**Memorandum from the Parliamentary Office**

**NATIONAL ASSEMBLY**

**FOR WRITTEN REPLY**

**QUESTION 341**

**DATE OF PUBLICATION OF INTERNAL QUESTION PAPER: 19/02/2016**

**(INTERNAL QUESTION PAPER 2 OF 2016)**

**Mrs Z B N Balindlela (DA) to ask the Minister of Higher Education and Training:**

What measures are in place to ensure that each of the several hundred projects funded by the Construction Education and Training Authority is (a) compliant (i) with the correct procedures for approval and (ii) in the way it operates, (b) providing quality assured training of a high standard and (c) able to account for all of the funds it uses?

**NW351E**

**REPLY:**

1. The project allocation process is initiated by the Project Management Unit of the Construction Education and Training Authority (CETA), which conducts a needs analysis, derived from the:
* National Skills Development Strategy;
* CETA Sector Skills Plan;
* CETA five-year Strategic Plan;
* CETA Annual Performance Plan; and
* Service Level Agreements.
1. The grant allocation approval process is entirely transparent and meets the relevant supply chain management principles. The process involves the following:
	* Applications are made through the CETA online application tool;
	* Evaluations are done independently and recommendations are made to the CETA Board;
	* After approval by the CETA Board, the CETA issues an offer to contract with the successful applicant, which is subject to various conditions, including a due diligence exercise to determine the ability of the approved applicants to implement their proposed projects; and
	* CETA finally approves the relevant grants, only after applicants have satisfied CETA of its ability to implement their proposed projects.

The process that is followed in respect thereof ensures the integrity of the CETA’s project allocation.

1. Since the 2011/12 financial year, all payments to successful applicants were made in accordance with the CETA’s performance based payment system, in terms of which:
* Payments are made after submission and approval of compliant invoices and supporting documentation;
* All payments can accordingly be traced back to costs incurred in respect of specific learners, in accordance with the supporting documentation which entities are required to submit prior to receiving payment;
* The supporting information required before payments are made include, where applicable, learner attendance registers, proof of payment of stipends to learners and proof of receipt of learning materials received by the learners;
* No advance payments are made to any entities;
* As a consequence, entities who do not perform in accordance with their project planning will not receive their full grant allocation;
* Payments are only made in respect of services rendered or expenses incurred; and
* the CETA has strict invoicing processing compliance requirements in which payments are only made into approved bank accounts, or, in the instance of public entities, separate cost centres, allocated exclusively to the approved CETA project.
1. Below are the three areas in which the CETA ensures quality:
* Accountability and conformance to standards;
* Maintaining and enhancing the quality of facilitation and learning by accredited Skills Development Providers; and
* Quality enhancement and continually improving practitioners, assessors, moderators and staff.
1. The following measures are implemented to ensure that CETA accounts for all funds utilised:
* A commitment schedule, which is reviewed on a regular basis, is maintained;
* Monthly management reports are reviewed by the Finance Committee;
* Financial statements are prepared on a quarterly basis;
* Annual financial statements are reviewed by the Audit Committee; and
* Annual Financial Statements are audited by the Auditor-General who tests the accuracy, validity and completeness of financial information.

Compiler/contact persons:

Ext:

DIRECTOR – GENERAL

STATUS:

DATE:

REPLY TO QUESTION 341 APPROVED/NOT APPROVED/AMENDED

Dr BE NZIMANDE, MP

MINISTER OF HIGHER EDUCATION AND TRAINING

STATUS:

DATE: