



LOCAL GOVERNMENT
LGWSETA
WATER AND RELATED SERVICES

*Implementation
Report
2001 - 2005*

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ACRONYMS

ABET	Adult Basic Education and Training
IDP	Integrated Development Plan
LED	Local Economic Development
DoL	Department of Labour
DPLG	Department of Provincial Local Government
DWAF	Department of Water Affairs and Forestry
MoU	Memorandum of Understanding
NQF	National Qualifications Framework
NSDS	National Skills Development Strategy
NSF	National Skills Fund
CDW	Community Development Worker
IIP	Investors In People
IMATU	Independent Municipal and Allied Trade Union
PCC	Provincial Coordinating Committee
RPL	Recognition of Prior Learning
SAMWU	South Africa Municipal Workers Union
SAAWU	South African Association of Water Utilities
SALGA	South African Local Government Association
SAQA	South African Qualifications Authority
SDF	Skills Development Facilitator
SDA	Skills Development Act
SDLA	Skills Development Levy Act
SSP	Sector Skills Plan
WSP	Workplace Skills Plan

1. REASON FOR OUR EXISTENCE

Reason for our existence

The LGWSETA is one of the 25 Setas that were established by the Minister of Labour under the National Skills Development Act. The Setas were established in order to achieve the objectives of the NSDS.

1.1 The Objectives NSDS

- a. Developing a culture of high quality lifelong learning
- b. Fostering skills development in the formal economy for productivity and employment growth.
- c. Stimulating and supporting skills development in small business.
- d. Promoting skills development for employability and sustainable livelihoods through social development initiatives.
- e. Assisting new entrants into employment.

1.2 The National Skills Development Strategy (NSDS) mission:

“To equip South Africa with the skills to succeed in the global market and to offer opportunities to individuals and communities for self advancement to enable them to play a productive role in society”

Who are we?

The LGWSETA operates within a sector that is seen as the hands and feet of government. Municipalities are strategically placed to assist in the identification of economic and social opportunities which, could lead to interventions to alleviate poverty, improve service delivery and enhance the social and economic conditions in the community.

Our Mandate: Identify skills gaps within the sector and design education and training programmes for the betterment of those involved and the community at large.

2.1 Sector profile

The following are the main characteristics of the Local Government, Water and Related Services sector:

- A shift from narrow administrative roles to enable economic growth and social development including the provisioning of basic services and infrastructure.
- The water services sub-sector comprises all public water enterprises, private water companies and irrigation boards involved in the collection, purification and distribution of water including portable water supply, domestic waste, sewage systems, refuse and sanitation services.
- The local government sub-sector comprises metropolitan, local and district councils as well as organized local government statutory or regulatory bodies.
- Organizations in the sector range in sizes from small irrigation boards with one or two employees to metropolitan councils with some 18,000 employees.
- The local government sub-sector is estimated to have around 230 000 employees with some 40 000 employed in the water services sub-sector.
- Almost 50% of employees remain at the bottom of the occupational spectrum, in the plant and machinery operators, elementary occupational categories and that 20% are in high –end occupations.
- The LGWSETA serves a total of 436 registered employers.
- The total skills development levies paid by employers in the



Who are we?

sector is R165 million of which the local government sector contributes approximately 93%.

- The six metropolitan councils account for 52% of total levy income while, 43 enterprises account for 12 % of levy paying enterprises, and two water boards, account for 80% of levy income.

The LGWSETA was mandated to manage and coordinate training and skills development within the local government sector.

This report captures the contribution of the LGWSETA to the raising of skills – to bring skills to the employed or wanting to be employed in the sector.

The following are addressed:

- Are the skills learned needed by the employers and the communities.
- Are people able to use the skills they have learned.
- Was the training conducted to agreed standards.
- Are the qualifications acquired by learners recognized nationally.
- Was the training subject to quality control.

Furthermore, it is a reflection on a chapter that was- is it a chapter to:

- Celebrate
- Remember
- Forget

Are there any lessons from this chapter?

2.2 Mandate

The LGWSETA mandate is derived from the following sources:

- SDA
- SDLA
- SAQA Act
- NSDS
- Constitution of the LGWSETA

Translate the national skills development objectives and priority areas into reality.

- Do quality assurance as per SAQA Act,
- Administer the levy grant system and disburse grants, and
- Report to Minister of Labour and other Stakeholders



The LGWSETA'S contribution to the NSDS objectives

3. THE LGWSETA'S CONTRIBUTION TO THE NSDS OBJECTIVES

3.1 The contribution of the LGWSETA was centred strategically around the seven critical areas namely:

- Finance and Public Administration
- Water Environment Sanitation and Waste Management
- LED and IDP
- Urban Planning
- Primary Health
- Councilor Development
- Public Safety
- Community Services

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3.2 The NSDS success indicators and Seta's response to the targets

The five (5) objectives reviewed

Objective 1: Developing a culture of high quality life long learning

Success indicators:

1.1 *By March 2005, 70% of all workers to have at least a NQF level 1 qualification.*

LGWSETA Commitment (i.e. MOU with DoL)

By March 2005, 20% in the sector to have a level one qualification on the NQF 20% = 46 000 workers.

LGWSETA Performance

A total of 48 644 people in the sector completed NQF 1. The Seta exceeded its target (approximately 102%) by 2 644 workers.

1.2 *By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme.*

LGWSETA Commitment

At least 10% of learners will have embarked on structured learning (10% of 23 000 = 2 300 workers). 5% of the 23 000 to have successfully completed their programme. (5% of 23 000 = 1 150 workers)

LGWSETA Performance

A total of 35 700 took part in the following structured learning programmes:

- Project Management (1 047)
- Contract Management (1 052)
- Project Viability (32 971)
- Councilor Development (630)

The LGWSETA'S contribution to the NSDS objectives

1.1 *By March 2005, an average of 20 enterprise (to indicate and include large, medium and small enterprises) and at least five National Departments, to be committed to, or have achieved the Investors in People Standards.*

LGWSETA commitment

By March 2005 at least 1 municipality, 1 water board and 1 waste company would have achieved the Investors in People Standards.

LGWSETA performance

To date no enterprise in the sector is participating in the IIP programme. However, commitment was received from 1 municipality.

Why the under-performance

IIP is a highly-involved programme.



Objective 2: Fostering Skills Development in the formal economy for productivity and employment growth.

Success Indicators:

2.1 By March 2005, at least 75% of enterprises with more than 150 workers to receive Skills Development Grants and the contribution towards productivity and employer and employee benefits measured.

LGWSETA Commitment

At least 95% of local government sector enterprises will be claiming levy grants. (The target was 254 enterprises)

LGWSETA Performance

Only 160 enterprises are receiving Skills Development Grants. The Seta under-performed by 94 on the set target.

Why the under-performance

The under-performance is in terms of our own targets not NSDS. It was as a result of:

- Disagreement within employer structures affecting the development initiative.
- Lack of support within municipalities.
- Constant turn over of SDF, Seta faced with constant orientation.

2.2 By March 2005, at least 40% of enterprises employing 50 and 150 workers to receive skills development grants and the contribution towards productivity and employer and employee benefits are measured.

LGWSETA Commitment

At least 60% of small local government employers will be claiming levy grants. (target is 28 local government authorities and 141 water utilities).

LGWSETA Performance

40% submission rate, particularly from smaller employers.



Why the under-performance

SDF training provided.

The low rate of submission is due to their lack to even complete WSPs, their levy return is very low and they see little benefit in completing WSPs and implementation reports.

A plan will be put in place to deal with this issue in 2005/6.

2.3 *By March 2005, learnerships to be available to workers in every sector*

LGWSETA Commitment

At least 25 learnerships would have been developed and registered in the local government and water sectors respectively.

LGWSETA Performance

The Seta completed and made available 25 learnerships in the sector.

Four (4) additional learnerships are under development.

The following learnerships are available:

- Wastewater Process Operations (NQF 2)
- Water Purification Process Operator (NQF 2)
- Water Purification Processes (NQF 4)
- Water Reticulation Services (NQF 2)
- Supervision of Water Reticulation (NQF 4)
- Wastewater Reticulation Services (NQF 2)
- Wastewater Reticulation Services (NQF 3)
- Sanitation Project Facilitation (NQF 4)
- Sanitation Co-ordination (NQF 5)
- Basic Municipal Finance (NQF 5)
- Intermediate Municipal Finance (NQF 6)
- Advanced Municipal Finance (NQF 7)
- Electrical Distribution (NQF 2)
- Electrical Distribution (NQF 3)
- Electrical Distribution (NQF 4)
- Waste Water Process Operations (NQF 4)

The LGWSETA'S contribution to the NSDS objectives

- LED Officer (NQF 4)
- LED Co-ordinator (NQF 5)
- LED Manager (NQF 6)
- Community Development Worker (NQF 4)
- Community Development Worker (NQF 5)
- Local Government Contact Centre (NQF 2)
- People Centre Management (NQF 2)
- Law Enforcement Officer (NQF 3)
- Vehicle Licensing (NQF 3)

2.4 By March 2005, all government departments to access and report on budgeted expenditure for skills development relevant to Public sector and departmental priorities.

LGWSETA Commitment

At least 9 provincial departments of local government and 2 national departments access and report on budgeted expenditure.

LGWSETA Performance

The Seta did perform according to expectation. Only DWAF contributed towards the Skills Development levy. None of the provincial departments contributed to the levy. DPLG submitted the WSP.

Why under-performance

Provincial and national departments submitted their contribution to the PSETA.



Objective 3: Stimulating and supporting skills development in small businesses

Success indicator.

3.1 By March 2005, at least 20% of new and existing registered small business to be supported in skills development initiatives and the impact of such support to be measured.

LGWSETA Commitment

At least 30 SMMEs will be actively identified to receive assistance from the LGWSETA. 20% of SMMEs in the Water sector will be engaged in the development and implementation of WSPs.

Note: SMMEs in the context of the Seta are those municipalities and water utilities who do not have the capacity to 'fend' for themselves.

LGWSETA Performance

113 water utilities are in the Seta database and provided with ongoing support in skills development. The following support was provided:

- SDF training
- ABET training
- Project management
- Contract management
- Assessor training
- RPL training

Objective 4: Promoting Skills Development for employability, sustainable livelihoods through sound development initiatives.

Success indicators

4.1 *By March 2005, 100% of the NSF apportionment is to be spent on viable development projects.*

LGWSETA Commitment

100% of the located budget for NSF projects to be spent on viable projects

Note: December 2004 the Seta received R70 million for the implementation of the CDW programme

LGWSETA Performance

Only 10% of the R70 million has been paid out thus far. This is not in line with the agreed targets.

Why the under-performance

The CDW programme underwent several transformations over the past two (2) years. Further the late approval of the funds contributed to the under performance. The absence of systems from some of the Provincial Departments to conclude recruitment delayed the utilization of the funds.

4.2 *By March 2005, the impact of the NSF to be measured by project type and duration, including details of placement rates, which shall be at least 70%.*

LGWSETA commitment

At least 50% of the learners targeted are accessing employment in the overall government sectors and various industries and the impact should be measured at 70% successful placement rate. (Target set 3 804 / siyaya project 1000).

The LGWSETA'S contribution to the NSDS objectives

LGWSETA performance

Only 1591 people are accessing employment in the sector (40% performance). This is a shortfall of 2213 on the target.

Why the under-performance

The municipal sector is static and it is not a profit generating sector. Thus, very little employment intake took place.



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Objective 5: Assisting new entrants into employment

Success indicators

5.1 *By March 2005, a minimum of 80 000 people under the age of 30 to have entered learnerships.*

LGWSETA Commitment

At least 2715 young people will be trained through community projects to relieve service delivery problems and increase participation in local government projects.

LGWSETA Performance

A total of 3245 people were trained through community projects. There is an excess of 530 people on the agreed projects. The majority of the training took place in Water and Sanitation programme. 45% of these are women, and 56 are under the age of 30.

Why the under-performance in relation to the target age group

The workplaces do not have capacity to train more people.

