



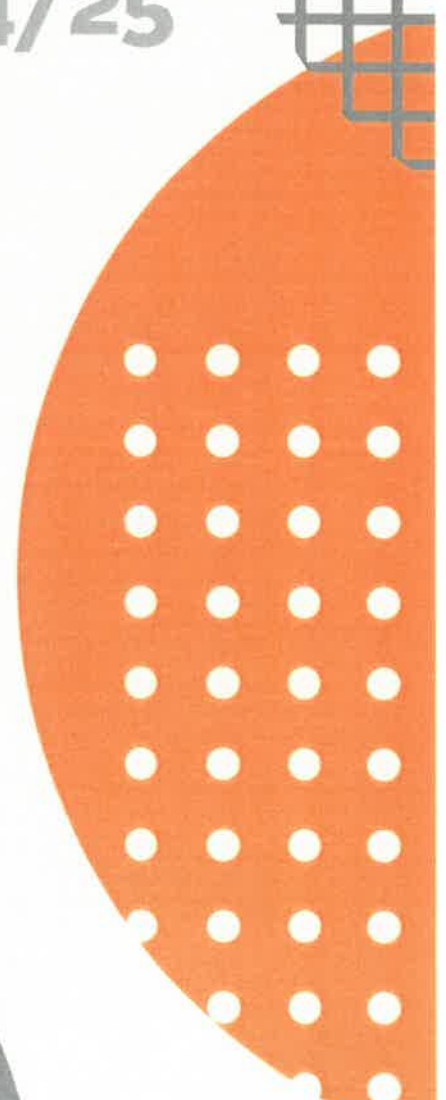
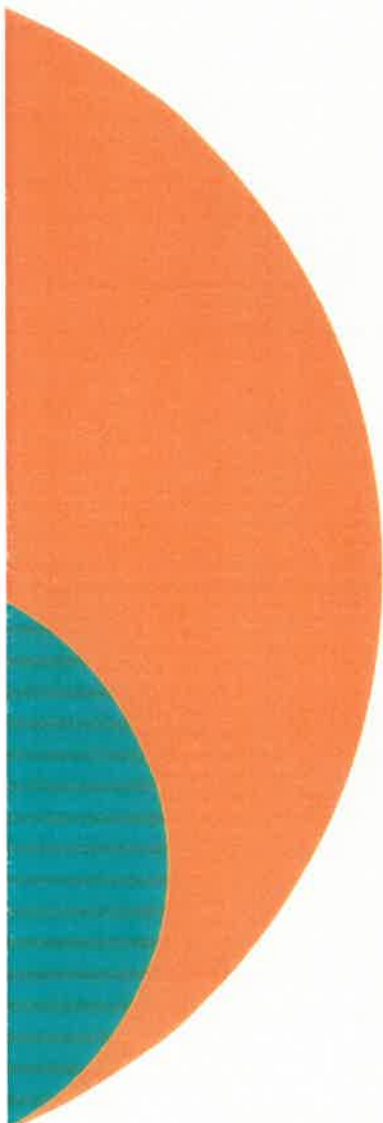
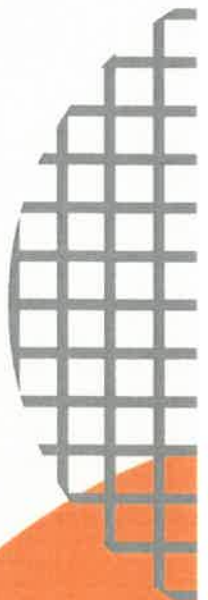
LGSETA

CREATING GREATER IMPACT



STRATEGIC PLAN

2020/21 - 2024/25



EXECUTIVE AUTHORITY STATEMENT

It gives me pleasure to table the Strategic Plan for the Local Government Sector Education and Training Authority (LGSETA) to Parliament for the 2023/24 to 2024/25 update period. This foundation of the Strategic Plan (SP) is premised on the LGSETA five strategic focus areas, which are aligned to the five objectives of local government as stated in Chapter 7 of the Constitution of South Africa (SA) (1996), Section 152(1). The SP responds to national priorities, namely the National Skills Development Plan (NSDP) 2030, which derives from the broader plan of government, namely the National Development Plan (NDP), aimed at putting in place the framework to build the capabilities of the South African citizens for a prosperous future. The NDP 2030 notes that several challenges require attention, including a critical shortage of skills, a complex intergovernmental system, high levels of corruption, weak lines of accountability, inadequate legislative oversight, and a long history of blurring the lines between party and state. These are complex issues require an integrated approach to planning, responsive leadership, engaged management and strategic partnerships towards implementing skills development interventions using a targeted approach aligned to the District Development Model (DDM).

The SP further responds to the Economic Reconstruction and Recovery Plan Skills Strategy (ERRSS), which seeks to reduce the high rate of unemployment through enabling large numbers of young people access to education and training and job opportunities in municipal service areas thus boosting job creation and up-skilling workers to enhance productivity. The ERRSS offers a targeted approach to supporting the Sector Priority Occupations and Interventions (SPOI) list that addresses relevant learning programmes to support youth graduates and retraining of workers and unemployed beneficiaries.

Both the NDP 2030 and the ERRSS, albeit in different ways, emphasise the importance of skills development. The strategic priorities of the LGSETA compliment the national government imperatives. While the achievement of the eight outcomes of the NDP require progress on a broad front, three priorities stand out, notably: raising employment through faster economic growth; improving the quality of education, skills development, and innovation; and building the capability of the state to play a developmental and transformative role. Amongst the ten priorities of the ERRSS, embedding skills planning into sectoral processes, access to workplace experience, access to targeted skills programmes, and retraining/upskilling of employees to preserve jobs are critical in the local government sector.

The SP reflects on the balanced scorecard framework, which is aligned to the mission and strategy directives. This indeed avers that the LGSETA is determined to improve its performance through enabling and supporting stakeholders in the local government sector with skills development to improve the rendering of services efficiently and effectively. In support of improving the quality and quantity of output, the LGSETA has introduced a discretionary grants window, which is aimed at creating synergy and collaboration between the different departments within the SETA but also to ensure that the DG allocations contribute to better coordination of skills development projects. It is against this backdrop that the LGSETA will be entering into strategic partnerships with the professional bodies, institutions of higher learning, technical vocational education and training (TVET) colleges, national departments aligned to service delivery areas and other active role-players in the local government sector. The DDM approach will serve as a panacea for the implementation of context specific projects aligned to service delivery areas aimed at creating a greater impact in our communities.

This SP document considers the National Development Plan (NDP) 2030 and the ERRP and associated skills strategy thus ensuring that the LGSETA's vision and priorities are aligned to national government priorities. As a result of the COVID-19 pandemic, the LGSETA has learnt lessons that has impacted on the delivery model for skills development, including blended learning, which requires further investigation in the LG sector to ensure maximum performance. Although the LGSETA is not a doyen in utilising modern technology, it will be further informed through the development of the digitalisation strategy, research recommendations, Smart City Concept and 4IR, and strategic partnerships with stakeholders. The impetus for the LGSETA to promote a high-performance culture that embraces learning is needed to turn the tides around and improve service delivery performance.



Dr B.E. Nzimande
Minister of Higher Education, Science, and Innovation

ACCOUNTING AUTHORITY STATEMENT

On behalf of the Board of the LGSETA, it gives me pleasure to submit this Strategic Plan (SP) to the Minister of Higher Education, Training, Science, and Innovation. This SP document embraces inputs from the LGSETA's Sector Skills Plan (SSP), LGSETA management, and allied stakeholders in the local government sector. The SP outlines the vision of the LGSETA and mechanisms to be put in place to ensure that the work of the SETA facilitates the implementation of skills development in the local government sector. In the execution of its duties, the LGSETA considers its five strategic focus areas as the foundation of its SP, which responds to national government priorities through the implementation of relevant interventions, including workplace-based training, skills programmes, and artisan development/apprenticeship programmes for both **employed (workers) and unemployed beneficiaries**.

This Strategic Plan is underpinned, inter alia, by the National Skills Development Plan (NSDP) 2030, a strategic skills development framework developed to respond to the/ policy goals of the White Paper on Post-School Education and Training (PSET) to improve both the integration of the PSET system and the interface between PSET institutions and the world of work. In the light of these developments, the LGSETA will continue to strive to create greater impact in the local government sector through responsive and strategic interventions.

The SP document considers the National Development Plan (NDP) 2030 thus ensuring that the LGSETA's vision and priorities are aligned to the national government priorities. In ushering in the Fourth Industrial Revolution (4IR), it has stimulated and created impetus for the LGSETA to consider new ways of work, working and working relationships brought about by adopting new ways of thinking. This Strategic Plan document, therefore, takes note of the emergence of the 4IR by creating platforms through strategic intervention to enable the implementation of digital programmes in its operations. The LGSETA supports interventions to contribute to alleviate the triple challenges (inequality, unemployment, and poverty) that continue to torpedo the country in its entirety.

In the carrying out of its vision, the LGSETA will be guided by the following five LG Strategic Focus Areas which embrace the Discretionary Grants priority areas:

The first strategic area focuses on *Enhancing Good Governance, Leadership and Management Capabilities*. This relates to key programmes such as councillor development, traditional leadership; union leadership management capacity in response to the National Development Plan 2030 requirements to enhance service delivery and optimised performance in local government,

The second strategic area relates to *Promoting Sound Financial Management and Financial Viability*. The importance of improving financial governance in local government is noted in many key strategic documents such as the NDP 2030. The financial management reform, which started in 2003 with the enactment of the Municipal Finance Management Act/Programme, continued with the enforcement of the minimum competencies in 2007. The recent Auditor General Report has also raised many gaps in the municipal finance, supply chain and internal audit ecosystems

The third strategic area focuses on *Enhancing Infrastructure and Service Delivery*. Infrastructure development and basic services includes placing a focus on the hard skills related to providing improved service delivery and core services of the municipality.

The fourth strategic area relates to *Enhancing Municipal Planning*. This focus area includes addressing gaps to realise improvement in the planning cycle and overall service delivery of the municipalities.

The fifth strategic area focuses on *Promoting Spatial Transformation and Inclusion*. Spatial transformation and inclusion addresses priorities that covers developing communities that are undermined by depressed economic conditions, increasing impact of climate change, regressing social cohesion, poor coordination in planning, access to land and bulk services, limited decentralisation in housing delivery, transport challenges and safety and security. The concept of smart cities in the country wherein automation of municipal services is supported by infrastructure and planning for ease of access to basic services is critical for local government and the country.

In the implementation of the above strategic focus areas, the LGSETA has developed a Strategic Partnership Model aimed at collaborating with strategic stakeholders in the local government sector,

LGSETA STRATEGIC PLAN 2020 -2025



including the private sector to embrace the Public Private Partnership methodology. In this regard, the LGSETA has re-engineered its discretionary grant processes which is cemented by the establishment of the strategic partnership strategy. The LGSETA is aware that the execution of its Strategic Plan cannot be achieved through the utilisation of its human resources only, but through the network in the sector and beyond. The White Paper on Post-School Education and Training (PSETA) calls for SETAs to partner with other institutions in the running of their businesses, accordingly the LGSETA will strengthen its partnerships with the professional bodies, higher education institutions, sector departments and other critical role-players in the local government sector. In addition to the above, the LGSETA requires flagship projects focusing on the transformational imperatives, including women, youth, and people with disabilities. In achieving this objective, the LGSETA will partner with institutions such as Disabled People of South Africa, National Youth Development Agency and Government entities and non-profit organisations that promotes development of women.

In submitting this revised SP, the Board is committed to ensuring that the LGSETA achieves its mandate through improving its performance and is branded as paragon of excellence. In addition, the LGSETA Board will accordingly buttress the LGSETA leadership in realising the Institution's obligation to ensure that the LGSETA is *inter pares* within the context of performance. In advancing a high-performance culture, the LGSETA has developed a scorecard-based performance model to promote service excellence and a learning culture in the institution.

A handwritten signature in black ink, which appears to read 'Peg Mntambo', is written over a circular stamp. The signature is fluid and cursive.

Mr. Phumlani Mntambo

Chairperson of Accounting Authority: LGSETA

Date: 30 November 2022

LGSETA STRATEGIC PLAN 2020 -2025



OFFICIALS SIGN-OFF

It is hereby certified that this Strategic Plan:

- Was developed by the management of the Local Government Sector Education Training Authority (LGSETA) under the guidance of the Department of Higher Education, Science, and Innovation.
- Takes into account all the relevant policies, legislation and other mandates for which the LGSETA is responsible.
- Accurately reflects the Impact, Outcomes and Outputs which the LGSETA will endeavour to achieve over the period 2023/24 – 2024/25.

Ms. Josie Singaram Signature
Acting Executive Manager: Strategy and Planning

Date: 30 November 2022

Ms Nonhle Mashinini
Acting Chief Operating Officer

Date: 30 November 2022

Mr Kwena Mokgokong
Acting Chief Financial Officer

Date: 30 November 2022

Mr. Ineeleng Moete
Chief Executive Officer

Date: 30 November 2022

Mr. Phumlani Mntambo
Chairperson of the Accounting Authority: LGSETA

Date: 30 November 2022

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ACRONYMS

4IR	Fourth Industrial Revolution
AET	Adult Education and Training
AFS	Annual Financial Statements
APP	Annual Performance Plan
APR	Annual Performance Report
AGSA	Auditor General South Africa
ATR	Annual Training Report
B2B	Back-to-Basics Strategy
CEO	Chief Executive Officer
COGTA	Department of Co-operative Governance and Traditional Affairs
COVID 19	Corona Virus
CPD	Continuing Professional Development
DDM	District Development Model
DPSA	Department of Public Service Administration
DHET	Department of Higher Education and Training
DG	Discretionary Grants
DWA	Department of Water and Sanitation
ETQA	Education and Training Quality Assurance
ERRP	Economic Reconstruction and Recovery Plan
ERRSS	Economic Reconstruction and Recovery Skills Strategy
FET	Further Education and Training
GDP	Gross Domestic Product
HET	Higher Education and Training
HIV	Human Immunodeficiency virus
HR	Human Resources
HRD	Human Resource Development
HRDC	Human Resource Development Council
HRDSA	Human Resources Development Strategy
ICT	Information and Communication Technology
IDP	Integrated Development Plan
IMATU	Independent Municipal & Allied Trade Union
IPAP	Industrial Policy Action Plan
IPP	Individual Performance Plan
IUDF	Integrated Urban Development Framework
LGSETA	Local Government Sector Education and Training Authority
LED	Local Economic Development
LPE	Levy Paying Employer
M&E	Monitoring and Evaluation
MSA	Municipal Systems Act
MTEF	Medium-term Expenditure Framework
MTSF	Medium-Term Strategic Framework
NSDP	National Skills Development Plan
NCV	National Certificate (Vocational)
NDP	National Development Plan
NEDLAC	National Economic and Development Labour Council

NEET	Not in Education Employment or Training
NGO	Non-Governmental Organisation
NGP	New Growth Path
NLPE	Non-levy Paying Employer
NQF	National Qualifications Framework Act
NSA ^a	National Skills Authority
NSA ^b	National Skills Accord
PAMA	Public Administration Management Act
PFMA	Public Finance Management Act
PSET	Post-School Education and Training
QCTO	Quality Council for Trade and Occupations
RDS	Rural Development Strategy
RPL	Recognition of Prior Learning
SARS	South African Revenue Service
SALGA	South African Local Government Association
SAMWU	South African Municipal Workers' Union
SDA	Skills Development Act
SDLA	Skills Development Levies Act
SETA	Sector Education and Training Authority
SIC	Standard Industrial Classification
SIP	Strategic Integrated Projects
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprises
SOE	State-Owned Enterprises
SP	Strategic Plan
SPM	SETA Performance Management
SSP	Sector Skills Plan
TSHRD	Tourism Sector Human Resource Development
TVET	Technical and Vocational Education and Training (Formerly FET Colleges)
VCET	Vocational and Continuing Education and Training
UIFW	Unauthorised, Irregular, Fruitless and Wasteful
UNDP	United Nations Development Partnership
WSP	Workplace Skills Plan
WIL	Work Integrated Learning
YEA	Youth Empowerment Accord

PART A: OUR MANDATE

1. CONSTITUTIONAL MANDATE

The South African Constitution¹ 1996², Section 152 (1), outlines the following five main objects of local government, which provides the basis for the LGSETA to support skills development in these key areas:

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

The section 29(1) (a) and (b) of Act 108 of the South African Constitution provides for the State “to take reasonable measures to make adult and further education accessible to citizens, as a human right. Another important section of the Constitution³ is Section 195(1) (a) to (i) which articulates the values and principles governing public administration which impacts on good governance and accountability within and across municipalities.

2. LEGISLATIVE AND POLICY MANDATES

The following key legislation, regulations/policies and strategies inform the mandate of the Local Government Sector Education Training Authority (LGSETA). The strategic focus areas of the LGSETA and corresponding priority interventions provide the base to support all skills development initiatives in the local government sector so that municipal officials can be equipped with the necessary competencies to render services efficiently and effectively and deliver on the mandate of the local government objectives as outlined in Chapter 7 of the Constitution of South Africa.

Table 1: Key Legislation, Policies and Strategies relating to LGSETA

Legislative Environment	Description
Skills Development Act, No. 97 of 1998	The LGSETA mandate emanates from the Skills Development Act (SDA).
Skills Development Levies Act of 1999	The Skills Development Levies Act (SDL) makes provision for levy employers to pay one percent (1%) of their payroll to the South African Revenue Service (SARS).
National Qualifications Framework of Act 2008	The Act provides for the classification, registration and publication of articulated and quality-assured national qualifications and part qualifications.
Public Finance Management Act of 1999	The Public Management Act (PFMA) regulates financial management in all spheres of government and government institutions; to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively.
Other Legislative Mandates	Description
Municipal Systems Act, No. 2 of 2000	The Municipal Systems Act (MSA) requires that municipalities comply with the Skills Development Act and the Skills Development Levies Act to develop their human resource capacity, to perform their functions and to exercise their powers in an economical, effective, efficient and accountable way.
Public Administration Management Act, No. 11 of 2014	The Public Administration Management Act (PAMA) was established to promote the basic values and principles governing the public administration referred to in Section 195(1) of the Constitution.

