1. **REPORT OF THE PORTFOLIO COMMITTEE ON HIGHER EDUCATION AND TRAINING ON ITS OVERSIGHT VISIT TO GAUTENG, DATED 01 NOVEMBER 2017**

The Portfolio Committee on Higher Education and Training having conducted an oversight visit to the post-school education and training institutions in Gauteng on 01 – 04 August 2017, reports as follows.

**1. Delegation list**

**1.1 Members of the Committee**

Hon D Kekana (ANC), Hon J Kilian (ANC), Hon M Nkadimeng (ANC), Hon E Siwela (ANC), Hon S Mchunu (ANC), Hon B Bozzoli (DA), Hon A van der Westhuizen (DA), Hon T Msimang (IFP), Hon S Mbatha (EFF) and Hon N Khubisa (NFP).

Apologies: Hon C September (ANC).

**1.2 Support staff**

Mr A Kabingesi: Committee Secretary, Ms M Modiba: Content Adviser, Mr L Ben: Committee Assistant and Mr S Maputi: Parliamentary Communications Officer.

**2. Introduction and background**

The Committee undertook an oversight visit to the Department of Higher Education and Training (DHET), the State Information Technology Agency (SITA), Sefako Makgatho Health Sciences University (SMU), the Council for Quality Assurance in General and Further Education and Training (Umalusi), the Media Information and Communication Technologies Sector Education and Training Authority (MICT SETA) and the Food and Beverages Sector Education and Training Authority (FoodBev SETA). The oversight visit formed part of the Committee’s mandate to oversee the implementation of government priorities by the post-school education and training institutions.

As part of its annual programme, the Committee had been interacting with the DHET, SITA and Umalusi on a quarterly basis to assess the progress report in the eradication of the certification backlog. The certification backlog affects mainly, students from both the public and private Technical and Vocational Education and Training (TVET) colleges as far back as 2007. The issuance of certificates to TVET college students had been disrupted by systemic challenges experienced by SITA in the consolidation of data for resulting. The Committee undertook to visit all the institutions in the certification value chain (DHET, SITA and Umalusi) to assess and monitor the systems in place for certification and resulting, as well as getting an update on measures in place to avert the certification backlog from recurring.

The Committee was also made aware about the challenges that were experienced by the Sefako Makgatho University (SMU) which was officially opened in January 2015. The SMU was previously known as the Medunsa Campus of the University of Limpopo due to the merger of these institutions in 2005. The merger of these two institutions was associated with a variety of challenges, and a decision was taken to unbundle these two institutions to establish SMU in 2015. The Committee resolved to visit SMU to get more insight into the latest developments at the University regrading: governance; administration; finances; teaching and learning.

The oversight visit was also aimed at interacting with the SETAs and to assess whether their Strategic Plan 2015/16 – 2019/20 and Annual Performance Plan 2017/18 were aligned to the National Treasury regulations and government priorities.

**3. Summary of the presentations**

**3.1 Department of Higher Education and Training**

**3.1.1 National Examinations and Assessment**

Ms N Pote: Chief Director Examinations made the presentation which highlighted the following: The chief directorate for the national examinations and assessment provided administrative leadership and oversight to examination centres. The Chief Directorate had approximately 160 officials with three Directorates and nine Sub-Directorates. The Directorates within the Chief Directorate included: examination management and monitoring; item development and marking; resulting and certification.

Ms Pote gave an overview of the responsibilities of the directorates which ranged from registration and audit of examination centres to certification of candidates. Ms Pote also shared with the Committee the functionality challenges of the directorates which included: budget allocation; IT systems; inadequate staff complement and other related challenges. Ms Pote emphasised the challenge of underfunding and under-staffing as the main concern in the chief directorate, and suggested that the Committee may assist to recommend for more resources to support this critical function.

With regard to leakages of examination question papers, she said that the leakage of question papers could take place at any point in the value chain, which made it difficult to determine where the leakage originated from. Ms Pote indicated that the South African Police Service (SAPS) and the Directorate for Priority Crime Investigation (Hawks) had not been very responsive and able to identify the source of the leakage. A total of 12 exam question papers and two marking guidelines were leaked and the current engineering studies Nated (N1-6) August 2017 trimester examinations that were in progress.

In relation to the NC(V) certification backlog, Ms Pote said that as at 30 July 2017 there were only 159 of the total 236 815 certificates outstanding. In relation to the Nated Report 190/1 N1-N6, the 45 485 outstanding N1-N6 certificates dating back to 2007 as reported by SITA on 31 March 2016 increased to 120 922 after additional testing had been conducted by SITA during the first quarter of 2017/18. As at 30 July 2017 none of the Report 190/1 outstanding backlog certificates had been issued. The challenge was that SITA had been repeatedly unable to solve the IT processing problems that had been plaguing the consolidation process for the past several years.

**3.1.2 Legal and Legislative Services**

Adv. E Boshoff: Chief Director Legal and Legislative Services made the presentation which highlighted the following: The main strategic objectives of the chief directorate were to manage all litigations by and against the Department or the Minister through the Office of the State Attorney, drafting of legislation, providing legal advice and managing and reporting on the statutory obligations relating to human rights.

Adv. Boshoff said that the chief directorate handled on average 40 requests for legal advice and opinions per month, and the average turn-around time for providing legal advice/opinion was (3) three days depending on the complexity and urgency of the advice/opinion sought. The chief directorate had dealt with three legislations, which included: the Continuing Education and Training Act of 2006 (Act No. 16 of 2006); Higher Education Amendment Act, 2017 (Act No. 9 of 2017) and the review of the National Qualifications Framework Act, 2008 (Act No. 67 of 2008).

Adv. Boshoff concluded by informing the Committee that the surge in litigation matters from third parties involving TVET colleges and labour disputes as a result of the function shift was concerning. However, these challenges were addressed by means of engagements with all relevant parties.

**3.1.3 Human Resource Challenges**

Ms G Mapheto: Chief Director Human Resource Management (HRM) made the presentation which highlighted the following: The Department had grown from about 1 320 to 38 000 employees following the migration process which took place in April 2015. Ms Mapheto said that the Department’s head office was responsible for recruitment and selection process for all the posts on salary level (9) nine and above.

In relation to the challenges, Ms Mapheto said that the Department had inadequate capacity to deal with all the large volumes of applications received for the advertised positions. The Department also experienced challenges with: the shortage of staff within the recruitment and selection unit; capturing of applications which took more than three months; regional offices which did not have human resource capacity and delays in filling of senior management posts and storage for the application forms.

