


TETA
TRANSPORT EDUCATION
TRAINING AUTHORITY


**Presentation to Transport & Labour
Portfolio Committees**

Maphefo Mattala, CEO
17 November 2009,
Cape Town



Presentation Outline

1. TETA Overview
 - Vision & Mission
 - Organizational Structure
 - Mandate
2. Update on issues raised previously
3. Performance against SLA 2008/09
 - 3.1 Non-financial performance
 - 3.2 Financial performance
 - 3.3 Two year comparison dashboard
4. Gaps/Constraints & remedial measures



TETA Overview

Vision:


- Skills for sustainable growth, development and equity in the transport sector

Mission:

- Facilitate a framework of learning through a delivery system that enhances the level of skills in the Transport Sector


Driving Forces:

- To provide the best quality service and maximise value for all stakeholders




TETA Overview


- Established by the Skills Development Act
- Promotes education, training and development in the transport sector
- Eight chambers:
 - Maritime
 - Road Passenger
 - Road Freight
 - Taxi
 - Rail
 - Aerospace
 - Freight Handling
 - Forwarding & Clearing




TETA Overview (2)




- Direct Representation:
 - Gauteng- Head Office
 - Durban – Provincial Office
 - Cape Town - Provincial Office
- Indirect Representation: Remaining six provinces
 - Participation in DoL Provincial SDF Fora
 - Participation in PGDS/DGDS (Premier offices)
 - All Skills Development Structures




TETA 's Mandate: NSDS 2




- Develop and implement the sector skills plan (Critical and Scarce Skills)
- Facilitate high Quality Education and Training Delivery in the Workplace
- Approve Workplace Skills Plans (WSP) and Annual Training Plans (ATR) annually
- Disburse levies (mandatory and discretionary grants) in the Transport Sector
- Monitor Education, Training and Development (ETD) activities
- Assure quality of education and training programmes
- Inform standards generation and qualifications registration
- Benchmark against International Standards




TETA 's Mandate: NSDS 2





- Prioritise and Communicate critical & scarce skills for sustainable growth, development and equity
- Promote and Accelerate quality training for all in the Workplace
- Promote employability and sustainable livelihoods through Skills Development
- Assist designated groups, including new entrants to participate in Accredited Work, Integrated Learning and Work-Based programmes to acquire Skills for Self-Employment
- Improve the Quality and Relevance of Provision



Update on issues raised previously: 2006/2007





- Organisation went through turbulent times during the 2006/07 financial year
- Challenges had impact on corporate governance and performance
 - Investment of R200m
 - Disciplinary action against CEO & CFO
 - Under performance on SLA targets average 2.5
- There were negative perceptions about the viability of organization, going concern
- However all financial obligations were met that year and thereafter

Issues raised previously: Status quo

- Organization reflected, reviewed strategy and policies
 - Aligned TETA investment Policy with PFMA and Treasury regulations
 - Improved internal controls
 - Focus on corporate governance (staff & Board)
 - Streamlined business processes
- Outcome & Impact :
 - Stakeholder & Relationship Management
 - Website improvement & update
 - Realigned business strategy
 - Improved performance (2008/09)
 - Stakeholder confidence






NSDS 2 Performance

Indicator 1.1 SSP, scarce & critical skills information dissemination

- 2008/2009 - 390 SDFs capacitated
1360 SDFs capacitated to date

Information on scarce and critical skills widely disseminated to all relevant stakeholders including learners and the public

NSDS 2 Performance (2)

Indicator 2.1 (a)



Mandatory grants support to Large firms:

- 2008/2009- 216 large firms supported

Indicator 2.1 (b)

Mandatory grants support to Medium firms:

- 2008/2009- 153 medium firms

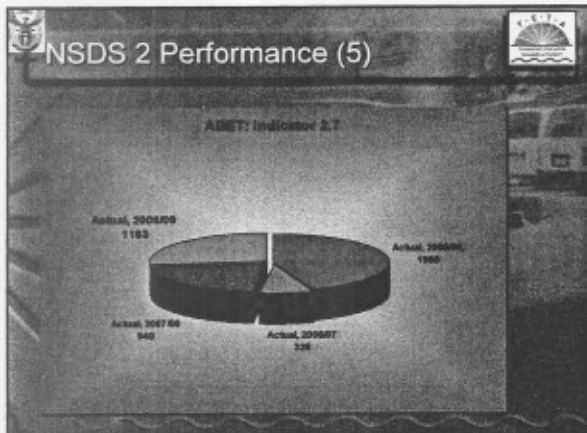
NSDS 2 Performance (4)

Indicator 2.2 SMME's

- 2008/09 – 89 Levy Paying SMMEs supported
- Since 2005 1432 SMMEs supported through Mandatory and Discretionary Grants.

