



LGSETA

CREATING GREATER IMPACT

Local Government Sector Education
& Training Authority

SECTOR SKILLS PLAN



2024/25

Foreword

It is a great pleasure to present the updated five-year Local Government (LG) Sector Skills Plan (SSP) for the period 2024/2025. The Local Government Sector Education and Training Authority (LGSETA) is responsible for developing the LG SSP as mandated by the Skills Development Act, 1988 Section 10 (1) (a) and guided by the Department of Higher Education and Training (DHET) SSP Framework and Requirements updated in 2022. LGSETA has a specific mandate to facilitate skills development within this sector in accordance with the Human Resource Development Strategy for South Africa (HRDS-SA) 2010-2030, White Paper for Post School Education and Training, National Development Plan (NDP) 2030 and associated National Skills Development Plan (2030), and the Economic Reconstruction and Recovery Plan and associated Economic Reconstruction and Recovery Skills Strategy (ERRSS).

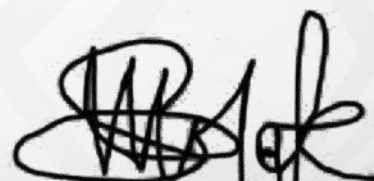
This updated SSP is a national document to be used by all local government stakeholders including governmental departments, municipalities, local government entities, officials, employers, unions, policy makers and SETA staff, and should be used as one of a range of key documents to inform skills planning and strategic decision making in the sector. The SSP aims to address priority occupations and skills development interventions determined by the sector for the purpose of enhancing skills and responding to the need for a skilled, competent, ethical, and capable local government workforce. As stated by the President Cyril Ramaphosa, job creation remains at the centre of the Economic Reconstruction and Recovery Plan (ERRP) (2020/22/23). The SSP identifies suitable skills development interventions that are required to ensure effective implementation of the ERRP and its corresponding skills strategy in the local government sector.

It is important to note that the SSP is reliant on up-to-date and accurate data to inform skills development priorities so that we can support the sector with relevant interventions, which are aimed at empowering employees in the workplace as well as unemployed learners in order to make a difference in the sector.

We sincerely thank all the stakeholders that form part of the local government sector as well as the various research partners who have contributed to helping us understand our sector better. We further thank all those who have contributed to the development of this SSP, which informs the development of LGSETA Strategy and the Annual Performance Plan (APP). As part of our mandate, we will continue to work with our municipalities and stakeholders to facilitate capacity and help improve skills planning and development processes to ensure municipalities and entities submit reliable and accurate data through the submission of workplace skills plans (WSPs). LGSETA continues to strive towards achieving service excellence to enable transformation and achieving a highly skilled and capable local government across South Africa.



Mr Phumlani Mntambo
Chairperson of the Accounting Authority: LGSETA
Date: 01 August 2023



Mr Ineeleng Molete
LGSETA Chief Executive Officer
Date: 01 August 2023

Acronyms

AET	Adult Education and Training
AGSA	Auditor General of South Africa
APP	Annual Performance Plan
AQSSA	Association of Quantity Surveyors of South Africa
ARPL	Artisan Recognition of Prior Learning
ATR	Annual Training Report
CET	Community Education and Training
CDP	Career Development Practitioners
CESM	Classification of Educational Subject Matter
COGTA	Department of Co-operative Governance and Traditional Affairs
CSIR	Council for Scientific and Industrial Research
DDM	District Development Model
DEFF	Department: Environment, Forestry and Fisheries
DG	Discretionary Grant
DEL	Department of Employment and Labour
DHET	Department of Higher Education and Training
DPLG	Department of Provincial and Local Government
DPME	Department of Planning, Monitoring and Evaluation
DWS	Department of Water and Sanitation
ERRP	Economic Reconstruction and Recovery Plan
ERRSS	Economic Reconstruction and Recovery Skills Strategy
ETQA	Education and Training Quality Assurance
4IR	Fourth Industrial Revolution
GDP	Gross Domestic Product
HEI	Higher Education Institution
HEMIS	Higher Education Management Information System
TSRD	Tourism Sector Human Resource Development
HTFV	Hard-to-fill Vacancy
IT	Information Technology
ICT	Information and Communication Technology
IDP	Integrated Development Plan
IMATU	Independent Municipal and Allied Trade Union
KPA	Key Performance Area
LED	Local Economic Development
LG	Local Government
LGSETA	Local Government Sector Education and Training Authority
LGTS	Local Government Turnaround Strategy
M&E	Monitoring and Evaluation
MISA	Municipal Infrastructure Support Agent
MOU	Memorandum of Understanding
MTSF	Medium-Term Strategic Framework
NCV	National Certificate: Vocational
NDP	National Development Plan
NDT	National Department of Tourism
NGP	New Growth Path
NQF	National Qualifications Framework
NSA	National Skills Authority
NSDP	National Skills Development Plan
NSDS	National Skills Development Strategy
PDCA	Plan Do Check Act
PDI	Previously Disadvantaged Individual
PIVOTAL	Professional, Vocational, Technical and Academic Learning
PPP	Public-Private Partnership
PSET	Post-School Education and Training
PWD	People with Disabilities
PYEI	Presidential Youth Employment Intervention
QCTO	Quality Council for Trade and Occupations
QMR	Quarterly Monitoring Reports
RPL	Recognition of Prior Learning

SACN	South African Cities Network
SACP	South African Council for Planners
SAESI	South African Emergency Services Institute
SAGI	South African Geometrics Institute
SAICA	South African Institute of Chartered Accountants
SAICE	South African Institute for Civil Engineers
SALGA	South African Local Government Association
SAMWU	South African Municipal Workers' Union
SASA	South African Skills Authority
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Skills Development Facilitator
SIC	Standard Industrial Classification
SET	Science, Engineering and Technology
SMME	Small, Micro and Medium Enterprises
SPOI	Sector Priority Occupations and Interventions
SPLUMA	Spatial Planning and Land Use Management Act
SSP	Sector Skills Plan
SSA	Statistics South Africa
TVET	Technical Vocational Education and Training
UFS	University of the Free State
UNDP	United Nations Development Partnership
VCET	Vocational and Continuing Education and Training
VUT	Vaal University of Technology
WBL	Workplace-Based Learning
WIL	Work-Integrated Learning
WSP	Workplace Skills Plan

Executive Summary

Introduction

The Local Government SETA (LGSETA) derives its legislative mandate from the Skills Development Act of 1998 (Act 97 of 1998). Under Section 10 (1) (a) of the Act, each SETA must develop a Sector Skills Plan (SSP) within the framework of the National Skills Development Plan (NSDP) 2030. The Local Government SETA has updated the five year SSP for the period 2023-24 in accordance with the requirements of the Department of Higher Education and Training (DHET) and the policy context for skills planning, which includes the National Development Plan (NDP) 2030, Human Resource Development Strategy 2010–2030 (HRD-SA), White Paper for Post School Education and Training (2013), Youth Employment Accord, Local Government Turnaround Strategy, Urban Development Framework: Implementation Plan (2018), White Paper on Transforming Public Service Delivery (Batho Pele White Paper) and the Economic Reconstruction and Recovery Plan (ERRP) and the associated Skills Strategy.

Data Collection Tools and Methods

The data collection tools used by the LGSETA includes interview questionnaires on occupational shortages and skills gaps, amongst others, which are informed by the DHET employer questionnaire; surveys specifically designed for the LGSETA; and focus group discussion guides.

The key sources of data included a document review looking at all the available literature including research studies conducted by the LGSETA; secondary data analysis from Statistics South Africa (StatsSA) and the national treasury, amongst others, to analyse the economic and labour market trends as well as secondary data analysis from DHET on the PSET system to analyse the supply of skills in the sector; primary data analysis of the 2023 WSP/ATR data to look at LG sector employer and employee statistics; qualitative interviews and provincial engagements with stakeholders in the sector; as well as engagements with Exco and the Accounting Authority. Insights from these methods informed the SSP, including the Sectoral Priority Occupations list.

Sector Profile

The chapter includes an overview of the scope of coverage for LGSETA and outlines the key role players in the sector, such as: Department of Cooperative Governance and Traditional Affairs (CoGTA), the South African Local Government Association (SALGA), Department of Water and Sanitation (DWS), the South African Municipal Workers' Union (SAMWU) and the Independent Municipal and Allied Trade Union (IMATU). The chapter also discusses the economic performance as well as the employer and employee profile of the sector.

The economic growth performance of South Africa has been dismal for some time, hovering around the 1% mark in the recent past. However, the economy seems to be recovering to some extent as there was an annual increase of 2.0% in real GDP, following an increase of 4.9% in the preceding year (Statistics South Africa, 2022). Between 2019:Q1 and 2023:Q1, GDP growth in the key LG sectors followed the same trend as the economy at large. The only exceptions are Transport, Storage and Communication, which was the lowest in 2021, and Construction and Personal services, which declined in 2022 – yet these three sectors increased above overall GDP rates by 2023:Q1.

There are 257 municipalities in South Africa, of which eight are metropolitan municipalities, 205 are local municipalities, and 44 are district municipalities. Municipalities across South Africa received revenue of R548.7 billion in 2021, increasing to R580.3 billion in 2022, resulting in a 5.8% increase. With regard to service delivery, the services that are available to most households are water (78.1%), followed by sewerage and sanitation (64.7%) and provision of electricity (61.0%). About half of the households reported having access to solid waste management (54.3%).

According to the 2023 WSP submissions, municipalities (locals, districts, and metropolitans) employed 299 691 workers (higher than StatsSA which reported a total of 288 702 municipal employees, inclusive of full-time, part-time and vacant posts for 2021¹, informed by a municipal census published in 2023). With the inclusion of other entities (as additional constituents of LGSETA), the total employment for local government employees based on WSP submissions came to 309 169.

¹ The figures from WSP submissions differ slightly from those of Stats SA due to differences in data collection methods.

Unemployment, Inequality and Poverty

According to the Quarterly Labour Force Survey: Q1:2023, the official unemployment rate is 32.9% (7.9 million) and 42.4% (11.9 million) by the expanded definition. Interestingly, graduate unemployment is 10.6% - 22.2% lower than the national official unemployment rate. Unemployment for those with Matric is 35.6% and less than Matric 37.6%.² People with higher education attainment are relatively less at risk of unemployment.

In the first quarter of 2023, there were approximately 10.2 million youth aged 15 to 24 years, of which about 3.7 million (36.1%) were NEET. There are more NEET females than males in this age group. Year-on-year, there was a 0.8% decrease since 2022:Q1. In the age group 15- 34 years, the NEET rate decreased by 1.6% to 44.7%. (Stats SA, 2023) South Africa had the highest inequality in income distribution in 2021, with a Gini score of 0.63 (Statista, 2021).³ Approximately 55.5% (30.3 million people) of the population is living in poverty at the national upper poverty line (ZAR 992), while a total of 13.8 million people (25%) is experiencing food poverty (World Bank, 2020).⁴

Key Skills Change Drivers

The Chapter presents an analysis of the key factors affecting skills demand and supply in the local government sector. The five main skills change drivers are Technological Change and Digitisation, Local Economic Development, Constraints to Service Delivery (Urban and Rural), Spatial Integration and Inclusive Development, and Political Change. Technological Change and Digitisation are affected by the pandemic as it accelerates the uptake of the Fourth Industrial Revolution (4IR), necessitating training in data analysis, cyber security, and digital learning, amongst others. The impact of the Covid-19 pandemic resulted in the swift adoption of 4IR technologies to increase productivity and service delivery, while facilitating remote working. It also ensured that local economic development becomes more vibrant, responsive, and sustainable to counteract the impact of the pandemic and create socio-economic opportunities to support communities and businesses.

Occupational Shortages and Skills Gaps

The Chapter deals with understanding the extent of skills mismatches in the sector. It focuses on the supply and demand for skills at an occupational level. An assessment of skills demand was undertaken at occupational level, including a perspective against strategic occupations, which were defined according to the LGSETA's strategic focus areas.

Occupational shortages, or HTFV, were identified through the analysis of 2023 WSP/ATR data. HTFV identified include Electrician; Information Technology Manager; Supply Chain Manager; and Town and Regional Planner; amongst others. Skills gaps or top-up skills were defined for each of the eight major Organising Framework of Occupations (OFO) groups. Finance Skills, Performance Management, Governance, Leadership and Management, and Health and Wellness are in the top 10 skills gaps.

The SET field showed a continuous increase between 2017 (310 115) and 2019 (323 105), with a slight decline recorded for 2020 (319 902), and yet again for 2021. The business and management field increased between 2017 and 2018 (from 278 930 to 283 194), before declining in 2019 (265 973), after which an increase was recorded for 2020 (280 489), followed by yet another decline in 2021 (265 797). Private HEIs are also playing a significant role in contributing to increased access in areas. The Business, Commerce and Management Studies field of study accounts for the bulk of enrolments for private HEIs as well as Private Colleges. Technical Vocational Education and Training (TVET) colleges have been playing their part in contributing to skills for the sector, however significant declines in enrolment are recorded for the 2020 period. Headcount enrolment in public TVET colleges declined significantly between 2017 and 2021, from 688 028 enrolments to 589 083. Only 56.4% of students enrolled for TVET qualifications completed their studies.

The key learning programmes that the SETA implements are Learnerships, Skills Programmes, Internships, Apprenticeship and Artisan Recognition of Prior Learning (ARPL). Skills programmes are dominant in terms of the type of programmes the SETA implements, and this is followed by Learnerships. Internships and Apprenticeships account for much smaller proportions.

Key supply problems facing LG sector employers are the lack of mentors in municipalities, lack of willingness of employees to train, and insufficient funding for training. The Sectoral Priority Occupations and Interventions List was informed by the supply and demand indicators, qualitative inputs from provinces and key research findings.

² Statistics South Africa. Quarterly Labour Force Survey: Q1:2023.

SETA Partnerships

The Chapter presents a model for partnerships, which builds on the stakeholder analysis in Chapter one and outlines areas for collaboration with key stakeholders. The Chapter outlines the institutions with whom LGSETA has partnered, the term and duration of the partnerships and objectives of partnerships. The chapter also discusses the successes and challenges of LGSETA partnerships. Furthermore, the Chapter presents the partnerships which LGSETA plans to enter into, summarising the objectives of these new partnerships, and discussing LGSETA's most successful partnership approach.

SETA Monitoring and Evaluation

The Chapter outlines the SETA's current approach to monitoring and evaluation (M&E), reflecting on aspects such as how M&E data was used to support research planning and the extent to which they were achieved. LGSETA uses M&E to inform decisions and payments, and now also uses it to inform planning—a significant milestone in the evolution of the organisation. Additionally, Chapter 5 outlines LGSETA's plan of action regarding M&E and the measures which will be put in place to ensure 2023-24 priorities are addressed and 2024-25 priorities are achieved.

Strategic Skills Priority Actions

The Chapter presents the findings from previous chapters and reflects on the LGSETA five strategic focus areas that provide the base for aligning the sector priority areas of the SETA, thus reflecting a more integrated strategic process. The five strategic focus areas were derived mainly from the municipal key performance areas (KPA's) and provide the base to guide the alignment of the skill priorities emanating from the ERRP and Skills Strategy, the Discretionary Grant (DG) Strategic Framework Priorities, and the District Development Model. The five strategic focus areas are Enhancing Good Governance, Leadership and Management Capabilities; Promoting Sound Financial Management and Financial Viability; Enhancing Infrastructure and Service Delivery; Enhancing Municipal Planning and Promoting Spatial Transformation and Inclusion. At the top of the skills priority actions list are priorities that are particularly important taking into consideration disasters including the impact of the Covid-19 pandemic. Interventions supported by LGSETA will continue to target these strategic areas as well as those newly identified by the research, to ensure all skills needs in the sector are addressed.

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Research Process and Methods

Introduction

In developing the SSP, the LGSETA utilises a range of research outputs drawn from both primary and secondary data collection methods. Primary data collection involves conducting research to source empirical data and information whilst secondary data collection, involves the use of available literature and data. The research that informs the SSP comprises quantitative and qualitative methodologies, leveraging a three-pronged strategy of document review, data analysis, and stakeholder consultations. This section provides a description of each element of the strategy. Additionally, it discusses the methodology used in determining the occupational shortages and skills gaps.

Data collection tools and methods

The data collection tools used by the LGSETA includes interview questionnaires, on occupational shortages and skills gaps which are informed by the DHET employer questionnaire and focus group discussion guides.

The key methods of data included a document review looking at all the available literature including research studies conducted by the LGSETA; secondary data analysis from Statistics South Africa and the national treasury, amongst others, to analyse the economic and labour market trends as well as secondary data analysis from DHET on the PSET system to analyse the supply of skills in the sector; primary data analysis of the 2023 WSP/ATR data that the SETA collects on an annual basis to look at LG sector employer and employee statistics; qualitative interviews and provincial engagements with stakeholders in the sector; as well as engagements with Exco and the Accounting Authority. Insights from these methods informed the Sectoral Priority Occupations list and recommendations outlined in this document. These insights also help inform the LGSETA's strategy.

Document Review

The document review involved a review of relevant literature to consolidate the knowledge available and provide context to the planning process. Key policy documents and strategies as well as a range of research documents and annual data reports prepared by organisations such as Auditor General were analysed. Furthermore, recent LGSETA research undertaken as per the approved Research Agenda for 2023-2025 were examined and incorporated into the analysis. Table 0-1 provides an overview of the research reports commissioned by the LGSETA, which were used to inform various chapters of this SSP.