**3.1.4 Site visit to the DHET**

**3.1.4.1 Examination Unit**

The Committee undertook a site visit to the Examination Unit of the DHET which was housed at the Department of Basic Education (DBE) Head Office. The unit was mainly responsible for providing guidance, materials and administrative support for the management, administration and conduct of examinations and assessments. The Committee was informed that the appointment of examiners was administered by this unit. The Examination Unit was also responsible for the setting of examination question papers as well as administering nine examination cycles, seven for TVET colleges and two for the Community Education and Training (CET) colleges per year.

The Department indicated that it had capacity constraints to administer the examination cycles of TVET and CET colleges annually, unlike the DBE which had nine provincial departments with district offices. The DBE was administering only two examination cycles with sufficient human resource capacity. However, the administering of the TVET and CET colleges examination was centralised.

The Department had a highly secured environment for the setting and safe keeping of examination question papers which was shared with the DBE. It was reported that the leakage of examination question papers occurred mostly at the Government Printing Works (GPW) where the printing of all the examination question papers took place or during distribution to the examination centres. At the Departmental level, security measures were implemented from the setting of question papers to moderations as well as editing the final draft paper. These measures enabled the Department to trace the origin of the question paper leak.

**3.1.4.2 Examination Management and Monitoring Unit (EMMU)**

The EMM unit was responsible for the registration of assessment bodies and examination centres. The Department conducted joint site visits with Umalusi to the assessment bodies to determine their capacity level to administer examinations before an approval was granted. If the approval was granted, the assessment body would be given an examination number. The Department reported that the monitoring of the examination centres during the examination periods was challenging, owing to inadequate human resource capacity within the unit.

The Committee was informed that the auditing of the examination centres was undertaken once in every (3) three years to determine compliance with the examination regulatory requirements. The unit managed the enquiries pertaining to the leakage of exam question papers. It was reported that the Department experienced a leakage of 12 TVET college exam question papers for the June 2017 exams. The leakages were reported to the South African Police Service (SAPS) for further investigation. The Government Printing Works (GPW) administered all the printing of examination question papers on behalf of the Department.

The unit also processed all the claims for examiners and moderators. The unit received over 14 000 claims for the November 2016 examinations and payments were processed within 30 days if the necessary documentation was complete. However, there had been challenges with the payment of subsistence and travel (S&T) claims within 30 days owing to irregularities with the information submitted by the claimants.

**3.1.4.3 Resulting and Certification Unit**

The unit was responsible for resulting and certification of candidates who sit for the exams. The colleges sent the enrolment data to this unit for capturing into the exam system. The unit ensured that colleges complied with the requirements for certification and also provided the statement of results for candidates who sat for the exams.

The Committee also visited the Data Section within the unit. The section was responsible for sending the marks of the candidates to colleges electronically for resulting. The section was also responsible for the processing of diploma applications. The section also verified the particulars of the candidates to determine whether they qualified to sit for exams as well as liaising with the Quality Council for Trades and Occupations (QCTO) before a diploma was issued.

The Committee was informed that the Resulting and Certification Unit played a key role in the eradication of the NC(V) certification backlog. However, the SITA systems were not consistent with some of the DHET specifications for certification and resulting. The certification backlog was also compounded by the IT system which was outdated (30 years old). The Department was considering replacing the current IT system with a new integrated examination information technology (IEIT) system which would be piloted in 2018.

**3.1.4.4 Recruitment Unit**

The Committee visited the Recruitment Unit which was accommodated at the Department’s head office. The Committee discovered piles of boxes which were stored in a very small office at the unit. The Committee was informed that the Recruitment Unit was the first-point of entry for all the applications for the advertised positions. The unit had the responsibility of registering, screening and capturing of all applications. The capturing of applications usually took longer than three months owing to inadequate capacity within the unit. The Department also utilised the services of an external service provider for capturing, and the bulk of the applications was sent to the service provider for processing. The Department indicated that it received large volumes of applications, an example was given for the recently advertised posts, where 45 000 applications were received for 65 posts.

The Committee was informed that the processing of the large volume of applications delayed the filling of vacancies. The Department indicated that it only communicated with the successful shortlisted candidates. The other applications of candidates were kept for six months and registered in the Department’s database for future recruitment purposes. The Department indicated that it planned to utilise e-recruitment by 2018.

The Department indicated that it had an 8 percent vacancy rate and the majority of the vacant posts were at the college level. The Committee was informed that the Department did not have sufficient funding to establish regional offices. The Department would require R92 million for the establishment of regional offices and an additional R31 million to expand its capacity at the head office. The Department also required an additional 150 staff to have a sufficient HR capacity. Funding had already been allocated to have 100 posts for the HR and Finance Units and the Department was considering decentralising these units.

**3.2 State Information Technology Agency**

**3.2.1 National Certificate Vocational NC(V) Status Report**

Mr V John: Head of Department (HOD) Education Cluster made the presentation which highlighted the following: The NC(V) certification backlog dating back from August 2015 was 236 815 certificates and by 26 July 2017, the backlog was reduced to 159 certificates. The 159 outstanding certificates were from the 665 certificates reported on 14 June 2017 (excluding completeness checks), of which 664 were outstanding due to the non-payment of certification fees by private colleges. Mr John said that the certification backlog was compounded by 156 private TVET colleges which owed Umalusi outstanding certification fees.

With regard to the November 2016 examinations, Mr John said that there were challenges experienced with: the capturing of marks; standardisation; complexities in the development of subminimum functionally and multiple data sets that had to be created, resulting in the moderation records going out of steps. The certification for candidates not enrolled for supplementary exams was conducted, and 825 candidates were still outstanding due to multiple changes, and candidates’ records were blocked relating to 10 centres with accounts in arrears.

In relation to the March 2017 supplementary exam, Mr John said that the bulk resulting was completed in April 2017, while remarking and mop-up was submitted to Umalusi on 26 July 2017. Mr John indicated that the challenges experienced with the March 2017 supplementary exams included: outstanding moderation records; centre number changes between main and supplementary exams; enrolment of candidates not meeting subminimum pass marks and misalignment between the approved adjustment records and the adjustment carried on the subject structure.

Mr John gave insight into the system’s readiness for the November 2017 examinations and the steps undertaken to optimise the exam cycle process. He said that the new measures were introduced to enhance the integrity of the data before processing commenced, and to ensure that processing was executed correctly. In conclusion, Mr John said that SITA remained committed to continue supporting government to improve service delivery through the use of ICT.