Indicator 2.5 BEEs

- 2008/09- 195 and 5 BEEs Co-operatives supported
- Since 2005, 442 BEEs supported



NSDS 2 Performance (6)

Indicator 2.8 Support for employed learners

- 2008/2009 - 10538 workers participated in various learning programmes including learnerships, skills programmes and apprenticeships, bursaries & internships

Since 2005, 63 740 workers participated in various learning programmes (figure only on entered, it excludes completion)

NSDS 2 Performance (7)

Indicator 3.2 NLPE/ NGOs /CBOs /CBCs

- 2008/2009 - 152 supported
 - 128 NLPE
 - 21 NGOs
 - 2 CBOs
 - 1 CBC

Since 2005, 349 NLPEs /CBOs /CBC/ NGOs supported

NSDS 2 Performance (8)

Indicator 4.1 Support for unemployed learners

- 2008/2009 - 1402 participated and completed

Indicator 4.2 Workplace Experience

- 2008/2009 - 760 learners exposed to workplace experience

Indicator 4.3 New Venture Creation (NVC)

- 2008/2009 - support to 183 New Ventures

Academy of Excellence →

Performance Highlights (2008/09)	
•	Observed an increase in WSP submission from large firms 25% and medium firms with 30%.
•	Supported 4 Institute of Sectoral & Occupational Excellence.
•	Registered increase of 114% in New Venture Creation.
•	Had 640% increase in Non-levy Paying Enterprises.
•	Improved Performance score in Provincial support from 3 to 4
•	Improved Funds management performance from 3 to 4
•	Unqualified audit opinion for two consecutive years (2007/08 – 2008/2009)
•	Consistent highest score (5) in corporate governance

Financial Performance				
	2008/09	2007/08	Difference	%
	R'000	R'000	R'000	Increase
Revenue				
Administration	41,829	35,008	6,821	19%
Mandatory grants	207,135	173,291	33,844	19%
Discretionary grants	109,576	83,100	26,476	32%
	358,540	291,399	67,141	23%
Expenses				
Administration	39,375	36,389	2,986	8%
Mandatory grants	144,925	105,966	38,959	37%
Discretionary grants	78,324	58,367	19,957	34%
	262,624	200,722	61,902	31%
Net Surplus	95,916	90,677	5,239	6%

Financial Performance				
	Total income	Admin reserve	Mandatory grant reserve	Discretionary grant reserve
Total revenue	358,540	41,829	207,135	109,576
Expenditure	262,624	39,375	144,925	78,324
Surplus	95,916	2,454	62,210	31,252
Expenditure as % of revenue 2008/09	73%	94%	70%	71%
2007/08 comparison	69%	104%	61%	70%

Financial Performance			
	2008/09	2007/08	Difference
	R'000	R'000	R'000
Total Assets	310,595	205,929	104,666
Total liabilities	59,108	50,358	8,750
Total Funds and reserves	251,487	155,571	95,916
Total commitments	245,973		

Financial Management Achievements

- Unqualified audit opinion in 2007/08 and 2008/09
- Admin budget within 10%
- Mandatory grants paid increased by R38.8m = 37% increase
- Discretionary grants paid increased by R19.9m = 34% increase
- Improvement on DOL Score card 4 2007/8: 3

Two Year Comparison Dashboard



Success Indicators	Average score 2007/08	Average score current year
Indicator 1.1 Skills development supports national and sectoral growth, development and equity priorities.	5	5
Indicator 1.2 Information on critical skills widely available to learners.	4	5
Indicator 2.1 80% of large firms' employment equity targets are supported by skills development.	2	3
Indicator 2.1 60% of medium firms' employment equity targets are supported by skills development.	1	3

Two Year Comparison Dashboard

Success Indicators	Average score 2007/08	Average score current year
Indicator 2.2 By March 2010 skills development in at least 405 of small levy paying firms supported and the impact measured	1	1
Indicator 2.5 Annually increasing number of small BEE firms and BEE co-operatives supported by skills development.	3	4
Indicator 2.7 - 700 000 workers have entered/achieved at least ABET Levels 1-4.	1	3



Two Year Comparison Dashboard

Success Indicators	Average score 2007/08	Average score current year
Indicator 2.8 125 000 workers assisted to enter and at least 50% successfully complete programmes.	5	5
Indicator 3.2 - 2000 non-levy paying enterprises, NGOs, CBOs, and Community-based co-operatives supported by skills development.	2	3
Indicator 4.1 - 125 000 unemployed people assisted to enter and at least 50% successfully complete programmes.	4	5