Data Analysis (Quantitative)

The only regular source of occupation specific data comes from Workplace Skills Plans (WSP) submissions by employers. Informed by WSP data, the labour market analysis was conducted at an occupational level. While the data quality is not ideal, it still represents the most feasible means of profiling the sector and assessing the stock of skills. The process to identify skills gaps and occupational shortages was informed by a skills analysis which draws on the data collected through the WSP submissions and will be supplemented through interviews and stakeholder engagements. Through interviews and engagements, stakeholders provide inputs on the priorities for occupational shortages and skills gaps; initially determined through an analysis of WSP data.

The secondary data research draws from a range of sources including data sets prepared by StatsSA, the Higher Education Management Information system (HEMIS), the Department of Home Affairs, Department of Employment and Labour and several research organisations.

The limitations of the data can be overcome by:

- Seeking additional sources where findings can be compared and corroborated; and
- Validating findings through qualitative stakeholder engagements.

Stakeholder Consultation (Qualitative)

The final element of the methodology is the qualitative stakeholder consultation. The purpose of stakeholder consultations is to identify and validate occupational shortages, skills gaps, change drivers and skills priorities. Through interviews and questionnaires, stakeholders provide input on the priorities for occupational shortages and skills gaps; initially determined through an analysis of WSP data. Data collected from stakeholders is triangulated using WSP/ATR data, StatsSA, the Auditor General Report and consultations with professional bodies to further validate the information.

The table that follows provides a description of the research projects that the LGETA has conducted for the 2022/23 period. These research reports have collectively informed this SSP. For each research project, the topic under discussion is provided followed by the nature and objectives of the study, the data collection tools adopted, data samples and data sources drawn on and, the timeframe of the associated project.

Table 0-1: Summary of Research Projects

Topic	Nature (Design) of the Study (Quantitative or Qualitative)	Objectives of the Study	Scope of Study	Data Collection Tool	Target population and Sample Size	Time Frame of the Study
Deepening Democracy through Efficient Oversight Role by Municipal Councillors	Mixed method	<ul style="list-style-type: none"> To explore and investigate the concept of oversight role of municipal councillors in deepening democracy in the local government sphere; To understand the extent of the role played by municipal councillors in the deepening of democracy in the local government sphere; To examine the effect of oversight roles played by councillors with regards to service delivery in municipalities; To explore international and regional best practices on the role of councillors in conducting their oversight function in municipalities; To establish if the municipal councillors have the necessary capacity and tools for conducting their oversight role; and To recommend appropriate strategies and practices for improving effectiveness of councillors in conducting their oversight roles. 	National	- Questionnaire - Interviews	Municipal councillors 48	April 2022 - March 2023
The Feasibility Study in Using Shared Services Approach to Enhance Service Delivery and Financial Viability of Local Municipalities	Mixed method	<ul style="list-style-type: none"> To explore and investigate the concept of Shared Services approach in the local government sector; To investigate the feasibility of establishing shared services centre in the under-performing municipalities to promote financial viability and service delivery; To explore international and regional best practices on Shared Services approach; To explore on the significance of the District Development Model in the realisation of the Shared Services approach; To examine the efficacy of municipal planning within the context of Shared Services approach; To establish the role of LGSETA in supporting the shared services approach; To recommend strategies which can support the dysfunctional and medium risk municipalities in establishing the SSCs. 	National	- Questionnaire - Interviews	Municipal officials 132	April 2022 - March 2023
Empowering South African Inland Fisheries Through a Green Economy Transition: The Role of Local Government	Qualitative	<ul style="list-style-type: none"> Identify the capacity of Local Government in initiating a beneficial transition towards a green economy. Identify key areas where Local Government can prioritize transition efforts which will benefit the local economy 	National	- Interviews	Municipal officials 8	April 2022 - March 2023

Topic	Nature (Design) of the Study (Quantitative or Qualitative)	Objectives of the Study	Scope of Study	Data Collection Tool	Target population and Sample Size	Time Frame of the Study
The Implementation of Auditor-General of South Africa's Annual Recommendations In Municipalities	Mixed method	<ul style="list-style-type: none"> To identify the factors that contribute to municipalities' failure in the implementation of the audit recommendations given by the AG; To investigate the prevalence of recurring challenges in each audit cycle in the municipalities; To assess short term implications of municipalities failure to implement the AG recommendations; To identify measures taken in implementing AG recommendations; To determine the extent of official capacity and competency in addressing AG recommendations in the local government sector; and To recommend measures which can improve the capacity of municipalities in addressing the AG recommendations. 	National	<ul style="list-style-type: none"> Questionnaire Interviews 	Municipal councillors 105	April 2022 - March 2023
Knowledge Management (KM) in the Local Government Sector	Mixed method	<ul style="list-style-type: none"> To investigate the concept of Knowledge Management in the local government sector To determine the approaches applied in Human Resource Management regarding knowledge distribution To investigate the models for the distribution of tasks across the organization To analyse the standardization of knowledge and the preservation of knowledge in the local government sector To investigate the role of Knowledge Management in improving service delivery areas in the local government sector To explore the international and regional best practices in the application of Knowledge Management in the local government sector To investigate the availability of Knowledge Management frameworks and practices in the municipalities To establish if the organizational culture and policies enable effective implementation of Knowledge Management practices in the local government sector To examine the challenges debilitating the effective implementation of Knowledge Management in the local government sector To recommend strategies that can enhance Knowledge Management in the local government sector To identify implications for skills development and capacity building within the local government sector 	National	<ul style="list-style-type: none"> Questionnaire Focus Groups 	Municipal officials 25	April 2022 - March 2023

Topic	Nature (Design) of the Study (Quantitative or Qualitative)	Objectives of the Study	Scope of Study	Data Collection Tool	Target population and Sample Size	Time Frame of the Study
Local Government Best Practice in Waste Recycling, Reuse, and Recovery Progress in Commitment 5 of the Green Economy Accord	N/A	<ul style="list-style-type: none"> To explore and investigate the concept of waste recycling and reuse within the South African local government context. To understand the role of local government in innovation in the context of waste minimisation. To explore the international and regional best practices for waste recycling and reuse. To identify opportunities brought by waste recycling and reuse in contributing to the Green Economy Accord. To identify key role players in promoting waste recycling, reuse, and green economy in the local government sector and implications for collaboration and partnerships. To identify capacity-building interventions to promote waste recycling and reuse in the local government sector. To assess the implications of water recycling and reuse regarding Local Economic Development. To recommend best strategies and practices for recycling waste and reuse in the local government sector 	National	<ul style="list-style-type: none"> - Questionnaire - Online Surveys 	<ul style="list-style-type: none"> Municipal officials 137 	April 2022 - March 2023

1. Sector Profile

1.1 Introduction

The main purpose of this chapter is to present a profile of the local government sector. This serves as a foundation for the SSP by defining the scope of coverage, who the key role players are and the profile of the sector regarding employers and employees. It also provides information on municipal revenue and expenditure as well as service delivery in the local government sector, as the economic impact of local government is measured mainly through its delivery of services.

The mandate of the LGSETA is to facilitate skills development initiatives in the local government and to ensure that the local government sector is professionalised, skilled and capable to deliver basic services as required by the Constitution. The Draft Councillor Development Strategy categorises the key responsibilities of local government as: infrastructure and basic services; social and welfare services; administration and public order; and municipal planning (LGSETA, 2022g).

The data used in this section is primarily drawn from the WSP submissions and Statistics South Africa (Stats SA). Various aspects of this chapter, such as the key role players and economic performance, were informed by research conducted by LGSETA on issues such as 'Research on the effects of skills mismatch in the Local Government sector and how it can be addressed', 'A critical analysis of competency levels of Senior Managers in Municipalities' and 'Research on exploring factors affecting Governance in Local Government Institutions'.

1.2 Scope of Coverage

The Local Government (LG) sector is made up of 54 industries in terms of the Standard Industrial Classification (SIC) framework. The scope of coverage of all SETAs is defined by the primary focus of organisations demarcated, according to the SIC. Table 1-1 summarises the LGSETA's scope, based on the SIC code and a description of the primary activities thereof.

Table 1-1: Scope of Coverage for 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
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

SIC CODE	SIC DESCRIPTION
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
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

Source: Department of Higher Education and Training, *The re-establishment of Sector Education and Training Authorities from 1 April 2020 to 31 March 2030, The new SETA Landscape*

1.3 Key Role Players

The table below illustrates the key role players who operate within the realm of local government. An effective stakeholder analysis is fundamental to a comprehensive understanding of the context in which LGSETA is operating.

Table 1-2: Key Role Players

Stakeholder	Role	NSDP Objective
Government Departments		
Department of Water and Sanitation (DWS)	To play an oversight and support role and collaborate on initiatives relating to water qualifications and interventions	Outcome 4.1 - Identify and Increase Production of Occupations in High Demand including supporting key delivery services that support economic sectors
Gauteng Department of Economic Development (GDED)	To play an oversight and support role for municipalities through the implementation of competency training programmes for small businesses and through the identification of skills needs of cooperatives.	
National Treasury	To be an advisory and play a support role relating to the latest trends and developments as well as to co-fund strategic projects.	Outcome 4.1: Identify and Increase Production of Occupations in High Demand including skills development to improve efficiency and service delivery
Statistics South Africa	To collaborate on research in terms of gaps relating to quality of data that supports skills planning and research.	

Stakeholder	Role	NSDP Objective
Government Departments		
Department of Environment, Forestry and Fisheries	To play an oversight and advisory role regarding the development of Environmental related qualifications and implementation of learnerships.	Outcome 4.2: Linking Education and the Workplace through supporting green economy related occupations and interventions
Department of Cooperative Governance and Traditional Affairs (CoGTA)	To play an oversight and support role for municipalities through the implementation of competency training programmes for municipal officials.	
Auditor General South Africa (AGSA)	To collaborate to ensure combined assurance and increase reliance placed on the work conducted by Internal Audit.	
State Information Technology Agency (SITA)	To enhance Infrastructure and Service Delivery and promote the efficiency of LGSETA through the use of information technology.	
National School of Government (NSG)	To work collaboratively on initiatives regarding professional development and capacity building initiatives regarding SDFs and municipal officials	
Department of Planning, Monitoring and Evaluation	To collaborate to improve the governance oversight and monitoring and evaluation mechanisms and capacity.	
Municipalities	To collaborate and support implementation of skills development interventions including placement of learners for work: WIL, bursaries, learnerships, and skills programmes.	Outcome 4.3: Improving the level of skills in the SA workforce through skills development to improve efficiency and service delivery
Department of Public Works and Infrastructure (DPWI)	To play an oversight and support role regarding the implementation of EPWP programmes linked to improving the environment.	
Department of Small Business Development	To play an oversight and support role relating to identified training programmes for SMEs, Cooperatives, and community development initiatives.	
Department of Mineral Resources and Energy	To play an oversight and advisory role on programmes relating to energy/ electricity related occupations.	
Department of Tourism	To play an oversight and advisory role regarding the implementation of the National Tourism Sector HR Strategy (TSHRS) 2017-2027 linked to Local Government initiatives including LED and SMME skills	
Government Communication and Information Systems (GCIS)	To collaborate on research dissemination and publications	Outcome 4.6: Skills Development for Entrepreneurship and Cooperative Development through SME initiatives linked to employment and improving efficiency
		To disseminate the research findings to local government stakeholders through publishing of the research articles.

Stakeholder	Role	NSDP Objective
Local Government Agencies		
South African Local Government Association (SALGA)	To collaborate on strategic initiatives and assist with coordination and roll-out of interventions relating to councillors	Outcome 4.3: Improving the level of skills in the SA workforce through skills development to improve efficiency and service delivery
Municipal Infrastructure Support Agency (MISA)	To collaborate on strategic objectives to support infrastructure initiatives	Outcome 4.3: Improving the level of skills in the SA workforce and; Outcome 4.4: Increase Access to Occupationally Directed Programmes by supporting infrastructure initiatives to improve efficiency
Organised Labour		
South African Municipal Workers Union (SAMWU)	To collaborate and assist with coordination and roll-out of interventions relating to Worker Leadership Programme, RPL and identified skills needs	Outcome 4.7: Encourage and Support Worker initiated training
Independent Municipal and Allied Trade Union (IMATU)		
Councils, Professional Bodies, and NPOs		
South African Institute for Civil Engineers (SAICE)	To collaborate and play an advisory and support role by assisting with identification of best practice employers and coordination of learners for professionalisation and workplace learning.	Outcome 4.1: Identify and Increase Production of Occupations in High Demand and Outcome 4.2 - Linking Education and the Workplace
South African Council for Planners (SACPLAN)		
South African Geometrics Institute (SAGI)		
South African Council for the Property Valuers Profession (SACPVP)		
Water Institute of Southern Africa (WISA)		
Association for Skills Development in SA (ASDSA)		
South African Emergency Services Institute (SAESI)		
Association of Chartered Certified Accountant (ACCA)		
ECSA – Engineering Council of SA		
The Institute of Risk Management South Africa	To collaborate to provide guidance and best practices in risk management principles and concepts and create adequate, effective, and efficient governance, risk and compliance processes.	Outcome 4.3: Improving the level of skills in the South African workforce.
South African Career Development Association (SACDA)	To collaborate on gaps in the delivery of Career Development interventions by the LGSETA.	Outcome 4.8: Support and promote career development as a profession and empower staff and youth development practitioners.

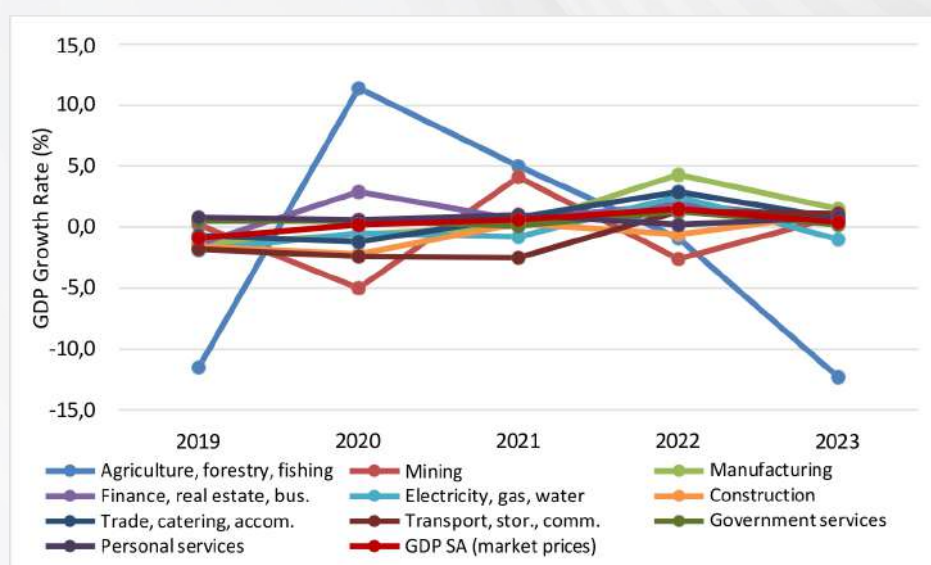
Stakeholder	Role	NSDP Objective
Education Providers		
Public HEIs	To collaborate and support individual bursaries relating to scarce and critical skills as well as conduct research related work in line with the Research Agenda	Outcome 4.1: Identify and Increase Production of Occupations in High Demand and increase throughput rate including number of PhD graduates in the sector
TVETs	To collaborate and support the implementation of WIL and training of lecturers and curriculum development	Outcome 4.2: Linking Education and the Workplace and Outcome 4.4: Increase Access to Occupationally Directed Programmes namely, Artisans; and Outcome 4.5: Support Public College as Key Provider by focusing on improving quality and increasing throughput rate
CET Colleges	To collaborate in the delivery of training and development programmes to capacitate local government officials, elected public representatives and communities in the local government sphere.	Supports Outcome 4.3: Improving the level of skills in the SA workforce
Education Providers		
SETAs	To facilitate Quality Assurance and Skills Development Initiatives that are cross-cutting as well as specific partnership on Entrepreneurship with the Services SETA	Outcome 4.3: Improving the level of skills in the SA workforce

1.4 Economic Performance

1.4.1 Contribution to the Economy

The LGSETA has a broad scope that spans over a range of economic sectors such as Electricity, gas, and water; Construction; Trade, catering, and accommodation; Transport, storage, and communication⁵; General government services; and Personal services. The economic growth performance of South Africa has been dismal for some time, hovering around the 1% mark in the recent past. However, the economy seems to be recovering to some extent as there was an annual increase of 2.0% in real GDP, following an increase of 4.9% in the preceding year (Statistics South Africa, 2022).

Figure 1-1: South Africa's GDP Growth Rates, 2019:Q1-2023:Q1



Source: Statistics South Africa, GDP First Quarter 2023

⁵ According to the National Integrated ICT Policy White Paper (2016), the local government is predominantly responsible for approving the deployment of infrastructure for the development of telecommunications.

Figure 1-1 shows that over the five-year period, first quarter year-on-year GDP growth in the key LG sectors followed the same trend as the economy at large. The only exceptions are Transport, Storage and Communication, which was the lowest in 2021, and Construction and Personal Services, which declined in 2022 – yet these three sectors increased above overall GDP rates by 2023:Q1.

The General government services sector captures regional council activities in terms of public administration and defence activities, local authority activities, sewage and refuse disposal as well as sanitation, education, health, and social work. These services remained consistent throughout the Covid-19 pandemic. This sector's performance followed the overall GDP trend most closely.