**3.2.2 Site visit to SITA**

**3.2.2.1 SITA BETA Printing Facility**

Mr J Smal: Head of Printing Facility informed the Committee that the facility used digital printers where every page differed, unlike government printing works which made use of lithography. The advantage of using digital printers was that the turn-around time for printing was quicker and more effective. The facility received a request from the Limpopo Provincial Department of Education to print 90 000 Matric certificates and the turn-around time for completing the job request was three days. The facility also printed the identity documents (IDs) from the Department of Home Affairs as well as 1.4 million payslips for government departments.

The facility used Xerox and Canon digital printers which were monitored by an on-site technician. The printers had a capacity to print 26 000 payslips per hour. The certificates that were printed at the facility had numerous security features to eliminate the possibilities of duplication and some of the security features were not even known by the staff at the facility.

**3.2.2.2 Data Centre, Centurion**

The Committee was taken to the basement of the SITA Head Office at Centurion where the data centre was located. The facility was highly secured and only accessible to a specific staff designated to maintain it. The data centre had a variety of machines which stored data for all government departments. The facility procured the services of International Business Machines (IBM) data systems which cost R600 million for maintenance for a period of three years. The data systems had a storage capacity of 70 terabytes.

**3.3 Sefako Makgatho Health Sciences University**

**3.3.1 Presentation by the Transitional Student Representative Council (TSRC)**

Ms S Mhlongo: Convenor made the presentation which highlighted the following: The current TSRC of the University was constituted in August 2016 and it was associated with (7) seven student formations. Ms Mhlongo said that the SRC held a summit in 2017, where the SRC constitution was reviewed.

In relation to the pressing matters for students, Ms Mhlongo said that funding, accommodation, academic transformation, student life and experiences and community engagement were the main challenges for the students. In relation to funding, Ms Mhlongo said that the Bachelor of Science (BSc) students did not get sufficient financial aid from the University and the allocation of NSFAS bursaries was not sufficient to meet the demand.

With regard to student accommodation, Ms Mhlongo said that the University did not have adequate student housing for its student population. She indicated that half of the students at the University were accommodated at off-campus residences and the traveling from the off-campus residences was tedious, and adversely affected the student’s academic programme. Some of the student residences were in a bad state and not conducive for learning. The safety of students at off-campus residences was of great a concern.

Ms Mhlongo expressed a concern about the delays with the academic transformation at the University. She said that the University was not yet utilising e-learning for students and the laboratories were not sufficiently equipped with the modern equipment, and were also in a bad condition. In relation to student life, Ms Mhlongo said that the University did not have sufficient social spaces for students, and students had to travel to town in order to have fulfilling social life experiences and at times this was risky.

**3.3.2 Presentation by the Institutional Forum (IF)**

Prof J Oloyo: Chairperson made the presentation which highlighted the following. The SMU IF was constituted using the general statutory guidelines for the University in 2015 and was re-constituted following the approval and published Statute of the SMU in 2016. Prof Oloyo said that the IF elected its key office personnel at its first meeting and its members were all provided with the statutory guidelines for familiarisation. The induction of the IF members was carried out on 10 November 2016 by staff members from the Council on Higher Education (CHE).

With regard to the activities of the IF, Prof Oloyo said that the IF met four times a year and the communication between the IF and Council was good. The IF members were also included in the University Council. The IF also participated fully in the appointments of various key senior management positions as well as the review of the University’s statute.

In conclusion, Prof Oloyo said that transformation was an ongoing programme at the University and the IF would continue to advise the Council and Vice-Chancellor on how transformation could be achieved.

**3.3.3 Presentation by the Unions (South African Parastatal and Tertiary Institutions Union and National Education and Health Allied Workers Union)**

**3.3.3.1 SAPTU**

Mr J Lekabe: Branch Chairperson led the presentation which highlighted the following. In January 2017, the University celebrated its third year of existence after the Minister of Higher Education and Training had announced its establishment. Mr Lekabe said that the merger process of the MEDUNSA Campus into the University of Limpopo (UL) in 2005 and its demerger thereafter had been traumatic to most of the staff members. The challenges that arose from the merger and de-merger of the University included: high staff turnover; infrastructure and capacity building neglect; unfair suspension of senior staff in executive positions and non-renewal of their contracts; low staff morale and student protests. Mr Lekabe said that the staff remained resilient and committed to the University despite the challenges that arose from the merger and de-merger of the University. SAPTU also appreciated the decision taken by government to establish the SMU and committed to support the management and council to turn-around the institution.

In relation to the positive developments at the University since 2015, Mr Lekabe said that the appointment of the Vice-Chancellor on a permanent basis and the HR executive assisted in steering the University in a positive direction. The appointment of staff at senior level in 2017 was underway and SAPTU participated in the process. The management of the University was receptive with regard to negotiations, understanding issues and finding solutions, thus strengthening the relationship between unions and management.

With regard to the challenges, Mr Lekabe said that the current infrastructure of the University was unable to accommodate the increasing student intake. The University did not have cutting-edge equipment for research purposes and most academic staff were collaborating with other institutions in order to get access to cutting-edge equipment to conduct their research projects.

**3.3.3.2 NEHAWU**

Mr T Lechaba: Branch Chairperson made the presentation which highlighted the following. The merger of the MEDUNSA Campus with the University of Limpopo did not benefit students, and staff of the MEDUNSA Campus and the unbundling process compounded the situation. The SMU did not have its own pension and provident fund scheme when it was established. However, the appointment of the VC on a permanent basis assisted the University to resolve some of the challenges related to the conditions of service for staff.

Mr Lechaba said that key challenges of the University included: inadequate student residences and teaching and learning facilities to support the projected student intake; inadequate research capacity; budget deficit and insufficient budget allocated for staff development. In relation to the successes of the University, Mr Lechaba indicated that the University had one of the best insourcing model in the country, and only gardening services remained outsourced. However, a subsidy was provided to improve the working conditions of gardening personnel, while the processes to insource the services are underway.

**3.3.4 Presentation by the management**

Prof C De Beer: Vice-Chancellor began his presentation by giving a brief historical overview of the SMU. He said that the Interim Council tasked with the responsibility of establishing SMU was appointed by the Minister in 2014. This process led to the de-merging of the MEDUNSA Campus from the University Limpopo. The SMU officially opened its doors as a new University in January 2015. A new council and interim management were appointed, followed by the development of the new institutional statute. The appointment of the Vice-Chancellor on a permanent basis was effected in July 2017.

In relation to the student governance matters, the VC informed the Committee that the SRC of the University experienced challenges with infighting and instability, and this led to the disbandment of the structure. A Transitional Student Representative Council (TSRC) was appointed to look after the student governance matters and the development of a new SRC constitution which was submitted to Council for approval in June 2017. The elections for appointing a new SRC would take place in October 2017.

