingly, almost 430 new recruits recorded for the sector were older than 55 years of age. In terms of the number of new recruits by major occupation category, most of the new recruits were Elementary Occupation workers with 4 734 employees, followed by Clerical and Administrative employees at about 2 980 and the Professionals at 1 846, of which 1 107 were women. Other than legislators, the lowest numbers of new recruits in 2014/15 were recorded in the Machinery Operators and Drivers categories with 738 and predominantly men, and Managers with 641 new recruits, with 389 being men of which 330 were Black men .

3.3.4 Higher education and training institutions

The National Development Plan outlines three special concerns of universities². Firstly, universities train and transfer high level skills to people in order to prepare them for the labour market. Secondly, they are the principal producers of state-of-the-art knowledge, as well as assessors and advancers of new applications for existing knowledge and legitimising knowledge and values through their curricula. Thirdly, they present opportunities for social mobility and extend social justice and democracy.

The 23 public higher education institutions has seen marginal increases in enrolment figures from 938 200 in 2011, to 953 373 in 2012 and 983 628 in 2013. The majority of the enrolled students enrolled for contact-based programmes are from the Black, Coloured and Asian/Indian population groups (DHET, 2014).

It is important to note that while there were graduates from the public higher education institutions potentially entering the labour market, not all of the graduates are South Africans or will work in South Africa. As such, the potential graduate supply from public higher education institutions to the labour market might be lower.

Another key factor to remember, is that the graduate numbers being referred to here do not include graduates from private higher education and training institutions. However, to indicate potential supply, the focus will be on the graduates from the public higher education institutions. A key point to make is that not all graduates will enter the local government sector. For example, The Centre for Development and Enterprise (CDE) indicates that the "the proportion of graduates working in the public sector [fell] from 50 per cent in 1995 to about 35 per cent in 2011" (CDE, 2013).

It is important to note that there are other potential graduates from some of the other CESM categories such as visual and performing arts, computer and information technology, business, economics, and management studies, engineering, health professionals, laws, and social sciences that could have entered the sector given the nature of work in the local government sector. However, it is difficult to ascertain how many enter the local government sector and thus, the analysis is limited at present.

The LGSETA currently has several training delivery agreements in place with a number of public higher education institutions to provide training for current employees in the sector, particularly in municipal finance and governance-related skills programmes. The LGSETA continues to provide bursaries for people to access further education and training opportunities.

The total number of employed individuals awarded bursaries by the LGSETA, increased from 181 in 2011/12, to 321 in 2012/13, to 633 in 2013/14, but fell to 30 in 2014/15. While in 2012/13, the number of bursaries for the unemployed marginally decreased from 176 in 2011/12 to 127, there was a significant increase to 472 bursaries awarded in 2013/14, but reduced to 135 in 2014/15. Over the last four periods, the majority of bursary beneficiaries (employed and unemployed) have been Black females and a large majority youth beneficiaries.

In addition, the geographic spread of beneficiaries was extensive. It is of concern that no PWD received bursaries in these three periods. Some of the areas for which bursaries are provided for by the LGSETA, include civil engineering bursaries, internal audit and finance, urban planning, electrical engineering, and property valuation, among others.

² Department of Higher Education and Training, 2013. "White Paper for Post-School Education and Training: Building an Expanded, Effective and Integrated Post-School System." DHET, Pretoria

3.3.5 TVET colleges

There were 50 public TVET colleges and 449 private TVET colleges registered in South Africa in 2011. Public institutions had just 400 000 students, while the number of student enrolments was understated at about 135 000, due to non-response by 172 private TVET colleges. The LGSETA has worked with several TVET colleges to address Local Economic Development (LED) training delivery and intends on collaborating with these tertiary institutions on artisan development programmes for the Local Government sector. To provide support to TVET colleges, the SETA embarked on a process of developing learning materials for Environmental Practices to standardise the delivery of training programmes. The LGSETA has further committed to supporting at least 3 600 TVET college learners in 2015/16 to access workplace-integrated learning opportunities within the sector.

3.3.6 Learnerships, artisan development, skills programmes and workplace-integrated learning

The sector reported that about 72 507 employees were trained, while a further 21 026 unemployed individuals were trained in 2014/15 (WSP and ATR, 2015). With respect to the SETA, the LGSETA continues to support various learnership, artisan development, skills programmes and internship programmes for the local government sector. The LGSETA has 29 registered qualifications (see Appendix 1) and, in addition, the LGSETA currently has seven other qualifications being processed at the QCTO that include: Electrician Apprenticeship, Water and Waste Water Process Controllers, Fire Fighter, Property Valuer, Disaster Management, Switching Operator and Environmental Technician. Table 26 provides an overview of different learning programmes that have been funded by the LGSETA from 2011/12 to 2014/15.

Table 26: Learning programmes entered into from 2011/12 to 2014/15

KEY DEVELOPMENT AND TRANSFORMATION IMPERATIVES	2011/12		2012/13		2013/14		2014/15		TOTAL
	EMPLOYED	UNEMPLOYED	EMPLOYED	UNEMPLOYED	EMPLOYED	UNEMPLOYED	EMPLOYED	UNEMPLOYED	
Artisan Development	171	381	112	188	125	404	16	788	2185
Learnerships	1923	1058	1134	364	1031	1888	4088	3310	14796
Skills Programmes	4703	46	1413	912	805	553	4470	3614	16516
Total	6797	1485	2659	1464	1961	2845	8574	7712	33497

Source: LGSETA Quarterly Reports 2011/12 – 2014/15

With respect to Artisan Development, the LGSETA has funded 2 185 artisan learners since 2011/12, with 2014/15 recording the highest figure of 804. The development of artisans to support the country's growth and development aspirations is highlighted as a major outcome of the NSDS III (DHET, 2011). The LGSETA supports artisan development in the areas of electrical, plumbing, bricklaying, fitter, millwright and boiler making. Over the past four years, a total of 2 185 artisans began their programmes, with the majority being Black males. In general, there were more youths being registered for artisan development and with the LGSETA focusing more on the unemployed, it is anticipated that the sector would benefit from the additional skills supply in the future.

The LGSETA funds a number of learnerships with just below 14 800 learnerships having been funded between 2011/12 and 2014/15 in environmental management, horticulture, water and sanitation, fire and rescue, road construction, municipal finance, OD-ETDP, LED, water process control, electricity, bricklaying, plumbing and urban/town planning, among others. In terms of skills programmes, the LGSETA supports a range of skills programmes that include, among others, AET, computing skills, municipal leadership, councillor development, municipal finance, and basic firefighting, among many others. Between 2011/12 and 2014/15 about 16 520 skills programmes have been funded, with 2014/15 recording the highest number of 8 084 for both employed and unemployed, a significant improvement from previous years.

Internships and workplace-integrated learning (WIL)

The NSDS III has significant scope to increase internship support to the sector via the PIVOTAL grant. Internships provide potential labour market entrants the opportunity to acquire invaluable structured workplace experience. In 2011/12 a total of 18 internships for the unemployed was funded by the LGSETA. Using 2012/13 WSP data, just over 5 000 people received structured work experience in the sector. A total of 6 771 internships were provided in the sector in 2013/14, with the majority being Black women and men, while in 2014/15, the LGSETA funded 350 internships with the sector providing internships to 5 610 graduates of which 3 264 were women (WSP and ATR data, 2015). Of the 5 610 sector-funded internships, 149 graduates were PWD with an almost 50/50 split between men and women. In terms of age, 5 406 of the 5 610 were 35 years of age and younger (WSP and ATR data, 2015).

A total of 1 140 internship and WIL opportunities were facilitated by the LGSETA in the sector in 2013/14, with the highest number in Office Administration, while in 2014/15, the LGSETA facilitated WIL placement to about 630 TVET and HEI learners. In relation to the scarce skills, it does not appear that there is significant focus on providing internships in Finance, ICT and Engineering occupations.

Adult Education Training (AET)

The education and training system must adapt to the needs of the millions of adults and youths who are not employed, poorly educated or otherwise not studying. Currently, an unsatisfactory proportion of these people will qualify to enter a university or TVET college. Existing educational institutions are not wholly capable of expanding educational opportunities and this motivates the need to create institutions that can offer diverse possibilities to those for whom vocational and technical colleges are not viable (DHET, 2013).

In 2012/13, about 1 800 employees received AET and occurred mainly in the Elementary Worker occupational category. These significantly increased to 4 519 beneficiaries in 2013/14. The LGSETA funded 1 552 employees, and a further 1 233 unemployed individuals on AET programmes in 2014/15, while the sector funded an additional 3 507 employees and 319 unemployed individuals on AET programmes. However, given the number of employees with qualifications below the NQF Level 1, stronger emphasis must be placed on supporting and facilitating access to those who require AET.

Recognition of prior learning

In the local government sector, 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. During the year under review, the LGSETA, in conjunction with National Treasury, implemented RPL in relation to the minimum competency requirements for Municipal Finance officials, as well as with the Department of Water Affairs. Water and Wastewater Process Controllers were assisted with registration requirements.

The LGSETA supports all legislative instruments that reinforce the inclusion of disability as an equity goal. The Integrated National Disability Strategy (1997) serves as a framework for the integration of disability issues in all social, political and economic programmes in the country, and is further backed by the Department of Women, Children and Persons with Disabilities (DHET, 2013).

The White Paper for Post-School Education and Training highlights the current lack of national policy on disability to serve as a standard for education and training institutions in the post-school system. In 2014/15, a total of 540 individuals completed the RPL process which they were certificated against either full qualifications or unit standards.

3.4 Identification of Scarce Skills and Skills Gaps

The Department of Labour's definitions of scarce skills and critical skills are used to inform SETA analysis. In this instance, scarce skills refers "to the inability to find suitably qualified and experienced people to fill occupational vacancies, either at an absolute level of scarcity or at a relative level of scarcity." Table 28 presents occupations that are considered to be scarce under one or more of the contexts that determine scarcity.

Table 27: Scarce skills for 2014/15

OFO CODE	OCCUPATION	VACANCIES FOR 2014/15
121101	Chief Financial Officer	31
121104	Internal Audit Manager	34
121301	Policy and Planning Manager	40
121905	Project Manager	111
132301	Construction Project Manager	56
213306	Water Quality Technician	31
214201	Civil Engineer	150
214202	Civil Engineering Technologist	53
216401	Urban and Regional Planner	58
241101	Accountant (General)	149
242207	Compliance Officer (Risk Officer)	43
242211	Internal Auditor	82
311201	Civil Engineering Technician	261
311203	Town Planning Technician	47
313201	Water Plant Operator	212
312301	Building Construction Supervisor	133
325802	Paramedic	60
331301	Finance Clerk/Administrator	160
341110	Legal Advisor/Officer	42
341201	Community Development Worker	56
351302	GIS Specialist	40
541101	Fire Fighter	569
642601	Plumber (General)	117
671101	Electrician (General)	221

Furthermore, the list has been developed based on the input from the sector via the explanations provided to explain the vacancies being experienced within a certain municipality. The skills that have been identified, are those that meet some indicators of skills scarcity, such as slow recruitment processes, insufficient funding, inability to find suitably qualified candidates or inability for municipalities to attract suitably qualified candidates to the area, sector attractiveness, equity, training lead time and based on the analysis presented in chapters 1, 2 and 3 of this document, are then identified as critical for the sector. In addition, the Auditor-General and National Treasury have indicated some of these occupations as key for service delivery, as well as for ensuring proper financial and administrative governance. It would appear that other SETAs have also indicated that Engineers fall in the category of scarce skills.