¹ <http://www.justice.gov.za/legislation/constitution/SACConstitution-web-eng.pdf>

² Ibid

³ Ibid

Intergovernmental Framework Act, 2005	Relations	The Intergovernmental Relation (IGR) Act applies to local, provincial and national spheres of government guided by the principles of Cooperative Government. The aim of this act is to facilitate and coordinate the implementation of policy and legislation to ensure coherence between the three spheres of government, effective provisioning of services, and monitoring and evaluation.
Regulatory/Policy Environment		Description
White Paper on Local Government (1998)		The White Paper on Local Government describes a shift towards a developmental local government that is people-orientated and outlines the characteristics of developmental local government.
White Paper on Post-School Education and Training (2013)		The White Paper on Post-School Education and Training (PSET) 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.
The New Growth Path (NGP): Framework		Government adopted the New Growth Path (NGP) as the framework for economic policy and the driver of the country's jobs strategy.
National Skills Accord (NSA)		The (NSA) is a multi-constituency agreement between businesses, organised labour and community constituents and was signed to support the New Growth Path (NGP) target of creating five million jobs by 2020.
Youth Employment Accord		The Youth Empowerment Accord has six commitments to develop youth absorption programmes.
Green Economy Accord		The Green Economy Accord includes commitments by stakeholders toward a greener economy in South Africa.
National Treasury Regulations		In terms of section 76, of the Act, the National Treasury may make regulations or issue instructions applicable to all institutions to which the Act applies to promote and enforce transparency and effective management in respect of revenue, expenditure, assets, and liabilities.
Revised Framework for Strategic Plans and Annual Performance Plans, 2020		The Revised Framework for Strategic Plans and Annual Performance Plans (2020) as issued by the Department of Planning, Monitoring and Evaluation (DPME) with the purpose of providing principles for short- and medium-term planning for government institutions; and to describe how institutional plans are to align with high level government medium- and long-term plans, and the institutional processes for the different types of plans.
Strategy Environment		Description
Back-To-Basics Strategy (2014)		The Back-to-Basics Strategy which is aimed at turning around ailing municipalities to ensure that local government better performs basic functions.
National Development Plan (2030)		The National Development Plan (2030) aims to eliminate poverty and reduce inequality by 2030 through growing an inclusive economy, building capabilities, enhancing the capacity of the state across the education system and workplace.
National Skills Development Plan (2030)		The National Skills Development Plan is derived from the broader National Development Plan 2030. The aim of the NSDP aims to ensure that South Africa has an educated, skilled and capable workforce by 2030.
National Human Resource Development Strategy South Africa (2030)		The aim of the Human Resource Development Strategy outlines key priorities of the South African government to address poverty and unemployment and ensure that the public sector has people that are skilled through the provision and outcomes of education and skills development programmes.
Integrated Urban Development Framework		The Integrated Urban Development Framework focuses on building an integrated and efficient spatial system and is aligned to the proposals outlined in the NDP 2030. Core initiatives include planning for liveable, economically viable and sustainable towns, cities and rural areas.

District Development Model	The DDM refers to a one joint plan that is developed through cooperative governance for the three spheres of government to function in unison. The aim of the DDM is to manage urbanisation, growth and development, determining and supporting local economic drivers, managing spatial form, land release and land development as well as determining infrastructure investment requirements to ensure long-term infrastructure adequacy and support integrated human settlements and provision of basic services to communities.
Economic Reconstruction and Recovery Plan (ERRP)	The Economic Reconstruction and Recovery Plan is aimed at stimulating economic and inclusive growth in South Africa and is informed by nine elements. The ERRP focuses on interventions that allow large numbers of young people to access opportunities in the short-term to ensure that they can be absorbed into high-potential growth sectors to boost job creation, and up-skill workers in order to enhance productivity.
Economic Reconstruction and Recovery (ERR) Skills Strategy	The Economic Recovery Skills Strategy presents key interventions to support the ERRP from a skills perspective. The Strategy outlines 10 skills interventions as follows: <ol style="list-style-type: none"> 1. Embedding skills planning into sectoral processes 2. Updating or amending technical and vocational education programmes 3. Increased access to programmes resulting in qualifications in priority sectors 4. Access to targeted skills programmes 5. Access to workplace experience 6. Supporting entrepreneurship and innovation 7. Retraining/up-skilling of employees to preserve jobs 8. Meeting demand outlined in the List of Critical Occupations 9. National Pathway Management Network 10. Strengthening the post-school education and training system
Local Government: Municipal Staff Regulations (2021)	The Municipal Staff Regulations, 2021 come into effect on 1 July 2022. The Regulations aims to ensure standardisation and guide municipalities on developing strategic human resource management and human resource development plans which includes performance management and skills development. It is expected that municipalities align their work skills plans to the Integrated Development Plan (IDP), budget, Employment Equity (EE) plan and skills development strategy to capacitate public office bearers and municipal managers.
Gauteng Township Economic Development Act (2022)	The Township Economic Development Act was passed on 11 April 2022 through the Gauteng Legislature and provides an opportunity to rebuild the economic geography of the country's townships and disadvantaged communities. The Act has implications for Local Economic Development (LED), inclusive of spatial transformation as well as youth initiatives across sectors.

3. INSTITUTIONAL POLICIES AND STRATEGIES OVER THE FIVE-YEAR PLANNING PERIOD

The LGSETA's strategic direction is informed and aligned to government legislation, regulatory framework/policies and strategic plans and initiatives. This section will discuss policies and strategies that drive the LGSETA strategic intent for the next five-year planning horizon.

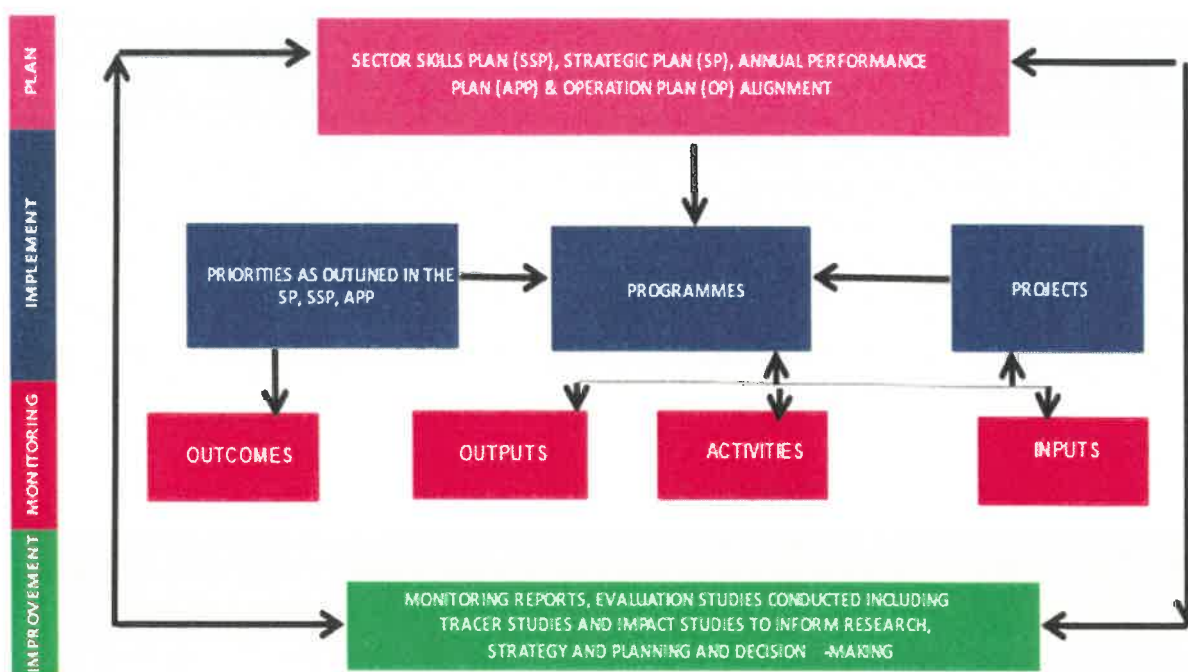
3.1 PLAN, IMPLEMENT, MONITOR AND IMPROVEMENT (PIMI) MODEL

Monitoring and evaluation are embedded in the components of Planning, Implementing, Monitoring and Improvement (PIMI) model. The following components of the model are indicated in the Figure 1 and descriptions of the Model outlined below:

Planning: The LGSETA strategy planning process includes the development of the Sector Skills Plan which underpins the Strategic Plan, Annual Performance Plan, Operational Plan and Service Level Agreement (SLA) with the DHET. It is important that the SSP, SP and APP are aligned and inform the implementation of relevant interventions.

Implementing: The successful implementation of programmes, projects and activities are identified through the planning processes and aligned to a timeframe and budget which requires on-going constant monitoring as well as evaluation to improve current and inform future management of outputs, outcomes and impact. M&E plays a key role in tracking and monitoring progress of the Annual Performance Plan (APP) and Operational Plan.

Figure 1: LGSETA PIMI Model



Monitoring: Monitoring is conducted through verification and validation of submitted data which provides insight and oversight of the financial and nonfinancial performance of the LGSETA. The LGSETA has implemented a procedure for annual and quarterly reporting to facilitate effective performance monitoring, evaluation and corrective action and improvements which includes assessing reliability, accuracy, timeliness, accessibility, consistency and integrity of performance information.

Improving: Areas of opportunity for improvement to determine what works well, what does not and what organisational learning is institutionalised. Monitoring reports, evaluations including tracer studies

and impact studies inform planning and decision making as well as governance and oversight from the board and ultimately the shareholder desired results.

The Strategic Human Resource Management (SHRM) and Strategic Human Resource Development (SHRD) Strategies are crucial to supporting the Local Government Sector Skills Strategy to meet its mandate. The LGSETA has adopted a results-based approach which is underpinned by an improvement model, known as the PIMI model, that embraces key processes linked to implementing the sector priority occupations and interventions and skills gaps. Furthermore, the planning process is underpinned by the Vision, Mission, Values and Strategy of the SETA. Equally, the planning process provides the base for how the SETA delivers its mandate through its programmes and projects.

3.2 LGSETA STRATEGIC FOCUS AREAS

There are **five LGSETA Strategic Focus Areas** that support all LGSETA skills development interventions and projects namely:

1. Enhancing good governance, leadership and management capabilities;
2. Promoting sound financial management and financial viability;
3. Enhancing infrastructure and service delivery;
4. Enhancing municipal planning; and
5. Promoting spatial transformation and inclusion.

These strategic focus areas are aligned to the **five objects of local government**, which inform the mandate of the eight (8) Metropolitan, 44 District and 205 local municipalities, and form the basis for skills planning and development provided by the LGSETA. The five objectives of local government as stated in the Chapter 7 of the South African Constitution (1996), Section 152(1) are:

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

The skills or competency needs of the local government sector **must** be aligned to relevant interventions supported by the LGSETA for both employed (workers) and unemployed beneficiaries with respect to the following:

- Bursaries
- Workplace-based Training that includes:
 - Work Integrated Learning (WIL) 18 & 24 months
 - Internship or Work experience (12 months)
 - Learnership
 - Candidacy
 - Skills Programmes (credit bearing)
 - Short Programmes (non-credit bearing)
 - Artisan Development (3-years) /Apprenticeship
 - RPL and ARPL
 - Adult Education and Training (AET)

3.3 NATIONAL SKILLS DEVELOPMENT PLAN (NSDP): LGSETA RESPONSE TO THE NSDP

The NSDP 2030 is a key strategy derived from the National Development Plan 2030 and plays a critical role in igniting skills development in the local government sector. The LGSETA strategic focus areas

and skills priority areas are aligned with the eight NSDP outcomes. Through focused delivery of learning programmes, the development of required qualifications, and other skills interventions, the LGSETA will continue to invest in the local government sector to support and enhance efficient and effective service delivery. The LGSETA intends to develop the following occupational qualifications and/ part qualifications to be registered on the Occupational Qualifications Sub-Framework (OQSF), which will support the training and skills development of the local government sector.

- Municipal Governance and Leadership
- Municipal Integrated Development Planning.
- Local Economic Development

The registration of the below qualification on the OQSF will facilitate the intended development of RPL toolkits and learning material, which will allow for future teaching and learning to take place in the sector against these qualifications.

- Air Quality Technician
- Business Development Officer
- Financial Admin Manager

Table 2 outlines the LGSETA's Strategic Focus Areas - mapped to the NSDP Outcomes of the Strategic Skills Priorities accompanied by the Interventions required, the Outcomes sought and the eventual Impact desired. The eight NSDP objectives, referenced in the table 2 below, are as follows:

Table 2: Overview of NSDP Outcomes

OUTCOME	NSDP OUTCOME DESCRIPTION
Outcome 1	Identify and increase the production of occupations in high demand
Outcome 2	Linking education and workplace
Outcome 3	Improving the level of skills in the South African workforce
Outcome 4	Increase access to occupationally directed programmes
Outcome 5	Support the growth of the public college system
Outcome 6	Skills development support for entrepreneurship and cooperative development
Outcome 7	Encourage and support worker-initiated training
Outcome 8	Support career development services

Table 3 details below tailored responses to the NSDP outcomes, which guided the formulation of the performance metrics for all the LGSETA programmes.

Table 3: LGSETA Response to NSDP Outcomes

NSDP Outcome	NSDP Outcome Description	LGSETA Outcome Statement	LGSETA Impact Statements
Outcome 1	Identify and increase the production of occupations in high demand	Increased the production of occupations in high demand in the local government sector	Highly skilled and professional local government workforce to ensure efficient and effective service delivery
Outcome 2	Linking education and workplace	Improved work-based learning opportunities through education in the local government sector	
Outcome 3	Improving the level of skills in the South African workforce	Improved critical skills in the local government workforce in order to enhance service delivery and economic growth prospects	
Outcome 4	Increase access to occupationally directed programmes	Increased access to occupationally directed programmes in the local government sector	
Outcome 5	Support the growth of the public college system	Improved the delivering of quality occupational directed programmes and the growth of public college system	
Outcome 6	Skills development support for entrepreneurship and cooperative development	Improved skills of entrepreneurship, cooperatives, and worker-initiated training within the local government sector	
Outcome 7	Encourage and support worker-initiated training	Support worker development programmes through worker-initiated training in the local government sector	
Outcome 8	Support career development services	Improved promotion of local government occupations to new graduate entrance through career development services	
Internal Outcome	N/A	Effective Internal Control and Compliance monitoring system	
Internal Outcome	N/A	Resilient, skilled, and capable local government SETA administration	
Internal Outcome	N/A	Establish a skills planning mechanism to facilitate evidence-based planning and implementation through research, monitoring and evaluation of local government learning interventions	

3.4 LGSETA RESPONSE TO ECONOMIC RECONSTRUCTION AND RECOVERY PLAN

The LGSETA has developed an approach on how it will respond to **nine** Economic Reconstruction and Recovery Plan (ERRP) priority areas indicated below through strategic initiatives:

- **Energy Security:** This priority will be addressed through an initiative on *Clean Energy and Energy Efficiency* interventions that will contribute to municipalities participating in the 'Green Card' training, skills programmes and qualifications relating to renewable energy and viable alternatives including nuclear energy, solar to usable energy, energy-based technology, innovation and leadership, and climate change. The interventions will require the LGSETA forge strategic

partnerships to train municipal officials on renewable energy and energy-based technology that impacts on smart city developments and 4IR in the local government sector.

- **Employment Oriented Strategic Localisation, Reindustrialisation and Export Promotion:** This priority will be addressed through an initiative focusing on *Industrialisation through localisation*. The focus on industrialisation through localisation is to grow small businesses, especially young entrepreneurs, who operate in local government sector through supporting various skills development programmes to enable sustainability of the SMME and contribute towards reducing unemployment.
- **Gender Equality and Economic Inclusion of Women:** This priority will be addressed through an initiative focusing on *Gender Empowerment in Local Government*. The interventions will focus on provision of capacity building programmes for supporting and developing capabilities and competencies of women in local government. The university programmes that deal with women in leadership is one aspect of addressing gender mainstreaming and empowering women to fight gender-based violence.
- **Aggressive Infrastructure Investment:** This priority will be addressed through an initiative focusing on *Infrastructure Development and Maintenance*. The provision of training to Local Government workers and unemployed youth in order to increase the capacity of LG in infrastructure asset maintenance, Civil Engineers, Electrical Engineers, Electricians, Electrical Engineering Technicians, Electronic Engineering Technicians, Civil Engineering Technicians, Civil Engineering Technologist, Plumbing, Water Plant Operators, Water Reticulation Practitioners, Water Analyst, Environmental Scientist and Green occupations including Solar Photovoltaic Service Technicians and Wind Turbine Power Plan Process Controller. Project deliverable under this pillar relate to Infrastructure Asset Maintenance, labour Intensive Construction (CWP), Electricity Reticulation, Water Services and Roads.
- **Macro-Economic Interventions:** This priority will be addressed through an intervention focusing on supporting **Financial Viability of Local government** through interventions that address capabilities and competencies to ensure municipalities manage finances and proper accounting and auditing take place. In addition, this pillar aims to improve on the local government audit outcomes. The LGSETA will conduct research on the AGSA municipal audit outcomes to inform interventions and partnerships required that can be addressed through the District Development Model (DDM) approach. Key projects to be established in response to this pillar relate include property evaluation, audit and procurement and municipal finance.
- **Green Economy Interventions:** This priority requires the LGSETA to explore opportunities that can be tapped through green economies in the local government sector. Informed by the research conducted by the LGSETA on the green economy will inform the skill development interventions that will respond to the green economy skills for the sector.
- **Strengthening Food Security:** This priority will be addressed through strategic partnerships with key institutions will focus on addressing skills relating to adequate food security in the local government sector. Training interventions through partnership institution on agricultural area, plant production, faming and poultry will be strategic training programmes.
- **Support for Tourism Recovery and Growth:** This priority will be addressed through an initiative focusing on *Supporting the Tourism Sector Human Resource Development (TSHRD) strategy* within the local government Sector. This initiative requires collaborative and strategic partnership with the national Department of Tourism so that skills development initiatives.

- **Mass Public Employment** interventions: This priority will be addressed through supporting **Youth Employment Opportunities**, the LGSETA will support youth-related partnerships, including the Presidential Youth Employment Service (YES) with respect to SMME development; and EmpowaYouth week showcasing local government opportunities. Within the municipal context, interventions relating to **Employment Protection and Stimulation** will include programmes on promoting health and safety in the workplace.

To respond to the nine priority interventions of the ERRP identified above from a skills perspective, the ERRP Skills Strategy identifies the following 10 skills interventions which have been referenced in Table 4 below. The SETA must monitor the implementation of both ERRP and ERRSS programmes supported.

NUMBER	ERR SKILLS STRATEGY INTERVENTIONS
1	Embedding skills planning into sectoral processes
2	Updating or amending technical and vocational education programmes
3	Increased access to programmes resulting in qualifications in priority sectors
4	Access to targeted skills programmes
5	Access to workplace experience
6	Supporting entrepreneurship and innovation
7	Retraining/up-skilling of employees to preserve jobs
8	Meeting demand outlined in the List of Critical Occupations
9	National Pathway Management Network
10	Strengthening the post-school education and training system

Table 4: Overview of ERR Skills Strategy Interventions

3.5 DISTRICT DEVELOPMENT MODEL

The District Development Model (DDM), which came into existence in September 2019, provides an integrated framework that embraces Inter-Governmental Relations (IGR) across three spheres of government (national, provincial, and local government). The DDM refers to a one-joint plan that is developed through cooperative governance to enable the three spheres of government to function in unison.

The DDM will enable the LGSETA to provide a contextual and integrated approach to addressing skills planning and development across the 44 district and eight metropolitan municipalities. The DDM will provide opportunities to create strategic partnerships that lead to better coordination and integration between local, provincial, and national government stakeholders regarding skills planning and development. The LGSETA has adopted a DDM strategy that addresses skills development relating to following nine municipal-service areas namely:

- Energy
- Economic Development
- Community Services
- Public Safety and Security
- Settlements and Housing

- Town and Regional Planning
- Transport, Roads, and Storm Water
- Waste and Refuse Management
- Water and Sanitation

The nine broad municipal service areas provide opportunities to create strategic partnerships that lead to better coordination and integration of stakeholders regarding skills planning and development. The LGSETA has prioritised four broad service delivery areas namely: energy; economic development; waste and refuse management; and water and sanitation. For each of the above municipal service areas, it is important for the LGSETA to know the associated relevant jobs and related occupations so that skills challenges and gap areas can be addressed utilising strategic partnerships.