5.2 *By March 2005, a minimum of 50% of those who have completed learnerships to be within six months of completion, employed in full time study or further training or to be in a social development programme.*

LGWSETA Commitment

50% (1355) of the unemployed have access to employment or same opportunities.

LGWSETA performance

260 completed learnerships, 820 are within six months of completion and 69 have been employed. 654 have completed apprenticeship and are fully employed.



3.3 Functional Deliverables and Challenges

⇒ Governance

- Approved constitution
- Established governance structure
- Authority
- Executive Committee
- Water Chamber Committee
- Provincial Coordinating Committees
- Finance and Tender Committee
- Audit Committee
- Human Resources Committee
- SSP Committee
- Learnership and Quality Assurance Committee
- Developed and implemented Human Resources policies
- Finalized staff skills audit and intervention programmes
- Implemented a Performance Management System

A total amount of R5 361 000 was invested to realize the above

⇒ Challenges

- Clarify roles and responsibilities of the Provincial Coordinating Committee members.
- Confirm delegations to the Committees.
- Review and amend constitution.
- Expedite implementation of staff development.

⇒ Quality Assurance

One of the core deliveries of the Seta is Quality Assurance. To ensure that all education and training interventions are geared towards upliftment of those involved and the community at large. The following programmes were implemented with success:

- Accredited 18 centres to assess learners on prior learning (RPL).
- Trained 195 RPL advisors.
- Accredited 197 service providers.
- Trained 176 verifiers

The LGWSETA'S contribution to the NSDS objectives

- Developed a monitoring and evaluation policy and strategy.
- Trained 650 assessors in Municipal Finance, Local Economic Development, Electricity and Water.

A total amount of R 4, 513,899.00 was invested to realize the above achievements.

Challenges

- Unavailability of standards and qualifications for the selected fields.

⇒ **Sector Skills Plan (SSP)**

The following are now in place:

- A Sector Skills Plan.
- Standardized templates for Workplace Skills Plans (WSP) and implementation reports.
- Increased submission of WSP to 90% (of large employers)
- Trained 600 SDFs
- Produced an SDF manual.
- Improved network with relevant national departments.

A total amount of R6 million including the SSP research was invested to achieve the above.

Challenges

- Increase ownership of the SSP by stakeholders.
- Position the SSP document as a central tool in the deployment of resources.

⇒ **Water and Related Services**

The following activities were invested on:

i. Sanitation

- Implemented 6 Sanitation Skills Programme in 5 provinces. 952 people benefited from the programmes.



A total value of R3, 090,000.00 was invested to realize the development of 6 Sanitation Skills Programme, while R3, 800,000.00 was invested in the implementation thereof.

ii. Water

- Implementation of three (3) Water learnerships.

A total of 494 learners participated in the three water learnerships, covering seven provinces. The LGWSETA Provincial Managers have been actively involved in the rolling out of water learnerships and as such no budget was allocated for the implementation thereof.

A total amount of R10 million was invested to realize the above.

iii. Water and Sanitation

- Implementation of 5 Skills Programmes for water and sanitation workers in 3 provinces. 300 people benefited from the programme.

A total value of R4, 581,246.00 was invested in the implementation of the 5 Skills Programmes in Water and Sanitation.

Challenges

- Selection of learners to participate in skills programmes and learnerships
- Delays in getting employers to commit to participate in learnerships
- Reviewal and refinement of assessment instruments
- Selection of emerging training providers to provide learnership training.
- Lack of mentoring and coaching support to emerging providers for self evaluation and full accreditation process.
- Lack of workplace assessors, mentors and coaches.

⇒ **Learnership and Skills programmes**

The following are the achievements:

- Registered 25 learnerships
- 1993 people benefited from these learnerships.

A total amount of R69, 225, 047 was invested to achieve the above.

Challenges

- Limited buy-in from and capacity from stakeholders
- Lack of understanding of Learnership process.
- Expensive service providers, thus making it difficult for the poor communities to access learnerships.