To this end, the list represents skills that might have relatively smaller shortages compared to others, but given the explanation for scarcity, are then rated as scarce skills. Feedback from consultation with stakeholders has also been used to further refine the list, given the lower new entrants or potential skills supply.

The new recruiting data also reveals that the sector tends to recruit people who have worked elsewhere and who bring in skills with only 4 295 of new recruits in 2014/15 indicating that they had never worked before. Importantly, the sector does employ graduates as new employees within the sector, with 1 239 graduates entering the sector in 2014/15.

Importantly, the impact of skills shortages on municipalities manifests in the quality and extent to service delivery which could lead to greater levels of service delivery backlogs, governance and administration challenges that could result in finance and administration challenges, to name but a few.

3.5 Summary

The LGSETA has progressively contributed to the development of sector skills to be part of the supply pipeline for the sector through its funding of various skills development interventions presented in this chapter, although its implementation of RPL remains a challenge. This chapter provides an analysis of the scarce skills in the sector. The scarce skills list is derived from the WSP submissions, as well as using other data sources based on the definition of scarcity. The chapter further discussed the demand for skills in the sector focusing on presenting the current demand for and supply of skills using several variables that included occupation category, geography, population group, gender and age.

CHAPTER 4:

SECTOR PARTNERSHIPS

4.1 Introduction

Partnerships are an important service delivery mechanism that can be leveraged by the SETA to improve implementation of various programmes, as well as access to other stakeholders that are important for its work. In this chapter, the state of existing partnerships is discussed through the presentation of selected partnerships where strengths and areas for strengthening the partnership, are also discussed. The chapter also identifies new partnerships that the SETA will seek to form, going forward.

4.2 State of existing partnerships

4.2.1 Partnerships with TVET colleges

The LGSETA has a number of partnership agreements with TVET colleges in support of NSDS III Goal 4.3, of “promoting the growth of a public TVET college system that is responsive to sector, local, regional and national skills needs and priorities” (DHET, 2011).

The LGSETA has successfully established two offices at Mopani TVET College and Umfolozi TVET College. The focus of the partnerships is to facilitate skills development where, for example, the LGSETA has funded the workplace-integrated learning for 16 learners who have completed N2 qualifications in Diesel Mechanic and Boiler Making, with the further funding of 250 learners registered in National Certificate Vocational programmes and another 100 learners registered in NATED in the field of Engineering (Civil, Electrical, and Mechanical) and related designs.

Importantly, the LGSETA has supported lecturer development to enable lecturers of Mopani TVET College to obtain the necessary workplace exposure. The partnership with Umfolozi has seen the registration of 450 learners in plumbing, environmental practice, public administration, bricklaying, roadworks and electrical learnerships, with another 250 TVET learners enrolled as artisan learners in welding, electrical, plumbing, bricklaying and instrumentation trades, among others.

The partnerships have yielded benefits for both entities in that the SETA has increased its visibility within the local communities and through funding have obtained access to more learners. Moving forward, it has been identified that there is a need to increase monitoring of various interventions.

4.2.2 Research partnerships with public higher education institutions

The LGSETA has a number of research partnerships with public higher education institutions to support the SETAs capacity to contribute to NSDS III Goal 4.1 of building a credible skills planning mechanism. The LGSETA Wits Centre for Researching Education and Labour partnership is focusing on conducting research on conflict and skills development within the context of the sector. To date, a session has been held where themes of the research were presented and input was provided by the LGSETA. It is anticipated that this research will identify potential skills development needs to address the issue of conflict management within the sector.

The SETA entered into a research partnership with the Vaal University of Technology (VUT) to focus on conducting research to address the problem of skills development and water management by local government in South Africa.



The approach is to provide an engagement platform for academic institutions (led by the VUT) and local government to seek solutions to water and wastewater management problems. To date, the partnership has yielded research output that include research papers and, importantly, the two organisations successfully organised a roundtable discussion at the Emperors Palace Convention Centre on 25 February 2015, which was attended by approximately 100 delegates, including international experts in water management.

The strength of the partnership includes that the LGSETA is able to access expertise from the University of the Witwatersrand and Tshwane University of Technology (TUT), as academics from these institutions form part of a collaboration network led and managed by the VUT. These institutions have been able to access the LGSETA's stakeholders either at research forums or during the data collection phase. Moving forward, the benefits of the partnership can be maximised through more engagement between SETA officials tasked with research and the VUT that could see possible skills transfer.

4.2.3 Partnerships with NGOs to facilitate access to skill development opportunities

As part of meeting the NSDS III goal of encouraging and supporting NGOs and other entities in terms of their skills development interventions, the LGSETA entered into a partnership with the Nkungumathe Youth Development Forum, where a number of interventions are being implemented. These include the facilitation of adult education and training to 345 people from the rural communities, facilitation of access to internship opportunities for about 100 learners, access to 175 people from the communities to complete a skills programme focusing on new venture creation as well as funding of over 100 artisans.