The LGSETA DDM approach aims to address the skills gaps or skills needs at district level which includes metropolitan municipalities. The LGSETA will prioritise both district and metropolitan municipalities within and across each of the provinces, but the LGSETA Board has prioritised five provinces namely LP, MP, FS, NC, and NW, where more attention will be given. The Discretionary Grant (DG) window applications will further increase the number of partnerships once they have been recommended and approved by the Board. It is important to note that not all projects with Districts or Metropolitan municipalities are included below as some projects are not classified as partnerships. District Municipality partnerships include NC (Namakwa), MP (Ehlanzeni), LP (Sekhukune, Vhembe), and EC (OR Tambo). Metropolitan Municipality partnerships include EC (Buffalo City, Nelson Mandela Bay), GP (Ekurhuleni), KZN (Ethekweni), and FS (Mangaung).

The following diagram, Figure 2, presents the key steps that the LGSETA will embark on to identify skills gaps at a district level:

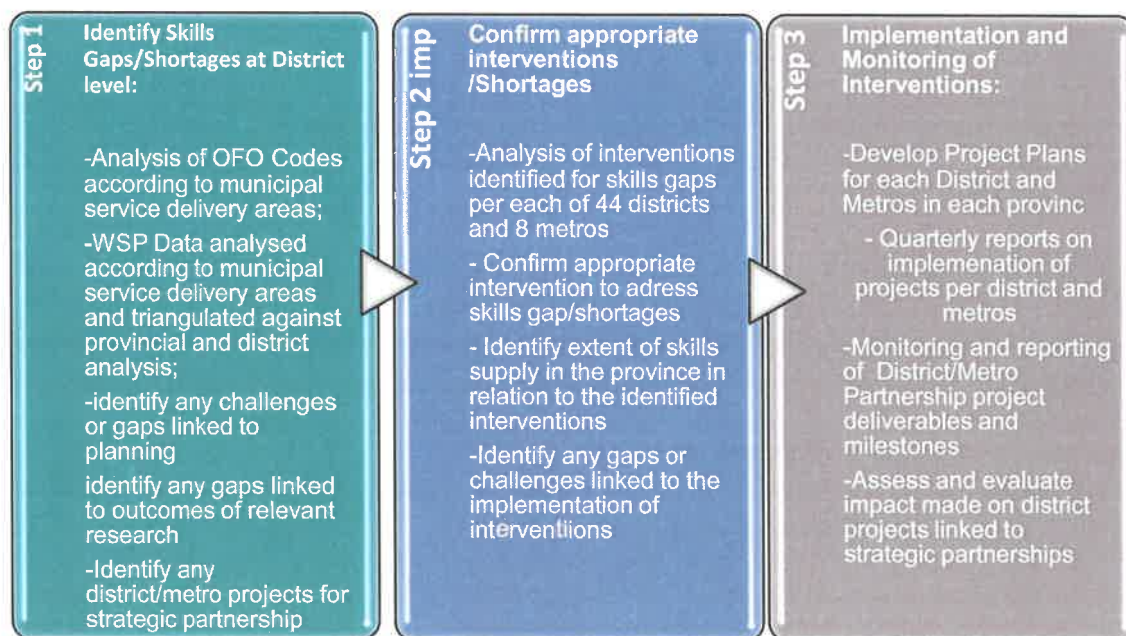


Figure 2: Overview of Steps to the LGSETA DDM Approach

3.6 COUNCILLOR DEVELOPMENT STRATEGY

Local government is the sphere of government closest to the people and is therefore better placed than national or provincial government to efficiently carry out many tasks dealing with services and

community development. Locally elected councillors should have a better understanding of local issues than national and provincial politicians.

One of the five major drivers of skills demand and supply in the local government sector relate to change in political leadership. A new cohort of municipal councillors were elected at the local government election held in November 2021. The purpose of the Councillor Development strategy is to ensure that municipal councillors are adequately equipped and capacitated to execute their oversight role in their various functions within the municipalities. The Councillor Development strategy presents a journey of skills development that consists of three pillars for training and development as presented in the Figure 3, and below the Figure each pillar is discussed.

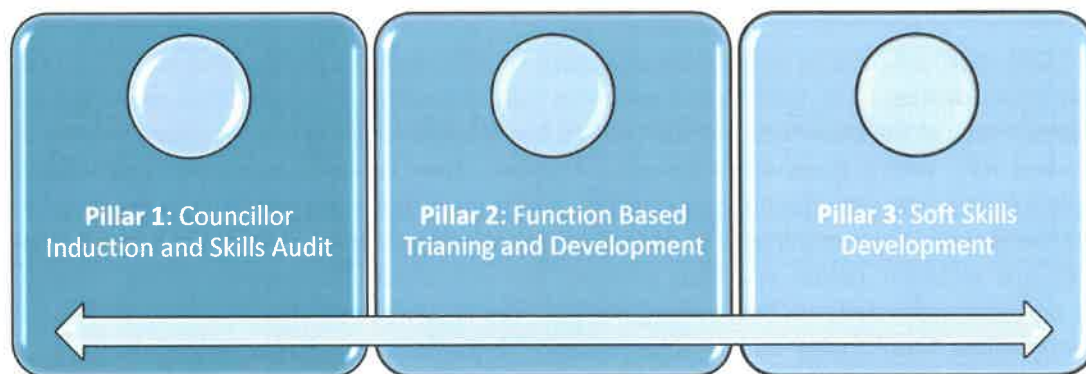


Figure 3: Overview of Pillars in the Councillor Development Strategy

Pillar One: Councillor Development and Skills Audit

This pillar focuses on two strategic deliverables which are Councillor Development and Skills Audit. The following are the strategic objectives of this pillar:

- Providing an induction programme for newly elected municipal councillors through addressing key areas of expertise and values that they will be expected to display while conducting their mandate and responsibilities;
- Capacitated on local government policies, legislation, systems and processes relevant to their day-to-day work as councillors.

Assessing and identifying skills gaps and requirements from Councillors through a skills audit will enable the identification of short-, medium- and long-term skills development interventions for the councillors.

Pillar Two: Function Based and Development

The function-based training and development pillar aimed at building capacity and skills to councillors based on their assigned functions and portfolios in the municipality. The objective of the function-based training and development pillar is to ensure that councillors are adequately capacitated to perform oversight functions based on their respective portfolios assigned by the Municipal Councils. In addition, this pillar will also include training of Councillor in leadership development programmes such as Executive Leadership Municipal Development Programme for Councillors.

Pillar Three: Soft Skills Development Programme

Although soft skills development does not directly influence demand of skills in local government, the skills gaps or top-up skills remain critical for Councillors in executing their roles and responsibilities. The soft skills interventions will be implemented based on the outcome of the skills audit that will be conducted for the new Councillors within a two-year period from appointment in office, which will be 8 November 2023.

There are six core skill areas for all councillors. Depending on a specific role of a councillor, the circumstances, and contexts within which you apply these skills may vary, the core skill areas will remain relevant for all councillors namely:

- Leadership and Ethics
- Partnership Working
- Communication skills
- Corporate Governance and Compliance
- Legal (by laws) and Policy Development
- Finance and Non-Financial Management
- Regulating, Monitoring and Evaluation

3.7 DISCRETIONARY GRANT STRATEGIC PRIORITIES

The LGSETA Board sets the strategic tone and direction for the organisation, directing effort to the eight Discretionary Grant (DG) Strategic Priority Areas to address skills development needs in the sector. These DG Strategic Priority Areas are aimed at augmenting the skills gaps and deficiencies as identified through research and sector skills planning in the local government sector and outlined in Table 5.

Table 5: Discretionary Grant Strategic Priority Areas

Strategic Focus Area	Programme
1. Enhancing Good Governance, Leadership and Management Capabilities	<ul style="list-style-type: none"> • Councillor Development Programme • Governance and Ethical leadership • Traditional Leadership Development Programme • Management Capacity Building Programme • Ethics and Fraud Prevention Strategy
2. Promoting Sound Financial Management and Financial Viability	<ul style="list-style-type: none"> • Municipal Financial Management Programme • Internal Audit and Risk Management • Supply Chain Management • Unauthorised, Irregular, Fruitless and Wasteful (UIFW) • Revenue Management • Management of water loses and electricity losses • Debts management • Infrastructures assets
3. Enhancing Infrastructure and Service Delivery	<ul style="list-style-type: none"> • Technical training on basic services (water, sanitation, electricity and roads) • Sector Priority Occupations informed by Occupational shortages (Scarce) and skills gaps (critical skills) • 4IR including Smart Cities and Digital Skills
4. Enhancing Municipal Planning	<ul style="list-style-type: none"> • Integrated Development and Planning • Ward Committee programme
5. Promoting Spatial Transformation and Inclusion	<ul style="list-style-type: none"> • Targeted skills development programmes to ensure spatial transformation and inclusion • Local Economic Development Programme and related economic sub-sectors
6. Supporting Worker Development and Worker Education and Worker Development	<ul style="list-style-type: none"> • Capacity building programme for municipal workers in line with Local Government Key Performance Areas and Municipal Integrated Development Programme (IDP). • Worker leadership development programme • Worker Education programmes • Worker Development programmes

7. Ensuring Business Continuity and addressing disaster management through skills development initiatives	<ul style="list-style-type: none"> • Skills development interventions to ensure business continuity on the following areas: <ul style="list-style-type: none"> ○ Climate Change ○ COVID 19 pandemic ○ Natural disasters including droughts, floods and fire ○ Training on disaster management
8. Improving Internal Capability of the LGSETA	<ul style="list-style-type: none"> • Monitoring and tracking of learners' tool • Stipend solution system to disburse stipends internally • Development of business processes and Standard Operating Procedure (SOP) • Blended approach for delivery of skills development i.e online learning/e-learning programmes

3.8 LGSETA STRATEGIC PARTNERSHIP MODEL

Partnerships are critical for enabling the SETA to be able to deliver on its mandate as well as further strengthening and contributing towards making a greater impact in the communities of the local government sector. In March 2021, the LGSETA board adopted strategic partnership model that is aimed at forging strategic partnership with partners to enhance the delivery of the LGSETA strategy. The strategic partnership model put emphasis on the LGSETA value chain on key internal stakeholders and the possible types of partnerships. The key elements of the value chain included research, planning, development of interventions, implementation and beneficiaries as outline in Figure 4 below.

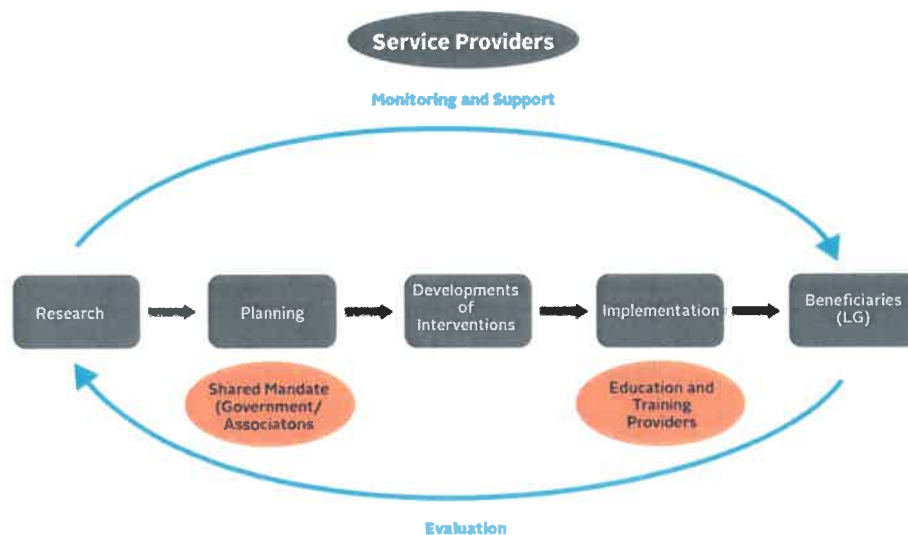


Figure 4: Overview of Partnership Value Chain

The LGSETA value chain shows the beginning of the value chain starting with research, which then feeds into the planning component. The planning process includes the development of the Sector Skills Planning (SSP), the Strategic Plan, and the Annual Performance Plan which includes the identification of interventions to address occupational shortages and skills gaps. Interventions that are not yet registered on the National Qualifications Framework (NQF) are then designed and registered for the purpose of implementation. The component of monitoring and evaluation provides the feedback on the implementation of the LGSETA programmes which closes the loop for the value chain to continue.

The strategic partnership model provides for three types of partnerships, as indicated below, that the LGSETA will embark on when establishing partnerships with various organisations/institutions. The

purpose of these types of partnerships is to ensure that the desired outcomes are achieved, and to make meaningful and impactful delivery of the LGSETA mandate. The three types of partnerships area:

- I. Non-Monetary Partnership**
This type of partnership refers to a partnership where there is no monetary involved between LGSETA and the partner. Areas of collaboration and initiatives that consist of no monetary value will be outlines in the Memorandum of Agreement to be signed by both parties.
- II. Monetary Partnership**
This form of partnership relates to strategic partnerships to be established that has a monetary value. The LGSETA shall provide 100% full funding of the projects and initiatives that will be initiated as result of the strategic partnership established.
- III. Co-Funding by Both Partners**
This form of partnership relates to the strategic projects and initiatives that are established and funding of these projects will come from both the LGSETA and the partner. The funding model for both partners will be outlined in the Memorandum of Agreement to be signed by both partners.

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Table 6: LGSETA Strategic Focus Areas

Strategic Focus Area	Outcome Desired	NSDP Outcome	ERR Priority	Skills	Interventions
1 Enhancing Good Governance, Leadership and Management Capabilities		2	4		1.1 Support targeted interventions for councillor development 2022-2023 (informed by councillor strategy) and strengthen partnership with CoGTA and SALGA to target intervention. Support community engagements and capacity initiatives, especially rural communities.
		3	7		1.2 Implement approved Councillor Development strategy focusing on Phase 2 from 2022.
					1.3 Support skills programmes such as governance/human capital/performance culture for municipal management linked to service delivery.
	Enhanced governance, engaged management and ethical leadership				1.4 Support targeted Management training programmes including technical training, Municipal Financial Management, supply chain management functions.
			8		1.5 Support skills programmes relating to engaged manager, ethical leadership, enabling governance, accountability and productivity tools.
		7			1.6 Support skills programmes for Traditional Leaders based on identified needs. Support COVID-19 interventions amongst locals, especially rural communities, Traditional Leader priority areas, so they may propagate this information in their communities
			10		1.7 Support Union Leadership programme
		8			1.8 Support women in Leadership and Management programmes and Women Empowerment programmes.
					1.9 Conduct research on HRD Governance/Political Oversight/Evidence-based research on implementing Integrated Management Framework for HRD.
2 Promoting Sound Financial Management and Financial Viability	Sound financial management to ensure efficient and effective use of public resources	1	3		2.1 Support skills programmes relating to minimum competencies, financial skills, internal auditing, supply chain management through programmes such as Municipal Financial Management Programme and Administration Programmes. Municipalities will thus have to exercise frugal financial management to preserve funds when revenue collection is declining.
		3	4		2.2 Support occupations relating to chief financial officer/financial manager. With revenue collection declining as individuals lose their jobs and businesses shut down due to the COVID-19 pandemic, it is important to detect irregularities and arrest them in an effort to promote accountability, especially with scarce resources.
		4	5		2.3 Support Senior Municipal Management through targeting interventions focusing on Service Delivery areas, Municipal Finance, SCM and Internal Audit. This is expected to help municipalities be better equipped to deal with the pandemic.
			8		2.4 Conduct a Tracer Study research on Programmes related to minimum competencies (enrolments, graduates and Return on Investment in the workplace) which forms part of approved Evaluation Plan.
		8	10		
3 Enhancing Infrastructure	Improved Service Delivery	1	3		3.1 Support priority occupations informed by the nine municipal-service areas including water reticulation practitioner, water and wastewater treatment operators, technical project managers, civil engineering technician, civil engineering

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Strategic Focus Area	Outcome Desired	NSDP Outcome	ERR Priority	Skills	Interventions
and Service Delivery	Infrastructure Asset Management	2	4		technologists, electrical engineering, electrical engineering technician, electrical engineering technologist, electrician, property valuer, project managers (technical) and building inspector.
		3	5		3.2 Support skills programmes linked to basic services for water, electricity, sanitation and roads including civil and electrical engineers/technicians and technical project management, Batho Pele principles and client services. These cover the municipal service areas of energy, water and sanitation, transport, roads and storm water, town and regional planning and community services. Promoting COVID-19 infection control, water, sanitation, and engineering works will be prioritised to increase water provision for hand washing, maintain good hygiene and improve spatial planning.
		4	6		3.3 Support skills programmes to support 4IR including data analysts, cyber security specialists, drone engineers, virtual platform specialists, software developers. Technological change and digitisation have been identified as a change driver and the COVID-19 pandemic is accelerating this with the uptake of the 4IR, data analysis, cybersecurity and software development being some of the areas that will be explored further (the digital economy is noted as a key skills gap in recovery by the ERRP).
		5	7		3.4 Support occupations linked to infrastructure planning, maintenance, and technical services, as well as occupations informed by research namely chemistry specialist, environmental healthcare specialist, energy production technologists, instrumentation controllers, horticulture specialists, water engineers, water technologists and environmental health officers.
		6	8		3.5 Partner with TVET colleges as specialist centres of excellence informed by the Strategic Partnerships Model.
		7	9		3.6 Support youth linked to Priority occupations and interventions. Improve career development support.
		8	10		3.7 Support occupations linked to infrastructure planning, maintenance, and technical services, as well as occupations informed by research namely chemistry specialist, environmental healthcare specialist, energy production technologists, instrumentation controllers, horticulture specialists, water engineers, water technologists and environmental health officers.
					3.8 Strengthen partnerships with TVET colleges and HEIs as specialist centres of excellence informed by the Strategic Partnerships Model.
					4.1 Implement the Strategic Partnerships Model linked to Strategic and Sectoral Priority areas.
					4.2 Identify new occupations/skills programmes for development and ensure training materials are developed for new qualifications.
4 Enhancing Municipal Planning	Improved collaboration with stakeholders for efficient and effective skills Planning	1	1		4.3 Implement PIMI model for all interventions linked to performance and planning.
		2	2		4.4 Develop Skills Strategies to Support: Backlog of AET learners 2020-2035; Disability in Local Government 2020-2035; Spatial development in Urban and Rural municipalities 2020-2025; 4IR informed by research conducted and smart cities; Ocean economy occupations informed by research conducted; Green economy occupations informed by research conducted; Youth and Unemployment in Local Government 2020 to 2025; Rural municipalities; SMME and Cooperative Development Strategy
		3	6		

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Strategic Focus Area	Outcome Desired and Delivery	NSDP Outcome	ERR Priority	Interventions
Promoting Spatial Transformation and Inclusion	Strengthen coordination towards local economic development and transformation	6	8	in Local Government, Councillor Development informed by research conducted; Traditional Leadership informed by research conducted; and DDM implementation informed by research conducted.
		7	9	4.5 Skills programme relating to HR managers and HRD (Professionalisation/Change Management/Performance Management/Accountability).
		8	10	4.6 Implementation strategy on Batho Pele in Local Government.
				4.7 Implementation strategy on Mentoring and Coaching to support Skills Gaps (Top-Up Skills) in LG.
				4.8 Supporting women in targeted programmes.
				4.9 Supporting women in targeted programmes and implement strategy on Women in Leadership in Local Government.
				4.10 Conduct periodic evaluation studies aligned to strategic priority interventions for the purposes of informing impact studies – as proposed as part of LGSETA's Monitoring and Evaluation PIMI model.
		1	2	5.1 Support occupations relating to town planners, urban and regional planners, civil and electrical engineers and technicians, property valuers, Disaster Management officers and occupations informed by research namely building surveyors, transport planners, economic modelling.
		2	3	5.2 Support key green economy occupations and skills programmes relating to green skills in local government.
		3	4	5.3 Support key ocean economy occupation and skills programmes linked to ocean economy and protection.
		5	5	5.4 Support key ocean economy occupation and skills programmes linked to ocean economy and protection.
		5	6	5.5 Support youth linked to Priority occupations and interventions and career development.
		6	9	5.6 Skills programmes to support local economic development occupations particularly relating to green economy, SMMEs, tourism and Cooperatives interventions such as Learnerships on LED (Levels 4 and 5).
		8	10	5.7 Support Skills Development relating to spatial planning, SMART cities and 4IR.
				5.8 Develop the Strategy Partnerships Policy and Standard Operating Procedures to guide and implement partnerships.