It does appear that the Agriculture, Forestry and Fishing and the Mining sectors are more volatile than the rest. While 3 (three) of the LG sectors recovered from economic strains following the impact of the Covid-19 pandemic (Construction; Trade, catering and accommodation; and Personal services), the remaining 3 continued to decline between 2020 and 2021 (Electricity, gas and water; Government services; and Transport, storage and communication).

1.4.2 Municipal Revenue and Expenditure Analysis

Local government has the capacity to finance a large portion of its budget from own revenue collected from services provided to households. The legislative framework empowers municipalities to bill for and collect revenue for services provided, and to enforce credit control measures where revenue is not paid.

The Financial Census of Municipalities showed that municipalities across South Africa received an income of R548.7 billion in 2021 and this increased to R580.3 billion in 2022, resulting in a 5.8% increase. Expenditure in 2022 was R580.3 billion. The internally collected revenue accounted for 36.9% of total income, made up of electricity and water sales, refuse removal, sanitation and sewerage charges, and other revenue (fresh produce market, etc.).

The remaining 63.1% includes income from 'grants and subsidies received' from National, provincial, and local government, other income, deficits as well as interest earned from various sources including fines, licenses, permits and rentals. (Stats SA, 2023) South Africa's local government revenue and spending framework encompasses all resources available for municipalities to meet their expenses. The majority of LG revenues are generated by municipalities themselves. Over the period 2017/18 to 2021/22, own revenues accrued averaged at 82% of total municipal revenues. The amount varies greatly across municipalities, with those in poor rural areas relying more on transfers. Local Government expenditure on infrastructure over the 2023 Medium-Term Expenditure Framework (MTEF) period is expected to total R190.3 billion. (National Treasury, 2023).

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).

The *State of Local Government Finances* report indicated that 169 municipalities were in financial distress by the end of 2021/22, with revenue mismanagement highlighted as one of the greatest contributors to the problem. In 2023/24, R8.5 billion will be allocated to national departments for spending on behalf of municipalities. Of this amount, 68.3 percent will be transferred as unconditional funds for municipalities to use for their priorities, while the remainder will be transferred via conditional grants (National Treasury, 2023).

Due to the significant funding received and dispersed by local government, the effective use of this funding is critical to the development and wellbeing of local communities. The latest Consolidated Auditor-General of South Africa (AGSA) Report for the 2021-22 financial year (AGSA, 2023) noted that there has been a decrease in the number of clean audits from 41 in 2020/21 to 33 in 2021/22. Five municipalities improved to clean audit status, 7 lost their clean audit status, while 1 audit was outstanding. It should be noted that a clean audit does not necessarily indicate good service delivery. 33 municipalities' outcomes improved, while 29 worsened. (AGSA, 2023).

The AGSA Media Release states that despite there being fewer clean audits achieved in 2021/22, fewer disclaimed audit outcomes were received in the same period, with nine municipalities improving from disclaimed status. The regressions in number of clean audits were attributed to instability in key positions, and insufficient monitoring and review of compliance-related controls. (AGSA Media Release, 2023).

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 due to incompetence. In the survey conducted by the Department of Planning Monitoring and Evaluation (DPME) (2020), 44% of municipalities indicated that they need additional staff to carry out the expanded services brought on by the pandemic.

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 KwaZulu-Natal (KZN) floods 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 2022⁶). 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 2022⁷).

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 numerous challenges, including improper, inefficient, ineffective, confusing and difficult IT processes and procedures, poor documentation of IT processes and procedures that impact service disruption, frequent hardware, software, infrastructure, network, or system failure, and irregular preventive maintenance and backups, among others; and it was firmly established that various IT related skills necessary for business continuity and disaster recovery are woefully lacking in the local municipalities.

1.4.3 Service Delivery Analysis

There were 2.7 million indigent households as identified by municipalities in 2021, a decrease of 22.8% from the 2020 financial year (Stats SA, 2023). The table below illustrates the number of households who benefited from the provision of basic services, according to the Non- Financial Census of Municipalities (Stats SA, 2023). The services that are available to most households are water (78.1%), followed by sewerage and sanitation (64.7%) and provision of electricity (61.0%). About half of the households reported having access to solid waste management (54.3%).

Table 1-3: Provision of Basic Services

SERVICES	million households	%
Provision of Water	2.10	78.1
Provision of Electricity	1.63	61.0
Solid Waste Management	1.46	54.3
Sewerage and Sanitation	1.74	64.7
Total indigent households	2.69	-

Source: Stats SA (2023)

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. The South African Police Service (SAPS) Incident Registration Information System (IRIS) indicates that a total of 909 protest actions occurred from 1 August 2020 to 31 January 2021 (Martin, 2021). According to Kevin Allan, managing director of Municipal IQ⁸, service delivery protests in the country have become commonplace, a socially entrenched phenomenon, and are expected to average at a higher rate annually in future (Stoltz, 2023). He added that electricity was the greatest driver of and reason for service delivery protests. Loadshedding is causing great frustration amongst South Africans.

Majority 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 challenges⁹.

The disasters including floods and civil unrest further increased expectations for efficient and effective service delivery, but also place 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 communities, but this is dependent on service delivery being realised so as to uplift socio-economic development.

⁶ <https://www.sanews.gov.za/south-africa/damage-kzn-companies-estimated-r7-billion>

⁷ <https://ewn.co.za/2022/07/08/a-year-after-july-unrest-kzn-business-owner-hopes-sa-has-learned-lessons>

⁸ A local government data and intelligence organisation specialising in collection of information on service delivery demonstrations

⁹ <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>

1.5 Employer Profile

According to the LGSETA's Work Skills Plan (WSP) (2023), there are 257 municipalities in South Africa, of which eight are metropolitan municipalities, 205 are local municipalities, and 44 are district municipalities. The table below provides this overview.

Table 1-4 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, 2023

The greatest proportion of employers in the sector is local municipalities. While there are only a few metropolitan municipalities, they are some of 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.

In terms of WSP/ATR submissions, LGSETA has achieved a 100% submission over the past 8 years (2016 – 2023), except in 2020 and 2023, whereby a 99% submission rate was observed in both years. While all metropolitan (8) and district (44) municipalities submitted WSP/ATRs, 1 of the 205 local municipalities did not submit in 2020 and 2 of the North West local municipalities did not submit in 2023. Submissions for 2019-2023 are tabulated in Table 1-5.

Table 1-5 WSP / ATR submissions –2019 - 2023 by Municipality Type

	2019		2020		2021		2022		2023	
	Total	Submitted	Total	Submitted	Total	Submitted	Total	Submitted	Total	Submitted
Metro	8	8	8	8	8	8	8	8	8	8
Local	205	205	205	204	205	205	205	205	205	203
District	44	44	44	44	44	44	44	44	44	44
Total	257	257	257	256	257	257	257	257	257	255
Submissions		100%		99%		100%		100%		99%

Source: LGSETA WSP Submissions 2019 to 2023

1.5.1 Municipal Entities and Other Employers in the Sector

To assist with service delivery, some municipalities establish municipal entities in line with the Local Government: Municipal Structures Amendment Act of 2021. These entities are accountable to the municipality that established them in terms of governance, financial accountability, and performance. The Municipal Entities Report 2022 states that there were fifty-three municipal entities in 2022; forty-five of which are State Owned Enterprises, seven are Non-profit, while one is a trust (National Treasury, 2022b).

In 2023, there was a total of 42 WSP/ATR submissions from non-municipal levy payers that pay levies to LGSETA; namely fourteen (14) municipality-owned entities, four (4) LG entities and twenty-nine (24) private entities. Non-municipal levy payers are categorised as Municipal-Owned Entities such as Pikitup (owned by the City of Johannesburg) and Development Agencies; Local Government Levy Paying Entities include the Municipal Infrastructure Support Agency (MISA) and the Municipal Demarcation Board; and Private Levy Paying Enterprises.

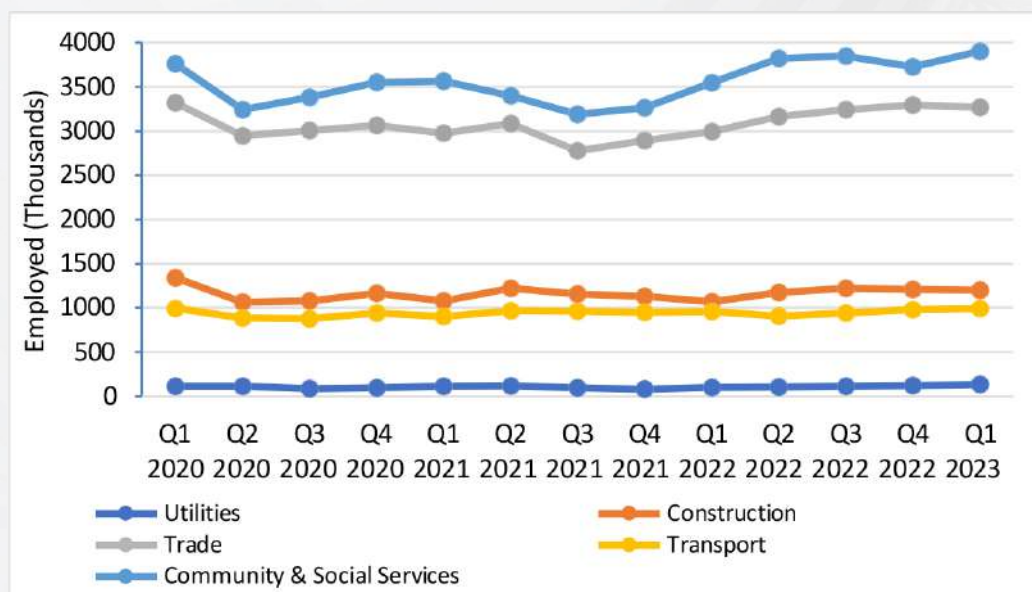
1.6 Labour Market Profile

The following section analyses employment in the local government sector. Municipalities contribute to employment directly and indirectly through their Local Economic Development (LED) strategies as well as through the provision of services. Their ability to impact employment levels locally is greatly dependent on the local context.

In South Africa, total employment was 16.2 million in 2023:Q1. A significant increase of approximately 1.3 million from 14.9 million in 2022:Q1. With reference to Figure 1-2, employment declined significantly in the 2020:Q2 period due to the sudden lockdown, before slightly recovering. In 2021:Q3, employment in Community and Social Services as well as Trade dipped, most likely as a result of the July 2021 unrest.

The Utilities sector employs the least number of people at 135 000 people in 2023:Q1, and the Community and social services sector employs the most people at 3.9 million people in 2023:Q1. Employment in the Utilities sector hovered between 82 000 and 116 000 over the 2020:Q1 – 2022:Q3 period, reaching its lowest in 2021:Q4. It then recovered to 124 000 in 2022:Q4, and further to 135 000 in 2023:Q1.

Figure 1-2: Employment in Selected Sectors, 2020:Q1-2023:Q1



Source: Statistics South Africa, QLFS
2023 Quarter 1

Statistics South Africa conducted a non-financial census of municipalities in 2021 (Stats SA, 2023). Given the 99% submission rate, it represents a reliable figure of total employment in the South African local government sector. The figures in Table 1-6 refer to employment in the 257 municipalities, excluding municipal entities.

Table 1-6: Total Employment in the Local Government Sector by Province

Province	Full-time		Part-time		Vacant posts		Total	
	2020	2021	2020	2021	2020	2021	2020	2021
Western Cape	45 583	45 325	1 604	2 758	4 817	297	52 004	48 380
Eastern Cape	29 044	28 621	792	3 479	2 444	239	32 280	32 339
Northern Cape	8 597	8 471	601	664	236	160	9 434	9 295
Free State	14 566	15 974	744	91	2 766	177	18 076	16 242
KwaZulu-Natal	48 800	48 888	3 893	1 909	3 970	400	56 663	51 197
North West	12 845	12 388	634	676	333	75	13 812	13 139
Gauteng	82 122	81 337	1 930	2 769	16 922	4 720	100 974	88 826
Mpumalanga	14 904	14 987	157	155	2 081	159	17 142	15 301
Limpopo	13 851	13 772	18	22	1 089	189	14 958	13 983
South Africa	270 312	269 763	10 373	12 523	34 658	6 416	315 343	288 702

Source: STATS SA (2023)

*Some figures have been revised.

The table shows that full-time employment declined slightly between 2020 and 2021, from 270 312 to 269 763 employees, while part-time employees increased from 10 373 to 12 523 between 2020 and 2021. The number of vacant posts decreased significantly from 34 658 to 6 416 during the same interval. Total employment decreased from 315 343 to 288 702 from 2020 to 2021 due to large-scale job losses stemming from the impact of the Covid-19 pandemic. Gauteng, KwaZulu Natal and Western Cape provinces employ the most local government employees.

According to the 2023 WSP submissions, municipalities (locals, districts, and metropolitans) employed 299 691 workers, higher than StatsSA which reported a total of 288 702 municipal employees for 2021¹⁰, inclusive of full-time, part-time, and vacant posts for 2021, informed by a municipal census published in 2023. With the inclusion of other entities (as additional constituents of LGSETA), the total employment for local government employees based on WSP submissions came to 309 169.

The table below shows that the eight Metropolitan Councils employ more people (149 566) than the 205 local municipalities combined (126 446). The district municipalities are small in comparison with only 23 679 employees nationally. A total of 9 478 workers are employed by the municipal entities or other organisations (non-municipalities). The top three employers are Gauteng (86 618), Western Cape (57 842) and KwaZulu-Natal (57 730). Although Gauteng has the lowest number of municipalities, it has the greatest number of employees nationally, of which 79.4% (68 769) are concentrated in the three metros. The WSP submissions show that KwaZulu-Natal employed more employees in 2023, compared to a total of 55 198 workers in 2022. Western Cape's employment figures have increased over the past year, from 47 352 employees in 2022 to 57 842 employees in 2023. Only 3.0% (9 306) of the total national employment are located in Northern Cape municipalities.

Table 1-7 Provincial Distribution of Employees by Municipality Type in 2023

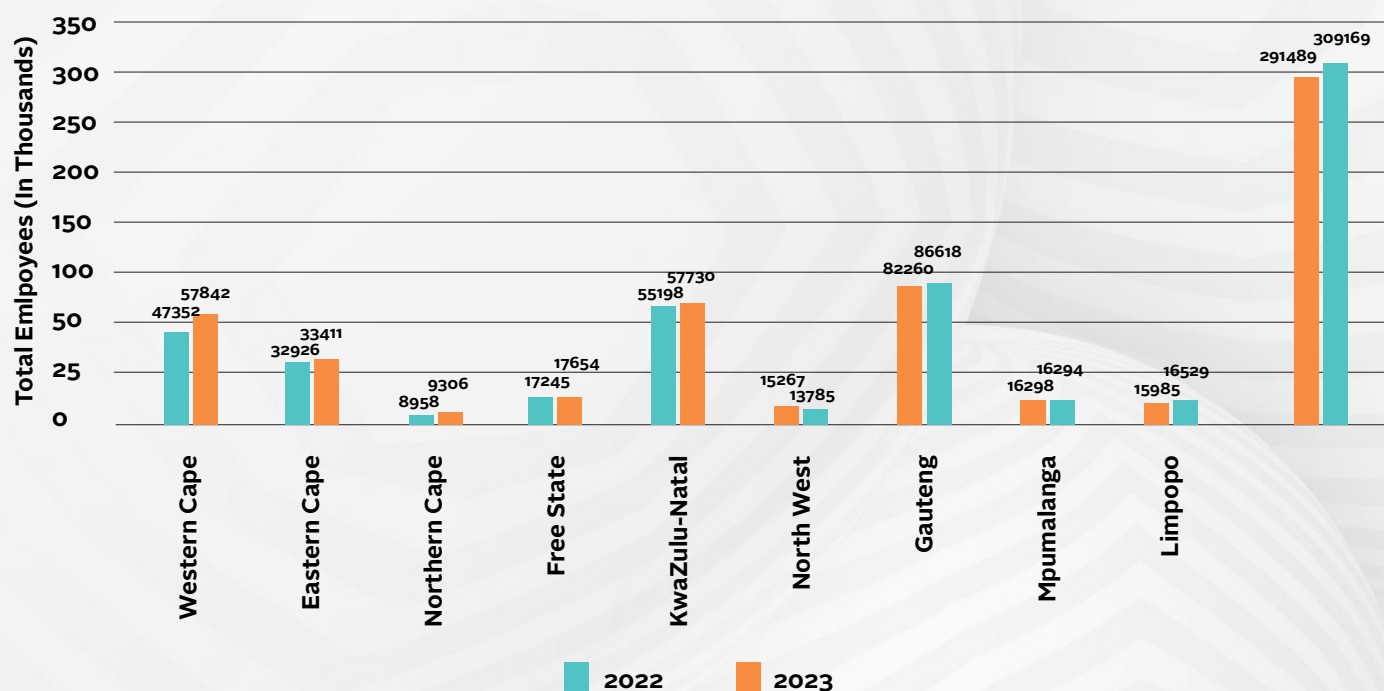
Province	District	Local	Metropolitan	Other	Grand Total
Western Cape	2511	18434	36755	142	57842
Eastern Cape	5492	14419	12828	672	33411
Northern Cape	668	8638	-	0	9306
Free State	561	12838	3450	805	17654
KwaZulu-Natal	6734	23159	27764	73	57730
North West	1388	11737	-	660	13785
Gauteng	985	9830	68769	7034	86618
Mpumalanga	1123	15102	-	69	16294
Limpopo	4217	12289	-	23	16529
Grand Total	23679	126446	149566	9478	309169

Source: LGSETA WSP Submissions 2023

¹⁰ The figures from WSP submissions differ slightly from those of Stats SA due to differences in data collection methods and inclusion of full-time, part-time and vacancy data.