Finance and Information Technology

The following are the achievements:

- Successfully established the IT and Network infrastructure at Provincial Offices and upgrade at Head Office.
- Successful implementation of a new payroll system (VIP).
- Establishment of an integrated levy/grant disbursement module with the MIS (Datanet).
- Changing accounting system from PASTEL, creating a new Chart of Accounts and setting up the ledger in Great Plains Accounting System.
- Successfully created a creditors database and updating transactions from 1 April 2004 into Great Plains.

A total value of R903 292.00 was invested to realize the above.

Challenges

- Further development and ensuring the successful usage of the Integrated Management Information System (Datanet)
- To successfully take on opening balances in Great Plain and balance the system to Datanet (Levy/Grant Disbursement System).
- The integration of an electronic Asset Management System linked with the Great Plains Accounting System.

The LGWSETA'S contribution to the NSDS objectives

- Empowering staff members to work independently and ensure ongoing training of staff to operate effectively and efficiently.
- Exercise ongoing budget control to ensure that the SETA expenditure is within the prescribed 10% for operational income.

⇒ **Strategic Projects**

- ABET
- Project Management
- Contract Management
- Community Development Worker
- Expanded Public Works
- Councilor Development programme
- Local Economic Development

A total amount of R64, 250, 422 was invested in the above projects.

⇒ **Provincial LGWSETA**

The activities of the Provinces are a micro-economy of the LGWSETA Corporate Strategy. The Provincial plans are geared towards client responsiveness with a list of activities with delivery timeframes.

Governance of Provincial offices

- A functional PCC is in place where Chairpersonship rotates as per the dictates of the LGWSETA Constitution.
- The provincial offices are headed by Provincial Managers assisted by Administrators.
- Provincial and District SDF forums were established and are integral part of the skills programmes in the provinces.

⇒ **KwaZulu Natal**

The profile:

1 Metro

10 District Municipalities

50 Local Municipalities



The LGWSETA'S contribution to the NSDS objectives

The following are the achievements of the KZN office since its inception:

- Increased submission of WSP by 65%.
- Office properly profiled and embraced by all stakeholders.
- Participated in the CDW programme.
- Implemented water and sanitation skills programmes (45 people benefited).
- Launched the Siyaya project (1000 people benefited).
- Established SDF forums.
- Special programmes.
- ABET (600 people benefited).
- Project Management.

A total amount of R8 850 000 was invested to realize the above.

⇒ **Eastern Cape**

The profile:

- 1 Metro
- 6 District Municipalities
- 39 Local Municipalities

The following are the achievements of the Eastern Cape office:

- Capacity building programmes were conducted for skills development for PCC members, service providers, and SDFs.
- Implemented special projects.
- ABET (1 500 people benefited).
- Contract Management (80 people benefited).
- Project Management (250 people benefited).
- SDF training (60 people benefited).
- CDW learnerships (350 people benefited).
- LED programmes (84 people benefited).
- Implemented Project Viability training programme (798 Municipal officials benefited).
- Implemented Water and Sanitation skills programmes (346 people benefited).



- Implemented Basic Municipal Finance and Administration learnerships (15 people benefited).
- Trained 144 assessors. A total amount of R22, 140, 000.00 was invested to realize the above.

⇒ **Limpopo / Mpumalanga and North West**

The profile:

13 District Municipalities (3 Mpumalanga, 4 North West, 6 Limpopo)

63 Local Municipalities (17 Mpumalanga, 20 North West, 26 Limpopo)

The following are the achievements:

- Capacity building programmes were conducted for skills development for PCC members, training providers, and workplace representatives.
- Implemented the following learning interventions:

Limpopo

- Increased WSP submission from 46% to 69% in 2004/5.
- 1 WSP submission by Lepelle Northern Water.
- ABET (716 people benefited).
- Water and Sanitation learnerships (67 people benefited).
- Sanitation skills programmes (225 people benefited).
- LED (80 people benefited).
- CDW(Planning stage) (350 people benefited).
- Project Management (132 people benefited).
- Contract Management (132 people benefited).
- SDF Training (30 people benefited).
- Trained Assessors (28 people benefited).

A total amount of R4 695 000 was invested to achieve the above.

Mpumalanga

- Increased WSP submission from 35% to 57% in 2004/2005.
- ABET (477 people benefited).
- LED (20 people benefited).
- Finance and Administration (60 people benefited).