4. RELEVANT COURT RULINGS

The court has ruled in favour of the Business Unity South Africa (BUSA) in relation to the Mandatory Grant judgement. The Department of Higher Education and Training is still to instruct SETAs on the implementation of the court judgement and the LGSETA will continue to report this judgement as an ongoing concern in the risk assessment strategy given that this ruling will have effect on the operation of the LGSETA and delivery of its mandate.

PART B: OUR STRATEGIC FOCUS

1. VISION

The LGSETA Board of Directors are responsible for governing the affairs of the SETA and providing strategic direction, and as part of the strategic review process; the Board extensively engaged on renewing the organisation's strategic path for the next five years. Flowing from this endeavour, the *Vision, Mission, and Values* were reviewed and aligned to the unchanged *Mandate*. The identity of the organisation remains aspirational and relevant to the dynamic context in which it operates.

The LGSETA's current mandate remains relevant to the new strategic direction, notwithstanding the contribution that the organisation wants to make to local government, the education and training sphere, and the country as a whole. There is still considerable scope to achieve this in the current mandate aligned to the NSDP and NDP.

The **mandate** remains as:

"Facilitating skills development in the local government sector".

An organisation's vision paints an inspiring and ambitious picture, but one that is possible. Faced with a volatile, complex and dynamic future; it was determined by the Board that the LGSETA's vision should change to recognise the varying legislative and policy requirements such as the NDP, NSDP and interests of stakeholders.

The LGSETA's **vision** was reduced for better articulation.

"A highly-skilled and capable local government".

2. MISSION

A **mission** statement typically serves the purpose, setting out the reason for an institution's existence and answering the What, Why and for Whom.

To achieve its **vision**, LGSETA's mission was changed to place emphasis on **innovation, capacity and partnerships**.

"To build local governments' ability to meet its developmental needs through innovative approaches, effective capacity building and strategic partnerships".

3. VALUES

Values espouse specific principles that guide organisational behaviour in carrying out the vision and mission. Most of LGSETA's current values remain relevant in response to the context, with three new value propositions introduced. The values embraced by the organisation are outlined in Table 7.



VALUE	MEANING	LGSETA way
Customer-centric	A strategy and a culture of doing business that focuses on creating the best experience for the customer, and by doing so builds brand loyalty. Client-centric organisations ensure that the customer/stakeholder is at the centre of an organisation's philosophy, operations, or ideas	We put the customers (stakeholders) first and at the centre of everything that we do
Responsive	Reacts quickly and effectively to a wide range of events relevant to the organisation, as they occur, and is also one that is managed in such a way as to be rapidly and effectively evolved in response to changes in the business environment	indicates our ability to respond to changing conditions and stakeholder interactions as they occur
Passionate	Your drive, ambition and the love of what you do and who you serve.	We have a strong drive to change an idea or a method into impactful service delivery
Integrity	We often define integrity as doing the right thing even when no one else is around. It is the ability to act with honesty and be consistent in whatever it is you are doing based on the moral value or belief compass you have.	We act with honesty and are consistent in whatever it is we are doing based on ethical principles and the law
Collaborative	Working practice whereby individuals work together for a common purpose to achieve business benefit. Collaboration enables individuals to work together to achieve a defined and common business purpose.	We work together towards a common goal that benefits the team and organisation
Innovative	When an organisation introduces new processes, services, or products to affect positive change in their business	We contribute ideas and solutions to workplace challenges or problems

Table 7: Overview of LGSETA Values

4. SITUATIONAL ANALYSIS

The scope of coverage of the LGSETA is defined by the primary focus of organisations demarcated, according to the Standard Industrial Classification (SIC) codes. The LGSETA has a very clear scope of operation with a focus on municipalities and local government related entities. Table 8 depicts the main scope and description of the SIC codes under the auspices of the LGSETA.

Table 8: Scope of Coverage of the LGSETA

SIC CODE	SIC DESCRIPTION
30101	Production, processing and preservation of meat products by Local Governments
41110	Production, collection and distribution of electricity
41117	Generation of electric energy by Local Governments
50223	Construction of pylons for electric transmission lines by Local Government
50493	Any utility or agency, wholly or partially owned by a municipality, providing Local Government services under contractors of municipality
62520	Retail trade via stalls and markets
71213	Urban, suburban and inter-urban bus and coach passenger lines operated by Local Government
71220	Other non-scheduled passenger land transport
74132	Salvaging of distressed vessels and cargoes

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SIC CODE	SIC DESCRIPTION
74133	Maintenance and operation of harbour works, pilotage, lighthouses, etc.
74134	Operation of airports, flying fields and air navigation facilities
88217	Roads
88218	Municipal public works functions (specifically assigned)
88219	Municipal fencing and fences
8821A	Municipal roads
8821B	Street lighting
88930	Building and industrial plant cleaning activities
91200	Regional services council activities
91201	All functions, services and facilities provided by a metropolitan council, as determined by 84(1), (2) and (3) of Act 117 of 1998 – Local Government Municipal Structure Act of 1998
91202	Category B Municipalities: All functions, services and facilities provided by local council, as determined by 84(1), (2) and (3) of Act 117 of 1998
91203	Category C Municipalities: All functions, services and facilities provided by a district council and district area management, as determined by 84(1), (2) and (3) of Act 117 of 1998 Local Government Municipal Structures Act 1998
91204	Organised local government – any statutory or regulatory body assigned the function as per the Constitution of the RSA, to deal with matters at the executive level within local government
91300	Local government activities
91301	Metro police
91302	Traffic management/ law enforcement
91303	Air pollution
91304	Municipal planning
91305	Trading regulations
91306	Billboards and the display of advertisements in public places
91307	Control of public nuisances
91308	Control of undertakings that sell liquor to the public
91309	Licensing of dogs
9130A	Licensing and control of undertakings that sell food to the public
9130B	Noise pollution
9130C	Street trading
9130F	Land use planning
9200B	Pre-primary education and activities of after-school centres by local authorities
93304	Social work in local governments
94001	Refuse and sanitation
94002	Health and community services
94005	Other community work in local governments
96001	Recreational, cultural and sporting activities by local governments
96191	Beaches and amusement facilities and fairs
96192	Pounds
96193	Public places
96313	Provision and operation of libraries of all kinds by local government

SIC CODE	SIC DESCRIPTION
96321	Museum activities and preservation of historical sites and buildings by local governments
96331	Parks and gardens
96332	Zoos
96414	Local sports facilities
96493	Municipal parks
99001	Building regulations
99031	Cemeteries
99032	Facilities for the accommodation, care and burial of animals

There are currently 257 municipalities in South Africa, of which eight are metropolitan municipalities, 205 are local municipalities, and 44 are district municipalities. The Table 9 below provides this overview.

Table 9: Number of Municipalities by Province

Province	Metropolitan Municipality	District Municipality	Local Municipality	Total
Eastern Cape	2	6	31	39
Free State	1	4	18	23
Gauteng	3	2	6	11
KwaZulu-Natal	1	10	43	54
Limpopo	N/A	5	22	27
Mpumalanga	N/A	3	17	20
North West	N/A	4	18	22
Northern Cape	N/A	5	26	31
Western Cape	1	5	24	30
Total	8	44	205	257

Source: LGSETA WSP Submission 2021

The greatest proportion of employers in the sector is local municipalities. While there are only a few metropolitan municipalities, they are the largest employers and contribute the most in terms of skills development. KwaZulu-Natal has the highest number of municipalities with 54, followed by the Eastern Cape with 39 municipalities. While Gauteng has the lowest number of municipalities overall (11), three of the eight metropolitans fall within the province, making this province a key employer.

Municipal Entities and Other Employers in the Local Government Sector

To assist with service delivery, some municipalities will establish municipal-related entities. These entities are accountable to the municipality that established them in terms of governance, financial accountability, and performance. There has been a consolidation in the number of municipal entities, with the total number of organisations decreasing from 50 in 2015 to 39 in 2018 and then increasing to 41 in 2022 (GovPage, 2022). Currently, the LGSETA receive workplace skills plans submissions from 36 organisations which include municipal entities, local government related entities and private entities.

4.1 EXTERNAL ENVIRONMENTAL ANALYSIS

At a broad level, the challenges the LGSETA face are both unique to the organisation and ubiquitous to the country. An analysis of the external environment was completed using a PESTEL tool, and the outcome is captured in Table 10. COVID has been a major challenge that has faced organisations globally. The impact of COVID-19 in the country has negatively affected an already ailing economy and the impact on the local government sector was no exception in this regard. Various industries were affected, such as tourism, and this has also created multiple pressure points for local government, from service delivery to revenue collection.

However, the impact of COVID-19 has accelerated the adoption of technology across different sectors, including local government. The need to adopt fourth industrial (4IR) technologies in local government as well as alignment to the District Development Model (DDM) have become central to informing strategies at local government; 4IR presents multiple opportunities that includes development of business models – making services relevant; re-skilling existing personnel; measuring new jobs presented by the disruption, increasing the quality of services; and achieving reliable energy supply which can be achieved by using digital enablers.

The DDM will stimulate economic growth and benefit local entrepreneurs by developing, supporting and promoting local entrepreneurs through prioritising local procurement of services and goods. The introduction of DDM is timely given the weakness of the economy leading to persistent high unemployment, with the youth population being impacted the most. The pandemic affects the ability for the municipalities to respond to these challenges. Hence the focus on 4IR that is now a reality and major influence on technological factors. This requires a deliberate digital skills strategy to be adopted and customised for the benefit of the local government sector. Such strategies form an integral part of implementing the Smart City concept that is already being piloted in municipalities such as the City of eThekweni.

The Economic Reconstruction and Recovery Plan (ERRP) and ERR Skills Strategy focuses on interventions to allow large numbers of young people to access opportunities in the short-term that can lead to being absorbed into high-potential growth sectors to boost job creation, as well as up-skill workers to enhance productivity. The ERR Skills Strategy presents key interventions to support the ERRP from a skills perspective. A list of targeted interventions identified in both the ERRP and ERR Skills Strategy support the LGSETA Sector Priority Occupations and Interventions (SPOI) list, which includes supporting municipal infrastructure occupations to contribute to the 25 000 jobs required by the Skills Strategy. Other ERRP and ERR Skills Strategy interventions include the updating or amending of learning programmes, supporting skills programmes to facilitate infrastructure, and supporting internships for youth graduates. Skills gap interventions mainly address the skills demand needs aligned to municipal service areas to support workers and the re-training of workers.

Table 10: PESTEL Analysis

Political	Economic	Social
<ul style="list-style-type: none"> A stable political environment Skills audit of councillors informed by local government elections 	<ul style="list-style-type: none"> The impact of COVID-19 has an economic threat on local government sector and the country Impact of the war between Russia and Ukraine has an economic threat on countries around 	<ul style="list-style-type: none"> Social inequality varies wide which presents more demand of skills in the sector

<ul style="list-style-type: none"> • A high number of municipalities under administration. • Some councillors not meeting minimum oversight standards and requirements 	<ul style="list-style-type: none"> the world leading to high oil and food prices and acerbating poverty • Persistent high unemployment rate especially amongst the youth • South Africa's still has a tough economic climate • Poor audit outcomes of municipalities • Knock on effect of Eskom and municipalities into the economy • Implementation of the District Development Model • Implementation of Economic and Recovery Programme (ERRP) requires relevant skills 	<ul style="list-style-type: none"> • Education level is generally low in the sector which has impact on AET programmes • Service delivery is poor and is accompanied with protests due to inadequate or absence of service delivery • Infrastructure of services is under pressure
Technological	Legal	Environment
<ul style="list-style-type: none"> • Technology remains critical during the COVID-19 pandemic to support skills development and work • Disparities in technology between municipalities in urban and rural settings remain a concern • Technology required for infrastructure • Smart Cities and Smart Communities required for Municipalities • Interfacing of LGSETA systems with stakeholders • Adoption of 4IR technologies in local government • Implementation of Smart City development in some metros • Cybersecurity attacks 	<ul style="list-style-type: none"> • Clear mandate and regulatory environment for the LGSETA • Accountability through various mechanisms and platforms regarding LGSETA business • Full compliance to BBB-EE legislation is required • Ability to meet Constitutional imperatives by the LGSETA • Rules that allow municipalities to generate their own electricity • Auditor-general findings on poor governance in municipalities 	<ul style="list-style-type: none"> • Climate change, COVID-19 pandemic, droughts and floods have an impact on the sector and our operational environment • The physical threat of crime to our stakeholders is a concern • Research to enhance skills requirements for the green economy, green jobs, green buildings and energy efficiency. • Population growth pressuring environmental borders and capability • Need for more disaster management options of support

The following factors are informed by the PESTEL analysis as indicated in Table 10.

Political Factors

The transformation and institutionalised upskilling within the local government workplace is reportedly undermined by electoral political leadership change as well as political appointments and coalition politics. This change in leadership affects the administration of local government by disrupting business continuity and institutional memory, thereby hampering the skills transfer necessary for sustained quality service delivery and internal capacity of skills development. This may contribute to the challenges relating to lack of skills and development of staff, weak management, lack of institutional controls, and fruitless and wasteful expenditure cut across all spheres of local government. This sentiment was corroborated by South African Scenarios 2030, revealed “state capacity has been systemically undermined by corruption and poor skills at critical levels.”.

As a result, service delivery protests continue across municipalities affected by poor performance and officials who they consider unresponsive and unaccountable. These symptoms also indicate that

political change exerts a critical impact on what can be achieved regarding skills retention, sourcing of skills, internal transfer, and skills development by external interventions. There have been allegations of corruption around Covid-19 funds, this fact, together with some criticism of lockdown regulations, have created an environment where political parties are not working together. This disconnect has the potential to frustrate the development of the local government sector.

Economic Factors

Municipal Revenue and Expenditure Analysis

The Financial Census of Municipalities (STATS SA, 2021) showed that municipalities across South Africa received an income of R489.5 billion in 2019 and this increased to R519.4 billion in 2020, resulting in a 6.2% increase. Expenditure in the same years was R519.4 billion (STATS SA, 2021). The internally collected revenue accounted for 35.9% of total income made up of electricity and water sales, refuse removal, sanitation and sewerage charges, and other revenue (fresh produce market). The remaining 64.1% includes income from 'grants and subsidies received' from National, provincial and local government, other income and deficits as well as and interest earned from various sources including fines, licenses and permits and rentals (STATS SA, 2021).

Revenue and expenditure for the local government grew at an average of 7% over the 2016/17-2020/21 period however, there are always challenges with municipal budgets for revenue and actual cash collected. According to the 2022 Budget Review, many municipalities currently charge less than the cost of services, creating a revenue gap. In practice, municipalities frequently use transfers from national government – designed to subsidise services provided to poor households – to compensate for low revenue collection rates among households that can afford to pay for services. This reflects insufficient collection measures and a lack of political will to address non-payment (National Treasury, 2022).

Municipalities expected a substantial decline in revenue in the 2020/21 municipal fiscal year (July 2020 to June 2021) as a result of pandemic-related restrictions, business closures and job losses. However, revenue collection showed no apparent impact from restrictions (National Treasury, 2022). There were no significant changes in the collection pattern corresponding to periods of higher restrictions (April to August 2020 and July to September 2021). It is important to note, however, that low-income and poor households that receive free basic services – whose contribution to revenues are covered by national transfers – are likely to have experienced a much higher financial impact from the pandemic. In addition, revenue collection remains relatively low as a proportion of total billed revenue in several municipalities (National Treasury, 2022).

The revenue and expenditure for local government for the 2021/2022 financial period (see Table 11).

Table 11: Projected Municipal Revenue and Expenditure

'000	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Revenue	R399 178 856	R418 920 105	R444 477 776	R489 510 662	R519 404 923	R549 213 439
Expenditure	R399 178 856	R418 920 105	R444 477 776	R489 510 662	R519 404 923	R549 213 439

Source: StatsSA, Financial Census of Municipalities 2022

Due to the significant funding received and dispersed by local government, the effective use of this funding is critical to the development of and wellbeing of local communities. The latest Consolidated Auditor-General of South Africa (AGSA) Report for the 2020-21 financial year (AGSA, 2022) noted that there has been a slight increase in the number of clean audits from 32 in the 2019-20 period to 41 in the 2020-21 period. The Media release states that “it is encouraging to see the slight increase in the number of clean audits –27 municipalities were able to maintain their clean audit status throughout the administration, while 14 achieved a clean audit for the first time and six lost their clean audit status. However, clean audit outcomes continue to represent less than a fifth of the local government budget”. Also, the audit outcomes show that 25 of the municipalities received a disclaimer, the worst possible audit outcome, as compared to 33 municipalities the previous year. In addition, 9 municipalities have outstanding audits, as compared to 2 in the previous year (AGSA Media Release, 2022).

Opportunities for ensuring more effective revenue and expenditure management arise from ensuring that municipalities are staffed with appropriately skilled workers to minimise outsourcing of core services, and waste of expenditure due to incompetence. DPME (2020), indicated that 44% of municipalities required additional staff to carry out expanded services arising from the pandemic.

Some of the key findings of the study include: in most municipalities, there are weak IT governance structures; in the implementation of disaster risk reduction strategies, local municipalities are plagued by challenges, including improper, inefficient, ineffective, confusing and difficult IT processes and procedures, poor documentation of IT processes and procedures that impacts service disruption, frequent hardware, software, infrastructure, network, or system failure, and irregular preventive maintenance and backups, among others; it was established that various IT related skills necessary for business continuity and disaster recovery are lacking in the local municipalities.

Local Economic Development

Local Economic Development (LED) is an approach towards economic development which allows and encourages local people to work together to achieve sustainable economic growth and development, resulting in economic benefits and an improved quality of life for all residents in a local municipal area (COGTA, 2016). LED aims to expand the economic potential of all municipal localities all over the country and, to boost the resilience of the macro-economic growth through expanded local economic growth, employment creation and development initiatives within the framework of sustainable development. Local Economic Development places a focus on interventions to improve and develop skills in several key areas, such as the green economy, SMMEs in both the informal (township economy) and formal economy, cooperatives and tourism. The Gauteng government recognised that transforming the economy requires significant participation of people in “townships” into the mainstream economy through their own enterprises that are supported by government and business and have thus passed the Gauteng Township Economic Development Act of 2022 to assist in this regard.

The LGSETA’s study on the Skills Gaps that will propel the township economy identified SMMEs, skills development, and issues related to infrastructure and land (food security) as key aspects that must be dealt with effectively to stimulate informal, local and township economies. Through the DDM, municipalities need to ensure that LED is prioritised into the Integrated Development Plans and Service Delivery and Budget Implementation Plan (SDBIP). The research study further proposes an

introduction of a comprehensive national skills development and capacity building programme for municipal LED managers and officials to be more responsive.

Furthermore, research studies reveal that small businesses and cooperatives are catalysts for economic growth and job creation. Also, tourism contributes significantly to employment and GDP growth. One of the key strategic objectives for the Tourism Sector Human Resource Development (TSHRD) strategy in South Africa relates to improving local government orientation to TSHRD. To address this, the National Department of Tourism (NDT) is working collaboratively with local government structures to integrate the TSHRD awareness into programmes offered to councillors. There is also a need to align the Rural Tourism Strategy to the new District Development Model within municipalities.