The figure below illustrates the change in provincial and total employment between 2022 and 2023. All provinces except North West (having decreased by 1 482 employees) and Mpumalanga (with a marginal decrease of 4 employees) show some recovery in employment during this period. Overall, the number of employees increased from 291 489 in 2022, to 309 169 in 2023. Changes that occurred in each province are reflected in Figure 1-3.

Figure 1-3 Provincial Employment 2022 versus 2023



Source: LGSETA WSP Submissions 2022 and 2023

Many organisations have adopted remote working as a result of the Covid-19 pandemic. This hybrid workplace model took force in the local government sector. However, pre-Covid-19 working conditions have resumed, with fewer employees working remotely. In terms of employment, the sector seems to be recovering from the Covid-19 related decline in employment.

1.6.1 Employee Race and Gender Profile

In terms of the labour market profile, the race and gender distribution are shown in the table below. Most employees in the sector are African (79.1%), with African males making up 45.3% of total employees with a further 33.8% of total employees being African females. The next most-represented racial group is Coloured, who represent 14.2% of total employment, largely due to the high proportion of Coloured employees in the Western Cape municipalities (56.3%) of which 63.6% are male. Whites and Indians collectively make up the remaining balance of total employment (6.8%), with Whites accounting for 4.8% and Indians constituting 2.0%.

Table 1-8: Race and Gender Distribution of Employees by Province, 2023

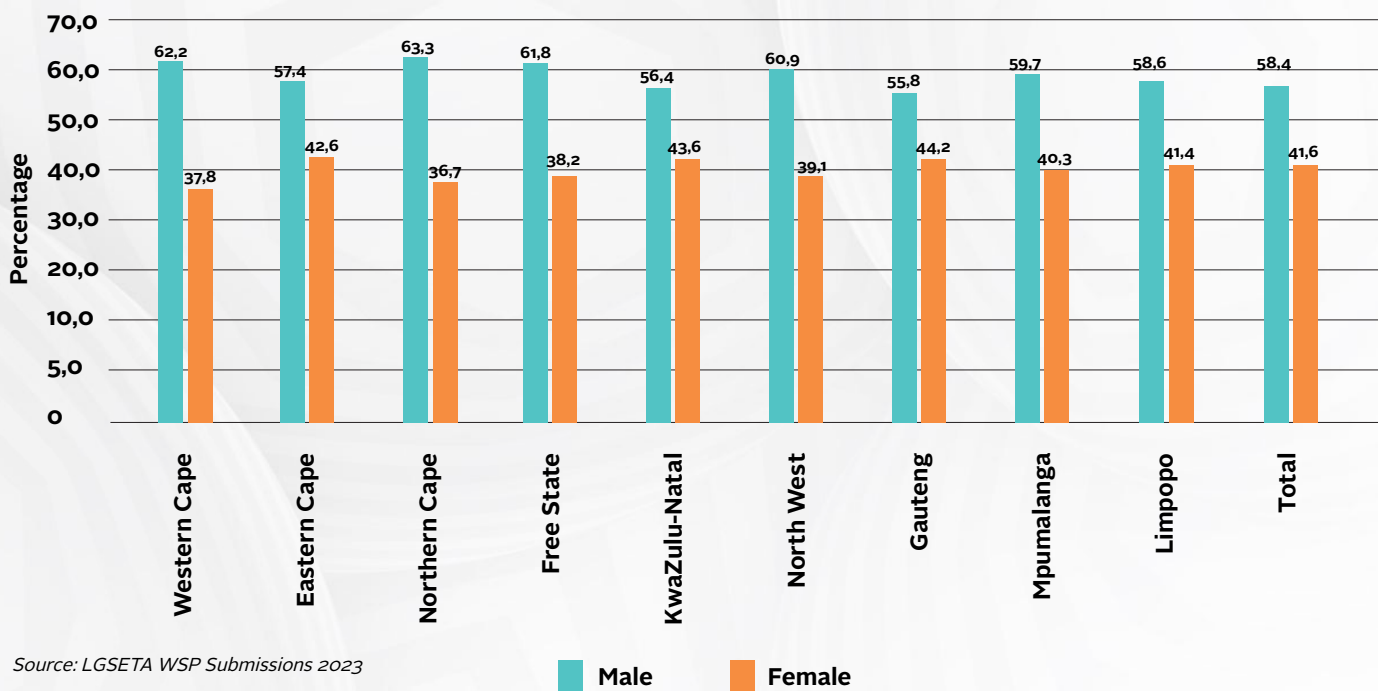
Province	African		Coloured		Indian		White		Grand Total
	Male	Female	Male	Female	Male	Female	Male	Female	
Western Cape	8214	11565	11463	21071	190	277	1987	3071	57838
Eastern Cape	12671	16462	959	1849	54	78	543	787	33403
Northern Cape	1793	3162	1480	2543	3	13	142	170	9306
Free State	6307	10249	158	243	2	6	276	412	17653
KwaZulu-Natal	22679	28173	502	579	1623	3165	387	622	57730
North West	5154	8024	84	131	10	20	147	214	13784
Gauteng	34644	43553	1185	1334	338	371	2132	3057	86614
Mpumalanga	6279	9404	93	66	27	12	174	239	16294
Limpopo	6677	9452	21	32	8	9	129	201	16529
Total	104418	140044	15945	27848	2255	3951	5917	8773	309151
Grand Total	244462		43793		6206		14690		

Source: LGSETA WSP Submissions 2023

Note: Discrepancies in totals are the result of errors in raw data capturing

There is a substantially higher number of males than females employed in this sector, with almost two thirds (58.4%) of posts being held by males nationally, and 41.6% held by females. There is a similar distribution provincially, with Gauteng being slightly more equal (55.8% male, 44.2% female). Northern Cape has the least equal male to female proportion of employees, with an employee profile that is 63.3% male (5 888) and only 36.7% female (3 418).

Figure 1-4 Total Provincial Gender Distribution of Employees, 2023



Source: LGSETA WSP Submissions 2023

1.6.2 Employee Age Profile

The age profile of a workforce is important. There needs to be a spread between the three age categories. An over representation in the 55+ category, for example, could place the municipalities in danger when a large cohort retires at the same time. Similarly, a very young workforce may impact negatively on service delivery due to the perceived lack of experience of these employees. Table 1-9 presents an age profile of employees by municipality.

Table 1-9 Age Profile of Employees by Municipality, 2023

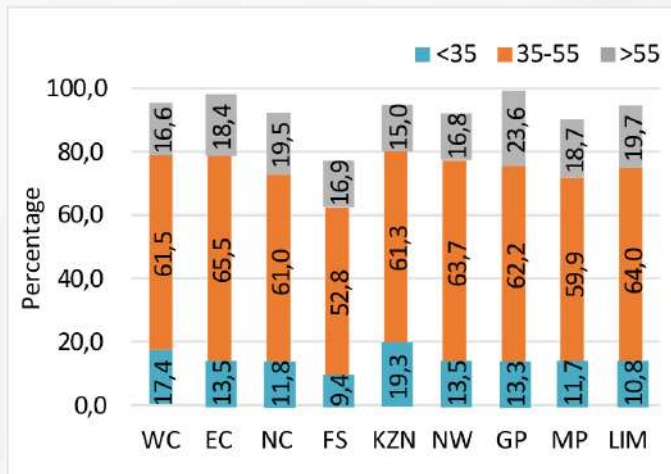
Province	Local Municipality			District Municipality			Metropolitan		
	< 35	35-55	>55	< 35	35-55	>55	< 35	35-55	>55
Western Cape	3216	11332	3051	523	1579	408	9207	21282	6252
Eastern Cape	1940	9444	2657	720	3689	1033	1441	8078	3139
Northern Cape	1018	5272	1682	149	413	98	0	0	0
Free State	1206	6781	2164	83	302	71	269	2286	895
KwaZulu-Natal	4476	14189	3478	1104	4106	1009	5155	18777	3832
North West	1579	7474	1968	140	987	212	0	0	0
Gauteng	1308	6113	2324	67	751	155	11591	41868	11870
Mpumalanga	1761	9050	2820	258	672	138	0	0	0
Limpopo	1330	7864	2418	383	1572	1210	0	0	0
Total	17834	77519	22562	3427	14071	4334	27663	92291	25988

Source: LGSETA WSP Submissions, 2023

The current profile, based on the 2023 WSP Submissions data, show a fairly healthy spread across the age categories in most provinces, with the majority of employees aged 35-55.

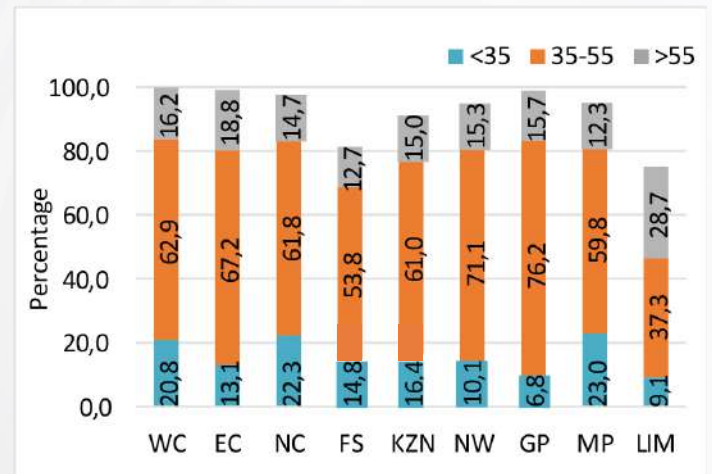
Referring to Figures 1-5 to 1-7: Gauteng's age structure in district municipalities shows a very low proportion of youth in the workforce at 67 (6.8%). Limpopo province also has a low proportion of youth in the workforce at 383 (9.1%), and a high proportion of employees older than 55 years of age (1 210 or 28.7%). It should be noted that out of all the provinces, only the district municipalities from Limpopo and Free State metropolitans constitute more than 25% of employees over the age of 55. Long-term, this could lead to an ageing workforce with an insufficient pipeline for continuity of service. Assessments into which occupations are affected will provide greater insight into the skills planning implications (Chapter 3).

Figure 1-5 Local Municipality Age Distribution



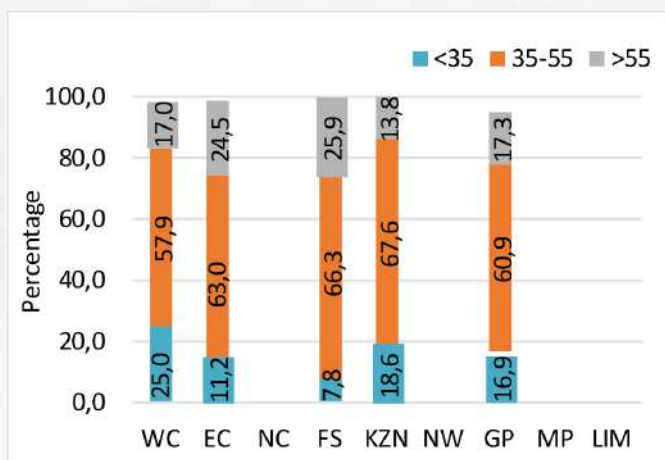
Source: LGSETA WSP Submissions, 2023

Figure 1-6 District Municipality Age Distribution



Source: LGSETA WSP Submissions, 2023

Figure 1-7 Metropolitan Age Distribution



Source: LGSETA WSP Submissions, 2023

1.6.3 Disability Status of Employees

From the WSPs and ATRs submitted in 2023, municipalities employ about 4 752 People with Disabilities (PWD). This is 1.5% of the total number of employees in the sector. Table 1-10 illustrates the provincial distribution of PWD within each of the demographic groups. The majority of the PWD are African (3 124) and living in the Eastern Cape (1 457). It should be noted that the Eastern Cape province accounts for a large proportion of African PWD – 1 457 or 46.6%. That province alone accounts for about half of the African PWD.

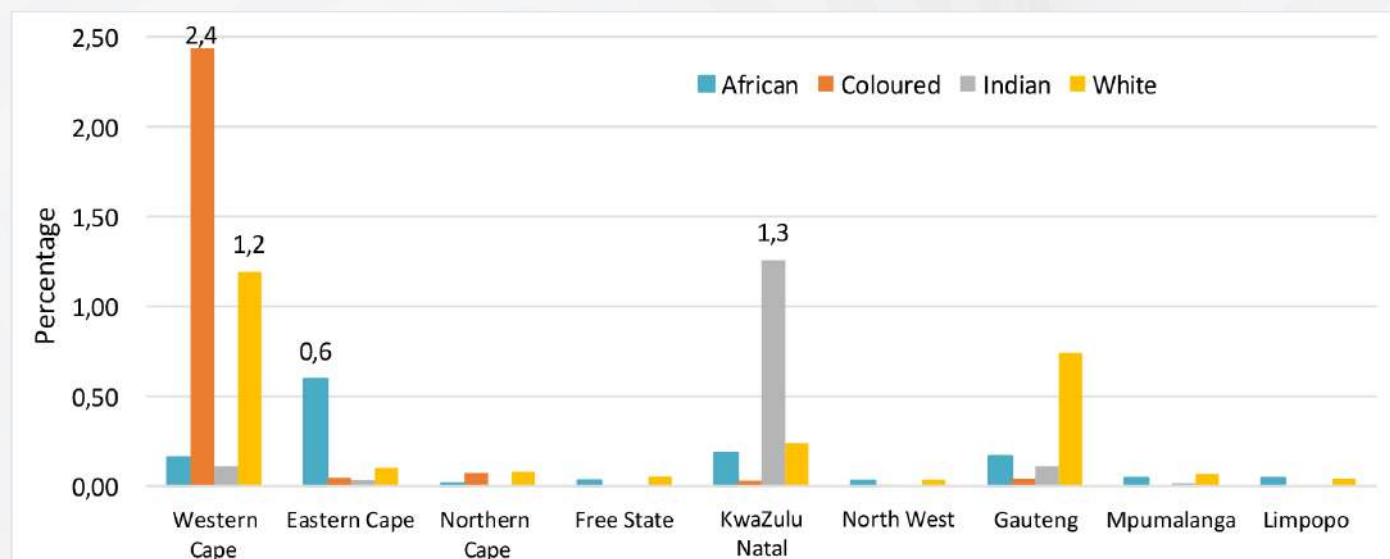
Table 1-10: Distribution of Employees with Disabilities, 2023

Province	African	Coloured	Indian	White	Grand Total
Western Cape	395	1067	7	175	1644
Eastern Cape	1457	21	2	15	1495
Northern Cape	38	32	0	12	82
Free State	75	2	0	8	85
KwaZulu-Natal	452	13	78	35	578
North West	69	3	0	5	77
Gauteng	407	18	7	109	541
Mpumalanga	117	2	1	10	130
Limpopo	114	0	0	6	120
Grand Total	3124	1158	95	375	4752

Source: LGSETA WSP Submissions 2023

Figure 1-8 below depicts the provincial distribution of disabled employees by race. The Western Cape employs the largest disabled Coloured population (2.4% of the total Coloured population) and the largest disabled White population (1.2% of the total White population). There are 0.6% of the total African employees employed in the Eastern Cape province that are PWD. KwaZulu Natal is home to the largest disabled Indian population (1.3% of the total Indian population).

Figure 1-8 Provincial Distribution of Disabled Employees by Race, 2023



Source: LGSETA WSP Submissions 2023

There are no disabled Coloureds employed in Limpopo Province, and no PWD employed in Northern Cape, Free State, North West and Limpopo provinces due to smaller Coloured and/or Indian populations in these provinces, respectively.

1.6.4 Employee Occupation Profile

Table 1-11 indicates that in the LG sector, 77.5% (24 613) of managers are African, with the remaining 22.5% (7 134) being Coloured (10.5%), Indian (2.5%) or White (9.5%). There is a similar structure to the professional occupations, with 80.4% (23 637) of professionals being African; and 19.6% (5 773) being Coloured (9.1%), Indian (2.9%) or White (7.6%). Interestingly, while only 38.9% (12 340) of managers are female, women outnumber their male counterparts in the clerical support occupations (60.6% females). The two most male- dominated occupational groups are 'plant and machine operators and assemblers' (81.3% males) and 'skilled agricultural, forestry, fishery, craft and related trades workers' (72.6% males), with the proportion of female workers totalling only 18.7% and 27.4%, respectively.