The partnership has provided a platform for the SETA to penetrate a rural area and maximise its interventions, while for the NGO, access to funding has enabled it to facilitate access to skills development opportunities that could potentially transform the lives of participants participating in the various interventions. Moving forward, the SETA needs to proactively visit the projects and document the work being done as it could further serve as a model for other interventions of this nature in the future.

4.2.5 Partnerships with national, provincial and local government

The LGSETA, working together with the Department of Public Works, will support 250 learners to access internship opportunities, with another 250 also being funded to complete internships under the auspices of the Free State Office of the Premier.

In support of rural skills development interventions, the LGSETA entered into a partnership with the Department of Rural Development and Land Affairs, where 900 learners residing in rural areas across all nine provinces will access learnerships.

With respect to local government partnerships, the LGSETA has been collaborating with other SETAs to develop and implement an integrated skills development intervention for the Nelson Mandela Bay Metro. To date, about 700 learners (mainly unemployed) have accessed skills development opportunities and a further 2 000 are set to benefit in 2015/16. The strengths of these partnerships include the leveraging of other departments' databases to access learners, while in the case of the Department of Rural Development and Land Affairs, the two parties will co-fund the intervention. Moving forward, there is a need to strengthen monitoring and management of interventions to ensure that programmes are being implemented as agreed.

4.3 New Partnerships

4.3.1 Partnerships to focus on gender transformation

The SETA has identified the need to have an intervention that focuses gender transformation in the sector. Data presented earlier, reveals that there are more men working in the sector compared to women and, importantly, more men than women in the Management, Professional and Trade Occupation categories. To support the development of women in local government and in particular to occupy positions in these categories, an opportunity exists to partner with COGTA and SALGA to develop and implement leadership programmes aimed at women in management positions as well as at women who have been in leadership positions for less than three years to provide the emerging leaders the opportunity to develop the necessary leadership skills.

To initiate this new partnership, a scoping process will be hosted by the LGSETA where COGTA and SALGA will be invited to contribute to the further conceptualisation of the intervention. COGTA and SALGA are critical to establishing and supporting the anticipated multi-stakeholder network that will be a key part of the intervention; form part of the Programme Advisory Committee with other Partners; serve on the selection panel for awarding bursaries; and ensure the involvement of the relevant departments.

4.3.2 Partnerships with small business development entities

The role and importance of small business (including co-operatives) in transforming a country's socio-economic landscape the world over is well documented, while co-operatives have been in existence for many decades with their roots in consumer, worker, service, credit and agriculture settings (Philip, 2003).

The LGSETA has provided some support to SMMEs and co-operatives in the past, but this has not been significant. In addition, there is no strategy that informs the work of the LGSETA in supporting these enterprises. It is against this background that the LGSETA will need to ensure that it facilitates access to appropriate skills development opportunities for SMMEs and co-operatives that will support the implementation of the SIPs (in particular, those that are aligned to the local government sector) and other local economic development activities, as part of achieving Goal 6 of the NSDS III, that requires that SETAs encourage and support co-ops and small enterprises training initiatives. To initiate this partnership, the LGSETA will look to work with various municipal entities tasked with driving economic development for various municipalities. Going forward, the LGSETA will look to engage the sector on the SMME and co-operative strategy that is being developed for the LGSETA where the feasibility of partnerships and possible implementation models will be explored.

4.4 Summary

Partnerships are integral to the support of greater implementation of skills development activities such as research, as well as training. Examples of some of the SETAs' partnerships have been presented in this chapter highlighting areas of benefit and strength for all parties, as well as identifying areas for improvement moving forward. Importantly, the SETA has also identified potential new partnerships to assist the SETA in meeting other aspects of its mandate.

CHAPTER 5: SKILLS PRIORITY ACTIONS

5.1 Introduction

The LGSETA facilitates skills development interventions, aligned to the NSDS III, for the local government sector to contribute in the achievement of the strategic outcome a responsive, accountable, effective and efficient local government system. In this chapter the key findings from previous chapters are presented together with recommended skills priorities for the sector presented.

5.2 Findings from Previous Chapters

The first key finding is that the significance and contribution of the sector's workforce in the development of South Africa, cannot be understated. It is this workforce that is tasked to deliver services, sustainably and equitably to about 54 million people (Statistics South Africa, 2014) living in South Africa on a daily basis.

To achieve equitable and sustainable service delivery, it is essential that the local government sector has a skilled and capable workforce (National Planning Commission, 2012). Thus, while there has generally been an increase in service delivery, much more needs to be done to consolidate on the gains made to date. Municipalities provide a range of other services and facilities such as parks, recreational facilities, municipal roads, arts theatres, primary health care, to name but a few. In addition to dealing with the complexities of legislatively-driven changes, local authorities have to attempt to eradicate service delivery backlogs inherited partly from the apartheid era, and partly generated by increasingly rapid levels of urbanisation. Furthermore, the variability in terms of access to services is also a concern, particularly given the drivers of change that have been identified earlier.

Another finding is that partnerships are an integral skills development implementation mechanism that the SETA needs to harness, particularly given that the demand for access to skills will continue, but funding resources are limited. However, while the formation of such partnerships are important, it is evident from the analysis that the SETA needs to spend resources nurturing and maintaining the relationship to ensure that the outcomes of the partnership are attained, given the funding provided through the partnerships. Importantly, the SETA will need to develop a mechanism that enables it to document good practice that can be used in other partnerships, as well as document challenges to also inform future partnerships.

To this end, the Local Government Sector and Training Authority (LGSETA) has a critical role to play to ensure that it achieves its key strategic outcome of contributing to the development of a skilled and capable workforce for the development of a responsive, accountable, efficient and effective local government system.