The commitment by the South African Government to move towards a green economy in response to the issues of climate change over the next few decades has a significant impact on all sectors. The LGSETA study on the current state of green skills in municipalities, found that there is a lack of green skills in local government. However, as most of the infrastructure is aging and in need of an overhaul, the introduction of new technologies is likely to lead to the need for different sets of skills. Further research conducted by the SETA with a focus on green skills to address youth unemployment, shows that a green economy offers the potential for new jobs to be created and for existing jobs to change (LGSETA, 2021).

Social Factors

Employment in the Local Government Sector

Statistics South Africa conducted a census of municipalities in 2022 (STATS SA, 2022). Given the 100% submission rate, it represents a reliable figure of total employment in the South African local government sector. The figures in Table 122 refers to employment in the 257 municipalities, excluding municipal entities.

TABLE 12: TOTAL EMPLOYMENT IN THE LOCAL GOVERNMENT SECTOR BY PROVINCE

Province	Full-time		Part-time		Vacant posts		Total	
	2019*	2020	2019*	2020	2019*	2020	2019*	2020
Western Cape	44 046	45 586	2 071	1 604	5 868	4 823	51 985	52 013
Eastern Cape	30 575	29 044	322	797	3 239	2 475	34 136	32 316
Northern Cape	8 264	8 597	85	601	1 053	238	9 402	9 436
Free State	15 528	14 319	822	744	7 129	2 648	23 479	17 711
KwaZulu-Natal	48 956	48 763	4596	3 908	8 092	3 925	61 641	56 596
North West	13 053	12 846	993	634	1 901	307	15 947	13 787
Gauteng	76 929	82 467	4 576	1 930	18 821	12 841	100 326	97 238
Mpumalanga	14 733	14 916	123	157	3 271	2 086	18 127	17 159
Limpopo	13 963	14 007	211	18	4 195	1 083	18 369	15 108
South Africa	266 047	270 545	13 796	10 393	53 569	30 426	333 412	311 364

Source: STATS SA (2022)

*Some figures have been revised.

The table shows that employment declined between 2019 and 2020, from 266 047 full time and 13 796 part time employees in 2019 to 270 545 full time and 10 393 part time employees in 2020. The table shows that the Gauteng, KwaZulu Natal and Western Cape provinces employ the most local government employees.

According to the 2022 WSP submissions, municipalities employed 282 446 workers (higher than the 270 545-figure reported by StatsSA for 2020⁴). With the inclusion of municipal entities (as additional constituents of LGSETA), total employment came to 291 491.

The table 13 below shows that the eight Metropolitan Councils employ more people (134 376) than the 205 local municipalities combined (124 054). The district municipalities are small in comparison with only 23 953 employees nationally. 9 106 workers are employed by the municipal entities or other organisations (non-municipalities). The top three employers are Gauteng (82 260), KwaZulu-Natal (55 198) and Western Cape (47 352). Although Gauteng has the lowest number of municipalities, it has the greatest number of employees nationally, of which 78.9% (64 941) are concentrated in the three metros. The WSP submissions show that KwaZulu-Natal employed more employees in 2022, compared to a total of 53 232 workers in 2021. Western Cape's employment figures have increased over the past year, from 44 511 employees in 2021 to 47 352 employees in 2022. Only 3.1% (8 958) of the total employment is in the Northern Cape municipalities.

TABLE 13: PROVINCIAL DISTRIBUTION OF EMPLOYEES BY MUNICIPALITY TYPE IN 2022

Province	District	Local	Metropolitan	Other	Grand Total
Eastern Cape	5720	14144	12542	520	32926
Free State	802	12271	3420	752	17245
Gauteng	1038	9606	64941	6675	82260
KwaZulu-Natal	6443	21775	26916	64	55198
Limpopo	4001	11963		21	15985
Mpumalanga	1061	14825		412	16298
North West	1706	12911		650	15267
Northern Cape	639	8319			8958
Western Cape	2543	18240	26557	12	47352
Grand Total	23953	124054	134376	9106	291489

Source: LGSETA WSP Submissions 2022

Basic Services and Infrastructure

There were 3.6 million indigent households as identified by municipalities in 2020, an increase of 6.4% from the 2019 financial year (STATS SA, 2022). The table 14 illustrates the number of households who benefited from the provision of basic services, according to the Non- Financial Census of Municipalities (Non-financial census of municipalities for the year ended 30 June 2019, 2022). The services that are available to most households is water (75%), this is followed by solid water management (66.7%). About half of the households reported having access to sewage and sanitation (55.6%).

⁴ The figures from WSP submissions differ slightly from those of Stats SA due to differences in data collection methods

TABLE 14: PROVISION OF BASIC SERVICES

Services	#	%
Provision of Water	2.7 mil	75%
Provision of Electricity	2.1 mil	58.3%
Solid Waste Management	2.4 mil	66.67%
Sewerage and Sanitation	2.0 mil	55.56%

Source: (STATS SA, 2022)

The high demand for free basic services especially water, solid waste management and electricity is often the cause of violent service delivery protests when municipalities fail to deliver these services efficiently. According to the South African Police Service (SAPS) Incident Registration Information System (IRIS), a total of 909 protest actions took place from 1 August 2020 to 31 January 2021 (Martin, 2021). In July 2020 an average of eight protests occurred per day – the highest in a single month since 2013. A total of 657 persons were arrested from 1 August 2020 to 31 January 2021 for service delivery protest action incidents, in which illegal road closures were erected that infringed on the constitutional right of freedom of movement⁵.

Most of the research on the impact of the pandemic on the local government sector are in consensus that the sector was already facing many challenges including poor service delivery and weak institutional governance capabilities. A study conducted by Ncube (2021) found that around 63% of the 257 municipalities were already in financial distress, a third of the municipalities were dysfunctional while only 53, 7% of senior managers in local government complied with the minimum competencies prescribed for their jobs. He also highlighted inefficiencies in the sector. For instance, he found that rural municipalities could provide 60% additional services with the same resources. The key challenges in the sector are poor financial management, endemic profiting or corruption in the procurement process, poor asset management, and weak accountability and oversight. Ncube (2021) stated that interventions adopted to address these challenges have so far been ineffective and Covid-19 “simply amplified” some of the challenges⁶.

The Covid-19 pandemic heightened the demand for efficient delivery of frontline functions such as health, peace and security, and social development. Thus, improving service delivery in response to the pandemic has become local government’s first priority (National Treasury, 2020). The Department of Planning Monitoring and Evaluation (DPME) (2020) conducted a survey with municipalities on the impact of Covid-19. The survey results show that 83% of the municipalities provided additional water points, 54% provided temporary shelter, 85% provided food parcels to needy constituents, 66% provided soap and other essential hygiene products, and importantly 88% of the municipalities stated that they have redirected funds to assist with the pandemic.

In addition to Covid-19, the recent floods and civil unrest further increased expectations for efficient and effective service delivery, but also places pressure on municipalities’ ability to collect revenue, with widespread job losses among the citizenry and a negative impact on economic development. Local Economic Development (LED) can be utilised to rebuild and minimise future unrest within

⁵ <https://www.defenceweb.co.za/featured/900-service-delivery-protests-in-south-africa-over-six-months/>

⁶ <https://dullahomarinstitute.org.za/multilevel-govt/local-government-bulletin/archives/volume-16-issue-1-march-2021/the-financial-impact-of-covid-19-on-district-and-local-municipalities-a-national-perspective>



communities, but this is dependent on service delivery being realised to uplift socio-economic development.

Technological Factors

In local government, the adoption of new technologies has varied across municipalities. The bigger metros have introduced new technologies in the delivery of municipal services in areas such as water and electricity metering. Apart from customer interfaces, the role of technology in modern municipal infrastructure is likely to gain importance as aging equipment gets upgraded and replaced. Another aspect of technology is the Fourth Industrial Revolution (4IR) which is altering the way communities live and work through a fusion of technologies, blurring the lines between the physical, digital and biological spheres. Key areas of the 4IR include, but are not limited to, virtual reality, robotics, big data analytics and cloud computing. The 4IR will result in new roles being assigned, which will require new, higher-level skills and knowledge and this will require people to be upskilled. Key occupations identified as critical for the 4IR in the local government sector include, data analysts, cyber security specialists, drone engineers, virtual meeting specialists and software programmers.

In 2020, the Department of Communications and Digital Technologies developed the National Digital and Future Skills strategy, whose objective is to establish an education and skills development ecosystem that provides all South Africans with the required skills to create and participate in the digital economy. While some municipalities continue to discuss the challenges around skills development in the context of the 4IR, and the opportunities for the cities in using the 4IR to assist in revenue collection, and smart cities technologies, there is still a need for the full potential of digitalisation to be more factored into planning and long-term strategies.

The report of the presidential commission on the 4IR found that 4IR can and should play a fundamental role for South Africa to realise the National Development Plan (NDP) Vision 2030. In transitioning to a more diversified, distributed, cleaner and more sustainable energy system, 4IR technologies like drones/ autonomous vehicles, advanced materials, biotechnologies, storage/transmission, advanced materials, and advanced sensor platforms would be most important (Presidential Commission, 2020).

The pressures that individuals, organisations, and societies face to continue daily operations after the Covid-19 pandemic has further accelerated the uptake of the 4IR. A research study on the Role of Local Government in Repositioning the Role of Inland Small-Scale Fisheries in response to Covid-19, shows that the pandemic has increased reliance on advanced technologies for digital learning, working remotely, keeping healthy and to transform economies (LGSETA, 2020). This has enhanced the need to place focus on training in relation to digital and 4IR related skills such as computer skills, internet, and data analysis.

Environment Factors

A recent study conducted by the LGSETA (2022a) investigated the impact of disasters or crises on business continuity in the local government sector. This study is particularly important given the recent result of the floods in KwaZulu-Natal (KZN) and civil unrests in the Gauteng and KZN provinces. The KZN floods reportedly impacted 826 businesses with an estimated damage of R7 billion (SA

News, 20 March 2022⁷). The floods had affected 31 220 jobs with eThekweni municipality accounting for 68% of the jobs affected. This exacerbated the damage suffered due to civil unrest in the province a few months prior, with the Durban Chamber of Commerce and Industry estimating that businesses in the city suffered losses amounting to R70 billion and counting (EWN, 8 July 2022⁸).

Constraints to Service Delivery (Urban and Rural)

Service delivery is reportedly hampered by context-specific financial and human capital constraints, which is aggravated by a lack of consultation and demotivation from municipal staff in both urban and rural areas. Service delivery was also constrained by periodic closures of municipalities due to the impact of the Covid-19 pandemic, unrest, and service delivery protests, preventing municipalities from functioning optimally. Furthermore, in urban areas, service delivery is constrained by service delivery protests, thereby affecting skills planning. There must be a commitment from municipal leadership to focus on developing human capital and a performance -driven culture that enables effective and efficient service delivery.

The local labour market, from which municipalities draw their human resources, is limited to a greater degree in rural areas than in urban areas, making it difficult for municipalities to recruit individuals with the required skills. This constraint is exacerbated through the challenge faced by rural municipalities in terms of skills shortages and their inability to attract skills of the required quality. It is proposed that alternative funding arrangements be investigated to support the ability of rural municipalities to attract skilled workers in addition to other projects to make the sector more attractive. Rural municipalities also have ties with traditional authorities. Municipal officials in these areas, therefore, need to have a sound understanding of the governance frameworks relating to traditional authorities, particularly in respect of land use and management. The LGSETA research study on the assessment of skills capacity requirements of traditional leaders shows that there is a need for political commitment from political office bearers to take bold decisions on the role and involvement of traditional authorities in the service delivery and good governance process (LGSETA, 2018).

Spatial Integration and Inclusive Development

The District Development Model (DDM) is being rolled out by government to fast-track service delivery. The model plans to prioritise the management of urbanisation, growth, and development; supporting local economic drivers; accelerating land release and land development; investing in infrastructure for integrated human settlements, economic activity, and the provision of basic services. The development of rural and township economies will be prioritised to ensure that small businesses are supported and properly regulated. This model will require well-run municipalities with public servants skilled in planning, coordination, and management among other important skills. The DDM should result in a targeted and strategic approach to skills planning and development. Spatial Integration and Inclusive Development (Urban and Rural).

As encapsulated in the National Spatial Development Framework, transformation of rural and urban areas is required to realise the vision of creating an integrated, inclusive, sustainable, and

⁷ <https://www.sanews.gov.za/south-africa/damage-kzn-companies-estimated-r7-billion>

⁸ <https://ewn.co.za/2022/07/08/a-year-after-july-unrest-kzn-business-owner-hopes-sa-has-learned-lessons>

competitive national economy. New forms of urban living and urban spaces will become drivers for innovation, creativity, and societal transformation. Large rural areas, trending towards greater densification in nodes and along interconnecting nodes will experience far more concentrated development and more agricultural land for productive use. Smaller rural areas will undergo sizable counter-urbanisation] of middle-income South Africans in search of greater tranquillity, which will result in greater housing developments, and an injection of finances in the local economy. These will have a cumulative impact on the demand for and supply of skills (DALRRD & DPME, 2018). Urban development will result in the creation of smart cities. A smart city is a municipality that uses information and communication technologies (ICT) to optimise the quality and performance of urban services. Smart cities will revolutionise how key basic services such as energy, transportation and utilities are provided (SALGA, 2018). Use of data will ensure efficiencies as wastages can be identified and addressed quickly and to make predictions to make decisions to improve the lives of citizens (eThekweni Municipal Academy, no date). Smart cities will therefore not only require new, higher-level skills but will require continuously evolving technology. According to the Presidential Commission report on 4IR (2020), the 4IR technology drivers affecting smart cities initiatives will mostly include artificial intelligence (AI), the internet of things (IoT), blockchain and mixed reality (AR and VR).

4.1.1 SECTORAL PRIORITY OCCUPATIONAL PROGRAMMES

The Sectoral Priority Occupations and Occupations (SPOI) List is a key output of the SETA, as 80% of the available discretionary budget must be spent on identified relevant programmes. The Sectoral Priority Occupations List is used by the DHET to inform enrolment and infrastructure planning by the Vocational and Continuing Education and Training (VCET) and University branches; as well as contribute to the compilation of the Occupations in High Demand List, published by the department every two years (DHET, 2016).

The Sectoral Priority Occupations and Interventions list was generated using a bottom-up approach, ultimately informing the national list. The District and Metropolitan specific occupational shortages and skills gaps were identified and validated and inform a consolidated report as well as separate reports generated for each province, considering indicators for shortages in an occupation; viz. reported occupational shortages.

Local and provincial drivers become key to understanding the dynamics and needs of municipalities; and the workshops hosted in all nine provinces highlighted distinct differences in local need between the provinces. For example, vast distances between many of the municipalities in the Northern Cape mean that the supply of skills (in terms of available service providers) becomes a challenge than in a compact urbanised province like Gauteng. These differences are articulated as provincial occupational shortages (scarce skills) informed by hard-to-fill vacancies and skills gap (top-up/critical skills) lists that are used to inform Discretionary Grant allocations. Table 15 provides the top ten sectoral priority occupations and interventions in the local government sector for the years 2022/2023.

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Table 15: Top 10 Sectoral Priority Occupations and Interventions (SPOI) List

OFO Code	Occupation	Specialisation/ Alternative Title	Intervention Planned by the SETA	NQF Level	Quantity Needed	Quantity to be Supported
2021-313201	Water Plant Operator	Water Treatment Plant Operator	National Certificate: Water and Wastewater Treatment Process Operations, ID 58951	2	2000	40
			Further Education and Training Certificate: Water and Wastewater Treatment Process Control Supervision, ID 61709/Occupational Certificate: Water Process Controller, ID 102255	4		40
			RPL: Occupational Certificate: Water Process Controller, ID 102255	3		10
			Skills Programmes	2-5		200
2021-214201	Civil Engineer	Water and Wastewater Engineer Construction Engineer Transportation and Urban Planning Engineer GIS and Land use Management Engineer	Bursary: Bachelor of Engineering: Civil Engineering specialising in: - Environmental Engineering - Construction Management - Water - Transport - Urban Engineering	7	300	100
2021-215202	Information Technologist		Bursary: Bachelor of Information Technology	7	100	20
			Bursary: Bachelor of Computer Science	8		20
			Certificate: Information Technology	6		10
2021-831302	Drainage, Sewerage and Storm Water Worker		FETC: Supervision of Civil Engineering Construction Processes: Water and Wastewater	4	100	100
2021-335913	Building Inspector		Certificate: Building and Construction Management	6	40	30
2021-642601	Plumber	Water Plumber	Apprenticeship: Plumber	4	40	20
			Occupational Certificate: Plumber	4		20
2021-213302	Environmental Health Officer		National Diploma: Environmental Health	6	40	20
			Bursary: Bachelor of Environmental Health	8		10
			Occupational Certificate: Environmental Science Technician	6		10
2021-671101	Electrician	Electrician (Engineering)	Apprenticeship: Electrician	2-4	50	20
			Electrical Engineering	2		10
			Electrical Engineering	3		10
			Electrical Engineering	4		10
2021-311203	Town Planning Technician		Bursary and Internship: Bachelor of Technology in Town and Regional Planning	6	30	15
			Certificate: Municipal Integrated Development Planning	6		15

2021-132401	Supply Chain Manager	Bursary: Bachelor: Supply Chain Management	7	50	10
		Bursary: Bachelor of Accounting Hons	8		10
		Skills Programmes: SCM in Service Delivery Areas	5-6		30

Source: LGSETA WSP Data (2022/2023)

4.2 INTERNAL ENVIRONMENT ANALYSIS

A SWOT analysis paints a picture from which the organisation would develop its strategies to exploit the opportunities; counter the threats whilst capitalising on the strengths and neutralising the weaknesses. COVID has highlighted the organisation's weaknesses whilst also imposing threats. Technology adoption remains the major opportunity that not only will improve service delivery but also lead to an efficient organisation. However, such benefits may not be realised if the organisation does not address the culture characterised by poor collaboration.

Furthermore, the organisation has weakness within the local government ecosystem; poor performance of the municipalities in delivery projects on time within budget; dysfunctional ward committees leading to poor oversight. However, the introduction of the Economic Reconstruction and Recovery Plan (ERRP) and the adoption of the District Development Model (DDM) present opportunities to address these challenges.