Table 1-11 OFO Major Group by Race and Gender, 2023

Occupational Group	Male				Female			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Managers	9811 30.9%	1143 3.6%	269 0.8%	1117 3.5%	14802 46.6%	2192 6.9%	510 1.6%	1903 6.0%
Professionals	12762 43.4%	1435 4.9%	436 1.5%	1024 3.5%	10875 37.0%	1238 4.2%	425 1.4%	1215 4.1%
Technicians and associate professionals	12093 30.6%	2919 7.4%	320 0.8%	994 2.5%	15468 39.2%	5250 13.3%	795 2.0%	1637 4.1%
Clerical support workers	24169 44.0%	6229 11.3%	836 1.5%	2031 3.7%	14522 26.4%	5736 10.4%	440 0.8%	941 1.7%
Service and sales workers	13756 30.3%	1561 3.4%	212 0.5%	392 0.9%	23856 52.5%	3557 7.8%	697 1.5%	1402 3.1%
Skilled agricultural, forestry, fishery, craft and related trades workers	2960 24.8%	163 1.4%	26 0.2%	123 1.0%	6788 56.8%	954 8.0%	287 2.4%	655 5.5%
Plant and machine operators and assemblers	3088 17.1%	182 1.0%	14 0.1%	93 0.5%	12052 66.9%	2002 11.1%	314 1.7%	282 1.6%
Elementary occupations	25779 33.0%	2313 3.0%	142 0.2%	143 0.2%	41681 53.3%	6919 8.8%	483 0.6%	738 0.9%
Grand Total	104418 33.8%	15945 5.2%	2255 0.7%	5917 1.9%	140044 45.3%	27848 9.0%	3951 1.3%	8773 2.8%

Source: LGSETA WSP Submissions 2023

In terms of the level of education by occupation, Table 1-12 shows that the educational level with the highest proportion of employees is an NQF Level 4 (93 435 or 31.1% of employees). These are predominantly clerical support workers, elementary occupations, and service and sales workers. 30.7% of employees (92 197) have an educational level below NQF level 4. These are predominantly elementary occupations, plant and machine operators and assemblers, service and sales workers, and technicians and associate professionals.

A total of 15.0% of employees (45 020) have an NQF level of 1 or lower. This highlights the need for Adult Education and Training (AET). This figure has increased by 5.9% since 2022, as there were only 26 533 employees with an NQF Level 1 or lower in that period, nearly half the number of employees in 2023. AET thus remains a strategic priority for the LGSETA.

Table 1-12: OFO Major by NQF Level, 2023

OFO Major Group	Below NQF Level 1	NQF Level 1	NQF Level 2	NQF Level 3	NQF Level 4	NQF Level 5	NQF Level 6	NQF Level 7	NQF Level 8	NQF Level 9	NQF Level 10
Managers	2254 7.2%	419 1.3%	645 2.1%	1639 5.2%	8435 26.9%	2412 7.7%	5751 18.4%	6607 21.1%	2201 7.0%	868 2.8%	100 0.3%
Professionals	0 0.0%	133 0.5%	610 2.2%	1072 3.8%	4190 15.0%	2091 7.5%	10115 36.1%	7753 27.7%	1699 6.1%	341 1.2%	22 0.1%
Technicians And Associate Professionals	1081 2.8%	3075 7.9%	1696 4.4%	2196 5.6%	10430 26.8%	5799 14.9%	8828 22.7%	4201 10.8%	1298 3.3%	259 0.7%	23 0.1%
Clerical Support Workers	2098 4.0%	464 0.9%	1651 3.1%	2785 5.3%	18686 35.6%	8119 15.5%	12355 23.6%	4803 9.2%	1246 2.4%	205 0.4%	21 0.04%
Service And Sales Workers	2132 4.8%	1219 2.8%	2170 4.9%	2205 5.0%	22860 52.0%	7050 16.0%	5221 11.9%	924 2.1%	150 0.3%	30 0.1%	6 0.01%
Skilled Agricultural, Forestry, Fishery, Craft And Related Trades Workers	745 6.0%	350 2.8%	1012 8.1%	1241 9.9%	3373 27.0%	3236 25.9%	1929 15.4%	411 3.3%	185 1.5%	12 0.1%	1 0.01%
Plant And Machine Operators And Assemblers	2648 14.7%	1198 6.7%	3578 19.9%	2573 14.3%	5134 28.5%	1459 8.1%	1093 6.1%	197 1.1%	90 0.5%	25 0.1%	2 0.01%
Elementary Occupations	16696 22.1%	10508 13.9%	10605 14.0%	11499 15.2%	20327 26.9%	2447 3.2%	2792 3.7%	469 0.6%	139 0.2%	46 0.1%	4 0.01%
Grand Total	27654 9.2%	17366 5.8%	21967 7.3%	25210 8.4%	93435 31.1%	32613 10.8%	48084 16.0%	25365 8.4%	7008 2.3%	1786 0.6%	179 0.1%

Source: LGSETA WSP Submissions 2023

A further 38.3% of employees (115 035) have an educational level of higher than NQF level 4. These are predominantly managers, professionals, clerical support workers and technicians and associate professionals.

1.6.5 Unemployment, Inequality and Poverty

South Africa's "Achille's Heel" is high unemployment, inequality, and poverty. According to the Quarterly Labour Force Survey: Q1:2023, the official unemployment rate is 32.9% (7.9 million) and 42.4% (11.9 million) by the expanded definition. Interestingly, graduate unemployment is 10.6%, 22.2% lower than the national official unemployment rate. Unemployment for those with Matric is 35.6% and less than Matric 37.6%.¹¹ People with higher education attainment are relatively less at risk of unemployment.

There is also a large portion of youth who have been termed "NEET" (not in employment, education, or training); they are "disengaged from the labour market" and are not actively engaged in developing their skills through education and training. In the first quarter of 2023, there were approximately 10.2 million youth aged 15 to 24 years, of which about 3.7 million (36.1%) were NEET. There are more NEET females than males in this age group. Year-on-year, there was a 0.8% decrease since 2022:Q1. In the age group 15-34 years, the NEET rate decreased by 1.6% to 44.7%. (Stats SA, 2023)

South Africa had the highest inequality in income distribution in 2021, with a Gini score of 0.63.¹² Approximately 55.5% (30.3 million people) of the population is living in poverty at the national upper poverty line (ZAR 992), while a total of 13.8 million people (25%) are experiencing food poverty (World Bank, 2020).

1.7 Conclusion

This chapter covered the profile of the local government sector. The sector covers 54 industries which capture 257 municipal employers and 299 691 municipal employees. With the inclusion of other entities (as additional constituents of LGSETA), the total employment came to 309 169. Employees are predominantly employed by metropolitans, with local municipalities following closely; they are predominantly African males aged between 35 and 55 years; and mostly employed in elementary occupations. In terms of an economic analysis, the LGSETA has a broad scope that spans over a range of economic sectors. Over the five-year period, GDP growth in the key LG economic sectors generally followed the same trend as the economy at large. The only exceptions are Transport, storage and communication, which was the lowest in 2021, and Construction and Personal Services, which declined in 2022 – yet these three sectors increased above overall GDP rates by 2023:Q1. Regarding municipal revenue, municipalities across South Africa received revenue of R548.7 billion in 2021 increasing by 5.8% in 2022 to R580.3 billion. In relation to service delivery, the services that are available to most households is water (78.1%), followed by sewerage and sanitation (64.7%) and provision of electricity (61.0%). About half of the households reported having access to solid waste management (54.3%).

¹¹ Statistics South Africa. Quarterly Labour Force Survey: Q1:2023.

¹² Statista.com. Gini Index: income distribution inequality worldwide 2021. Accessed at <https://www.statista.com>

2. Key Skill Change Drivers

2.1 Introduction

This chapter focuses on examining and identifying major factors driving change in the local government sector and influencing skills demand and supply, either positively or negatively. The chapter also presents the implications of these factors for skills planning in the sector. The five major change drivers impacting skills demand and supply, described in the section below, were reviewed and confirmed through interviews and provincial consultations with stakeholders in the sector. These factors are also informed by various research studies conducted in the local government sector during the 2022-2023 financial year. The studies include: The Feasibility Study in Using Shared Services Approach to Enhance Service Delivery and Financial Viability of Local Municipalities; and The Role of Local Government Empowering South African Inland Fisheries Through a Green Economy Transition.

The second aspect of this chapter focuses on the national plans and strategies affecting skills demand and supply in the sector and the alignment of sector skills planning to national strategies and plans.

2.2 Factors Affecting Skills Demand and Supply

The five key skills change drivers in the local government sector are Technological Change and Digitisation, Local Economic Development, Constraints to Service Delivery, Spatial Integration and Inclusive Development, and Political Change. The key skills change drivers have serious implications for skills demand. Drivers of change mean that the skills in demand will also change. The five key skills change drivers are discussed below.

2.2.1 Technological Change and Digitisation

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 regarding the local government sector include, data analysts, cyber security specialists, drone engineers, virtual meeting specialists and software programmers.

The study conducted by LGSETA in 2023 on the feasibility of Shared Services Approach showed infrastructure within municipalities has to keep pace with the requisite technology to support the various services to be provided, in terms of shared services. 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:

(i) skills development in the context of the 4IR; (ii) the opportunities for the cities in using the 4IR to assist in revenue collection; and (iii) smart cities technologies – there is still a need for the full potential of digitalisation to be factored more 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, clean 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). 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 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.

2.2.2 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 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” in 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 in order to stimulate informal, local and township economies. Through the DDM, municipalities need to ensure that LED is prioritised into the Integrated Development Plan, 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 in order to be more responsive.

The LGSETA's Study on the Role of Empowering South African Inland Fisheries Through a Green Economy Transition (2023) asserts that South Africa ranks very low globally, and even among other developing countries in its transition to a green economy. This is likely due to a large number of limitations that South Africa faces with regard to energy dependence, available funding, political will, income inequality and a lack of capacity and skills. Despite these limitations, there is still a substantial effort being put forth to promote the green economy concept.

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).

2.2.3 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 Feasibility Study in Using Shared Services Approach to Enhance Service Delivery and Financial Viability of Local Municipalities (2023) shows nationally, local government is embracing the approach to improve performance in providing services to the citizenry following the recent uproar from communities regarding the provision of basic services such as housing, water, sanitation, healthcare, electricity, infrastructure, land, and economic development (LGSETA, 2023). This is due to municipalities facing challenges of sustainability, insufficient municipal capacity owing to a lack of essential skills (financial, IT, managerial), misplacement of skills, poorly structured community engagement and participation systems, lack of cooperation, limited knowledge sharing and political interference at the local level.

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).

2.2.4 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 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). Data usage will ensure efficiencies, as wastages can be identified and addressed quickly, and will inform predictions used to make decisions to improve the lives of citizens (eThekweni Municipal Academy). 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 technology and mixed reality ('augmented reality' and 'virtual reality').

2.2.5 Political Change

The next elections, to be held in 2024, will be a key focus area for South African politics. The elections potentially have implications for skills development in terms of new leadership. The continual transformation and institutionalised upskilling of the workplace in the local government sector is reportedly undermined by electoral political leadership change as well as political appointments and coalition politics. The change in leadership further 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, improper management, lack of institutional controls, and fruitless and wasteful expenditure cross-cutting all spheres of local government.

As a result, service delivery protests continue across municipalities affected by poor performance and officials whom 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.

2.3 Policy Framework Affecting Skills Demand and Supply

The LGSETA is influenced by its mandate, as derived from legislature, policy as well as the mandate, strategies, and policies of the local government sector. Section 152 (2) of the South African Constitution states that local government must strive, within its financial and administrative capacity, to achieve the objectives set out. The wide range of responsibilities places a high burden on municipalities in terms of skills and competencies. Table 2-1 (below) provides a list of the legislative documents which will inform LGSETA's strategic direction.

Table 2-1 Legislative, Policy and Strategic Documents informing LGSETA Strategic Focus

Strategies/ Policies Impacting on LG	Implications for Skills Development in the LG Sector	Planned Interventions by the SETA to support National Strategy
National Development Plan 2030	A main focus area of the NDP is to build a “capable state.” Eight areas are identified to achieve this. Local government has a key role in Focus area 2 (Make the public service and local government administration careers of choice).	LGSETA has prioritised councillors and traditional leaders to raise the professional profile of LG.
National Skills Development Plan 2030	The plan seeks to ensure that South Africa has adequate, appropriate, and high-quality skills that contribute towards economic growth, employment creation and social development.	SETA also supports WIL for students coming from TVET Colleges and Universities of Technology. The LGSETA has also forged three-year partnerships with the universities to advance planning mechanisms and qualification development.
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. Of relevance to local government are the green economy and facilitating effective spatial development.	LGSETA will work with municipalities, and Education and Training providers to identify “green occupations” and suitable interventions for both new entrants and existing workers. The SETA is committed to supporting LED and job creation and business.
Presidential Youth Employment Intervention (PYEI)	The PYEI is a programme aimed at addressing the country's inherent challenge of youth unemployment. LGSETA has and continues to support the Presidency's drive to empower youth by facilitating access to skills development programmes.	LGSETA offers a number of internships, learnerships, apprenticeships and bursaries, through which it facilitates access to learning opportunities for youth in the occupations prioritised on the Sectoral Priority Occupations & Interventions List.
Green Economy Accord	The green economy accord includes commitments by stakeholders toward a greener economy in South Africa. LGSETA commissioned a study on the current state of green skills in municipalities, with a special focus on wastewater treatment facilities. The findings point to a lack of such skills in local government.	LGSETA will need to place a focus on skills interventions aimed at developing “green skills”.
White Paper for Post School Education and Training (2013)	The implication for the LG sector is to ensure a stronger and more co-operative relationship between education and training institutions and the workplace and facilitating a post-school education and training system that responds to the needs of individual citizens and employers.	LGSETA has established partnerships with selected TVET Colleges and HEIs to support the development and implementation of appropriate learning programmes to address identified needs of the sector.
White Paper on Transforming Public Service Delivery (Batho Pele White Paper)	The White Paper on Transformation of the Public Service sets out eight transformation priorities, amongst which, transforming service delivery is key. This creates a need for the LG sector to ensure public services are provided with training opportunities aimed at improving service delivery.	LGSETA supports this national strategy focusing on training on Batho Pele principles to enhanced service delivery across municipalities.
Local Government Turnaround Strategy (LGTAS)	The LGTAS identified key areas of concern that included: leadership, financial management, economic development, and spatial development. There is a need to focus on the skills relating to these functions on an ongoing basis.	The development of capacity in municipalities to support LED is low with a limited supply of skills flowing into key occupations. This requires a focus on the LED learnerships (NQF 4 & 5) and skills including analytical skills, Developmental Economics, SMME and Cooperative Development.

Strategies/ Policies Impacting on LG	Implications for Skills Development in the LG Sector	Planned Interventions by the SETA to support National Strategy
Back to Basics Strategy	The Back-to-Basics Approach was formulated as part of the Government's plan of action to revitalise local government. The main goal of the programme was to improve the functioning of municipalities to better serve communities by getting the basics right.	LGSETA will need to work with other spheres of Government to actively implement objectives set towards putting people first, delivering basic services, good governance, sound financial management and building capacity.
Integrated Urban Development Framework: Implementation Plan	The Plan identifies policy priorities and interventions to ensure all levels of Government and all components of the state contribute to the progressive integration of urban development investments to realise the urban dividend, and to enable municipalities to manage continuing urbanisation more efficiently and equitable.	The skills prioritised for funding relate to technical occupations that are core to service delivery in municipalities namely town planners, civil and electrical engineers/technicians, water and wastewater treatment operators, technical project managers, and property valuers. LGSETA will work with municipalities to address specific needs.
Disaster Management Act, No. 53 of 2005	The Disaster Management Act (as amended) is relevant in response to disasters such as the Covid-19 pandemic. The impact of the pandemic was felt by local government through working restrictions and budget reallocations.	The DM Framework includes a specific focus on business continuity and disaster management impact through skills development initiative. Targeted interventions have been identified.
District Development Model (DDM)	The District Development Model ("DDM") is intended to improve the planning and service delivery capacities of municipalities. This requires an increased focus on collaboration and project management skills across service delivery areas. It is aimed at creating one plans for each district or metropolitan municipality.	The District Development Model is intended to improve the planning and service delivery capacities of municipalities. This will require an increased focus on collaboration and project management skills. The DDM has been piloted in the Waterberg, OR Tambo and eThekweni municipalities
Economic Reconstruction and Recovery Plan (ERRP) and ERR Skills Strategy	The Plan focuses on interventions to allow large numbers of young people to access opportunities in the short-term to ensure that they are able to be absorbed into high-potential growth sectors in order to boost job creation, and up-skill workers as to enhance productivity. The Economic Recovery Skills Strategy presents key interventions to support the ERRP from a skills perspective.	A list of targeted interventions were identified in the ERRP and Skills Strategy and these concur with the SPOI list (e.g., supporting municipal infrastructure occupations to contribute to the 25 000 jobs required by the Skills Strategy). Other ERRSS interventions include the updating of learning programmes, including skills programmes to facilitate infrastructure, and supporting internships for youth graduates.
Local Government: Municipal Staff Regulations	The Plan aims to ensure standardisation and guide municipalities on strategic human resource management and human resource development issues including performance management and skills development. It is expected that municipalities align their WSPs to the Integrated Development Plan (IDP), budget, Employment Equity (EE) plan and skills development strategy in order to capacitate public office bearers and municipal managers.	The Municipal Staff Regulations, 2021 come into effect on 1 July 2022, and municipalities are required to ensure that their WSP is aligned to the IDP and Service Delivery Budget Implementation Plan (SDBIP). LGSETA supports the process to enable better skills planning and development.
The Gauteng Township Economic Development Act	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 LED, inclusive spatial transformation as well as youth initiatives in the sector.

2.4 Conclusion

The key implications of change drivers on skills supply and demand identified relate largely to the impact of political change on institutional memory in municipalities, population changes caused by urbanisation and rural development and the new skills which will be required through the creation of smart cities. The DDM and the rise of 4IR have resulted in various implications on the key change drivers that have been identified. The DDM will provide a targeted skills planning and development approach to address rural and township economies and transforming rural and urban areas to become integrated, inclusive, sustainable, and competitive. The Covid-19 pandemic created impetus on ensuring LED becomes more vibrant, responsive, and sustainable to counteract the devastating impact of the pandemic. The NDP encourages local government to be a career destination of choice, and this requires competent public servants and the creation of a pipeline of graduates in municipal service areas with the requisite skills.