5.3 Recommendations

The LGSETA will respond to the skills development needs arising from this SSP 2015 Update through its strategic focus areas, following the principle that training in the sector must contribute to effective, efficient, accountable and responsive local government. All training in the local government sector should be aligned to municipal key performance areas and IDP objectives. The skills priorities for the sector are presented in the following sections.

5.3.1 Governance, leadership and management

At the heart of sustainable service delivery, is sound governance, visionary and strong political and administration leadership and accountable management. Given the increased expectations of citizens for better, consistent service delivery as well as the priorities outlined in the Back-to-Basics Strategy, the LGSETA will continue to fund learnerships, skills programmes and bursaries to councillors and management in areas that include, but are not limited to municipal finance management and administration, councillor development, and leadership development, for example.

5.3.2 Community-based participation

In line with the NDP 2030, as well as the Back-to-Basics Strategy, the LGSETA will continue to fund ward committee training to support higher levels of communities participating in various municipal processes. In addition, the LGSETA will also allocate resources to fund the skills development of traditional leaders who play an integral role in the governance framework.

5.3.3 Spatial transformation and planning

At the core of initiatives going forward, is planning for liveable, economically viable and sustainable towns, cities and rural areas. Furthermore, the implementation of the 18 Strategic Infrastructure Projects (SIPs) will play a significant role in reversing the prevailing spatial inequality. Of importance for the sector, is the SIP 6 as it will focus on addressing some of the infrastructure backlogs as well as spatial issues in 23 districts with limited resources (DHET, 2013). The DHET's SIPS scarce skills list of May 2013 identifies certain skills that will be important for the delivery of SIP 6 and other SIPs that have an impact on local government (DHET, 2013).

Some of the skills identified as scarce, have also been identified as scarce by municipalities and include different categories of engineers and environmental managers which the LGSETA will need to consider in planning its skills development interventions. In addition, the aspect of transitioning to a low carbon economy will need to firmly find expression in the priority interventions funded, where the SETA will need to work closely with public entities to support them to develop appropriate skills programmes and, if required, qualifications to prepare the sector and enable it to better respond to issues of natural resource stress, climate change and disaster management for example.

5.3.4 Maintaining and enhancing service delivery infrastructure

Through the funding of bursaries, artisan development, learnerships and skills programmes, the SETA will continue to invest in various engineering interventions, plumbing, construction and roadwork interventions, given the importance of these areas for sustainable service delivery.

5.3.5 AET and RPL

AET (whilst not linked to municipal key performance areas), is a fundamental skill without which all learning and possible career development is hindered. The LGSETA will continue to increase its support of adult education and training interventions, as articulated in Goal 4.4 of the NSDS III, which aims to address the low level of youth and adult language and numeracy skills to enable additional training.

In addition, the LGSETA will increase and strengthen its systems to support the implementation of the National Policy for the Implementation of the Recognition of Prior Learning through the development of appropriate RPL toolkits, for example.

5.3.6 Building capacity of workplace training systems

The workplace training systems, which include the training of local labour forum members, shop stewards, skills development facilitators, workplace assessors and mentors will also be funded.

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APPENDIX 1:

LGSETA QUALIFICATIONS

QUALIFICATION	NQF LEVEL	CREDITS	NLRD NUMBER.	REGISTRATION END DATE
Further Education and Training Certificate: Municipal Finance and Administration	4	157	50372	2015-06-30
National Diploma: Public Finance Management and Administration	5	260	49554	2015-06-30
Certificate: Municipal Financial Management	6	166	48965	2015-06-30
National Certificate: Local Economic Development	4	163	36436	2015-06-30
National Certificate: Local Economic Development	5	142	36438	2015-06-30
National Certificate: Local Economic Development	6	144	36437	2015-06-30
National Certificate: Municipal Integrated Development Planning	5	160	50205	2015-06-30
National Certificate: Ward Committee Governance	2	120	57823	2015-06-30
Further Education and Training Certificate: Leadership Development	4	160	50081	2015-06-30
Further Education and Training Certificate: Fire and Rescue Operations	4	148	57803	2015-06-30
National Certificate: Emergency Services Supervision: Fire and Rescue Operations	5	130	64390	2015-06-30
General Education and Training Certificate: Environmental Practice	1	122	49552	2015-06-30
National Certificate: Environmental Practice	2	128	49605	2015-06-30
National Certificate: Environmental Practice	3	122	49752	2015-06-30
Further Education and Training Certificate: Environmental Practice	4	140	50309	2015-06-30
Further Education and Training Certificate: Environmental Noise Practice	4	120	58801	2015-06-30
National Certificate: Environmental Noise Control	5	120	59325	2015-06-30
National Certificate: Environmental Management	5	134	66789	2015-06-30
Certificate: Local Government	5	120	23616	2015-06-30
Higher Certificate: Local Government	5	240	23617	2015-06-30
Diploma: Local Government	6	360	35956	2015-06-30
National Certificate: Local Government Support Services	3	127	58644	2015-06-30
National Certificate: Local Government Councillor Practices	3	122	58578	2015-06-30

QUALIFICATION	NQF LEVEL	CREDITS	NLRD NUMBER.	REGISTRATION END DATE
National Certificate: Municipal Governance (learning programme recorded 67467)	5	140	60529	2015-06-30
Further Education and Training Certificate: Generic Management: Disaster Risk Management (learning programme recorded 57712)	4	150	64870	2015-06-30
National Certificate: Generic Management: Disaster Risk Management (learning programme recorded 59201)	5	162	60274	2015-06-30
Further Education and Training Certificate: Community Development: Local Economic Development (learning programme 76989)	4	125	67509	2015-06-30
National Certificate: Community Development (learning programmes recorded 83389, 83392, 83393)	5	147	80946	2015-06-30
Occupational Certificate: Electrician	4	360	91761	2016-11-07