Table 16: SWOT Analysis

Strengths	Weakness	Opportunities	Threats
<ul style="list-style-type: none"> National presence with provincial footprint. Ability to respond to the NSDP and relevant policy requirements A stable stakeholder group Good research capability and sector skills planning Participation of levy paying entities has been maximised through full submission of WSP/ATR from the sector Resilient workforce and ability to respond to crises including disasters, COVID-19 interventions for the organisation 	<ul style="list-style-type: none"> Organisational record keeping needs improvement Weakness in the internal control environment No performance management system that detects non-performance Lack of accountability and consequence management. Change management remains a concern in the organisation Underperformance and not meeting quarterly and annual targets. Lack of application of the value chain model Need to improve service delivery model for the roll out of blended learning interventions Low adoption of technologies that drive efficiencies 	<ul style="list-style-type: none"> Good collaboration with institutions in areas of learning programmes and research Efficient board stakeholder engagement with the sector Focused research agenda to support organizational needs Innovation and creativity Strong partnerships with institutions on the delivery of the LGSETA mandate 4IR technologies to enhance service delivery and become more efficient Implementation of Economic Reconstruction and Recovery Plan (ERRP) and ERRSS requires relevant skills The skills strategy: access to targeted skills programmes to improve efficiencies of the SETAs Potential to explore PPPs 	<ul style="list-style-type: none"> Uncertain cash reserves due to economic downturn Continuous negative audit outcome from Municipalities might affect LGSETA operations Municipalities that don't pay levies. Mismatch of demand (skills need) and supply (appropriate intervention) The BUSA court judgement might have severe impact on the LGSETA operations and restructuring of funding for the future. Poor performance of the municipalities (Governance and project delivery) Dysfunctional ward committees

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	<ul style="list-style-type: none"> Weak implementation of the performance management system and consequence management Entitlement by staff (nuance) 	<ul style="list-style-type: none"> Strategic partnerships with TVETs, Colleges, and other SETAs 	<ul style="list-style-type: none"> High levels of service delivery protests Poor grant expenditure
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The LGSETA has a resilient workforce and through its interventions, has managed to respond adequately to the COVID-19 in the organisation. Interventions may be enhanced by the adoption of technology, including blended learning or e-learning, which help to compliment new ways of working that contribute to work efficiencies and performance. Such approaches will ensure that the LGSETA strategy continues to be executed efficiently despite any challenges.

4.2.1 ORGANISATIONAL ENVIRONMENT

The organisational environment of the LGSETA remains stable and governance structures ensured that accountability, monitoring and evaluation of the LGSETA strategy is executed in line with the LGSETA Constitution. A permanent appointment of a Company Secretary is currently being finalised although a temporary appointment of a Company Secretary is currently in place. The Company Secretary is responsible for all matters pertaining to operational efficiency of the LGSETA Board, legal compliance, required legal opinion that relates to the company.

This year marks the third year of the implementation of National Skills Development Plan (NSDP) 2030, which is a government plan intended to improve the impact of skills development and ensure that South Africa has adequate, appropriate, and high-quality skills that contribute towards economic growth, employment creation and social development. Local government as a sector continues to benefit from the outcomes of the NSDP through the facilitation of LGSETA so that the skills revolution can be realised. The NSDP 2030 comes with a set of outcomes that also impact on how SETAs function. To create operational efficiencies and respond to these outcomes it is necessary for LGSETA to review and revise the current job profiles to be aligned to the strategic objectives and the identified methodologies to achieve those objectives.

LGSETA currently has a total of 132 approved positions with the intention of keeping the vacancy rate at the maximum of 5%. A total of 120 positions have been filled with skilled and competent employees who can enable the organisation to achieve its objectives. Most of the current vacancies are set to be filled in the current financial year. The demographic profile of the current staff of LGSETA reflects most staff are African females (52%), followed by African males (35%), Coloured females (6%), Coloured males (2,5%), White females (2.5%), Indian males (1%), and Indian females (1%) (see figures in Table 17).



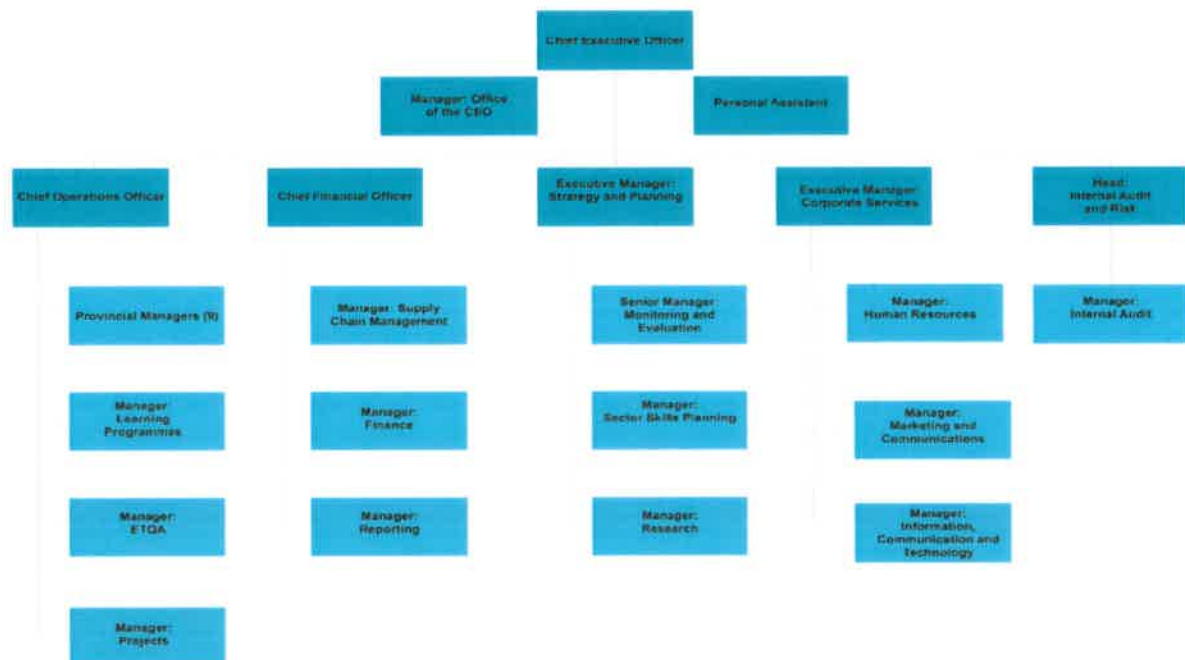
Table 17: LGSETA Staff Profile

LEVELS	MALE				FEMALE				Foreign National	TOTALS
	AFRICAN	COLOURED	INDIAN	WHITE	AFRICAN	COLOURED	INDIAN	WHITE		
Top Management	3	0	0	0	2	0	0	0	0	5
Senior Management	11	1	0	0	9	1	0	2	0	22
Professionally Qualified	18	2	1	0	18	3	0	0	0	36
Skilled	10	0	0	0	20	3	1	1	0	46
Semi-skilled	0	0	0	0	13	1	0	0	0	11
Unskilled	0	0	0	0	0	0	0	0	0	
Total	42	3	1	0	62	8	1	3	0	120

Source: LGSETA, 2022

The organisational structure currently has a team of three Acting Executive Managers reporting to the Chief Executive Officer. There has been relative stability at executive level despite acting positions, as well as middle management as there has not been any resignation at executive level and only one resignation at middle management level. The organisational structure also includes 9 Provincial Manager positions to ensure that the organisation enjoys a national footprint as our immediate stakeholders are spread throughout the country. The staff is representative of South African demographics thereby enabling the organisation to service its stakeholders and their communities effectively. The organisational structure is reflective of the executive and management positions as indicated in Figure 5.

Figure 5: LGSETA Organogram



Source: LGSETA, 2022

Management development programmes are critical to strengthen middle management as it is this layer of management that ensures that operationally the strategic objectives of the organisation are pursued and achieved. Following the completion of the skills audit that was directed to all staff, several training programmes were identified with the intention of improving the current and future skills set of the organisation. The organisation continues to ensure business continuity through the retention of the necessary skills and the continued implementation of the succession plan. As a means of maintaining the culture of performance the organisation continues to implement the approved Performance Management System. Labour relations are kept cordial to ensure stability in the operations of the organisation.

With the harsh experience of the Covid-19 pandemic resulting in lockdown regulations that crippled almost all industries, LGSETA continues a well-orchestrated effort to ensure business continuity. Almost all staff have been issued with laptop computers and paid telephone and data allowance to enable them to work remotely. This brings the concept of managing output into reality, and this means that our management team has been equipped through appropriate training to manage this new reality of managing output remotely.

The organisation subscribes to technology to hold meetings virtually or using a hybrid model. Almost all Board meetings are still held virtually. Through the Marketing and Communications department, the organisation continues to participate in career exhibitions. At the Head Office and Provincial

offices, LGSETA is on a crusade of installing cutting-edge technology that will enable it to host virtual learning platforms, conferences, provincial stakeholder engagements and Annual General Meetings.

LGSETA's levy income has steadily increased over the financial periods, mainly due to the increase in the salary costs of municipalities. The other contributing factor to the increase of the levy income is that the LGSETA managed to transfer back municipalities that in the past, were incorrectly contributing to other SETA's. The unspent discretionary grants reserves remain a challenge for LGSETA, this is because of the slow movement in the implementation of the learning interventions. To address challenges relating to discretionary grants spending and gaps, the LGSETA has streamlined internal processes to enable the LGSETA to be agile in addressing skills development.

4.2.2 BALANCED SCORECARD

The LGSETA remains focused on entrenching a high performance driven and learning culture and is thus adopting a Balanced Scorecard as part of the strategic management process; integrating this with performance management to ensure that the organisational and individual performances are aligned with the organisation strategy and the achievement of predetermined objectives, and targets as well as rewarding employees for their contribution to the success of the LGSETA.

The Balanced Scorecard (BS) has emerged as a proven tool in meeting the many challenges faced by organizations. Although the tool was originally designed for businesses, it was later adapted for the public sector, where a financial perspective is a driver not the end goal. The focus is on customers and serving their needs to accomplish the mission or desired impact. In the local government sector, improved service delivery is at the core of performance measurement. The LGSETA, has aligned to an outcomes-based approach, and the four perspectives of the BS should be outcome driven.

The scorecard is balanced because it measures the spectrum of performance objectives, which are expressed in both "financial and non-financial terms", captured in the following four perspectives:

1. Stakeholder and Customer Perspective
2. Improving Internal Processes and Performance
3. Internal Processes and Organisational Performance Perspective
4. Financial Management Perspective

Central to the balanced scorecard methodology is that it has been proven that measuring financial success in isolation within an organisation is not sufficient, and that sustainable growth in an organisation relies on how well the organisation manages its customer and stakeholder relations, internal processes, and systems as well as human capital. To ensure the balanced scorecard is implemented correctly, the LGSETA has developed a Balanced Scorecard framework, as reflected in Table 18, which is aligned to the mission and strategy directives. All four elements of the balanced scorecard model are interrelated.

Table 18: Organisational Score Card

Vision	A highly skilled and capable local government				
Mission	To build local government's ability to meet its development through innovative approaches, effective capacity building and strategic partnerships				
LGSETA Outcomes	<ul style="list-style-type: none"> Increased the production of occupations in high demand in the local government sector Improved work-based learning opportunities through education in the local government sector Improved critical skills in the local government workforce to enhance service delivery and economic growth prospects Increased access to occupationally directed programmes in the local government sector Improved the delivering of quality occupational directed programmes and the growth of public college system Improved skills of entrepreneurship, cooperatives, and workers-initiated training within the local government sector Increased the production of occupations in high demand in the local government sector Improved promotion of local government occupations to new graduate entrance through career development services Effective internal control and compliance monitoring system Resilient, skilled, and capable local government SETA administration Establish a skills planning mechanism to facilitate evidence-based planning and implementation through research, monitoring and evaluation of local government learning interventions 				
BSC PERSPECTIVES	STRATEGIC OBJECTIVES AND STRATEGY MAP	KEY PERFORMANCE INDICATORS	TARGETS	WEIGHTING (%)	PROJECTS/INITIATIVES
<i>Financial</i>	Commitment of LGSETA Reserves	% of LGSETA Discretionary Grants budget committed	95%	20%	<ul style="list-style-type: none"> Improve the implementation of LGSETA learning projects Establish partnership to improve delivery of LGSETA strategy
	Unqualified Audit Outcome Improve LGSETA	Unqualified Audit Opinion	Unqualified Audit Opinion		<ul style="list-style-type: none"> Sound Financial Management Practices Effective Internal Audit and Risk Management Functions Integrated business processes and systems
	Payment of Discretionary grant suppliers within 30 days and payment of discretionary grant suppliers within 30 days	Percentage of discretionary grants suppliers paid within 30 days upon submission of compliant grant documents Percentage of corporate suppliers paid within 30 days upon submission of compliant grant documents	100%		<ul style="list-style-type: none"> Stakeholder Centricity Approach (Criteria of compliant grant documents) Adequate review of submitted grant claims
<i>Customer</i>			100%		<ul style="list-style-type: none"> Stakeholder Centricity Approach (Criteria of compliant grant documents) Adequate review of submitted grant claims
	Career development interventions implemented to stakeholders in the local government sector	Number of career development events/exhibitions participated in urban and rural areas on occupations in high demand	50	20%	Career development exhibitions/events implemented in urban and rural areas

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		Number of capacity building workshops on career development services conducted	9		Career capacity buildings workshops conducted with various stakeholders in the local government w
	High School Development programme implemented through attracting learners into local government careers	Number of learners in High School Development programme supported for career development initiatives	150		<ul style="list-style-type: none"> Establish partnership with stakeholder to implement the High School Development Programme to attract learners into local government careers Provide support to High School learners with skills extra classes development initiatives on subjects such as Science/Mathematics/English/Technology/Accounting Level of customer satisfaction survey
	Customer satisfaction rate	Percentage of satisfied stakeholders and customers	70%		
Internal Processes	Monitoring and Tracking tool/system developed and implemented to monitor all LGSETA learning interventions	Number of learners in an artisan development programme	200	40%	Artisan development programme rolled out in the local government sector
	Increase access to intermediate and high level of skills through production of Artisan development required in the local government sector	Number of Centers of Specialisation supported	5		Support centers of specialization through TVET and Employers partnership model
		Number of workers in skills programmes	3000		To implement the Local Government Councilor Development Programme through training Municipal councilors on various skills programmes as outlined in the strategy
Organizational Capacity (Learning & Growth)	Implement e-learning mechanism for the LGSETA learning interventions	% of learning interventions delivered through online e-learning platforms	50%		Online e-learning strategy developed and implemented 60% of learning interventions are delivered through e-learning
	Improve skills of the LGSETA workforce to enhance organisational performance	Percentage of the training programmes in the WSP/ATR implemented	75%	20%	Implement LGSETA WSP to improve staff capacity and performance outputs. Training programmes and initiatives implemented to build capacity towards LGSETA staff through LGSETA WSP/ATR
LGSETA Values: Customer Centric, Responsive, Passionate, Integrity, Collaborative and Innovation					

PART C: MEASURING OUR PERFORMANCE

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1. INSTITUTIONAL PERFORMANCE INFORMATION

2. MEASURING THE IMPACT

The LGSETA aims to make greater impact in the local government sector over the five-year period 2020/21 – 2024/25 as indicated in the impact statement below (Table 19).

Table 19: Impact Statement

Impact Statement	Highly skilled and professional local government workforce to ensure efficient and effective service delivery
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3. MEASURING OUR OUTCOMES

The LGSETA aims to advance access to occupations in high demand and priority skills aligned to local government by supporting economic growth, employment creation and social development whilst also seeking to address systemic considerations. The NSDP derives from the broader plan of government, namely the National Development Plan (NDP), which aims to put in place the framework whereby we ‘build the capabilities our citizens to make our future work’.

The NDP notes that several challenges require attention, including a critical shortage of skills, a complex intergovernmental system, high levels of corruption, weak lines of accountability, inadequate legislative oversight, and a long history of blurring the lines between party and state. These are difficult issues, requiring honest reflection, careful planning, and decisive leadership. Targets will be set for a three-year period and annually determined through the Service Level Agreements (SLAs) through partnerships and organisations, including levy and non-levy paying institutions. The following strategic outcomes are tailored LGSETA responses to the NSDP outcomes, which will guide the formulation of the performance metrics for all the LGSETA programmes.

Table 20: LGSETA Response to NSDP Outcomes

MTSF Priority 3: Education, Skills, and Health			
NSDP Outcomes	LGSETA Outcome Indicators	Baseline	Five -Year Target
Outcome 1 Identify and increase production of occupations in high demand	1.1 National enrolment and resource ratios for the high, intermediate, and elementary skills level	13% high skills	20% high skills
		38% intermediate skills	60% intermediate skills
		49% elementary skills	20% elementary skills
	1.2 Identification of interventions required to improve enrolment and completion of priority occupations	109% WSPs and ATRs approved for small firms, medium firms, and large firms	100% WSPs and ATRs approved for small firms, medium firms, and large firms
		1 skills planning research, established and emergent cooperative and their skills needs	3 skills planning research on emergent cooperatives and their skills needs achieved.

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MTSF Priority 3: Education, Skills, and Health			
NSDP Outcomes	LGSETA Outcome Indicators	Baseline	Five -Year Target
		582 TVET students requiring Work Integrated Learning to complete their qualifications placed in workplaces	4082 TVET students requiring Work Integrated Learning to complete their qualifications placed in workplaces
		514 TVET students requiring Work Integrated Learning completed their qualifications placed in workplaces	1914 TVET students requiring Work Integrated Learning completed their qualifications placed in workplaces
Outcome 2 Linking education and the workplace	1.3 Opening of workplace-based learning opportunities increased	57 universities students requiring work integrated learning to complete their qualifications placed in workplaces	1487 universities students requiring work integrated learning to complete their qualifications placed in workplaces
		52 university students completed their Work Integrated Learning placements	832 university students completed their Work Integrated Learning placements
		309 unemployed learners enrolled and Internships	2189 unemployed learners enrolled and Internships
		55 unemployed learners completed Internship	1295 unemployed learners completed Internship
		957 unemployed learners enrolled learnerships programmes	8877 unemployed learners enrolled learnerships programmes
		888 unemployed learners completed learnerships programmes	4958 unemployed learners completed learnerships programmes
		101 unemployed learners enrolled for candidacy programmes	501 unemployed learners enrolled for candidacy programmes
		6 unemployed learners completed candidacy programmes	206 unemployed learners completed candidacy programmes
		478 workers enrolled in Learnerships programmes	6758 workers enrolled in Learnerships programmes

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MTSF Priority 3: Education, Skills, and Health			
NSDP Outcomes	LGSETA Outcome Indicators	Baseline	Five -Year Target
		607 workers completed learnerships programmes	5557 workers completed learnerships programmes
		212 workers granted bursaries (new entries)	932 workers granted bursaries (new entries)
		43 workers granted bursaries (continuing)	583 workers granted bursaries (continuing)
Outcome 3 Improving the level of skills in the South African workforce	1.4 Increase workers participating in various learning programmes.	149 workers granted bursaries (completed)	1319 workers granted bursaries (completed)
		1739 workers enrolled skills programmes	13479 workers enrolled skills programmes
		627 workers completed skills programmes	8497 workers completed Skills programmes
		0 workers enrolled in AET programmes	1150 workers enrolled in AET programmes
		48 workers completed in AET programmes	1218 workers completed in AET programmes
		244 artisan learners enrolled	1044 artisan learners enrolled
		0 artisan learners completed	400 artisan learners completed
Outcome 4 Increase access to occupationally directed programmes	1.5 Increase access of unemployed learners to occupationally directed programmes	547 unemployed learners granted bursaries (new enrolments)	3670 unemployed learners granted bursaries (new enrolments)
		153 unemployed learners granted bursaries (continuing)	854 unemployed learners granted bursaries (continuing)
		34 unemployed learners granted bursaries (completed)	965 unemployed learners granted bursaries (completed)
		106 learners enrolled RPL/ARPL	1706 learners enrolled RPL/ARPL
		54 learners completed RPL/ARPL	954 learners completed RPL/ARPL
		6 TVET partnerships established	46 TVET partnerships established
		5 HEI partnerships established	46 HEI partnerships established