3. Occupational Shortages and Skills Gaps

3.1 Introduction

Chapter 3 looks at occupations that are hard-to-fill and skills gaps amongst employees as well as reasons for these in the Local Government sector. This is done in order to assist the SETA with skills planning. Skills Planning is a key component of the skills development process as it informs decision-making. For skills planning to effectively inform decision making, labour market information must be analysed at a detailed occupational level. This better facilitates the transfer into an operational plan, as interventions can be identified based on the need at occupational level, whether it be a skills gap (top-up or critical skill) or occupational shortages informed by hard-to-fill-vacancies (scarce skill).

The Hard-to-fill Vacancies (HTFV), skills gap and the Sectoral Priority Occupations and Interventions (SPOI) lists were determined based on the analysis of 2023 WSP/ATR data and are supported by consultations with local government representatives across the country. In addition, several research projects were conducted to inform this Chapter, including the LGSETA studies on local government business continuity and skills development interventions after service delivery disruptions; digital skills need of SMMEs and Cooperatives; the smart city concept; and the implementation evaluation of LGSETA programmes, amongst others.

3.2 Occupations that are Hard-To-Fill

Hard-to-fill vacancies refer to vacancies or occupations an employer was unable to fill within 12 months, or which took the employer over 12 months to find a suitably qualified and experienced candidate (Sector Skills Plan Framework and Guidelines, 2022).

Exogenous factors, including the impact of the Covid-19 pandemic, natural disasters such as the KZN and WC floods, and the destruction of public property by individuals during civil unrest impact the local government sector. These factors change the way local government sector employers operate and further impact on the hard-to-fill vacancies and skills gaps lists.

A study conducted by the LGSETA (2022b) investigated the digital skills needs of emerging and established SMMEs and cooperatives. Amongst the identified digital skills needs are information technology, digital communication, digital marketing, software engineering, online advertising, and e-commerce and app development, among others. ICT skills were also highlighted as a necessity for smart city concepts (LGSETA, 2022c). An initiative researched by the SETA is the implementation of smart city concepts in South Africa and how this will impact the LGSETA. ICT skills needed include those related to artificial intelligence, robotics, cloud computing, big data science, quantum computing, cybersecurity, and 3D printing, amongst others. In addition to ICT skills, there is also a need for governance skills (data governance, ICT governance, digital literacy, community engagement), physical infrastructure development skills (architecture designs, structural engineering, and electrical engineering), legal skills (skills of digital policy developers, ensuring the building of seamless processes for property acquisition and investment within the smart city), and general skills (such as scientists and researchers, healthcare skills, smart policing, and others).

3.2.1 Hard-to-Fill Vacancies (HTFV)

Table 3-1 outlines the occupations with HTFV across the sector. The 2023 WSP/ATR data, amongst other data sources, were used to compile this list.

Based on the 2023 WSP/ATR submissions, municipalities (and other entities) identified 3 668 HTFV. This is an increase from the 2 510 posts reported in the previous year. It should be noted that this is not an exhaustive list of vacancies, but includes a list of those identified by stakeholders as being occupational shortages. In July 2022, StatsSA reported the total number of vacancies to be 30 426. This means that, based on the current assessment that underpins the WSP/ATR 2023 submissions, roughly 12.1% of all vacancies are considered occupational shortages.

Additionally, provincial and district level consultations were conducted to confirm the 2023 WSP/ATR data, and inputs provided were factored into the list. Also, interviews were conducted with stakeholders in the sector to confirm the HTFV in the local government sector. The table below provides input on the number of occupational shortages, the total number of municipalities reporting that shortage, as well as the reason(s) for that shortage.

Table 3-1: Hard-to-Fill-Vacancies

Occupation	Total Vacancies	# Municipalities	Main Reason for Shortage
Technical			
2021-671101 – Electrician	136	7	<ul style="list-style-type: none"> • Absolute scarce skills - Lack of relevant qualifications Absolute scarce skills - Lack of relevant experience • Relative scarce skills - Unsuitable job location/Geographical location (especially rural/ semi-urban areas) • Relative scarce skill - Sector attractiveness to local government • Relative scarce skill - Recruitment process slow Relative scarce skills - Lack of Funding - Budget • Relative scarce skills - Poor remuneration/Different salary gradings
2021-541101 - Fire Fighter	52	5	<ul style="list-style-type: none"> • Relative scarce skills - Lack of Funding - Budget • Relative scarce skill - Recruitment process slow
2021-214202 - Civil Engineering Technologist	47	4	<ul style="list-style-type: none"> • Absolute scarce skills - Lack of relevant experience • Relative scarce skills - Unsuitable job location/Geographical location (especially rural/ semi-urban areas) • Relative scarce skill - Recruitment process slow
2021-216401-1 - Town Planner	28	13	<ul style="list-style-type: none"> • Absolute scarce skills - Lack of relevant qualifications Absolute scarce skills - Lack of relevant experience • Relative scarce skills - Unsuitable job location/Geographical location (especially rural/ semi-urban areas) • Relative scarce skill - Sector attractiveness to local government • Relative scarce skill - Recruitment process slow Relative scarce skills - Lack of Funding - Budget • Relative scarce skills - Poor remuneration/Different salary gradings
2021-214102 - Industrial Engineering Technologist	25	1	<ul style="list-style-type: none"> • Absolute scarce skills - Lack of relevant experience
2021-711201-2 - Process Operator	25	1	<ul style="list-style-type: none"> • Absolute scarce skills - Lack of relevant experience
2021-311301 - Electrical Engineering Technician	24	4	<ul style="list-style-type: none"> • Absolute scarce skills - Lack of relevant experience Relative scarce skill - Recruitment process slow
Water & Environmental Services			
2021-642601 – Plumber	73	9	<ul style="list-style-type: none"> • Relative scarce skill - Sector attractiveness to local government • Absolute scarce skills - Lack of relevant qualifications • Relative scarce skills - Lack of Funding - Budget • Relative scarce skill - Recruitment process slow
2021-313203 - Water Process Controller	25	1	<ul style="list-style-type: none"> • Absolute scarce skills - Lack of relevant experience

Occupation	Total Vacancies	# Municipalities	Main Reason for Shortage
Management			
2021-541201 - Traffic Officer	71	6	<ul style="list-style-type: none"> Absolute scarce skills - Lack of relevant qualifications Relative scarce skill - Recruitment process slow Relative scarce skills - Lack of Funding - Budget
2021-133105 - Information Technology Manager	46	2	<ul style="list-style-type: none"> Absolute scarce skills - Lack of relevant qualifications Relative scarce skill - Recruitment process slow
2021-111203-5 - Municipal Manager	29	19	<ul style="list-style-type: none"> Absolute scarce skills - Lack of relevant experience Absolute scarce skills - Lack of relevant qualifications Relative scarce skills - Political Interference Relative scarce skills - Unsuitable job location/Geographical location (especially rural/semi urban areas) Relative scarce skills - Poor remuneration/Different salary gradings Relative scarce skill - Recruitment process slow Relative scarce skill - Sector attractiveness to local government
2021-132401-12 – Supply Chain Manager	27	7	<ul style="list-style-type: none"> Relative scarce skills - Lack of Funding - Budget Absolute scarce skills - Lack of relevant experience Relative scarce skill - Recruitment process slow
2021-132104 - Engineering Manager	26	10	<ul style="list-style-type: none"> Absolute scarce skills - Lack of relevant experience Absolute scarce skills - Lack of relevant qualifications Relative scarce skill - Recruitment process slow Relative scarce skills - Poor remuneration/Different salary gradings
Property Management			
2021-331501 - Valuer	30	2	<ul style="list-style-type: none"> Absolute scarce skills - Lack of relevant qualifications Relative scarce skill - Sector attractiveness to local government
Healthcare			
2021-134203 - Primary Health Care Manager	500	1	<ul style="list-style-type: none"> Relative scarce skill - Sector attractiveness to local government
2021-222104 – Registered Nurse (Community Health)	301	2	<ul style="list-style-type: none"> Relative scarce skill - Recruitment process slow Relative scarce skill - Sector attractiveness to local government
2021-222105 - Registered Nurse (Critical Care and Emergency)	120	1	<ul style="list-style-type: none"> Absolute scarce skills - Lack of relevant qualifications
2021-222117 - Midwife	100	1	<ul style="list-style-type: none"> Relative scarce skill - Sector attractiveness to local government
2021-134202 - Nursing Clinical Director	50	1	<ul style="list-style-type: none"> Relative scarce skill - Sector attractiveness to local government

Source: LGSETA WSP Submissions, 2023, stakeholder consultations

The following key observations were considered to finalise the SPOI Interventions List:

- Healthcare accounts for the largest number of occupations reporting vacancies. This category alone accounts for 61.7% of the top 20 HTFV, with Primary Health Care Managers accounting for nearly half of the vacancies alone.
- Technical occupations follow second in terms of the largest number of occupations reporting vacancies. They account for 19.4% of the top 20 HTFV, with Electricians accounting for 136 vacancies. This includes Electricians and Electricians (General).
- Property Management accounted for only 1.7% of all HTFV, with Valuers totalling 30.
- Notably, Fire fighters remained a HTFV since the previous year, but decreased by nearly a third, to 52 HTFV.
- The number of Plumbers increased over twofold, from 35 in 2022 to 73 in 2023.
- HTFV which remained on the list of top 20 HTFV since 2022 include Electrician, Fire Fighter, Plumber, Supply Chain Manager, Municipal Manager, and Registered Nurse (Community Health).
- Although not in the top 20 HTFV, Electrical Engineering Technician ranks 21st and has been listed (Table 3-1), while Building Inspector and Community Nurse both come in at 22nd position, each having a total number of 23 vacancies. Artisan Aide Electrical was omitted from the top 20 on the bases of relevancy and reason (i.e. slow recruitment process, only).
- It is also worth mentioning that of the top 20, only 8 occupations had “lack of relevant qualifications” listed as a reason for qualifying as a HTFV. These include Electrician, Town Planner, Plumber, Traffic Officer, Information Technology Manager, Municipal Manager, Engineering Manager and Valuer - a strong indication of a lack of managers especially, due to lack of qualifications.
- Based on the analysis of the AGSA audit of municipalities, the critical need for Internal Auditors was highlighted. This occupation, however, did not make the top 20 HTFV list, as there were only 2 vacancies identified from 2023 WSP/ATR data.

The need for health and safety-related occupations has previously emerged as an occupational shortage in the sector. In the table above, the need for Primary Health Care Managers and Registered Nurses is highlighted. The need for Information Technology Managers results mainly from accelerated uptake of 4IR technologies due to the aftermath of the Covid-19 pandemic and the rapidly evolving world of work. This is also largely attributed to the shift to remote working which requires effective application and integration of technologies, data usage and data manipulation. LGSETA commissioned a study (LGSETA, 2022a) in which it was found that the local government sector is lacking in terms of IT professionals. Moreover, during 2023 stakeholder engagements, Data Scientists and Data Operations Managers were yet again identified as HTFV due to a lack of relevant experience. Notably, stakeholder consultations confirmed the need for Supply Chain Managers, Municipal Managers, Town Planners and Civil Engineering Technologists.

The table below provides a list of the top HTFV in each of LGSETA's four broad service delivery areas. The LG sector covers a total of nine broad service delivery areas, of which four are analysed. This table was compiled from the 2023 WSP/ATR data.

Table 3-2: Top HTFV per Service Delivery Area

Occupation	Reason for HTFV	Total Vacancies	# Municipalities
Water and Sanitation			
2021-642601 – Plumber	<ul style="list-style-type: none"> • Relative scarce skills - Lack of Funding - Budget • Absolute scarce skills - Lack of relevant qualifications • Relative scarce skill - Sector attractiveness to local government • Relative scarce skill - Recruitment process slow 	73	9
2021-313203 - Water Process Controller	<ul style="list-style-type: none"> • Absolute scarce skills - Lack of relevant experience 	25	1
2021-213306-1 - Waste Water Treatment Officer / Technician	<ul style="list-style-type: none"> • Relative scarce skill - Recruitment process slow • Relative scarce skills - Lack of Funding - Budget 	11	2
2021-831313 - Water Process Worker	<ul style="list-style-type: none"> • Relative scarce skills - Lack of Funding - Budget 	6	1
2021-642605-3 - Water Reticulation Practitioner	<ul style="list-style-type: none"> • Absolute scarce skills - Lack of relevant qualifications 	1	1

Occupation	Reason for HTFV	Total Vacancies	# Municipalities
Roads and Stormwater			
2021-541201-4 - Traffic Warden	<ul style="list-style-type: none"> Relative scarce skills - Lack of Funding - Budget Relative scarce skill - Recruitment process slow 	12	2
2021-831306-3 - Road Building Construction Worker	<ul style="list-style-type: none"> Relative scarce skills - Lack of Funding - Budget 	10	1
2021-541201-6 - Traffic Safety Coordinator /Officer	<ul style="list-style-type: none"> Relative scarce skill - Recruitment process slow Relative scarce skills - Lack of Funding - Budget 	6	2
Energy and Electricity			
2021-671101 – Electrician	<ul style="list-style-type: none"> Relative scarce skills - Lack of Funding - Budget Relative scarce skills - Unsuitable job location/Geographical location (especially rural/semi urban areas) Relative scarce skill - Sector attractiveness to local government Relative scarce skill - Recruitment process slow 	136	7
2021-862918-15 - Artisan Aide Electrical	<ul style="list-style-type: none"> Relative scarce skill - Recruitment process slow 	40	2
2021-311301 - Electrical Engineering Technician	<ul style="list-style-type: none"> Absolute scarce skills - Lack of relevant experience Relative scarce skill - Recruitment process slow 	24	4
2021-671101-5 - Electrician (Engineering)	<ul style="list-style-type: none"> Absolute scarce skills - Lack of relevant experience Relative scarce skills - Poor remuneration/Different salary gradings Relative scarce skill - Recruitment process slow 	22	3
2021-215101 - Electrical Engineer	<ul style="list-style-type: none"> Absolute scarce skills - Lack of relevant experience Absolute scarce skills - Lack of relevant qualifications Relative scarce skill - Sector attractiveness to local government Relative scarce skills - Unsuitable job location/Geographical location (especially rural/semi urban areas) Relative scarce skill - Recruitment process slow 	18	7
LED			
2021-243103-3 - Tourism Officer	<ul style="list-style-type: none"> Relative scarce skill - Recruitment process slow Relative scarce skills - Lack of Funding - Budget 	4	3
2021-242103 - Business Development Officer	<ul style="list-style-type: none"> Relative scarce skills - Lack of Funding - Budget 	2	2

Source: LGSETA WSP Submissions, 2023

Looking at the top 5 HTFV from the Water and Sanitation, Roads and Stormwater, and Energy and Electricity service delivery areas, as well as the top 3 from LED, are useful in determining what the key occupations are in each service delivery area, which may not have made the top 20. For LED, the occupations listed are those most closely-related to the service delivery area. During stakeholder consultations, the need for Electrical Engineers was also highlighted.

3.2.1.1 Reasons for HTFV

A key element of the vacancy analysis is to examine the reasons why a vacancy was identified as hard-to-fill. There are skills related and non-skills related reasons for scarcity, indicated in Table 3-3.

Table 3-3: Reasons for Reported HTFV - Percentage

Reason for HTFV	Number of reasons for reported HTFV	%
Recruitment process slow	446	48.6%
Lack of Funding - Budget	158	17.2%
Lack of relevant qualifications	86	9.4%
Lack of relevant experience	82	8.9%
Poor remuneration/Different salary gradings	33	3.6%
Unsuitable job location/Geographical location (especially rural/semi urban areas)	34	3.7%
Political Interference	17	1.9%
Equity Consideration/Few, if any, candidates with the requisite skills from a specific groups	4	0.4%
“New or emerging occupation” where there are few people in South Africa with the requisite skills/Training Lead Time	1	0.1%
Labour/Union Issues	1	0.1%
Sector attractiveness to local government	55	6.0%

Source: LGSETA WSP Submissions, 2023

The reasons for HTFV are discussed below¹³.

Skills Related Drivers of Scarcity (for Occupational Shortages)

Skills-related drivers of scarcity are a function of skills supply and demand. Scarcity resulting from such factors is typically responsive to skills development initiatives. Skills-related drivers of scarcity include:

1. Relevant Qualification relates to the linkage between an occupation and the respective qualification needed to fill the post effectively. This accounted for 9.4% of the reasons for HTFV, bringing attention to the fact that the highest skills-related driver of scarcity is not having supply of the relevant qualification. This may be due to the number of learners entering and completing the relevant programmes.
2. Relevant Experience relates to a lack of experience regarding a vacant occupation that might require a specific skill/skill set. This also relates to the sector itself, where individuals do not have the relevant local government experience. This accounted for 8.9% of the reasons for HTFV.
3. New or Emerging Occupations are occupations where there are few people in South Africa with the requisite skills/training lead time. This only accounted for 0.1% of reasons for HTFV, indicating that occupations in the Local Government sector are largely well-established.

¹³ Table 3-2 provides more reasons than those stated in Table 3-1.