APPENDIX 2: SETA'S PIVOTAL SKILLS

SETA's Pivotal Skills List for 2015/16

OCCUPATION CODE	OCCUPATION	SPECIALISATION / ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NGF LEVEL	NGF ALIGNED Y/N	QUANTITY NEEDED	TIME FRAME	QUANTITY TO BE SUPPORTED BY SETA	0-100	101-1000	1001 & ABOVE
121101	Finance Manager	Account Systems Manager, Budgeting Manager, Chief Accountant, Chief Financial Officer (CFO), Finance Director, Financial Administrator, Financial Controller, Foreign Exchange Manager, Internal Revenue Controller, Revenue Assessment Manager	Municipal Finance Management Development Programme (National Treasury Competency (MFMA) / National Certificate Local Government Accounting Certificate Learnership	6 & 7	Y	31	Short	31	31		

OCCUPATION CODE	OCCUPATION	SPECIALISATION / ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NGF LEVEL	NGF ALIGNED Y/N	QUANTITY NEEDED	TIME FRAME	QUANTITY TO BE SUPPORTED BY SETA	0-100	101-1000	1001 & ABOVE
121104	Internal Audit Manager	-	Municipal Finance Management Development Programme (National Treasury Competency (MFMA) / National Certificate Local Government Accounting Certificate Learnership	6 & 7	Y	34	Short	34	34		
121905	Project Manager	Project Director	Learnership, Candidacy intervention	6 & 7	Y	111	Medium	111		111	

OCCUPATION CODE	OCCUPATION	SPECIALISATION / ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NGF LEVEL	NGF ALIGNED Y/N	QUANTITY NEEDED	TIME FRAME	QUANTITY TO BE SUPPORTED BY SETA	0-100	101-1000	1001 & ABOVE
132301	Construction Project Manager	Building and Construction Manager, Construction Manager, Construction Site Manager, Construction Project Director, Property Development Manager, Technical/Infrastructure Manager	Certificate Planning and Development, Labour Intensive Construction, Infrastructure Asset Maintenance, Candidacy	6	Y	56	Medium	56	56		
214201	Civil Engineer	Biosystems Engineer, Construction Engineer, Environmental Engineer, GIS and Land Use Management Engineer, Geotechnics Engineer, Hydraulics Engineer, Site Design Engineer	Diploma/ Certificate, Skills Programmes, Learnerships, Internships for Planning and Development	6&7	Y	150	Medium	150	150	150	

OCCUPATION CODE	OCCUPATION	SPECIALISATION / ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NGF LEVEL	NGF ALIGNED Y/N	QUANTITY NEEDED	TIME FRAME	QUANTITY TO BE SUPPORTED BY SETA	0-100	101-1000	1001 & ABOVE
216401	Urban and Regional Planner	Community/ Country/ District Planner, Environmental Consent Planner, Land Use Planner, Natural Resource Management Consultant, Officer/Planner, Town Planner, Traffic and Transport Planner	Degree, Diplomas (30) Learnerships	6&7	Y	58	Medium	58	58		
241101	Accountant	Bank Accountant, Debtors Manager	National Certificate Local Government Accounting Certificate/ Advanced Accounting Learnership	6&7	Y	149	Medium	149		149	
313201	Water Plant Operator	Sewerage Plant Operator, Waste Water Plant Operator, Water Treatment Plant Operator, Waterworks Plant Operator	Learnerships, RPL, Skills Programmes	4	Y	212	Short	212		212	

OCCUPATION CODE	OCCUPATION	SPECIALISATION / ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NGF LEVEL	NGF ALIGNED Y/N	QUANTITY NEEDED	TIME FRAME	QUANTITY TO BE SUPPORTED BY SETA	0-100	101-1000	1001 & ABOVE
331301	Finance Clerk	Finance Administrator	National Certificate Local Government Accounting Certificate Learnership	4&5	Y	158	Medium	160		160	
642601	Plumber (General)	Fire Hydrant Repairman, Fire Services Plumber, Maintenance Plumber, Plumbing Contractor, Sanitary Plumber, Sprinkler Plumber, Water Plumber	Apprenticeships, Learnerships	4 & 5	Y	117	Medium to long	117		117	
671101	Electrician (General)	Appliance Mechanician, Armature Winder, Coil Winder, Electrical Contractor, Electrical Fitter, Electrical Mechanic, Heavy Coil Winder, Motor Winder, Railway Signal Electrician	Apprenticeships, Learnerships	4&5	Y	221	Medium to long	221		221	

CONTINUOUS IMPROVEMENT PLAN

CONTINUOUS IMPROVEMENT PLAN 2015/16

1. The role of the SETA Board in the SSP evaluation process

Requirement:

During the new financial year 2016/2017, the LGSETA Board will be fully functional. One of the Committees of the Board is called the Governance and Stakeholder Committee. It will be the task of this Committee to drive, together with Management, the SSP development process and evaluation.

Response:

The SETA was placed under administration on 20 March 2013. The administration period came to an end on 18 September 2015. It is the plan of the LGSETA that Board involvement in the SSP development process will take place, as indicated above.