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MTSF Priority 3: Education, Skills, and Health			
NSDP Outcomes	LGSETA Outcome Indicators	Baseline	Five -Year Target
		7 SETA-Employer partnerships established	47 SETA-Employer partnerships established
		3 SETA offices established and maintained in TVET colleges	15 SETA offices established and maintained in TVET colleges
		0 Centers of Specialisation supported	20 Centers of Specialisation supported
Outcome 5 Support the growth of the public college system	1.6 Support the TVET Colleges through skills development interventions	20 TVET lecturers exposed to the industry through Skills Programmes	220 TVET lecturers exposed to the industry through Skills Programmes
		25 Managers receiving training on curriculum related studies	97 Managers receiving training on curriculum related studies
		20 TVET colleges lecturers awarded Bursaries	100 TVET colleges lecturers awarded Bursaries
		25 CET colleges lecturers awarded skills development programmes	109 CET colleges lecturers awarded skills development programmes
		25 Managers receiving training on curriculum related studies	104 Managers receiving training on curriculum related studies
	1.7 Support the CET Colleges through skills development interventions	866 CET learners accessing AET programmes	2366 CET learners accessing AET programmes
		20 co-operatives supported with training interventions or funded	140 co-operatives supported with training interventions or funded
		21 small businesses supported with training interventions or funded	141 small businesses supported with training interventions or funded
	1.8 Increase skills development support for entrepreneurial activities and the establishment of new enterprises and cooperatives	50 people trained on entrepreneurship supported to start their businesses	170 people trained on entrepreneurship supported to start their businesses
		21 CBOs/ NGOs/ NPOs supported with training interventions or funded	141 CBOs/ NGOs/ NPOs supported with training interventions or funded
		5 Rural Development Projects initiated	25 Rural Development Projects initiated
Outcome 6 Skills development support for entrepreneurship and cooperative development			

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MTSF Priority 3: Education, Skills, and Health			
NSDP Outcomes	LGSETA Outcome Indicators	Baseline	Five -Year Target
		2 Trade Unions supported through the relevant skills training interventions	2 Trade Unions supported through the relevant skills training interventions
		41 career development events in urban and rural areas on occupations in high demand	250 career development events participated in urban and rural areas on occupations in high demand
Outcome 7 Encourage and support worker-initiated training	1.9 Support worker development programmes through worker-initiated training in the local government sector	20 career development events in rural areas on occupations in high demand	2 Trade Unions supported through the relevant skills training interventions
Outcome 8 Support career development services	1.10 Increase access to career development services through career development events/exhibitions implemented on occupations in high demand	64 career development practitioners trained	291 career development Practitioners trained
		9 capacity building workshops on Career Development Services initiated	45 capacity building workshops on Career Development Services initiated

3.1 EXPLANATION OF PLANNED PERFORMANCE OVER THE FIVE-YEAR PLANNING PERIOD

The NSDP 2030 necessitates reviews of the policy and legislative frameworks that govern the functioning of the SETAs. Furthermore, to review and design programmes and interventions directed towards the pursuit of the outcomes and objectives of the NSDP 2030. The eight outcomes of the NSDP have been aligned to the LGSETA Strategic Outcomes below. These outcomes speak to the following five strategic priorities namely:

- Enhancing good governance, leadership, and management capabilities
- Promoting sound financial management and financial viability
- Enhancing infrastructure and service delivery
- Enhancing municipal planning
- Promoting spatial transformation and inclusion

The abovementioned strategic focus areas or priorities are organised to support skills needs aligned to the objectives of local government. The strategic initiatives and outcome indicators contribute to the eight outcomes of the NSDP (2030).

3.3.1 CONTRIBUTION OF STRATEGIC OUTCOMES TO FIVE YEAR IMPLEMENTATION

Outcome 1: Identify and increase the production of occupations in high demand

The primary aim of determining occupations in high demand is to improve the responsiveness of the post school education and training system to the needs of the economy and to the broader developmental objectives of the country. LGSETA will facilitate and promote national enrolment and resource ratios for the high, intermediate, and elementary skills level. A quarterly report indicating the overall SETA discretionary budget and its appropriation to address the categories of skills level (high, intermediate, and elementary) will be generated. Other strategic interventions to be employed to increased production of occupations in high demand include but not limited to; WSPs and ATRs approvals and payments, Sector research agreements signed for TVET growth, Learners who completed workplace-based learning programmes absorbed into employment and skills planning research established.

Outcome 2: Linking education and the workplace

The LGSETA will ensure that learners are linked to workplaces through ensuring workplace-based learning opportunities are provided towards the achievement of qualifications through internships, bursaries and learnerships as well as for work experience through graduate internship programmes to enable experience to be gained for employability. Such opportunities also require workplace mentors and coaches to be available and trained adequately to provide the necessary support to learners and candidate. Such initiatives can be strengthened through partnerships with professional bodies to assist with supporting graduates as well as identifying appropriate workplaces to gain best practices.

Outcome 3: Improving the level of skills in the South African workforce

South Africa is challenged by low productivity in the workplace, as well as slow transformation of the labour market and a lack of mobility of the workforce, largely because of inadequate, quality assured training for those already in the labour market. The LGSETAs will support the training of employed workers and encourage employers to expand such training to improve the overall productivity of the economy, achieve transformation and address skills imbalances in our workforce in particular and the labour market in general.

Outcome 4: Increase access to occupationally directed programmes

The NDP target of 30,000 artisans to be produced annually by 2030 is an indication that South Africa's intermediate skills base is too low to support the country's socio-economic development goals. The workforce is also not keeping pace with the skills required to remain competitive in an increasingly knowledge-based economy. To address this, the LGSETA in partnership with Council for Trades and Occupations will develop new occupational qualifications which will become an important part of the offerings in TVET colleges and CET colleges.

Outcome 5: Support the growth of the public college system

The LGSETA will support the growth of stronger TVET colleges which are aimed at expanding the provision of mid-level technical and occupational qualifications. These will articulate directly into the world of work for the growing numbers of young people leaving the schooling system. A significantly expanded TVET institutional type will also relieve the higher education institutional type which is already under strain from high demand driven by student aspirations for post-school education and a lack of alternative and attractive opportunities elsewhere in the PSET system. TVET is a high priority for government.

Outcome 6: Skills development support for entrepreneurship and cooperative development

The LGSETA will continue to support entrepreneurship development, trade unions, cooperatives, NGO's and NPO's through various programmes and initiatives. Such programmes and initiatives should be aligned to national strategies relating to local government as well as strengthened through the role of partnership to ensure collaboration including capacity building, research, and delivery of learning interventions. Such initiatives and programmes are aimed at enhancing local economic development and improving service delivery as key objectives of local government.

Outcome 7: Encourage and support worker-initiated training

This outcome is linked to the NSDP Outcome which seeks to encourage and support worker-initiated training to address occupations in high demand. This outcome will require collaboration and partnership with the two trade unions namely SAMWU and IMATU in order to support training programmes and initiatives linked to identified occupations in high demand in the local government sector.

Outcome 8: Support career development services

The strategic focus is to improve the promotion of local government occupations to new graduate entrance through effective career development services. In particular, the LGSETA aims to improve the content of the career guidance booklets to include learning pathways of strategic occupations in the local government sector are better understood as well as assist different categories of learners including new entrants to be able to choose key occupations that suit their interest and passion. Career guidance services are key and the LGSETA will conduct career guidance sessions to provide meaningful career guidance to both urban and rural municipal areas. The LGSETA aims to be impactful during career exhibitions by ensuring that new graduates and learners are being attracted into local government in pursuing their career pathways.

4. KEY RISKS AND MITIGATIONS

Table 21: LGSETA Strategic Risks

Strategic Outcome/ Priority	Risk Statement	Risk Mitigating Strategies
Linked to multiple strategic outcomes	Limited or reduced financial resourcing to support organisational programmes	<ul style="list-style-type: none"> • Explore value adding partnerships with existing entities within Government and private sector to enhance skills development • Implement a differentiated approach to partnerships • Enhanced monitoring and evaluation with corrective actions • Formalise lessons learnt and incorporate these into the organisational strategy • Revised commitment schedule which may result in savings • Reconciliation of SLAs • Commitment audits
Linked to multiple strategic outcomes.	Inadequate business continuity response plans to manage the potential effects of business disruptions	<ul style="list-style-type: none"> • Business continuity strategy in line with BCM policy to be developed, approved, and implemented • Conduct business continuity awareness sessions • Implement a process of continuous updates to the business impact analysis (BIA) • Develop a crisis management plan for Head Office and centralised functions • Development of an integrated records management plan to manage information availability • Implement periodic business continuity readiness testing • To formulate a risk financing strategy for key insurable risks • Development of crisis management plans and tools for provinces • Establish business continuity management committee
Linked to multiple strategic outcomes	Inadequate processes to support organisational efficiency and effectiveness	<ul style="list-style-type: none"> • Integrate and standardise business processes, performance standards and technical standards between provinces and Head Office (there must be a consistent and standardised way of work) • Review and update the ICT strategy • Measurement of ICT utilisation rate to ensure technology efficiencies and capabilities are maximised • Extend policy development team scope to cover organisational procedures • Develop internal control framework (mapping) • Project risk registers (provincial)

Strategic Outcome/ Priority	Risk Statement	Risk Mitigating Strategies
	Non-optimal human resourcing and utilisation thereof	<ul style="list-style-type: none"> • Definition, communication, and advocacy workshops of LGSETA culture • Implement strategic human resources management through developing an HR strategy that is aligned with organisational strategy • Organisational development process to be finalised and recommendations thereof implemented
	Impaired organisational reputation	<ul style="list-style-type: none"> • Introduce social media management tool to control access and usage to the organisation's social media accounts • Incorporate legal review of contracts (vetting) • Company secretary to be recruited to support the Board regarding organizational legal and compliance requirements? • The organisation will ensure standardisation of contracts • Customer relationship management tool rollout completion • Case management system implementation (works together with CRM) • Consequence management framework • Disciplinary policy implementation (review) <p>All contracts to follow delegated authority</p>
	Failure to meet the skills development needs of Local Government	<ul style="list-style-type: none"> • Enhanced stakeholder engagement to link skills planning to the Sector Skills Plan (SSP) and Workplace Skills Plan (WSP) declarations and project implementation thereof • Review of monitoring and evaluation process including standardisation of processes and extended monitoring processes • Profile successful projects and create a database of completions • Secure user feedback on qualifications and skills provided • Review of qualifications • QA inspections to be conducted • Development of new qualifications based on employer needs • Evolving from an office driven strategy versus a service-centred model which promotes consistent service standards in all provinces (pending approval) • Technology strategy in response to e-Learning transition. • Revised learning strategy that balances traditional, e-Learning, online learning, virtual learning, and other methods as well as how quality will be managed • Explore ways of alleviating cost of data to the learners

Strategic Outcome/ Priority	Risk Statement	Risk Mitigating Strategies
		<ul style="list-style-type: none"> Assist municipalities in transforming facilities-based education to e-learning Data quality control enhancement in collaboration with partners and stakeholders Municipal training institutes/academies, NGOs alignment for enhance programme effectiveness Increase stakeholder consultations as input into SDFs
Linked to multiple strategic outcomes	Adverse effects of COVID-19 pandemic	<ul style="list-style-type: none"> Review current grant limitations due to the change in manner of service provision and lobby for relevant adjustments Ongoing emphasis on health and safety practices Appoint Facility Officer (OHS assessment and preventative measures) Formalise guidelines for working from the office during COVID-19 pandemic
Linked to multiple strategic outcomes	Inadequate quality management processes	<ul style="list-style-type: none"> Local Government centered projects to drive quality improvement jointly for the benefit of beneficiaries Enhanced quality assessment, verification, and on-the-ground observation to inform improvements and further planning within LGSETA
Linked to multiple strategic outcomes	Ineffective stakeholder relations and partnerships	<ul style="list-style-type: none"> Partnership impact assessment Identification of key stakeholders who are in vulnerable groups and provide outcome-linked interventions (skills, sponsorship) to build pre-requisite skills e.g., Maths as a requirement for higher learning (2022-2023 APP - i.e. Bursary Strategy) Review partnership model Ensure a consistent and integrated approach to stakeholder communications
Linked to multiple strategic outcomes	Ineffective management and safeguarding of key and sensitive information (physical and technological)	<ul style="list-style-type: none"> Development and execution of POPIA compliance implementation plan POPI and PAIA training and refresher training Appointment of an information Officer Approval and implementation of policies and manuals Data breach policy Automated website privacy policy Development of LGSETA Information Governance Framework Information and records management strategy and plan

Strategic Outcome/ Priority	Risk Statement	Risk Mitigating Strategies
		<ul style="list-style-type: none"> • Development of related policies such as Personal Information Privacy Policy and Records Management policy • Centralisation of information management and repository • Digitisation of records in terms of plan • Cloud migration for certain information/ systems • To review and upgrade back-up systems to align with cloud-based strategy and digitisation of records • Review of security protocols for storing physical information, data, or records • Review of current Information and security related policies to ensure compliance of information management processes with legislation • Develop a data destruction/disposal policy and procedure manual which outlines the protocol to follow in each subject (computers, phones, external hard driver, and other storage devices) • Information Governance Policy and Framework • Records Management System • POPIA and PAIA compliance assessment
Linked to multiple strategic outcomes	Breach of information security and related cyber attacks	<ul style="list-style-type: none"> • Ongoing re-emphasis through training on security protocols • Cyber-security strategy • Cyber security assessment to inform strategy • Continuous review of security protocols over information (physical and logical) • ICT scorecard (to measure systems and security health and performance) • Continuous review and update of all information and security related policies and procedures <p>Information security policy to be responsive to enhanced risks arising from remote working</p>

PART D: TECHNICAL INDICATOR DESCRIPTIONS

TECHNICAL INDICATOR DESCRIPTIONS

Technical Description	Indicator	Outcome Indicator
Indicator Title		1.1 National enrolment and resource ratios for the high, intermediate, and elementary skills level
Definition		<p>This refers to enrolment and resource ratios in relation to the discretionary grant allocated to develop, high, intermediate, and elementary skills in a financial year, which will focus on the following categories:</p> <ul style="list-style-type: none"> Skills at high level: At least 20% of the discretionary grant allocations as a percentage of high skills (NQF7 and beyond) Skills at intermediate level: At least 60% of the discretionary grants allocations as a percentage of intermediate skills (NQF4 to NQF6) Skills at elementary level: At least 20% of the discretionary grants allocations as a percentage of elementary skills (NQF 1 to NQF 3)
Source of Data		Discretionary Grants applications by the sector.
Method of Calculation / Assumptions		<ul style="list-style-type: none"> Skills at high level: at least 20% of the discretionary grant allocations as a percentage of high skills (NQF7 and beyond) Skills at intermediate level: at least 60% of the discretionary grants allocations as a percentage of intermediate skills (NQF4 to NQF6) Skills at elementary level: at least 20% of the discretionary grants allocations as a percentage of elementary skills (NQF 1 to NQF3)
Assumptions		Discretionary grant application and allocation report
Integration of Beneficiaries		20 % of discretionary allocations for developing high level skills 60% of discretionary allocations for developing intermediate skills 20% of discretionary allocations for developing elementary skills
Statistical Information		N/A
Desired Performance		20% of discretionary allocations for high level skills; 60% of discretionary allocations for intermediary skills; and 20% discretionary allocations for elementary skills of discretionary grant allocations to developing skills levels
Indicator Responsibility		Chief Operations Officer

Technical Description	Indicator	Outcome Indicator
Indicator Title		1.2 Identification of interventions required to improve enrolment and completion of priority occupations
Definition		This refers to the identification of intervention required to improve enrolment and completion of priority occupations through any research conducted tracer study on learners who completed workplace-based learning programmes absorbed into employment or self-employment.
Source of Data		-Research agreements signed between the LGSETA and Universities -Employee Data -Tracer study report that indicate the number of learners who completed qualification and absorbed in workplace into employment or self-employment
Method of Calculation / Assessment		Analysis of Commitment Schedule and Annual Performance Report on interventions achieved
Assumptions		Analysis of commitment schedule interventions aligned to sector priority occupations and interventions
Disaggregation of beneficiaries		Entered (Women, Youth (Males +Females) and People with disabilities (Males +Females) Completion Entered (Women, Youth (Males +Females) and People with disabilities (Males +Females)
Spatial Transformation		N/A
Desired Performance		Priority occupation interventions achieved per the Top 10 SPOI List
Indicator Responsibility		Chief Operations Officer

Technical Description	Indicator	Outcome Indicator
Indicator Title		1.3 Opening of workplace-based learning opportunities increased
Definition		<p>The opening of workplace-based learning opportunities refers to TVET and University students, Internship, Skills Programme, Learnership and Candidacy programme as detailed below:</p> <p><u>University and TVET WIL Programme</u> This refers to University and TVET students in a work integrated learning program refers to the date the LGSETA enters into a funding agreement with the university to place students. This will consist of two categories i.e., entered and completed university students in a work integrated learning program.</p> <p><u>Learnership</u> This also refers to a structured learning programme which includes theoretical and practical workplace experiential learning over a period of at least twelve months and which leads to an occupationally related NQF qualification. This will consist of two categories i.e. entered and completed workers in a learnerships programme, internship programme.</p> <p><u>Skills Programme</u> This also refer to unemployed learners entered for skills programmes that can be either PIVOTAL or non-PIVOTAL for the financial year. This will consist of two categories i.e. entered and completed unemployed learners in a skills programme. Note: There are exclusions on special projects.</p>

	<p><u>Candidacy</u></p> <p>This also include candidacy programme where it refers to both employed and unemployed individuals depending on the profession. The programme facilitate access to mentorship, training, and professional registration, to build the professional skills required in certain occupations, supporting service delivery within the municipality. Candidacy programme will consist of two categories i.e., employed, and unemployed individuals who enters and complete the programme</p> <p>NB: Disclaimer entered refers to new university students in a work integrated learning program while completed refer to existing university students in a work integrated learning program who already have a funding agreement with LGSETA.</p>
Source of Data	<p>Entered:</p> <p>Letter of award, funding agreement, list of learners in organisation on letterhead, learner registration form, certified ID copy, letter/contract of employment, highest qualification. Learners' supporting documents (as detailed in the funding agreement under suspensive clause) and signed funding agreements from the entity</p> <p>Completion:</p> <p>Certified ID copy</p> <p>Signed letter of completion from the employer</p>
Method of Validation / Assessment	<p><u>University and TVET Students for WIL</u></p> <p>Total Sum of 1950 (360 University and 900 TVET students requiring work integrated learning to complete their qualifications placed in workplace + 240 University students and 450 TVET students completed their Work Integrated Learning placement)</p> <p><u>Candidacy</u></p> <p>Total Sum of 150 (100 employees and/or unemployed learners enrolled for the candidacy programme + 50 Employees and/or unemployed learners completed candidacy programme)</p> <p><u>Learnership</u></p> <p>Total Sum of 2800 (1600 Unemployed learners enrolled learnership programme + 1200 Unemployed learners completed learnership programme)</p> <p><u>Skills Programme</u></p> <p>Total Sum of 2350 (1 300 unemployed learners enrolled for skills programmes + 1050) Unemployed learners completed skills programmes)</p>
Assumptions	Contribution towards the improvement of the local government skills development agenda
Disaggregation of Beneficiaries	<p>Entered:(Women, Youth (Males +Females) and People with disabilities (Males +Females)</p> <p>Completion: (Women, Youth (Males + Females) and People with disabilities (Males + Females)</p>
Statistical Information	N/A
Desired Performance	<p>-1950 (1260 University and TVET students requiring work integrated learning to complete their qualifications placed in workplaces + 690 University students and TVET students completed their Work Integrated Learning placement)</p> <p>-150 (100 employees and unemployed learners enrolled for the candidacy programme + 50 Employees and unemployed learners completed candidacy programme)</p> <p>-2350 (1 300 unemployed learners enrolled for skills programmes + 1050 Unemployed learners completed skills programmes)</p> <p>-2800 (1600 Unemployed learners enrolled learnership programme + 1200 Unemployed learners completed learnership programme)</p>
Managerial Responsibility	Chief Operations Officer