Non-Skills Related Drivers of Scarcity (for Occupational Shortages)

Non-skills related drivers of scarcity tend to be more of a function of the way in which a municipality operates and what it has to offer, rather than the state of the labour market. These factors are typically outside of the influence of skills development initiatives, except for a few. Non-skills related drivers of scarcity include:

1. **Recruitment Process** is the biggest driver of reported scarcity (accounting for 48.6%). Almost half of the vacancies in this analysis were cited to be due to a slow recruitment process. Given that a slow recruitment process is a fulfilment process issue, as opposed to a skills-related driver, scarce skills stemming from solely this cause have been excluded from the analysis.
2. **Funding** drivers behind scarce skills are due to a lack of funding and at times, a vacancy not being budgeted for. Some of the entities can be supported through revised funding allocations for certain SETA interventions – allowing for the training and in-house development of potential candidates for certain occupational shortages and more specifically vacancies. This accounted for 17.2% of the reasons for HTFV.
3. **Poor Remuneration or Different Salary Gradings** refers to there being insufficient budget for a post, or the remuneration does not prove to be attractive enough for a candidate to take the job. This accounted for 3.6% of the reasons for scarcity.
4. **Attractiveness of Local Government Sector** relates to the degree to which potential applicants and incumbents view Local Government as an attractive and competitive employer. At 6.0% of reasons for scarcity, the sector is relatively attractive, however there are occupations that have been reported as experiencing a shortage due to a lack of sector attractiveness.
5. **Unsuitable Job Location or Geographic Location** relates to the location of a municipality not being attractive to prospective candidates. Under the drivers of change, the dynamics of geographically dispersed employers were discussed. Smaller municipalities in remote areas have a smaller labour market to draw on. Therefore, there are likely to be local scarcities, especially in highly specialised areas. Furthermore, where a more general shortage is experienced, it will be felt most severely in the rural and/or remote areas. This accounted for 3.7% of the reasons for scarcity.
6. **Political Interference** relates to disruptions caused by political forces e.g. political parties. This accounted for 1.9% of the reasons for scarcity.
7. **Equity Consideration** relates to not finding a suitable person from a specific demographic group (employment equity is considered). Similar to relevant experience, there may be sufficient skills but not in target population groups for employment equity purposes; this accounted for 0.4% of the reasons for HTFV.
8. **Labour/Union Issues** relates to prior consultation with, or resistance faced from labour unions when filling a position, both of which may delay the filling of a position or mark it as unattractive if subject to dispute. This accounted for 0.1% of reason for scarcity.

3.2.1.2 Strategic Occupations as a Point of Reference

Although strategic occupations do not necessarily represent hard-to-fill vacancies, these are occupations that are nonetheless important as they align to the SETA's strategic focus areas, which are derived from the Municipal KPAs. This means that there is a direct logical flow from key operational areas of municipalities to the strategic occupations (Strategic Occupations List) being analysed. The two main criteria used in the selection of strategic occupations are:

- **Size of the Occupation:** If an occupation has very few incumbents across the entire sector, detailed skills planning at sector level is not feasible or necessary.
- **Strategic Significance:** This refers to the impact of the occupation on the sector. In other words, if there were a shortage in this occupation, would it have a potential impact on service delivery?

As depicted in Figure 3-1 strategic occupations are based on strategic focus areas. Given changing circumstances over time, the Strategic Occupations List will be regularly reviewed and improved to include the most relevant occupations for the sector.

Figure 3-1 Selection of Strategic Occupations based on Strategic Focus Areas



The Strategic occupations under each of the Strategic Focus Areas are discussed below:

Table 3-4: Strategic Occupations

Strategic Focus Area	Strategic Focus Area Summary	Sub-Focus Area	Strategic Occupation
Strategic Focus Area 1: Enhancing good Governance, Leadership and Management Capabilities	Relates to key programmes such as councillor development, union leadership management capacity in response to the National Development Plan 2030 requirements in order to enhance service delivery and optimised performance in local government.	Management and Leadership	<ul style="list-style-type: none"> Local or Provincial Government Legislator (2021- 111101). Ward councillors (2021-111101-8) Mayors (2021-111101-9) Municipal Manager (2021-111201) General Manager Local Authority (2021-111203) Corporate Services Manager (2021-121902) Office Manager (2021-134904)
		Building capacity of workplace training systems	<ul style="list-style-type: none"> Skills Development Facilitator (2021-242302) HRD Manager (2021-121202) Training Officers (2021-242401)
Strategic Focus Area 2: Promoting Financial Viability and Management	The importance of improving financial governance in local government is noted in many key strategic documents such as the NDP. 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 (LGSETA 2017)	Finance	<ul style="list-style-type: none"> Chief Financial Officer (2021-121101-8) * Finance Manager (2021-121101) * Credit Manager (2021-121103)
		Internal audit	<ul style="list-style-type: none"> Internal Audit Manager (2021-121104) Internal Auditor (2021-242211)
		Supply chain management	<ul style="list-style-type: none"> Supply Chain: Supply Chain Manager (2021-132401-12) * Supply Chain Practitioner (2021-333905)
Strategic Focus Area 3: 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	Project Management – infrastructure related projects	<ul style="list-style-type: none"> Programme or Project Management (2021-121905) *
		Water	<ul style="list-style-type: none"> Water Production and Supply Manager (2021- 134918) Water Plant Operator (2021-313201) * Water Process Controller (2021-313203) * Plumbers (2021-642601) Water Reticulation Practitioner (2021-642605)
		Electrical	<ul style="list-style-type: none"> Electrical Engineer (2021-215101) * Electrical Engineering Technician (2021-311301) * Electrical Foreman (2021-312103) Electrician (2021-671101)
		Built environment	<ul style="list-style-type: none"> Civil Engineer (2021-214201) * Civil Engineering Technologist (2021-214202) * Civil Engineering Technician (2021-311201) * Building Site Inspector (2021-335913) *
		Emergency services	<ul style="list-style-type: none"> Disaster Management Coordinator/Officer (2021-541907) Traffic Officer (2021-541201) Fire Fighter (2021-541101) Emergency Service and Rescue Official (2021- 541902)

Strategic Focus Area	Strategic Focus Area Summary	Sub-Focus Area	Strategic Occupation
Strategic Focus Area 4: Enhancing Municipal Planning	This focus area includes addressing gaps in order to realise an improvement in the planning cycle and overall service delivery of the municipalities.	Local economic development	<ul style="list-style-type: none"> LED Officer/Coordinator (2021-242103) Economist / Economic Advisor (2021-263101)
		Social Planning	<ul style="list-style-type: none"> Social Services Manager (2021-134401)
		Integrated Development Plan (IDP) and Community Participation	<ul style="list-style-type: none"> Community Development Worker (2021-341201)
		Spatial Planning	<ul style="list-style-type: none"> GIS Specialist/Technician (2021-351302) * Urban and Regional Planner (2021-216401) * Town Planning Technician (2021-311203)
		Cross-Cutting	<ul style="list-style-type: none"> Policy and Planning Manager (2021-121301)
Strategic Focus Area 5: Promoting Spatial Transformation and Inclusion	Spatial transformation and inclusion focuses on developing communities undermined by depressed economic conditions, increasing impact of climate change, regressing social cohesion, poor coordination in planning, access to land, bulk services, limited decentralisation in housing delivery, transport challenges and safety and security	Spatial Planning	<ul style="list-style-type: none"> Traditional Leaders (2021-111301) GIS Specialist/Technician (2021-351302) * Urban and Regional Planner (2021-216401) * Town Planning Technician (2021-311203)

3.2.2 Skills Gaps

When a worker's skill set does not align with the skills required to perform a particular job, a gap in their skill set occurs, which is termed a "skills gap". Skills gap can include cognitive skills, such as problem solving, language and reading. A similar methodology to develop the hard-to-fill vacancies list was used to derive the skills gaps list. The 2023 WSP/ATR data was analysed, and this was supplemented with stakeholder engagements. The table below lists the top 20 skills gaps, by Major OFO Group. Additionally, it indicates the number of staff for which the skill gap had been reported, and the extent to which the skill gaps apply to each OFO Major Group.

The following key observations apply regarding a skills gap, as highlighted by the table below:

- First Aid in the Workplace skills emerged as the largest skills gap, predominantly for managers, professionals, and clerical support workers. This implies that there is a lack of first aid skills requisite within municipalities. Should an employee need medical attention when at work, there needs to be employees who have First Aid training.
- Health and Wellness is also in the top 10 skills gaps. This could be because employers feel vulnerable following the impact of the Covid-19 pandemic devastation.

As stated previously, the Covid-19 pandemic has accelerated the uptake of 4IR technologies. This, in turn, resulted in many skills gaps with employees having to keep up with changes in their scope of work. Skills such as Computer Skills Intermediate Training as well as End User Computing are becoming increasingly relevant amongst municipal employees.

Policy makers are recognising the need for career development services. However, a recent study by the LGSETA (2022d) found that senior managers do not understand the role of Career Development Practitioners (CDPs) in the Performance, Monitoring and Evaluation (PM&E) system on municipal service delivery and that Municipal officials should be sensitised to the existence and role of CDPs in their municipalities to enable them to fully utilise their services.

Councillor Induction is the first strategic pillar in the Councillor Development Strategy (LGSETA, 2022g). The list below still includes Councillor Development, as this forms part of pillars 2 and 3 of the strategy. Adult Education and Training (AET) - ABET Levels 1, 2, 3 and 4 (including NQF level 1), were highlighted by two districts during engagements. Municipalities wanted this intervention to address the skills gaps that still exist amongst employees. A study conducted by the Education, Training and Development Practices SETA (2021) found that a key issue affecting community colleges and AET centres is the lack of infrastructure and skills needed to facilitate distance learning, which was especially the case during the Covid-19 pandemic.

Some skills gaps had a strong presence among those identified during consultations and from 2023 WSP/ATR data. They include: Strategic Management, identified across several municipalities, and included in the top 20 skills gaps as “Strategic Management and Planning” under “Planning”; and Financial Management, also included in the top 20 skills gaps under “Finance”. Others worth noting, but which have not appeared on the List of Skills Gaps (Table 3-5) include Report Writing skills and People Management. Water and Sanitation skills gaps which were identified during consultations include Water Reticulation, Water and Waste Water skills and Water Engineering.

Some skills gaps with high numbers of beneficiaries, derived from 2023 WSP/ATR data analysis, were not prioritised in the list below following stakeholder consultations. These include Water & Wastewater Treatment, Road Construction, Security Management, and Law- enforcement & By-laws, among others, but have been included under service delivery gaps.

Under the mandate of the LGSETA is the salvaging of distressed vessels and cargoes, as well as the maintenance and operation of harbour works, pilotage, and lighthouses, amongst others. However, the local government sphere currently has limited capacity to carry out this mandate. A study conducted by the LGSETA (2022f) stated that the lack of general capacity in government, from national to municipal spheres, is a major threat to sustainable coastal management. Without skills and training, the effectiveness of marine policy and strategies is limited. The LGSETA must work with other local government stakeholders such as COGTA, NT, and SALGA, to capacitate the local government sector on their roles and mandates as they relate to the marine economy and coastal management. In May 2022, Basic Education Minister, Angie Motshekga stated that a specialist-subject curriculum, which will see learners enrolling for subjects such as Maritime, has been gazetted for public comment. This will have significant consequences for the LGSETA going forward.

Table 3-5 List of Skills Gaps

Skills Gap	Total Staff	Managers	Professionals	Technicians & Associate Professionals	Clerical Support Workers	Service and Sales Workers	Trades	Operators	Elementary Occupations
1 Finance Skills (incl. Public Finance Management, Finance for Non-Financial Managers, Financial Management, and Reporting)	2 651	Budgeting Manager	Engineer (Applications / Content / IT / Software / Systems / WAN)	Finance Clerk / Officer	Accounting Clerk	Cash Receiving Clerk			
		Finance Manager			Academic Administrative Officer	Office Cashier			
		Chief Financial Officer (CFO)	Budget Accountant	Finance Clerk / Officer	Accounts Clerk				
		Finance Manager	Financial Accountant	Accounting Technician	Creditors Clerk				
		Business Operations Manager	Accountant in Practice	Purchasing Officer	Clerical Assistant / Officer				
2 Performance Management	2 388	Corporate Services Manager	Organisational Development Manager / Practitioner		Human Resources Clerk				
		Human Resource Manager	Internal Auditor						
		Municipal Manager	Organisational Performance Improvement Manager						
3 Customer Care & Client Service Skills (incl. Customer Service Excellence Skills)	1 736	Call or Contact Centre Manager	Diversional Therapist	Administrative Secretary	General Clerk	Cashier	Electrician (General)		
		Customer Service Manager	ICT Systems Specialist	Business Support Coordinator	Collections Consultant (Contact Centre)	Security Guard			Meter Reader
		Transport Company Manager	Occupational Safety and Health (OSH) Advisor / Coordinator / Officer / Professional	Technical Support Specialist	Customer Services Clerk / Officer / Reception Officer	Disaster Management Officer			Handy person
4 Leadership & Management (incl. Ethics and Leadership for Managers / Supervisors)	1 672	Chief Whip			Clerical Assistant / Officer				
		Councillor			Administration Officer				
		Traditional Leader							
5 Health and Wellness	1 657	Human Resources Development Manager			Data Compiler / Enterer / Officer / Operator				
		Company Director	Employee Wellness Practitioner	Process Controller	Assistant Secretary of The Cabinet	Disaster Management Officer	Parks Caretaker		Handy person

Skills Gap	Total Staff	Managers	Professionals	Technicians & Associate Professionals	Clerical Support Workers	Service and Sales Workers	Trades	Operators	Elementary Occupations
6 Governance Skills (incl. Municipal Governance, Ethics/Leadership/Ward Committee Governance)	1 499	Planning & Development Manager	Health and Safety Officer / Coordinator / Professional	Planned Maintenance Foreman	Program or Project Administrators	Amusement, Fitness/Sport Centre Attendant			Drainage, Sewerage and Storm Water Worker
		Human Resource Manager	Sports Event Organiser			Fire Fighter			
		Councillor	Customer Relations Officer	Community Development Facilitator	Administration Officer				
		Local or Provincial Government Legislator	Landcare Officer	Auxiliary Community Development Practitioner	Administrative Assistant				
		Ward Committee Member	Human Resource Consultant	Financial Administration Officer	Administration Clerk / Officer				
		Chief Financial Officer (CFO)	Policy Analyst		Account Coordinator / Controller	Team Leader (Tm Ldr)			
7 Human Resources & Labour Relations (incl. HRD and HR Planning & Implementation)	1 479	Office Manager			Human Resources Systems Administrator				
		Training & Development Manager			Program or Project Administrators				
		Human Resources Development Manager	Employment Relations Officer	Personnel Clerks Supervisor	Labour Relations Case Administrator				
		Industrial Production Manager	Industrial Relations Advisor		HR Systems Administrator				
			HR Development Coordinator		Personnel Records Clerk				
			HR Coordinator		HR Clerk				
8 Planning Skills (incl. Integrated Development Planning and Strategic Management Planning)	876		HR Planner						
			HR Officer						
		Ward Committee Member	HR Administrator	Town Planning Technician	Planning and Liaison Officer				
		Planning & Development Manager	Tourism Officer		Clerical Field Officer				
		Administrative Services Manager			Administration Officer				

Skills Gap	Total Staff	Managers	Professionals	Technicians & Associate Professionals	Clerical Support Workers	Service and Sales Workers	Trades	Operators	Elementary Occupations
9 ICT Skills (incl. IT Skills - Supervisory Level and IT Technical Skills)	539	ICT / IT Manager	ICT Systems Coordinator	Network Support Technician	Computer Clerk	IT Salesperson			
			ICT Account Manager	ICT Systems Analysis Assistant	Information Clerk / Officer / Advisor / Assistant				
			IT Information Systems Administrator	Computer Network Technician					
			ICT Programmer	ICT Communications Assistant					
10 Compliance (incl. Occupational Health and Safety Compliance)	214		Compliance Officer	Environmental and Occupational Health Inspector					
			Risk Compliance Manager						
			Risk and Safety Manager						
			Occupational Safety and Health Advisor/Officer/Coordinator/Professional	Environmental and Occupational Health Inspector					
11 Monitoring & Evaluation (incl. Public and Development Sector Monitoring and Evaluation)	464	Councillor	Auditor		Accounting Clerk				
		Municipal Manager	Internal Auditor		Administration Officer				
			Organisational Performance Improvement Manager		Audit Clerk				
12 First Aid in the Workplace	3 225	Corporate Services Manager		Water Plant Operator	Administrative Assistant	Fire Fighter	Electrician	Truck Driver (General)	Handy Man
		Disaster Management Manager		Production / Operations Supervisor (Manufacturing)		Metro Police Officer	Pipe Fitter	Process Controller	Electrician Aide
		Secretary General		Community Health Worker		First Aid Attendant	Electrical Line Worker	Lead Worker	General Worker
13 Fire Fighting Training	2 113	Chief Fire and Rescue Officer	Safety, Health, Environment and Quality (SHE&Q) Practitioner	Environmental Technical Officer		Fire Fighter			