The LGWSETA'S contribution to the NSDS objectives

- CDW (planning stage) (300 people benefited).
- Water and Sanitation learnership (15 people benefited).
- Sanitation skills programmes (96 people benefited).
- Project Management (78 people benefited).
- Contract Management (78 people benefited).
- Trained 25 assessors.

A total amount of R3 890 000 was invested to achieve the above.

North West

- Increased WSP submission from 54% to 58%.
- ABET (369 people benefited).
- LED(20 people benefited).
- Finance and Administration (100 people benefited).
- CDW: (planning stage) (300 people benefited).
- Water and Sanitation learnerships (32 people benefited).
- Sanitation skills programmes (100 people benefited).
- Project Management (61 people benefited).
- Contract Management (114 people benefited).
- Trained 7 assessors.

A total amount of R3 110 000 was invested to achieve the above.

⇒ **Free State and Northern Cape**

The profile:

10 District Municipalities (5 Northern Cape and 5 Free State)

56 Local Municipalities (31 Northern Cape and 25 Free State)

The following are the achievements:

- Capacity building programmes conducted for Municipal officials and training providers.
- Implemented the following learning interventions:
- ABET (1 200 graduated).
- Trained 56 SDF on the development of the WSP (25 Free State and 31 Northern Cape).
- LED (35 people benefited).

The LGWSETA'S contribution to the NSDS objectives



- Water learnerships (20 people benefited).
- CDW (200 people benefited Northern Cape).

A total amount of R 16 303 540.00 was invested to realize the above.

⇒ **Western Cape**

The profile:

- 1 Metro
- 5 District Municipalities
- 24 Local Municipalities
- 1 Water Board
- 20 Water/Waste organizations

The following are the achievements:

- Increased submission of WSPs by 95%.
- 100% registration of SDFs.
- Implemented the following learnerships:.
- Municipal Finance and Administration (114 people benefited).
- LED (60 people benefited).
- Water learnerships (77 people benefited).
- CDW (400 people benefited).
- Electricity (14 people benefited).
- Trained 71 assessors.

A total amount of R3 615 000 was invested to realize the above.

⇒ **Provincial Challenges**

- Insufficient budget for operations.
- Insufficient human capacity.
- Inadequate model of communication by LGWSETA
- Inconsistency of SDFs.
- Non strategic alignment of SDFs within their workplaces
- Minimal commitment of section 57 municipalities' employees to skills development.
- Unrevised policies.

4. DISCRETIONARY FUNDING

Discretionary Funding
 SETA initiatives and sector
 specific projects for 2000 - 2005

DISCRETIONARY FUNDING - SETA INITIATIVES AND SECTOR SPECIFIC PROJECTS FOR 2000 - 2005

	TOTAL - CONTRACTED	TOTAL DISBURSED	CLOSING BALANCE (ROLL-OVER)
	2000-2002		
Project Viability, DANIDA Project & SSP Review	8,074,556	8,074,556	-
Discretionary Grants to Employers	1,146,270	1,146,270	-
	2003-2005		
Development of QALA	1,250,000	864,661	385,339
Accreditation System & Accreditation of Providers	1,000,000	975,420	24,580
Assessor, Moderator & Verifier Training	1,264,014	405,364	858,650
Implementation of RPL of Learners throughout the sector in all provinces	1,800,000	1,249,120	550,880
SGB Support	3,417,000	835,093	2,581,907
Implementation and Learnership Grants - Community Development Workers	4,000,000	1,288,451	2,711,549
Implementation and Learnership Grants - Municipal Finance and Admin	7,125,000	1,458,600	5,666,400
Councillor Development	4,637,600	4,076,512	561,088
Implementation and Learnership Grants - 18.2 Learners - SIYAYA	7,000,000	10,537	6,989,463
Implementation and Learnership Grants - LED	6,677,500	3,414,484	3,263,016
Grants to Small employers (Learnership Grants / ABET Programmes)	11,103,313	103,313	11,000,000
Develop customised ABET programmes	824,000	-	824,000
Review Sector Skills Plan	1,061,000	1,027,634	33,366
Women's Workshops (Gender perspectives around IDPs)	1,300,000	1,126,000	174,000
Co-operative Training & Learnership Grants	3,253,450	3,070,820	182,630
Skills Development through Expanded Public Works programmes	4,800,000	17,766	4,782,234
SDF Training, succession planning in WSPs & equity i.r.t. training targets	5,256,172	3,426,377	1,829,795
Capacity Building of Municipal Official in the Northern Cape (Contract with MTI)	6,318,400	4,151,977	2,166,423
Contract Management Training	8,106,621	6,575,008	1,531,613
Project Management Training	10,228,751	10,052,311	176,440
ABET Facilitator Training & ongoing implementation (Workplace)	32,000,000	29,300,728	2,699,272
Learnership Development (Water)	1,575,250	1,482,000	93,250
Waste Management	2,345,750	584,771	1,760,979
Sanitation Skills Programme Implementation	3,090,000	1,572,363	1,517,637
Sanitation Skills Programme Implementation	3,800,000	2,499,000	1,301,000
NCWSTI - Skills Programme Development	6,108,576	2,485,642	3,622,934
	148,563,222	91,274,777	57,288,445