Technical Indicator	Outcome Indicator
Indicator Title	1.4 Increase workers participating in various learning programmes
Definition	<p>The increase of workers participating in various learning programmes refer to workers enrolled and completing Learnership, workers granted and completing bursaries, workers enrolled and completing skills programmes and workers enrolled and completing AET programme</p> <p><u>Learnership</u> This refers to a structured learning programme which includes theoretical and practical workplace experiential learning over a period of at least twelve months and which leads to an occupationally related NQF qualification. This will consist of two categories i.e. entered and completed workers in a learnerships programme.</p> <p><u>Skills Programmes</u> Workers entered for skills programmes that can be either PIVOTAL or non-PIVOTAL for the financial year. This will consist of two categories i.e., entered and completed workers in a skills programme. Note: There are exclusions on special projects.</p> <p><u>Bursaries</u> Employees awarded bursaries refers to a grant awarded to employed learners enrolled on part or full NQF qualifications. This will consist of two categories i.e., entered and completed workers awarded bursaries. Note: There are exclusions on special projects</p> <p><u>AET</u> AET programmes required for workers in the local government sector refers to skills programmes and qualifications at NQF level 1 and below (meaning ABET level 1, 2, 3 and 4 subjects/unit standards or GETC level 1 qualifications) as well as the National Senior Certificate or National Senior Certificate for Adults (NSCA). A National Senior Certificate (NSC) is a South African Qualification awarded to learners who pass Grade 12 in High School, which is also known as Matric. The NSCA is an adult matric equivalent qualification to the NSC. The AET programmes will consist of two categories i.e. entered and completed workers in an AET programmes.</p> <p>NB: Disclaimer entered refers to new workers in learnerships programme while completed refer to existing workers in learnership programmes who already have a funding agreement with LGSETA.</p>
Source of Data	<p>Entered: Learners' supporting documents (as detailed in the funding agreement under suspensive clause) and signed funding agreements from the entity</p> <p>Completion: Certificate of attendance/completion or statement of results or certificate from the entity.</p>
Method of Calculation / Assessment	<p><u>Learnership</u> Total Sum of 3250 (1 750 workers enrolled for learnership programme + 1500 Workers completed learnership programme)</p> <p><u>AET</u> Total sum of 500 (200 workers enrolled for AET programme + 300 workers completed AET programme)</p>

	<p><u>Bursaries</u></p> <p>Total Sum of 720 (180 workers granted bursaries (new entries) + 150 Workers granted bursaries (continuing)+ 390 workers granted bursaries and completed their studies)</p> <p><u>Skills Programmes</u></p> <p>Total sum of 5350 (2900 workers enrolled for skills programmes + 2450 Workers completed skills programmes).</p>
Assumptions	Contribution towards the improvement of the local government skills development agenda
Disaggregation of beneficiaries	<p>Entered (Women, Youth (Males +Females) and People with disabilities (Males +Females)</p> <p>Completion Entered (Women, Youth (Males +Females) and People with disabilities (Males +Females)</p>
Qualital Transformation	N/A
Desired Performance	<p>-2 500 (1 500 workers enrolled for learnership programme + 1000 workers completed learnership programme)</p> <p>-5350 (2900 workers enrolled for skills programmes + 2450 workers completed skills programmes)</p> <p>-500 (200 workers enrolled for AET programme + 300 workers completed AET programme)</p> <p>-720 (180 unemployed learners awarded bursaries -new entries +150 workers granted bursaries -continuing + 390 Unemployed learners granted bursaries completed their study in a financial year)</p>
Increased Responsibility	Chief Operations Officer

Technical Description	Indicator	Outcome Indicator
Indicator Title		1.5 Increase access of unemployed learners to occupationally directed programmes within the local government sector
Definition:		<p>Increase access of unemployed learners to occupationally directed programmes refer to artisan development programme, ARPL/RPL, unemployed learners accessing and completing Bursaries</p> <p><u>Artisan Development</u></p> <p>Apprentices in an artisan development programme refers to a non-unit, standard-based registered qualification, which is governed by the Skills Development Act. An apprenticeship comprises the integration of workplace and institutional learning. This will consist of two categories i.e., entered and completed apprentices in an artisan development program.</p> <p><u>ARPL/RPL</u></p> <p>This refers to a structured learning programme which includes theoretical and practical workplace experiential learning for vocational, occupational programmes and artisanal RPL/ ARPL over a period of at least twelve months and which leads to an occupationally related NQF qualification/ unit standard/ skills programmes/ certification of good standing/ trades. This will consist of two categories i.e. entered and completed RPL/ ARPL.</p> <p><u>Bursaries</u></p>

	<p>Unemployed awarded bursaries to pursue their studies refers to a monetary award that is given to learners, this intervention is a grant awarded to employed learners enrolled on a partial or full NQF qualification. This will consist of three categories i.e. entered, continuing and completed unemployed awarded bursaries. Note: There are exclusions on special projects.</p> <p>NB: Disclaimer entered refers to new apprentices in an artisan development program and completed refers to apprentices in an artisan development program who already have a funding agreement with LGSETA.</p>
Source of RPL	<p><u>Artisan Development</u></p> <p>Entered: Learners' supporting documents (as detailed in the funding agreement under suspensive clause) and signed funding agreements from the entity</p> <p>Completion: Trade test certificate</p> <p><u>RPL/ARPL</u></p> <p>Entered: Service letter, employment contract and ID.</p> <p>Completion: RPL: Assessment reports and/or statement of results and learner ID ARPL: Trade test reports and learner ID</p> <p><u>Bursaries</u></p> <p>New Entry and continuing Learners' supporting documents (as detailed in the funding agreement under suspensive clause) and signed funding agreements from the entity</p> <p>Completions: Results from the institution Results from the institution or a signed letter confirming completion of study from institution</p>
Method of Calculation / Assessment	<p><u>Artisan Development</u></p> <p>Total Sum of 300 (200 artisan learner enrolled + 100 Artisan learners completed)</p> <p><u>ARPL/RPL</u></p> <p>Total Sum of 600 (400 employees learners entered for RPL/ ARPL programme + 200 employees learners completed for RPL/ ARPL)</p> <p><u>Bursaries</u></p> <p>Total Sum of 880 (570 Unemployed learners awarded bursaries -new entries +130 Workers granted bursaries -continuing +180 Unemployed learners completed bursaries)</p>
Contribution	Contribution towards the improvement of the local government skills development agenda
Dissemination of Learners	<p>Entered (Women, Youth (Males +Females) and People with disabilities (Males +Females)</p> <p>Completion Entered (Women, Youth (Males +Females) and People with disabilities (Males +Females)</p>
Total Enrolment	N/A
Enrolment Performance	<p>- 300 (200 artisan learner enrolled +100 Artisan learners completed)</p> <p>-600 (400 employees learners entered for RPL/ ARPL programme + 200 employees learners completed for RPL/ ARPL)</p>



	-880 (570 Unemployed learners awarded bursaries -new entries +130 Workers granted bursaries -continuing + 180 Unemployed learners granted bursaries completed their study in a financial year)
Insider Responsibility	Chief Operations Officer

Technical Description	Indicator	Outcome Indicator
Indicator Title		1.6 Support the TVET Colleges through skills development interventions
Definition		<p>The support of TVET colleges through skills development interventions refer to centres of specialisation, TVET lecturers exposed to industry, managers receiving training on curriculum and TVET lecturers awarded Bursaries</p> <p><u>TVET Lecturers exposed to industry</u> TVET lecturers exposed to the industry through skills programme refers to TVET lecturers who are funded by LGSETA and entered into a development programme for the financial year under review</p> <p><u>Centres of Specialisation</u> Refers to learners in a centre of specialisation supported through an apprenticeship training. The number of individuals who entered the programme: refer to the date of commencement on the funding agreement between the entity and the LGSETA.</p> <p><u>Managers receiving training on curriculum</u> Managers receiving Training on curriculum related studies for the financial year under review the date of commencement on the funding agreement between the entity and the LGSETA will be considered as a start for training. This will consist of two categories i.e. CET and TVET Managers receiving training on curriculum related studies per annum</p> <p><u>TVET lecturers awarded Bursaries</u> TVET college Lecturers awarded bursaries refers to a monetary award is given to learners, as a grant awarded to employed learners enrolled on partial or fulltime NQF qualifications. The date of commencement on the funding agreement between the entity and the LGSETA</p> <p>Note: There are exclusions on special projects.</p>
Source of Data		<p>-Learners' supporting documents (as detailed in the funding agreement under suspensive clause) and signed funding agreements from the entity.</p> <p>-Signed MoU's between LGSETA and the Centres of Specialisation</p> <p>-Bursary agreement, Acceptance letter or proof of registration from the institution</p>
Method of Calculation / Measurement		<p><u>TVET lecturers exposed to industry</u> Simple Count of 50 TVET Lecturers exposed to the industry through skills programme</p> <p><u>Centres of Specialisation</u> Simple count of 5 Centres of Specialisation supported</p> <p><u>Managers receiving training on curriculum</u> Total Sum of (18 CET Managers receiving training on curriculum related studies + 20 TVET Managers receiving training on curriculum related studies)</p> <p><u>TVET lecturers awarded Bursaries</u> - Simple Count of TVET college lecturers awarded a bursary during the financial year under review</p>
Assumptions		Contribution towards the improvement of the South African education college education system
Disaggregation of beneficiaries		<p>Women</p> <p>Youth (Males +Females)</p> <p>People with disabilities (Males +Females)</p>
Annual Transformation		N/A
Desired Reportable		<p>-50 TVET Lecturers exposed to the industry through skills programme</p> <p>-5 Centres of Specialisation supported per annum</p> <p>-38 (18 CET Managers receiving training on curriculum related studies +20 TVET Managers receiving training on curriculum related studies)</p> <p>-20 TVET College Lecturers awarded bursaries</p>
Indicator Responsibility		Chief Operations Officer

Technical Description	Indicator	Outcome Indicator
Indicator Title		1.7 Support the CET Colleges through skills development interventions
Definition		<p>The support to CET colleges through skills development interventions includes CET lecturers awarded skills development programmes and CET learners accessing AET programmes</p> <p><u>CET Lecturers awarded skills programmes</u> Skills program as a short intervention allows for an individual to do more than 1 skills program in a financial year. These individuals will be reported for each skills program done. PIVOTAL Skills Programmes are learning interventions, which have been designed and intended to be occupationally based, short-term learning programmes. When these programmes are successfully completed, they will contribute credits towards an NQF qualification.</p> <p><u>CET Learners accessing programmes</u> CET College unemployed learners entered refers to for AET training for all levels to sustain the foundation for lifelong learning in literacy, numeracy and basic (general) education. This will consist of two categories i.e. entered and completed CET College unemployed learners.</p> <p>NB: Disclaimer entered refers to new CET College unemployed learners in AET programme while completed refers to CET College unemployed learners in AET programme who already have a funding agreement with LGSETA Note: There are exclusions on special projects.</p>
Source of Data		Learners' supporting documents (as detailed in the funding agreement under suspensive clause) and signed funding agreements from the entity
Method of Calculation / Assessment		- A total of 21 CET College Lecturers entered for skills programmes Total Sum of 600 (400 Unemployed learners from CET entering AET programme + 200 unemployed learners from CET completed AET programme)
Assumptions		Contribution towards the improvement of the South African education college education system
Disaggregation Beneficiaries	4	Women Youth (Males +Females) People with disabilities (Males +Females)
Swatal Transformation		N/A
Desired Performance		- 21 CET College Lecturers entered for skills programmes - 600 (400 Unemployed learners from CET entering AET programme + - 200 Unemployed learners from CET completed AET programme)
Indicator Responsibility		Chief Operations Officer

Technical Description	Indicator	Outcome Indicator
Indicator Title		1.8 Increase skills development support for entrepreneurial activities and the establishment of new enterprises and cooperatives in the local government sector
Definition		<p>The increase of skills development support for entrepreneurial activities and the establishment of new enterprises and cooperatives in the local government sector includes Co-operatives and small business, CBO's/NGO's/NPO's supported on training initiatives and people trained on entrepreneurship</p> <p><u>Co-operatives and Small Business supported on training interventions</u> Support for Co-operatives and Small Businesses refers to training interventions which is a short intervention that allows for an individual to do more than 1 skills program in a financial year. This will be done through PIVOTAL or non-PIVOTAL skills development programme. This will include two categories for Co-operatives and Small Businesses supported with training interventions or funded.</p> <p><u>CBOs/NGOs/NPOs supported on training initiatives</u> CBO's /NGO's /NPO's supported through skills development programme training per annum is a short intervention allows for an individual to do more than 1 skills program in a financial year, this will be done through PIVOTAL or non-PIVOTAL skills development programme</p> <p><u>People trained on entrepreneurial skills</u> People to trained on entrepreneurial skills refers to training interventions or funded is a short intervention allows for an individual to do more than 1 skills program in a financial year. This will be done through PIVOTAL or non-PIVOTAL skills development programme during the financial year</p> <p>Note: There are exclusions on special projects.</p>
Source of Data		<p>-Co-operative and Small business registration form, funding agreement from the entity, Learners' supporting documents (as detailed in the funding agreement under suspensive clause) and signed funding agreements from the entity</p> <p>-Not-for-profit registration form; funding agreement from the entity. Learners' supporting documents (as detailed in the funding agreement under suspensive clause) and signed funding agreements from the entity.</p>
Method of Calculation / Assessment		<p>-Total Sum of 60 (30 Co-operative + 30 Small business supported with training interventions or funded)</p> <p>-Simple count of 30 people trained on entrepreneurial skills</p> <p>- Total sum of 30 (30 CBOs /NPOs /NGOs supported with training interventions</p>
Assumptions		When these programmes are successfully completed, they will contribute credits towards an NQF qualification
Intergovernmental / Beneficiaries		N/A
Capital Transfer / Model		N/A
Desired Performance		<p>-60 (30 Co-operatives and + 30 Small Businesses supported through skills development programmes)</p> <p>-Simple count of 30 people trained on entrepreneurial skills</p> <p>-30 CBO's /NPOs /NGOs supported through skills development programmes</p>
Indicator Responsibility		Chief Operations Officer

Technical Description	Indicator	Outcome Indicator
Indicator Title		1.9 Support worker development programme through worker-initiated training in the local government sector
Definition		Refers to worker-initiated training (trade unions) interventions supported through capacity building. Note: There are exclusions on special projects.
Source of Data		Funding agreement from the entity. Learners' supporting documents (as detailed in the funding agreement under suspensive clause) and signed funding agreements from the entity
Method of Calculation / Assessment		A total of 2 Trade unions supported through skills development programmes
Assumptions		Contribute toward leadership development with a view to strengthen local government sector
Disaggregation Beneficiaries	LF	Women Youth (Males +Females) People with disabilities (Males +Females)
Spatial Transformation		N/A
Desired Performance		2 Trade unions supported through skills development programmes
Indicator Responsibility		Chief Operations Officer

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Technical Indicator Description	Outcome Indicator
Indicator Title	1.10 Increase access to career development services through career development events participated in urban and rural areas on occupations in high demand
Definition	The number of career development events and activities including exhibitions that the LGSETA initiated or attends in urban and rural areas - to provide information about occupations in high demand within the local government sector and distributing LGSETA career handbooks. Career guidance events are important to facilitate access to information and the distribution of career guides to new labour market entrants and Learners pursuing a career in the local government sector
Source of data	Invitation letters to host or to attend a career guidance event and attendance registers
Method of Calculation / Assessment	Simple count of rural and urban areas events in which the LGSETA hosted or attended in the financial year under review
Assumptions	LGSETA receives sufficient invites to participate in the career awareness events and the organisers do not cancel planned career awareness events.
Disaggregation of Beneficiaries (where applicable)	Target for Rural: 60 events Target for Urban: 40 events
Spatial Transformation (where applicable)	N/A
Desired Performance	100 career development events/exhibitions participated in urban and rural areas on occupations in high demand
Indicator Responsibility	Executive Manager: Corporate Services

ANNEXURE A: DISTRICT DEVELOPMENT MODEL

Annexure A: District Development Model

Areas of intervention (examples)	Medium Term (3 years - MTEF)				
	Project description	District Municipality	Location: GPS coordinates	Project Leader	Social Partners
Water and Sanitation	Learnership/Skills Programme/RPL Water Process Controllers: Water and Wastewater Treatment Process Operations, NQF Levels 2-4	Namakwa District Municipality (NC) Gert Sibande (MP) Sekhukhune District Municipality (LP)	TBC	COO	Dept. of Water and Sanitation COGTA EWSETA TVET Colleges/Skills Providers Institutions of Higher Learning/
	Water Reticulation Practitioners: Wastewater and Water Reticulation Services, NQF Level 2-4	Vhembe District Municipality (LP) City of Ekurhuleni Metropolitan (GP) OR Tambo District Municipality (EC) Nelson Mandela Bay Metro (EC) Mangaung Metropolitan Municipality (FS) Other Districts to be approved from DG applications			
	Apprenticeship: Plumbing	Sekhukhune District Municipality (LP) Vhembe District Municipality (LP) Nelson Mandela Bay Metro (EC) Buffalo City Metro (EC)	TBC		
	Bursaries: National Diploma/Bachelor: Engineering: Civil specialising in Water	Districts to confirmed based on approval of bursary applications	TBC		

Areas of intervention (examples)	Medium Term (3 years - MTEF)				
	Project description	District Municipality	Location: GPS coordinates	Project Leader	Social Partners
Roads, Transport and Stormwater	Learnership/Skills Programme /WIL/RPL: Construction Roadworks NQF Level 2-3 Supervision of Construction Processes NQF Level 4	eThekweni Metropolitan (KZN) Mangaung Metropolitan Municipality (FS)	TBC	COO	Dept. of Roads and Transport Municipalities CoGTA SALGA CETA
	Bursary: Diploma/Bachelor in Construction Technology /Civil Engineering specializing in - Construction Management - Urban Planning - Environmental Engineering	Districts to confirmed based on approval of bursary applications	TBC	COO	Dept. of Roads and Transport Municipalities CoGTA SALGA Institutions of Higher Learning
Energy and Electricity	Candidacy: Bachelor of Civil Engineering/Electrical Engineering	Nelson Mandela Metropolitan (EC)	TBC	COO	Municipalities Dept. of Water and Sanitation CoGTA ECSA/SAIMECHE
	Apprenticeship: Electrician NQF Level 2-4	Nelson Mandela Metropolitan (EC)	TBC	COO	Dept. of Minerals and Energy COGTA Municipalities EWSETA
	Learnership/Skills Programme/WIL/ARPL: Electrical Engineering NQF Level 2-5 :	Sekhukhune District Municipality (LP) Namakwa District Municipality (NC) Nelson Mandela Metropolitan (EC)	TBC	COO	ECSA/SAIMECHE TVET Colleges
	Renewable Energy Skills: Electrical/Wind/Solar	eThekweni Metropolitan (KZN) Namakwa District Municipality (NC)	TBC	COO	Dept. of Minerals and Energy CoGTA Municipalities EWSETA TVET Colleges

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Areas of intervention (examples)	Medium Term (3 years - MTEF)				
	Project description	District Municipality	Location: GPS coordinates	Project Leader	Social Partners
Local Economic Development	Learnership/Skills Programme	Ehlanzeni District Municipality (MP)	TBC	COO	Municipalities Services SETA CBOs/NGOs/Cooperatives TVET Colleges
		eThekweni Metropolitan (KZN)			
		Namakwa District Municipality (NC)			