Action(s):

The draft SSP Update for 2015/16 was made available to stakeholders and provincial visits were undertaken in order to obtain input. After these consultations, the SSP document and the organisational strategy document were revised to align with the sectoral needs. As part of Management's action, the SSP scarce and critical skills, as well as the strategic focus areas identified during the SSP development process, have been included as focus areas in the Annual Performance Plan. The organisation is in the process of fully aligning the SSP document, the Strategic Plan and the Annual Performance Plan. The outcome of this is to be that the LGSETA will now drive a plan to fund in accordance with the scarce and critical skills, as identified in the SSP, through the discretionary grant.

2. Research themes, agenda and strategy

Requirement:

Research strategies and agendas to be approved by the Accounting Authority.

Response:

The following research themes have been identified by the LGSETA for 2015/16, as informed by the SSP:

- Water and wastewater management in the local government and skills needs
- Skills demand and supply modelling in the sector
- Understanding the conflict dimension of service delivery protests
- Rural development and skills development
- Perceptions about local government as a career of choice with a particular focus on TVET learners
- Profiling the fire fighter occupation within the local government sector
- Development of a strategy for the LGSETA to facilitate skills development for SMMEs and Co-operatives in the local government sector



- Evaluation of an e-AET pilot programme
- Local government management and leadership skills development

Action(s):

Various research partners were engaged to conduct research and the SSP Unit will also conduct some of the research.

The LGSETA is currently developing a research strategy. This research strategy will include both external research and internal research in order to strengthen the SSP as well as assist the organisation to drive a strategy that is relevant to the sector.

3. Collaboration with universities and TVET colleges

Requirement:

The LGSETA has signed a Memorandum of Agreement with different institutions of higher learning with an aim of formalising the collaborative partnerships. The strategy adopted by the LGSETA is that the collaboration with universities and TVET colleges should be location-specific. This means although the overarching areas across the universities and TVET colleges will be similar, location-based activities will also be explored. Collaboration with universities is biased towards research, while collaboration with the TVET colleges assists the organisation to further advance its annual performance targets through the implementation of the learning programmes informed by the strategic focus areas.

Response:

The LGSETA has signed several MoUs, including the following:

- Mnambithi FET College – collaboration in the implementation of management and leadership development, infrastructure and service delivery, community-based participation and planning, financial management, workplace training systems, adult education and training.
- Buffalo City FET College – collaboration in the implementation of management and leadership development, infrastructure and service delivery, community-based participation and planning, financial management, workplace training systems, adult education and training.
- Ikhala FET College – collaboration in the implementation of management and leadership development, infrastructure and service delivery, community-based participation and planning, financial management, workplace training systems, adult education and training.
- Maluti TVET College – collaboration in the implementation of management and leadership development, infrastructure and service delivery, community-based participation and planning, financial management, workplace training systems, adult education and training.
- Umfolozi TVET College – placement of learners for work and exposure to work; development of learners; expanding Artisan Development Programme; expanding NCV programmes.
- South West Gauteng College – collaboration in the implementation of management and leadership development, infrastructure and service delivery, community-based participation and planning, financial management, workplace training systems, adult education and training.

- Central Johannesburg College – collaboration in the implementation of management and leadership development, infrastructure and service delivery, community-based participation and planning, financial management, workplace training systems, adult education and training and recognition of prior learning.
- Maluti TVET College – collaboration in the implementation of management and leadership development, infrastructure and service delivery, community-based participation and planning, financial management, workplace training systems, adult education and training.
- King Sabata Dalindyebo TVET College – collaboration in the implementation of management and leadership development, infrastructure and service delivery, community-based participation and planning, financial management, workplace training systems, adult education and training.
- Flavius Mareka TVET College – collaboration in the implementation of management and leadership development, infrastructure and service delivery, community-based participation and planning, financial management, workplace training systems, adult education and training.
- King Hintsa TVET College – collaboration in the implementation of management and leadership development, infrastructure and service delivery, community-based participation and planning, financial management, workplace training systems, adult education and training; placement of learners for work and exposure to work; development of learners; expanding Artisan Development Programme; and expanding NCV programmes.
- Eastcape Midlands TVET College – collaboration in the implementation of management and leadership development, infrastructure and service delivery, community-based participation and planning, financial management, workplace training systems, adult education and training.
- University of Witwatersrand – collaboration in the implementation of management and leadership development, infrastructure and service delivery, community-based participation and planning, financial management, workplace training systems.
- Walter Sisulu University – collaboration in the implementation of management and leadership development, infrastructure and service delivery, community-based participation and planning, financial management, workplace training systems.
- Vaal University of Technology – collaboration in the implementation of research into the assessment of Local Government's capability to deliver water and manage wastewater sustainably, highlighting current strengths, challenges and opportunities and discuss related implications.
- Central University of Technology – collaboration in the implementation of the programme in order to enhance the skills base of the beneficiaries. The programme will focus, inter alia, on the following priority areas: Management and leadership development, Infrastructure and service delivery, community based participation and planning, workplace training systems and Adult Education and Training.
- University of Witwatersrand Centre for Researching Education and Labour (REAL) – collaboration in the implementation of research into understanding the international dimension of service delivery protests.
- Council for Scientific and Industrial Research – collaboration in the implementation of research into the development of a skills needs model that will enable the LGSETA to project skills needs, supply and demand for Local Government sector using one area as a focus area.
- University of Stellenbosch - collaboration in the implementation of the programmes in order to enhance the skills base of the beneficiaries. The programme will focus, inter alia, on the following priority areas: Management and leadership development, Infrastructure and service delivery, community based participation and planning, workplace training systems and research.
- CEATUP TRUST – collaboration in the implementation of management and leadership development, infrastructure and service delivery, community-based participation and planning, financial management, workplace training systems, adult education and training.
- Centre for Education and Policy Development
 1. To evaluate the development and implementation of an AET pilot programme for 30 learners enrolled for three e-AET modules;
 2. Conduct research to profile fire fighter occupation with the local government sector to inform the development of the credit accumulation and transfer model for the LGSETA fire fighter occupation – the findings of the pilot study will inform qualification development going forward;
 3. To develop a strategy for the LGSETA to facilitate skills development for SMMEs and Co-operatives in the Local Government sector.