Operational Review



5.1 Analysis of problems / challenges

- The LGWSETA was established at a time when the sector (i.e. local government) was undergoing restructuring and transformation.
- Most of the key stakeholders were engaged with the municipal institutional changes which was also a very necessary function. As such little attention was given to the Seta's activities, an omission that had an impact to later performance.
- The LGWSETA's assumptions about that operating environment was not completely accurate.
- Little time was spent in defining the Seta's business opportunity within the sector.
- There was no agreement on a systematic process for reviewing progress, sharing learning and adjustment of strategy.
- Performance improvement was centred around numbers/targets. Everyone seemed to have forgotten the number one job that is, creation of a community of champions.
- The basics were ignored, namely, to do few things right rather than lots of wrong ones.
- Stakeholders abandoned the LGWSETA because they did not get the value they seek.
- The interest of office bearers were not aligned to those of the stakeholders.
- Management and employees were not incentivised to work as a team for optimum results.

5.2 Multiplier effect

- The leadership did not know where value is created and destroyed.

The multiplier effect of this factor was that nothing had staying power. There was chop and change frantically. Trust was destroyed and it had all kinds of toxic behaviours.

Operational Review

5.3 Nation's outcry

5.3.1 Under performance

The LGWSETA did not meet all the targets as set out by the Minister of Labour. The non-performance on the agreement could be attributed to many factors. However, the following stand out to be the main contributors to the under-performance assessment:

- Faulty or organizational/institutional fundamentals.
- Who are we?
- What is our purpose?
- Who is our stakeholder?
- Which stakeholder matters most?
- What is the best way to measure what we do/performance?
- What must we improve and how can we improve it?
- No drivers to design and implement strategic directives.
- Non-aligned business plans.
- Lack of common operational plan.
- Inefficient resources etc.
- Governance inefficiency.
- Inefficient capacity/knowledge.
- Lack of continuity in representation.
- Delays in reaching consensus.
- Indecisiveness.
- Cancellation of scheduled meetings.
- Uncoordinated instructions.
- Lack of feedback to principals.
- Ambiguity in delegations.

5.3.2 Stakeholder response

All stakeholders acknowledged the under-performance assessment. The 'outcry' from the Minister was utilized as a turning point in the existence of the Seta. The LGWSETA underwent a critical introspection on its operations. A key outcome of their analysis was the appointment of the Chief Executive Officer (CEO) to provide strategic direction and to ensure implementation of strategy.

Operational Review



Quotes:

“The immense and urgent challenges that local government faces, centres around building capacity in municipalities to deliver on their constitutional mandate. The point of departure of this is to ensure that the LGWSETA performs optimally now and in the future”.

SALGA Chairperson: ES Mkhathshwa

“As stakeholders we acknowledge the problems of our Seta and developed a turn around strategy which I believe was accepted by the officials of the Department of Labour”.

President of IMATU: Clive Dunston

“All LGWSETA Water Chamber shareholders and stakeholders need to understand that we all have a common objective of ensuring the creation of a viable, effective and efficient sector that is underpinned by an appropriate and sustainable skills base”.