The VC informed the Committee about the pressing matters of the University, which included: building enduring financial systems; establishing and promoting a unique research identity, and embedding a student-centred approach to teaching and learning. The VC said that the University received a disclaimer in 2015 and an external financial service provider, PriceWaterHouse Coopers (PwC) was appointed to stabilise the financial systems and the capacity of the University going forward.

In relation to the current realities of the University, the VC said that the University was struggling financially and had a budget deficit of R20 million in 2017. The VC also indicated that the funding model for SMU did not take into account: a new university incorporating a historically disadvantaged institution (HDI) campus; a newly established university and funding the institution as a health sciences university. Like all the Medical Schools in the country, the SMU had joint appointees with the Gauteng Department of Health (GDH) and the National Health Laboratory Service (NHLS). The joint appointees were appointed by the GDH and NHLS and the SMU was required to cover 30 percent of the salary costs of these employees. The expenditure for joint appointees of the GDH cost the SMU R134 million per annum and R7.5 million for the NHLS. The SMU also utilised the laboratories of the Tshwane University of Technology (TUT) for the pharmacy programme and this cost the University R21 million. The University owed compensation of joint appointees to the Gauteng Department of Health. The University offered only health sciences programmes as a result, there was no cross-subsidisation from revenue-generating programmes. Cross-subsidation could only materialise in 7-10 years when new the Programme Qualification Mix (PQM) would be implemented.

With regard to student funding, the VC said that the majority of the students at the University were funded through the SMU merit bursaries. In 2017, a total of 1 647 students benefitted from the SMU merit bursaries, which amounted to R30 million. Other students were funded through NSFAS benefitting 1 076 students in 2017 at a cost of R83 million, followed by 854 students funded by provinces at a cost of R77 million and 285 students funded by private donors at a cost of R12 million. The VC also indicated that provinces such as Mpumalanga and Limpopo had significantly reduced their funding for student support.

In relation to infrastructure and student housing, the VC said that the University relied on government funding to expand and refurbish its infrastructure. The University had a total capacity of 4 340 beds for its 5 805 student population in 2017.

With regard to other important matters, the VC said that the University struggled to produce research owing to inadequate capacity and mentorship. The research publication output of the University was 110 in 2016. The total staff complement at the University, excluding joint staff was 1 010 and 88 percent of the staff was black.

 **3.3.5 Site visit to SMU**

The Committee undertook an on-site visit of SMU and it was led by Prof C De Beer: Vice-Chancellor. The VC informed the Committee that the major challenge of the University was the expansion and refurbishment of student housing. The VC said that nearly 2 500 students were accommodated at off-campus residences and this cost the University approximately R25 million per annum to transport students from Pretoria to the main campus. The students who resided at off-campus residences had to travel 45 minutes by bus on a daily basis to reach the main campus in Garankuwa. The VC informed the Committee that whilst the University was planning to expand student housing infrastructure, it was also losing some of its residences owing to infrastructure decay and poor workmanships at some of the residences. The VC said that the soil conditions compounded the situation and required huge investment to construct quality foundations. The University would be demolishing some of the residences which had dilapidated infrastructure to build new residences.

The VC said that the overall infrastructure of the University was in a bad shape owing to negligence over the years by the previous management. The entire irrigation system of the University was never maintained and the sewerage system did not meet the legal standards. The VC said that the University was embarking on an infrastructure expansion and refurbishment programme which was also supported by the Department. The Department allocated R1.2 billion to the University over a four-year period and the bulk of this funding would be utilised for infrastructure expansion and refurbishment. The University had approached the Development Bank of Southern Africa (DBSA) to secure a loan amounting to R200 million to supplement the infrastructure development funding. The VC stated that the University did not have financial reserves or third stream income to support its infrastructure plans.

The VC reported that the University had sufficient land and space for its infrastructure expansion plan. In relation to other infrastructure projects, the VC said that the University was planning to build a new multi-purpose student-centre and other additional recreation facilities for students, water infrastructure, electrical sub-station, parking bays and new residences.

**3.4 Umalusi**

**3.4.1 Presentation on Umalusi and its role in the South African Education Landscape**

Dr M Rakometsi: Chief Executive Officer (CEO) made the presentation which highlighted the following. Umalusi was the quality assurer in the General and Further Education and Training sectors of the National Qualifications Framework (NQF). Dr Rakometsi said that Umalusi was established through the promulgation of the General and Further Education and Training Quality Assurance Act, 2001 (Act No. 58 of 2001).

The roles of Umalusi included: quality assurance of qualifications and curricula; exit point assessments of the qualification; accreditation of private providers; certifying learner attainments for qualifications and advising the Ministers of Basic and Higher Education and Training on matters related to the General and Further education and Training Qualification Sub-Framework.

**3.4.2 Presentation on Umalusi’s role in certification and resulting process**

Mr G Booyse: Manager Information and Communication Technology (ICT) made the presentation which highlighted the following. The DHET, SITA and Umalusi were working as a collective to resolve the certification backlog, and each entity had a specific role to play. Mr Booyse said that Umalusi was a quality assurer at the end of the certification process.

In relation to the IT certification system, Mr Booyse said that the system was developed in the early 1990’s and re-designed in 2006. The system was hosted on an IBM mainframe at SITA and it contained information on all certificates issued since 1992. Mr Booyse gave an overview of the certification process workflow which ranged from receiving an email request from assessment bodies for certification up to the final stage of distribution of certificates.

In relation to the progress report on November 2007 until March 2016 NC(V) certification backlog, Mr Booyse said that Umalusi was committed to partner with the DHET and SITA in resolving the certification backlog. However, Umalusi could only report on the number of certificates issued and not of those outstanding. The number of certificates issued from January 2017 was 37 848. The real number of outstanding certificates was not known by Umalusi due to non-finalisation of completeness of checks by SITA.

With regard to the progress report on November 2016 examination, Mr Booyse said that Umalusi still received requests for concessions and the differences in moderation records were resolved. Umalusi issued 27 533 certificates for the November 2016 examination.

In relation to the payment of certification fees by private colleges, Mr Booyse said that if the college account was in arrears, Umalusi did not issue certificates for candidates and the Department was also notified via an email that certificates were not printed. Candidates of colleges should pay Umalusi for a certificate/s to be printed and released. With regard to the measures to ensure a zero backlog, Mr Booyse said that Umalusi would reduce the cost that colleges had to pay and would also print subject statements on request.