Action(s):

The LGSETA has signed MoUs with other TVETs and institutions to support the research and skills development work of the SETA with respect to the SSP Update. The LGSETA is in a process of fine-tuning its relationships with the institutions of higher learning.

4. Collaboration with other SETAs

Requirement:

The LGSETA will formalise its working relationship with the other SETAs by way of a Memorandum of Understanding with each.

Response:

While there has been some interaction with other SETAs at the level of the CEO Forum, Provincial Inter-SETA Forums at the operational level, the LGSETA has one partnership with another SETA in relation to the Office of the Premier: North-West. However, over the past few months, the LGSETA has been working with a number of SETAs on an Integrated Skills Development Intervention for the Nelson Mandela Bay Metro. The LGSETA has a good working relationship with its SETAs that are under the Social Cluster.

Action(s):

The LGSETA will finalise Inter-SETA partnerships for the Nelson Mandela Bay Metro Integrated Skills Development Project. The LGSETA will continue to participate in the Social SETA Cluster. Following the student fee matter, the LGSETA has proactively requested SETA CEOs to meet and discuss ways in which the SETAs can positively contribute to the resolution of the student fee matter. At the time of preparing this report, the CEOs had met and agreed to work together to find a solution with a view to share the same with the Minister of Higher Education and Training. It is intended that by the end of December 2015 a plan will be in place to deal with this matter.

The LGSETA participates in the Inter-SETA forums, e.g. SETA CEO Forum, SETA Chairpersons' Forum, and identifies opportunities to partner at programme implementation level throughout the year.

5. Improving data sources

Requirement:

Quality of WSP data, broader stakeholder consultation, low levels of data validity and reliability.

Response:

The total number of WSPs submitted for 2015/16 was 275. Other credible sources of data are, however, being used to provide an estimate of the number of employees in the sector as well as to inform skills demands and supply.

Action(s):

The LGSETA will use statistics provided by the entities below and other data to augment its primary data source:

- Statistics South Africa (Stats SA) in their annual "Non-financial census of municipalities" as they have a 100% response rate to estimate the total number of employees in the sector;
- The Municipal Demarcation Board's "Annual Municipal Capacity Assessments";
- The AG Municipal report;
- National Treasury;

- Various research papers including peer-reviewed as well as general research papers that have used acceptable research methods;
- COGTA research information;
- SALGA research information; and
- Financial and Fiscal Commission.

6. OFO and Sector PIVOTAL Skills list

Requirement:

Credibility of scarce skills list.

Response:

The SETA introduced an online WSP and ATR submission portal that has improved data collection and quality of data in terms of completeness. In addition, the SETA improved the data collection tool to ensure that data collected on scarce skills was by OFO code as well as ensuring that there was distinction between absolute and relative scarcity.

Action(s):

The LGSETA provided the list during the provincial stakeholder visits for comment by the sector to ensure that the list is a true reflection of the sector's needs. While the LGSETA had submitted requests for some OFO codes to be generated, some were rejected and in some instances (such as for disaster management), the possibility of resubmitting is still available after further refinement and analysis of the updated OFO code list.

7. Skills planning mechanisms and labour market intelligence project

Requirement:

Developing mechanisms for skills planning.

Response:

The LGSETA is currently working with the CSIR to develop its skills planning model.

Action(s):

The project has begun with the initial concept paper provided by the CSIR. The project will be completed by March 2016.

8. Development of research capacity in the system

Requirement:

Development of research capacity.

Response:

The organisation has appointed both an Executive for Strategic and Planning, as well as a SSP Manager to drive and manage the LGSETA research portfolio. The LGSETA will work closely with various research institutions to support the research needs of the organisation.

Action(s):

It is the intention of the LGSETA to continue working with the research partners throughout the year, develop its own internal capacity, and leverage knowledge and research capability from research forums including, but not limited to the DHET Research Forum.

9. Integration of government priorities into SSP:

Requirement:

Alignment with other government priorities.

Response:

In the SSP, provision has been made for aligning government priorities and this has been carried through into the LGSETA strategic plan. In the coming financial year, the LGSETA will also have a meeting with the National Skills Authority in order to better align its SSP with the national government priorities.

Action(s):

In line with its governance programme, the LGSETA will put in place a proper stakeholder engagement plan which will include meetings with strategic government departments in order to align its work with government priorities. In addition to this, LGSETA will also liaise with DHET on a regular basis to ensure proper alignment as this is the department that has executive authority over the work of the LGSETA.

10. Alignment of strategic planning with sector skills research

Requirement:

Alignment of strategic planning with sector skills research.

Response:

The LGSETA is in the process of integrating its strategic planning business process to the sector skills research component, with a view of ensuring that the discretionary grant policy aligns with the funding of the skills, as contained in the SSP.

Action(s):

Integrate the LGSETA business process alignment of sector skills research within strategic planning processes.

11. Career advice system

Requirement:

Facilitate career development services.

Response:

The LGSETA has updated/developed a career guidance handbook that will be distributed at various career exhibitions. As part of strengthening its career guidance system, the LGSETA will be conducting research that will focus on gauging young people's perceptions about working in local government.

Action(s):

The LGSETA will participate in at least ten career exhibitions as well as distribute 20 000 career guides.

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