 Gaps/Constraints Impacting on delivery of Mandate & Remedial Measures 



Challenge 2: Human Capital Development – Accelerating Customer Orientation

- Remedial Measures: Key capacity building interventions undertaken for staff and governance structures:
 - All TETA staff capacitated on the Supply Chain Management and PFMA regulations
 - All senior management trained in Risk Management
 - Relevant staff capacitated on contract management
 - Relevant TETA staff capacitated on curriculum and qualifications development
 - Relevant TETA staff exposed to Service Level Agreement capacity building session (Schedule 2B)
 - ETQA & Skills Development & Learning Programmes Committee/ all Chamber Management Committees exposed to capacity building sessions

 Gaps/Constraints Impacting on delivery of Key Mandate & Remedial Measures 



Human Capital Development – Accelerating Customer Orientation:

- Office Bearers of Technical Admin Committees attended Section 13 & 28 apprenticeship workshop.
- Strategic session held with key stakeholders in transport to align critical and scarce skills.
- Established Strategic partnerships and signed MOU's with:
 - NW Dept of Transport,
 - National DoT,
 - SEDA
 - SAMSA,
 - Other SETA's

 Gaps/Constraints impacting on delivery of Key Mandate & Remedial Measures 

Challenge 3: Cumbersome Business Processes

- Remedial Measures:
 - IT infrastructure assessment and analysis conducted.
 - TETA IT requirements established and recommendations made.
 - Initiated bid process to procure prospective IT provider for integrated IT solutions
 - Once the TETA MIS is developed-TETA will be in a better position to develop programme of action to support companies wanting to realign

 Gaps/Constraints Impacting on Delivery of Key Mandate & Remedial Measures 

Challenge 4: Cumbersome Business Processes - Tight timelines a challenge to stakeholders

- Remedial Measure:
 - Time lines are regulated by DoL policy and regulations
 - TETA standardized internal contract management guidelines
 - Streamlined Mandatory Grant policy - in line with regulations
 - Streamlined performance information management policy & guidelines



Two Year Comparison Dashboard		
Success Indicators	Average score 2007/2008	Average score current year
Indicator 4.2 100% of learners in critical skills programmes covered by sector agreements from FET and HET institutions	2	2
Indicator 4.3 -10,000 young people trained and mentored to form sustainable new ventures	1	3
Indicator 5.1 Each SETA recognises and supports at least five Institutes of Sectoral or Occupational Excellence (ISOEs)	1	1
Indicator 5.2 Each province has at least two provider institutions accredited to manage the delivery of the new venture creation qualification.	1	1

Two Year Comparison Dashboard		
Success Indicators	Average score 2007/2008	Average score current year
Indicator 5.3 By March 2010 measurable improvements in the quality of the Services delivered by skills development institutions	4	4
NSDS 2005 – 2010 Equity Principle (2.7, 2.8, 4.1, 4.2, 4.3 & 4.3)	1	4
NSDS 2005 – 2010 Governance	5	5
NSDS 2005-2010 Provincial linkage	3	4

85 black
54 women.

Gaps/Constraints impacting on Delivery of Key Mandate & Remedial Measures
<p>Challenge 1: Communication gap ;TETA does not communicate widely with stakeholders.</p> <ul style="list-style-type: none"> Remedial Measures to date: <ul style="list-style-type: none"> Communications and Marketing Strategy developed and approved by TETA Board Communications and Marketing Policy developed and approved by TETA Board In the process of sourcing Service Provider to audit TETA's Communication and Marketing current practices and benchmark against good practice models Marketing Strategy Implemented subject to budget availability



Gaps/Constraints Impacting on delivery of Key Mandate & Remedial Measures
<ul style="list-style-type: none"> Conducted 1 national & 9 provincial road shows Conducted emerging provider capacity workshops in all provinces Conducted capacity building sessions for SMME/ NLE/ NGO's/ CBOs / CBCs in all provinces, using both print and electronic media Chambers in constant support & communication through site visits. Launched an interactive website in November 2008 Continuously updating & upgrading web-site Developed 2 newsletters Made numerous presentations to key stakeholders Adverts in print media and radio



Gaps/Constraints Impacting on delivery of Key Mandate & Remedial Measures

Challenge 5: Non-Participating companies

- Newspaper adverts for SMME (Levy & NLPE); BEEs/BEE Co-ops/NGOs/CBOs/CBCs, mainly attracted NLPE & BEEs
- Increase number of WSP submissions for Road, Passenger, Road Freight & Forwarding and Clearing subsectors
- Review mandatory grant policy for stringent grant criteria
- DG Task Team established to address challenges regarding DG projects/contracts and staff capacitated on Contract Management



Questions