**3.3.3 Presentation on certification fees owed by private colleges**

Ms J Rousseau: Chief Financial Officer (CFO) said that the total debt owed to Umalusi for the period ending 31 July 2017 was R7.5 million and 52 percent of this debt was for certification fees. The total debt over a period of 120 days amounted to R5.6 million and 59 percent of this debt was made up of certification fees. The total amount owed by blocked centres amounted to R2 million and 64 percent of this debt was made up of certification fees. The number of blocked centres for the November 2016 examination was 95.

**3.4.3 Site visit to Umalusi**

**3.4.3.1 Evaluation and Accreditation Unit**

The Committee was informed that the unit was responsible for the accreditation of assessment bodies. The assessment bodies applied online for accreditation, thereafter Umalusi conducted a site visit to the facility to verify whether the infrastructure met the requirements as contained in the application form. If the facility failed to meet the minimum requirements as set by Umalusi, it was given up to six months to correct its shortcomings.

The Committee was also informed that the Accreditation Committee of Council had a final authority to approve or reject the applications of the assessment bodies. Umalusi was in a process of establishing regional teams to increase its capacity in the accreditation process. The positions for regional quality assurers had been advertised and recruitment was underway.

**3.4.3.2 Qualifications Curriculum and Certification (QCC) Unit**

The Committee was informed that the QCC Unit was responsible for the development and management of the General and Further Education and Training (GFET) Qualifications Sub-Framework and for the certification of learner attainment. The unit managed all the certification requests from the assessment bodies and provided feedback on their progress. Once the certification request met all the required standards by Umalusi, it was sent to SITA for printing. Umalusi was also responsible for distribution of the certificates to the relevant assessment body.

**3.4.3.3 Quality Assurance of Assessment Unit**

The Committee was informed that the main functions of this unit were to set standards for assessment of qualifications in the GFET Qualifications Sub-Framework and to ensure that assessment for certification in schools and TVET colleges was of a required standard. The unit was also responsible for the moderation of all question papers for exit level qualifications, including the quality assurance of internal assessments. Umalusi had a small staff complement in this Unit and also made use of external moderators in the assessment processes.

**3.4.3.4 Statistical Information and Research Unit**

The Committee was informed that the unit conducted research that informed the work of Umalusi and also provided advice to the Ministers of Basic and Higher Education and Training. The unit also looked at the standardisation process and conducted post-exams analysis. The unit was also involved in a number of research projects with other African countries and also conducted benchmarking studies with developed nations.

**3.5 Media, Information and Communication Technologies SETA (MICT SETA)**

**3.5.1 Presentation of the Strategic Plan 2015/16 – 2019/20 & Annual Performance Plan 2017/18**

The presentation was made by Ms N Shibandze: Senior Manager Corporate Services and highlighted the following. Ms Shibandze said that the MICT SETA’s Strategic Plan was compiled using the Strategic Plan Framework as defined by the Treasury Regulations. She further noted that one of the core priorities of the National Development Plan (NDP) was to reduce unemployment by 6 percent by 2030. The MICT SETA’s strategic goals were also aligned with: The Medium Term Strategic Framework (MTSF); the National Skills Development Strategy (NSDS) III; the National Skills Accord and the Presidential Nine Point Plan.

Mr C Philiso: Senior Manager Education and Training presented the MICT SETA’s flagship programmes which included: The innovation hub IT internship supporting 100 learners; Joburg Centre for Software Engineering (JCSE) IT internship supporting 20 learners; Huawei IT TVET lecturer development learnership supporting 100 lecturers; Bakgatla Media and Film Production Film and TV learnership supporting 100 learners; Big Fish Film and TV learnership supporting 50 learners; Joe Public advertising internship supporting 7 learners and DVG (disabled learners) supporting 70 learners. Mr Philiso said that the MICT SETA funded training for a total number of 11 160 learners.

The Strategic Plan and APP of the MICT SETA conformed to the Public Finance Management Act, 1999 (Act No.1 of 1999). The MICT SETA had been receiving unqualified audit reports for 12 years and it had been receiving clean audit report from 2012 until 2016.

**3.6 Food & Beverages SETA**

**3.6.1 Presentation of the Strategic Plan 2015/16 – 2019/20 and Annual Performance Plan 2017/18**

Mr T Tshabalala: Acting Chairperson in his opening remarks said that the FoodBev SETA had five chambers which included: dairy manufacturing; beverages manufacturing; processed and preserved meat, fish and vegetable; baking, cereals confectionery and snacks manufacturing; manufacturing of food preparation products. The Acting Chairperson informed the Committee the levy of the FoodBev SETA was paid by employers in these chambers.

Ms N Selamolela: Acting Chief Executive Officer (CEO) made the presentation which highlighted the following. The FoodBev SETA had four delivery programmes which included: Programme 1 High performance organisation; Programme 2 Skills Planning and Research; Programme 3 Partnerships and Programme 4 Quality Assurance. Ms Selamolela said that the strategic goals of the FoodBev SETA were aligned to the Medium Term Strategic Framework (MTSF) 2014-2019 goals. The FoodBev SETA entered into strategic partnerships with different stakeholders and institutions in the post-school arena to increase the uptake of learners trained.

With regard to the finances of the FoodBev SETA, Ms Selamolela said that the total budget of the FoodBev SETA for 2017/18 amounted to R335 million and R225 million was allocated for expenditure on discretionary grants. The remainder of the budget was allocated for expenditure on mandatory grants which amounted to R66 million and R42 million for administration. The performance of the FoodBev SETA in the 2016/17 financial year stood at 70 percent and 36 percent of the learning programme expenditure was allocated for unemployed learnerships. The total commitments of the FoodBev SETA amounted to R443 million.

**4. Observations**

The Committee having interacted with the various institutions during the oversight visit, made the following observations:

**4.1 Department of Higher Education and Training**

4.1.1. The Committee was concerned that though a service provider was appointed to expedite the capturing of the application process, the Department was still not able to meet the target to fill the vacant positions within the required timeframe of 180 days.

* + 1. During the previous engagement with the Committee, the Department reported that it would migrate to e-recruitment to fast-track the process of filling vacancies from the 2017/18 financial year. However, the e-recruitment system had not been implemented. The non-implementation of this system compounded the human resource challenges of the Department.

4.1.3. The Committee expressed a concern about the inefficient use of the office space where boxes of applications forms were spread around.

4.1.4. The Committee expressed a concern about the delays in the filling of senior management posts. The Department indicated that it had a vacancy rate of 8 percent and the bulk of the outstanding vacancies were at the college level, and the appointment of senior managers would be delegated to the Director-General (DG) as opposed to the Executive Authority.

4.1.5. The Committee expressed a concern about the outstanding funds that were not transferred to the Department during the function shift of TVET colleges from the provinces to the DHET. As a result, the Department’s regional offices did not have a single human resource capacity. The Department indicated that it had anticipated the challenges associated with the migration process. However, it did not receive adequate support from the Department of Public Service and Administration (DPSA) and National Treasury in managing the migration process effectively.