SAAWU CEO: J Conoly

“The appointment of the CEO was as a result of self introspection by the LGWSETA and with this All LGWSETA stakeholders should keep in mind that ‘it will not be business as usual at the Seta’”.

SAMWU: H Dibetle

5.4 Common Operational Plan

- The lack of a coherent strategy hampers efforts to overcome the challenges the Seta faces.
- A long term data driven strategy, is critical to long term success.
- A series of interventions were introduced to take the LGWSETA to the next level.

These interventions were designed and developed with the aim of achieving

Operational Review

the following outcomes.

- To make it easy for any outsider to be able to make meaningful analysis of the Seta actions, its economic fundamentals and then on-financial aspects pertinent to our business. Making necessary information available in a candid, accurate and timely manner.
- To put in place mechanisms to minimize or avoid potential conflicts of interest that may exist. An honest attempt to reflect on the composition of the LGWSETA structures, decision making, internal processes and whether or not they do not fall for undue influence. To put in place definite indicators on who makes decisions and take actions on specific issues and the need to account for their decisions actions.
- To encourage management to put in place what it would take for the Seta to be on the right path. This pertains to behaviour that allows for corrective action and for penalizing mismanagement – acting responsibly to and with responsibility to all stakeholders of the Seta.
- To ensure that all stakeholders have the right to be acknowledged and respected - making sure that all those that have an interest in the Seta and its future are receiving equal consideration.
- To create awareness of and respond to social issues placing a high priority on ethical standards to avoid experiences of bad corporate reputation.

5.5 Strategic interventions

- Development of a strategic plan.
- Creation of an optimal structure.
- Development of business plans.
- Implementation of a performance management system.
- Development of a stakeholder relations management strategy.
- Development of a communications and marketing strategy.
- Development of a risk management strategy.

Operational Review

- Practical and focused political interventions.
- The various authority levels of the Seta are held responsible and accountable for their reactions.
- Acceptance of communication as an important tool for success.



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Highlights

6. HIGHLIGHTS

- Our leadership role in the crafting and implementation of the Community Development Worker (CDW) programme.
- This is the government initiative to establish a multi-skilled cadre of CDW who will play a networking and coordination role in brokering access to public programme, projects and services of the poorest of the poor and citizens in need.
- Development and adoption of a focused long-term strategy that confirmed the Seta as an integral structure in government delivery mechanism.

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Challenges



How can the LGWSETA:

1. ***Achieve government targets qualitatively rather than quantitatively?***

The real challenge is to ensure that the numbers are accompanied by real sustainable competence life-enhancing development.

2. ***Place the LGWSETA firmly within the national objectives of a better life for all by ensuring skills development for sustainable job maintenance and for the unemployed skills for sustainable employability?***

The real risk is to continually train people without really giving them the skills for a sustainable employability.

3. ***Make our stakeholders develop an even greater appreciation to the reasons for existence of this institution?***

In the environment we serve, success is measured in terms of delivery of services.

We have a duty to demonstrate the correlation between realizing the national skills priority areas and success in the delivery of local government and water provision services.

4. ***Local government is now developmental in nature. They are catalyst of economic growth and social development rather than merely administrative organs of government. This increased demands on the relevant skills for the sector to meet their constitutional mandate.***

How does the LGWSETA rise to the demands of the increased expectations?
How do we align our programmes to keep up with the changes in legislation and still relocate to the needs of the sector?

Conclusion

8. CONCLUSION

This report is compiled within the context of an organisation that has now:

- A better understanding of our statutory mandates,
- A strategy that is synthesized and synchronized with the mission of the NSDS,
- Improved organizational efficiency,
- A streamlined internal and external co-operation with key stakeholders,
- Information flow that is better structured,
- Streamlined decision making for a (governance structures) for efficiency.



4th Floor
Corporate Park
4/6 Skeen Boulevard
Bedfordview

P. O. Box 1964
Bedfordview 2008

Tel: (011) 456 8579
Fax: (011) 450 4948

www.lgwseta.co.za

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