* + 1. The Committee noted that the colleges had appointed many HR specialists and they had not scaled down after the migration process. The Committee enquired whether the Department could consider delegating some of the HR responsibilities to the colleges.
		2. The Committee expressed a concern about the increase in the number of litigations and legal costs in the Department. The Committee was further concerned about the capacity of the Legal Services in resolving the litigations speedily.
		3. The Committee expressed a concern about the continuous challenge of certification backlog caused by the inability of the current IT system to consolidate examination data written in multiple cycles.
		4. The Department and SITA’s commitment to resolve the 8 206 Report 190/1 outstanding certificates since November 2015 was not realised, and as at 30 July 2017 none of the Report 190/1 outstanding backlog certificates had been addressed.
		5. The Committee welcomed the interventions and commitments implemented by the Department to eradicate the certification backlog. However, the Committee expressed a concern about the recurring leakages of TVET college examination question papers and the inadequate response from the law enforcement authorities to investigate the leakages and the people responsible.

4.1.11.The Committee expressed a concern about the quality of teaching and learning in TVET colleges, which contributed to the poor throughput and certification rates. The Department noted that measures would be put in place to improve success rates, including lecturer development and empowerment of college academic boards.

**4.2 State Information Technology Agency**

* + 1. The progress made by SITA in reducing the NC(V) certification backlog from 236 815 outstanding certificates in August 2015 to 159 outstanding certificates by 26 July 2017 was welcomed by the Committee.
		2. The Committee expressed a concern about the challenges experienced by SITA in resolving the processing problems affecting the consolidation of data for certification purposes. SITA acknowledged that it had capacity constraints in dealing with the influx of requests from other government departments, which contributed to the delays in resolving the priorities of the DHET.
		3. The Committee welcomed the proposal for the utilisation of a new and advanced system which was less complex than the current system being used by SITA.
	1. **Sefako Makgatho Health Sciences University**
		1. The good working relationship between the university stakeholders and management and the commitment to work towards realising the vision of the institution, even during the difficult period was commended by the Committee.

4.3.2. The Committee expressed a concern about the financial situation of the University. The University had a budget deficit of R20 million in 2017 and relied heavily on government funding for its operations. The Committee was also concerned about the medium and long-term sustainability of the University given its difficult financial position.

4.3.3. The Committee expressed a concern about the inadequate research output of the University, which was relatively low in comparison with other universities with medical schools. The University did not have the South African Research Chairs Initiative (SARChI) and the National Research Fund (NRF) A-rated researchers.

* + 1. The Committee expressed a concern about the allegations of selling of spaces for the MBChB programme to prospective students at the University. The University indicated that it was co-operating with the investigation undertaken by the National Prosecution Authority (NPA) to uncover the veracity of the allegations, and would provide a detailed response once the investigation had been completed.

4.3.5. The University had a high number of unfilled senior management posts owing to the restructuring of the academic structure, and it hoped to fill the vacant posts before the end of 2017.

4.3.6. The University experienced a decline in the graduation rates in 2016 owing to disruption of teaching and learning during the fees-must-fall campaign in 2015.

4.3.7. The impact of the merger and demerger of the MEDUNSA Campus was detrimental to the University’s image and its ability to attract private donor funding. The Committee was informed that the nearby local industries were not willing to invest in the University owing to the instability caused by the merger/demerger process.

4.3.8. The MEDUNSA Campus used to receive a special grant from the DHET prior its merger with the University of Limpopo. However, this grant was discontinued post the merger, and the University was in a process of negotiating for the re-introduction of this grant.

4.3.9. The University was embarking on a comprehensive strategy to be self-sustaining in the next five years.

4.3.10. The University indicated that it would require an additional infrastructure development funding in addition to the R1.2 billion allocated by the Department in the near future. The bulk of the infrastructure funding would be utilised to refurbish the existing infrastructure. The R1.2 billion might not be able to cover the construction of new infrastructure projects.

4.3.11. The University had a number of ground breaking research and other good initiatives that were not well publicised.

* + 1. The Committee expressed a concern about the disused facilities, which were previously used for veterinary sciences while the country was in dire needs of veterinarians.

**4.4 Umalusi**

4.4.1. The outsourcing of certain ICT services to an external service provider (EOH) owing to inadequate capacity within Umalusi was noted as a concern.

4.4.2. The Committee expressed a concern about the number of private colleges (95) which owed Umalusi outstanding certification fees which amounted to R2 million. As a result, Umalusi did not issue certificates of these defaulting institutions until they settled their debt. This compounded the certification backlog and the affected candidates were deprived of the opportunity to progress with their careers. Umalusi informed the Committee that it was not in a position to write-off the debt owed by private institutions, and negotiations would be undertaken to find a forward in resolving this challenge.

* + 1. The Committee expressed a concern about the stringent promotional requirements of the NC(V) programme as compared to the National Senior Certificate (NSC). The Committee noted that the students in TVET colleges were expected to pass all their seven subjects whilst the learners in secondary schools progressed by passing four of their seven subjects. The Department indicated that the review process of the NC(V) programme was underway to correct some of the anomalies of the programme.

4.4.4. The Committee welcomed an undertaking by the Department and Umalusi to review the NC(V) programmes and NATED programmes with the aim of only conducting external assessment and certifying the exit levels. This would significantly reduce the financial costs associated with administering the examinations, resulting and certification.

4.4.5. The technical assistance provided to SITA by Umalusi was commended by the Committee as well the regular meetings with the DHET in working towards eradicating the certification backlog.

4.4.6. The Committee expressed a concern about the submission of incomplete and inaccurate datasets by assessment bodies to Umalusi for certification and resulting. Umalusi indicated that it had an important mandate of protecting the integrity of the system and also rejected the incomplete datasets from the assessment bodies. This compounded the certification backlog because students did not receive their certificates until the assessment bodies submitted accurate datasets.

4.4.7. The Committee commended Umalusi for the sterling work in maintaining the quality and integrity of the post-school education and training system through its quality assurance mandate.

4.4.8. The Committee welcomed the decision by Umalusi to continue issuing subject certificates to candidates on request.

**4.5 Media, Information and Communication Technologies SETA (MICT SETA) and Food and Beverages Manufacturing SETA (FoodBev SETA)**

**4.5.1. Governance**

The MICT SETA and the FoodBev had functional boards, which were appointed in terms of Section 11 of the Skills Development Act, Act 1998 (Act No. 97 of 1998). The board of the MICT SETA had one vacant seat due to a member of the organised labour who passed on. The MICT SETA had concluded the process of nominations to fill the vacancy and the recommendations had been forwarded to the Minister for consideration and appointment. The MICT SETA had yet to receive a response from the Minister. There were vacant positions at the executive management level. The MICT SETA had been receiving clean audit reports for the past five years. The AG invited the MICT SETA to accept an award for a clean audit for the 2016/17 financial year.

The FoodBev SETA Board Chairperson was acting and there were vacant seats that were caused by the passing on of two members of the Organised Employer Chambers. The FoodBev SETA had completed the nominations to fill the vacancies and recommendations were forwarded to the Minister for consideration and appointment.

**4.5.2. Landscape**

The 2011 SETA landscape and the National Skills Development Strategy (NSDS) III term was supposed to end on 31 March 2016. However, due to the delays in the completion of the new landscape, the SETAs were re-licensed for another two years, from 1 April 2016 to 31 March 2017. Similarly, the NSDS III was also extended for two years. Of critical importance to note is that the term of office of the current SETA boards would be coming to an end on 31 March 2017. The MICT SETA and FoodBev SETA have advertised calls for the nominations of Accounting Authorities members from 1 April 2018 – 31 March 2020 due to the extension of the landscape. The Committee noted that the delays in the finalisation of the new SETA landscape had created uncertainties in the sector, with some SETAs losing critical skills and struggling to fill positions for a shorter period. This would also have unintended consequences on the skills development interventions meant to raise the skills profile of the country, grow the economy, reduce poverty, inequality and unemployment.

**4.5.3. Alignment of the Strategic Plan and Annual Performance Plan with the National Treasury Strategic Plan and Annual Performance Framework**

The framework requires that entities developing their strategic plans and annual performance should conform to the technical structure and there are core elements that are to be included in the plans. These core elements are: Part A: for this part, the entity should in the strategic plan have a vision, mission, values, legislative and other mandates, situation analysis, strategic outcome oriented goals, SMART (specific, measurable, achievable, relevant and time-bound) impact and outcome statements with 5-year targets. Part B is about programmes and sub-programmes and it should have programme purpose, strategic objectives, resource considerations and risk management. Part C should detail how the plan links to other plans like the national policy priorities.

For the APP, Part A should include updated situation analysis, revisions of legislative and other mandates and overview of budget estimates and the Medium-Term Expenditure Framework. (MTEF). Part B should detail the programmes and sub-programmes, programme purpose, for each programme, reconciling performance targets and budget, SMART annual and MTEF targets for strategic objectives, programme performance indicators with SMART annual and MTEF targets and quarterly targets for indicators. Part C should detail the links with other plans.

The Strategic Plans and APPs of the MICT SETA met the technical requirements as prescribed by the National Treasury Framework. With regard to the FoodBev SETA, the Strategic Plan conformed to the technical requirements of the National Treasury Framework, However, the APP did not fully comply. Performance indicators of the FoodBev SETA as contained in the 2017 Annual Performance Plan were not developed in accordance with the National Treasury SMART principles (specific, measurable, attainable, relevant and time-bound). The Auditor-General of South Africa (AGSA) identified that 24 percent of the indicators were not well defined and 24 percent of indicators were not verifiable.

**4.5.4. Adherence to the Public Finance Management Act, 1999 (Act No.1 of 1999)**

Section 53(3) of the PFMA states that a public entity must submit a budget in terms of subsection (1) may not budget for a deficit and may not accumulate surpluses unless prior written approval of the National Treasury has been obtained. Sub-section 53 (4) further states that the accounting Authority for such a public entity is responsible for ensuring that expenditure of that public entity is in accordance with the approved budget.

Both the MICT SETA and the FoodBev SETA have complied with the PFMA. These SETAs had not budgeted for a deficit nor surplus, and their total income was equal to the total expenditure estimates.

**4.5.5. Adherence to the National Treasury Instruction No. 02 of 2016/17**

The National Treasury Instruction in line with Section 38(1)(b), Section 38(1)(c) and Section 51(1)(b)(iii) of the PFMA requires that accounting officers and accounting authorities are responsible for ensuring that all employees are mindful of the current economic realities and need to intensify efforts to improve efficiency in expenditure. The instruction proposes the development of annual cost-containment plans to reduce expenditure on: Consultants or professional service providers, travel and accommodation expenditure, including international travel; catering, social events, entertainment allowances, corporate branded items, communication and advertising and the hiring of venues and the size of delegations to events, conferences, consultations and meetings.

Having assessed the budget of the MICT SETA, the Committee noted the allocation for expenditure on consultants/outsourced services had increased from R9.407 million to R10.5 million. This was contrary to the National Treasury on cost-containment measures. The outsourced services included: finance, website support, supply-chain management consultants, and human resources consultants. The allocation for expenditure on legal fees had also increased R1.1 million to R2 million. This increase was necessitated by a protracted legal dispute with an IT company. The MICT SETA also effected savings on expenditure for conferences, seminars and forums; postage and courier services, printing services research and development.

The FoodBev SETA had not provided information on the classification of the goods and services allocation amounting to R26.6 million in terms of line items. This made it difficult for the Committee to assess the spending trends of the SETA.

4.5.6. The Committee expressed a concern about the visibility and the footprint of the MICT SETA in rural areas.

4.5.7. The Committee noted that the cellphone repair market was expanding at a speedy rate, and the majority of the vendors in this market were foreign nationals. The Committee expressed a concern about the inadequate skills programmes to empower the locals so that they could compete in this lucrative market.

4.5.8. The number of vacant posts at FoodBev SETA was noted as a serious concern. The FoodBev SETA had an Acting Chairperson and CEO.

* + 1. The Committee expressed a concern about the low completion numbers of learners, which were not commensurate with the intake of learners in the skills and other learning programmes of the FoodBev SETA.

4.5.10. The non-visibility and footprint of the FoodBev SETA especially in rural areas was noted as a concern. The Committee noted that food and beverages manufacturing sector was dependent on agricultural produce, which came from the rural areas. Skills development interventions could serve as a catalyst to grow rural economy and create the much needed jobs. The Committee enquired about the merger of FoodBev SETA and Agriculture SETA. The Department indicated that the discussion on the possible merging of SETAs were underway at National Economic Development and Labour Council (NEDLAC) and the discussion paper would be published in October 2017 to invite further public comments.

4.5.11. The Committee expressed a concern about the inadequate internal research capacity of the FoodBev SETA to inform the development of the Sector Skills Plan.

* + 1. The Committee noted that the rolling-out of bursaries to learners by the 21 SETAs was not an effective and efficient approach. The Committee also noted that the learners from rural areas had difficulty in accessing the skills programmes and bursaries offered by the SETAs. The FoodBev SETA informed the Committee that it had allocated R70 million to NSFAS to assist needy students.

**5. Summary**

The oversight visit offered members of the Committee with an opportunity to assess the delegation of responsibilities between the DHET, SITA and Umalusi in the certification and resulting value chain. The Committee resolved to dedicate specific time in its busy schedule to focus on the challenge of certification backlog, which dated back to 2007. Apart from receiving quarterly progress reports on eradication of the certification backlog, the Committee was also interested to see the facilities where the certification and resulting process took place. The members of the Committee had an opportunity to visit and interact with the staff involved in the certification and resulting process.

Despite the substantial progress made in eradicating the certification backlog, it was observed that there were still systemic challenges that were unresolved, especially in the consolidation process. The submission of incomplete data sets and non-payment of certification fees by private training providers compounded the certification backlog. However, the commitment by the three entities involved in the certification project was welcomed by the Committee.

The Committee had an opportunity to visit the Sefako Makgatho Health Sciences University (SMU). The SMU was previously merged with the University Limpopo (UL) since 2005 and there were numerous challenges associated with this merger. The decision to establish SMU was made in 2011 by the Minister of Higher Education and Training, and the University opened its doors in 2015. The challenges arising from the merger and demerger of the University threatened the sustainability of the institution. The SMU had a serious challenge of infrastructure backlog and it needed a substantial financial injection to tackle this challenge. The Department had committed R1.2 billion over a four period for infrastructure development. However, the magnitude of the infrastructure backlog would require additional funding in the near future.

The Committee also interacted with the two SETAs namely, MICT SETA and FoodBev SETA. The Committee assessed the Strategic Plan 2015/16 – 2019/20 and Annual Performance Plan 2017/18 of these two SETAs to ascertain whether they met the Treasury Framework for Strategic Plan, PFMA and also aligned to government priorities. The Committee was mainly concerned about the visibility and the impact of the skills programmes offered by these two SETAs.

**6. Recommendations**

The Committee recommends that the Minister of Higher Education and Training consider the following:

* 1. **DHET, SITA & UMALUSI**

6.1.1 The examination unit of the Department is a critical component in the examination cycle for both the TVET and CET sectors. The challenges of the examination unit are administrative, budgetary and IT related challenges. The Department should develop a plan with a clear timeframe on how the administrative, budgetary and IT related challenges will be addressed.

6.1.2 The Department should ensure that the academic boards of TVET colleges are adequately trained and capacitated to ensure that they are able to execute their delegated key responsibilities in relation to teaching and learning.

6.1.3 The 3-months lead time for issuing of certificates after publication of results has yet to be achieved for both the NC(V) and Report 190/1 qualifications. The main challenge attributed to the backlog is the inability of the SITA to resolve consolidation of results from different exam cycles. The SITA should find alternative ways to address its IT related challenges and consider securing a new and effective IT system that will assist with resulting and certification without any hiccups.

6.1.4 The exam centers which are in arrears contributed to the delay in the issuance of certificates to candidates. Umalusi with the assistance of the Department should ensure that the exam centres that are in arrears settle their outstanding certification fees and are also held accountable for their actions.

6.1.5 The Department should consider exploring on how other countries manage the certification and resulting of post-school education and training institutions.

* 1. **Sefako Makgatho Health Sciences University**

6.2.1 The University was running at a financial deficit of R21 million in 2017. The medium to long term sustainability of the University was at risk owing to its funding shortfall. The University does not have reserve funds since it was recently established. The Department should assist the University in securing additional funding for its sustainability.

6.2.2 Although the University has received financial assistance from the DBSA and the DHET for its infrastructure roll-out plan, additional funding will have to be secured to address the challenge of infrastructure maintenance backlog.

6.2.3 The Committee observed that the old veterinary centre of the University laid dormant with dilapidated infrastructure. Noting the scarcity of veterinary sciences nationally, the Department should assist the University with refurbishing the veterinary facility so that it can provide programme offerings related to animal sciences.

6.2.4 The University experienced challenges with the usage of some of its laboratories since they were not equipped with the necessary and adequate equipment to conduct research, teaching and learning. The University should prioritise the refurbishing and procurement of the relevant equipment required to conduct research, teaching and learning.

6.2.5 Noting that the transformation plan of the University is at a developmental phase with all stakeholders being involved, the University should expedite its transformation plan and must ensure that it is aligned with the White Paper 3 on the Transformation of Higher Education.

6.2.6 The Committee observed that the appointment of staff at senior management level was still underway. The University should expedite the filling of critical and senior management posts to bring stability to the institution.

6.2.7 The Committee was informed about the alleged selling of spaces into the MBChB programme and the matter was still under investigation. The University should ensure that this matter is adequately investigated and, the perpetrators must be dealt with according to the law and that the Committee is updated on the matter upon its conclusion.

6.2.8 The students experienced challenges in relation to Wi-Fi connectivity at off-campus residence because there are different service providers at those facilities. The University must find an amicable solution for students residing at off campus residences so that that they not disadvantaged.

* 1. **SETAs**

6.3.1 The Department should consider the possibility of merging the FoodBev SETA and AgriSETA in the new SITA landscape given the similarities in the skills development programmes offered by these two SETAs.

6.3.2 There is a need to have a fully functional research unit at the FoodBev and MICT SETA as this will help with the development of the sector skills plans (SSPs), as well as assist in conducting an impact analysis on the progress of those who were assisted by the SETA’s skills development programmes.

6.3.3 The Committee observed that there was a challenge with the implementation recognition of prior learning (RPL) by the SETAs including industry. The Department should ensure that the RPL policy is implemented by SETAs and their respective sub-sectors.

6.3.4. The FoodBev SETA had a high vacancy rate, especially at senior management level. The Department should ensure that the FoodBev SETA prioritises the filling of vacant senior management posts. The Minister should expedite the appointment of a permanent Board Chairperson of the FoodBev SETA to ensure governance stability at the entity.

6.3.5 The FoodBev SETA should improve its internal control systems to improve its audit outcomes and also aim for a clean audit in the 2017/18 financial year.

6.3.6 The MICT SETA did not have a sufficient financial management capacity, and this function was outsourced to an external service provider. The Department should ensure that the MICT SETA expand its internal capacity to curb the spending on external service providers for a critical function such as financial management.

6.3.7 The MICT SETA needs to provide more information on how it is implementing the skills development programmes, including the allocation of mandatory and discretionary grants as well as monitoring the impact of skills programmes.

Report to be considered.