Skills Gap	Total Staff	Managers	Professionals	Technicians & Associate Professionals	Clerical Support Workers	Service and Sales Workers	Trades	Operators	Elementary Occupations
(Incl. Elementary and Advanced)		Office Manager		Fire Inspector		Emergency Service and Rescue Official			
						Emergency Response Officer			
14 Computer Skills Training (Incl. End User Computing)	1 874	Finance Manager	Data Administrator	Technical Support Specialist	Records Clerk / Coordinator	End Controller			
		Financial Administrator	General Accountant	Computer Help Desk Operator	Accounting Clerk				
		Programme or Project Manager	Internal Auditor	Office Administrator	Computer Clerk				
15 Project Management	1 762	Human Resources Development Manager	Environmental Health Officer	GIS Assistant / Consultant / Officer / Operator / Specialist / Technician	Project Coordinator		Electrician		
		Policy and Planning Manager	Commerce Projects Advisor	Geographic Information Systems Coordinator	Program/Project Administrators		Fellmonger		
		Councillor	Water Liaison practitioner	Building Inspector			Civil Engineering Constructor		
16 Plumbing (Basic and Pre-Trade Test)	1 701		Plumbing Estimator	Waterworks Plant Operator			Plumber		Plumber's Assistant
			Environmental Waste Officer	Waste Water Plant Operator			Maintenance Plumber		Handyperson
				Process Controller					Drainage, Sewerage and Storm Water Worker
17 Occupational Health and Safety	1 639	Security Services Manager	Occupational Safety Practitioner / Officer	Electrical Engineering Technician		Fire Fighter	Electrician		Maintenance Person / Coordinator
				Team Leader (Mining)		Traffic Officer			
				Laboratory Assistant					
18 Supervisory	1 631	Local Authority Manager	Audit and Assurance Manager	Water Treatment Plant Technician	Stock Clerk / Officer	Gallery or Museum Guide	Plumber	Tractor Driver	General Worker
		Superintendent-general	Organisational Performance Manager / Practitioner	Planned Maintenance Foreman	Accounts Clerk	Team Leader (Tm Ldr)	Parks Caretaker	Truck Driver (General)	
19 Councillor Development	853	Policy and Planning Manager		Parks and Reserves Technical Officer	Administrative Assistant	Fire Fighter	Road Builder		
		Councillor							
20 Conflict Management	759	General Manager Local Authority	Industrial Relations Officer	Community Development Officer	Labour Relations Case Administrator	Building Superintendent			
		Child Care Coordinator	Human Resource Advisor	Environmental Practices Inspector	Client Liaison Officer	Traffic Officer			
		Strategic Planning Manager	Community Development Practitioner		Academic Administration Clerk				

Source: LGSETA WSP Submissions, 2023

The top 5 skills gaps per LGSETA service delivery area are listed in the table below:

Table 3-6: Top 5 Skills Gaps per Service Delivery Area

Water and Sanitation		Roads and Stormwater		Energy and Electricity		LED	
Skills Gap	Beneficiaries	Skills Gap	Beneficiaries	Skills Gap	Beneficiaries	Skills Gap	Beneficiaries
Plumbing	1 701	Road Construction Skills	482	Electrical Distribution: Pre-Trade Test Skills	437	Business Management Skills	439
Water & Wastewater Treatment Skills	573	Road Maintenance Skills	391	Welding Skills	301	Business Communication Skills	80
Water & Wastewater Reticulation Skills	365	Roadworks Construction Skills	332	Electrical Engineering Skills	248	Tourism Management Skills	29
Water and Waste Treatment Skills	267	Disaster Risk Assessment and Reduction Skills	276	Cable Joining (& Termination) Skills	238	Business Administration Skills	23
Water & Wastewater Process Control Supervision Skills	168	Emergency Rescue Operations Skills	259	Electricity Repair and Connection Skills	162	SMME - Small, Micro and Medium Business Skills	12

Source: LGSETA WSP Submissions, 2023

Disaster Risk Assessment and reduction is in the top 5 skills gaps for the specific service delivery area: Roads and Stormwater. This again highlights the effect the recent floods and civil unrest had on the economy at large.

3.3 Extent and Nature of Supply in the Sector

The educational profile shown in Table 1-12 (Chapter 1) shows that the sector draws on employees across the educational spectrum. The supply of skills refers to the formation of skills through education and training institutions, and how they flow into the various occupations in the sector. Skills are supplied from Basic Education, TVET colleges, Higher Education Institutions (HEI) and other learning institutions. In this section, the flow of skills in key occupations is assessed so that the extent and nature of supply is ascertained at an occupational level.

3.3.1 State of Education and Training Provision

The South African Post School Education and Training (PSET) landscape is made up of 26 universities providing undergraduate and post-graduate qualifications – divided into 11 general academic universities, 9 comprehensive universities and 6 universities of technology, 50 TVET colleges providing vocational and occupational qualifications, 133 private HEIs, 124 registered private colleges, 9 Community Education and Training (CET) Colleges, with the total number of institutions totalling 342 (DHET, 2023).

Table 3-7: Post-School Education and Training Provision, 2021

	HEIs			Colleges			Total Colleges	Total PSET
	Public	Private	Total HEIs	TVET	CET	Private		
#Institutions	26	133	159	50	9	124	183	342
#Enrolment	1 068 046	232 915	1 300 961	589 083	143 031	85 787	817901	2 118 862

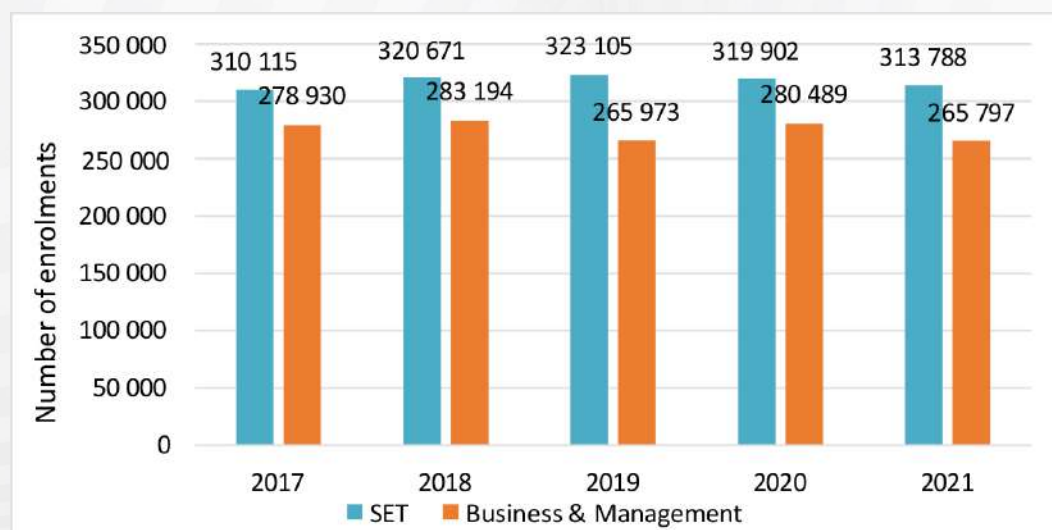
Source: DHET, 2023

The responsibility for PSET lies with the Department of Higher Education and Training (DHET). In Table 3-7, PSET provision is presented with most students enrolled in public universities and universities of technology for 2021. These institutions, together with the private HEIs, have more than half the number of students registered at 61.4% (1 300 961) and TVET colleges have 27.8% (589 083) of students registered.

3.3.1.1 Higher Education

The local government sector is most likely to draw from the science, engineering, and technology (SET) as well as business and management fields at higher education levels. Figure 3-2 and Table 3-8 show the potential supply of skills for municipalities based on enrolments at public HEIs from 2017 to 2021 and private HEIs and colleges in 2021.

Figure 3-2: Total Enrolments in SET and Business & Management in Public HEIs, 2017 -2021



Source: DHET, 2023

Since the enrolment ratios set by the National Plan for Higher Education (NPHEI) in 2001, there has been steady enrolment in SET and business and management fields of study. The SET field showed a continuous increase between 2017 (310 115) and 2019 (323 105), with a slight decline recorded for 2020 (319 902), and yet again for 2021. The business and management field increased between 2017 and 2018 (from 278 930 to 283 194), before declining in 2019 (265 973), after which an increase was recorded for 2020 (280 489), followed by yet another decline in 2021 (265 797).

Private HEIs are also playing a significant role in contributing to increased access in areas, as indicated in the table below. The Business, Commerce and Management Studies field of study accounts for the bulk of enrolments for private HEIs as well as Private Colleges.

From the table below it shows that study fields of Agriculture and Nature Conservation, Manufacturing, Engineering and Technology, Law, Military Science and Security as well as Physical Planning and Construction are popular in Private Colleges as opposed to Private HEIs.

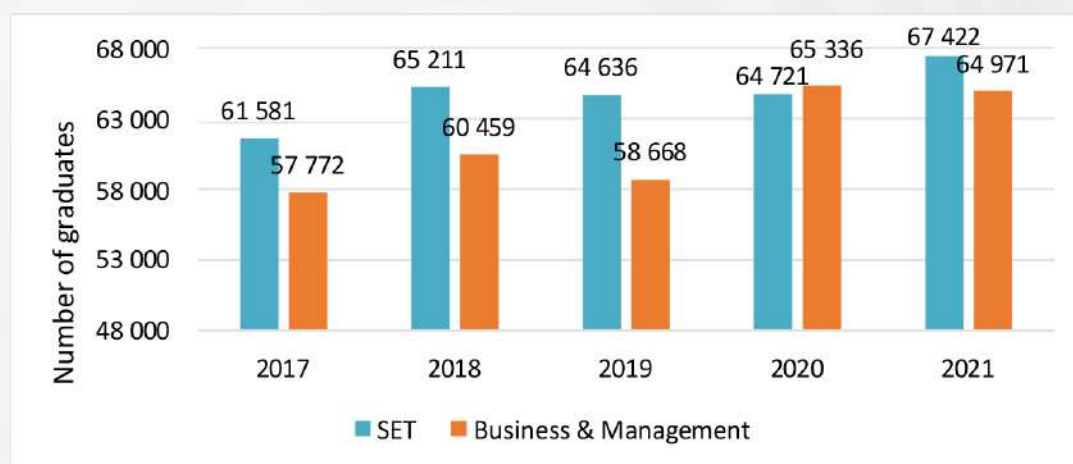
Table 3-8: Enrolments in Private HEIs and Private Colleges, 2021¹⁴

NQF field	Private HEIs	College ¹⁵
1. Agriculture and Nature Conservation	3	357
2. Culture and Arts	37	1
3. Business, Commerce and Management Studies	46	6 457
4. Communication Studies and Language	14	72
5. Education, Training and Development	17	621
6. Manufacturing, Engineering and Technology	4	1 764
7. Human and Social Studies	35	60
8. Law, Military Science and Security	5	1 395
9. Health Sciences and Social Services	19	861
10. Physical, Mathematical, Computer and Life Sciences	18	564
11. Services	14	1 245
12. Physical Planning and Construction	2	811
Total	214	14 208

Although enrolment in public universities in SET and business and management fields has been high, graduation figures, which indicate the skills supply for each year, are on the low side, suggesting sectors must compete for a limited number of graduates. See Figure 3-3 showing the number of graduates annually from 2017 to 2021 in the requisite sector fields.

The figure below shows that graduation rates seem to have made a recovery after the 2019 decline with a significant increase from 58 668 in 2019 to 65 336 in 2020, before dropping slightly to 64 971 in 2021 for business and management. For SET, there was a marginal increase from 64 636 in 2019 to 64 721 in 2020, and a further increase to 67 422 in 2021.

Figure 3-3: Graduations in SET and Management and Business in Public HEIs, 2017 -2021



Source: DHET, 2023

3.3.1.2 TVET Colleges

TVET colleges have been playing their part in contributing to skills for the sector, however significant declines in enrolment are recorded for the 2020 period. Table 3-9 shows student enrolment into TVET colleges by programme type for 2017 to 2021. It further shows enrolment in the NCV programmes relevant to the LG sector for 2021.

Table 3-9: Enrolments in LG Sector Relevant Programmes in TVET colleges in 2017-2021

Year	NC(V)	Report 191 (N1-N6)	Occupational Qualifications	Other/Skills Programmes	PLP	Level 5 & 6 Qualifications	Total
2017	142 373	510 153	10 969	24 533			688 028
2018	131 212	482 175	20 106	23 355	285		657 133
2019	138 912	494 070	22 886	14 025	3 597		673 490
2020	146 637	274 907	20 130	3 888	5 250	1 465	452 277
2021	141 768	416 949	18 277	6 653	4 581	855	589 083

Source: DHET, 2023

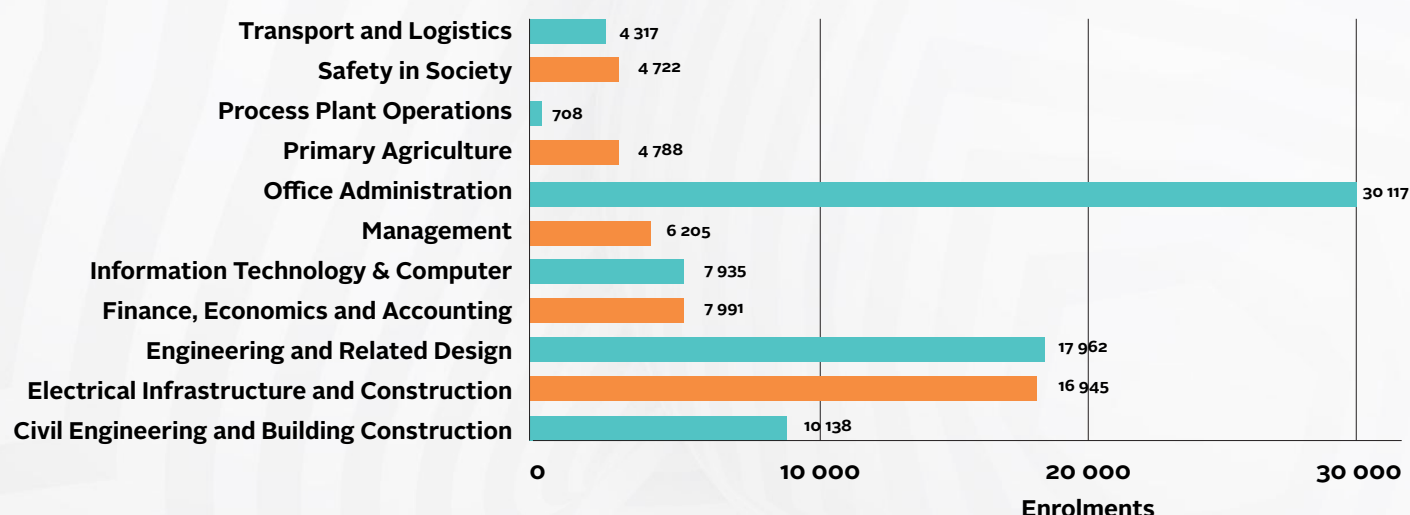
Headcount enrolment in public TVET colleges declined significantly between 2017 and 2021, from 688 028 enrolments to 589 083. Total enrolment was at its lowest in 2020, dropping by 221 213 to 452 277. This is mostly due to the decline in Report 191 programme enrolments. In terms of the National Certificate: Vocational, NC(V), programme enrolment increased between 2019 and 2020, from 138 912 to 146 637. It subsequently dropped to 141 768 in 2021.

For NC(V), the popular LG sector programmes in terms of enrolment are office administration (30 117), engineering and related design (17 962), electrical infrastructure and construction (16 945) and civil engineering and building construction (10 138).

¹⁴ The rows highlighted in blue are applicable to the LG sector.

¹⁵ It should be noted that for private colleges, these are just the occupational programmes listed below, private college includes NC(V), Report 191, Occupational Qualifications, AET Levels 1-4, Grades 10-12, and Report 550/ NSC & Other, totalling to 96 754 enrolments in 2020.

Figure 3-4: Enrolments in LG Sector-Relevant Programmes in TVET Colleges, 2021



Source: DHET, 2023

In terms of Occupational qualifications, an LGSETA study (2022e) researched the role of E- apprenticeships as the alternative delivery design initiative to promote TVET college growth of occupationally directed programmes. The researchers found that E-apprenticeships are viewed as important for the growth of occupational programmes; E-apprenticeships would improve the performance of apprentices by allowing them more time at work as they would be required to attend classes physically; and the implementation of E-apprenticeships will improve access to learners that have workplaces geographically located far from TVET colleges.

The table below presents TVET registrations versus completions of national qualifications for 2021. The number of female students registered is more than twice the number of males registered. The completion rate of females was higher than that of males. Of the 66 536 female students enrolled, 50.8% (33 790) completed their qualifications. However, of the 31 477 male students enrolled, 44.3% (13 960) completed their qualifications. Registration and completion rates were highest for Report 190/1 N6 qualifications.

Table 3-10: TVET College Registrations and Completions of National Qualifications, 2021

	Female		Male		Total		Total Completions
	Number Registered	Number Completed	Number Registered	Number Completed	Number Registered	Number Completed	%
Report 190/1 N3	9 576	3 523	10 720	4 168	20 296	7 691	46.7
Report 190/1 N6	37 462	21 548	13 524	7 137	50 986	28 685	62.8
NC(V) Level 4	19 498	8 719	7 233	2 655	26 731	11 374	50.4
Total	66 536	33 790	31 477	13 960	98 013	47 750	56.4

Source: DHET, 2023

Overall, only 56.4% of students enrolled for TVET qualifications completed their studies. This highlights the need for interventions to increase completion rates of students at TVET colleges.

3.3.2 Extent of Occupational Supply in the Sector

The LGSETA facilitates skills development for both employed and unemployed individuals. The learning programmes supported by the SETA include learnerships, skills programmes, internships, and apprenticeships. Skills programmes are dominant in terms of the type of programmes the SETA supports, and this is followed by learnerships. For workers registered for LGSETA-supported learning programmes, skills programmes constitute 68.3%, while learnerships constitute the remaining 31.7%, inclusive of apprenticeships. For unemployed persons registered, learnerships constitute 63.6%, internships 23.4%, and skills programmes 13.0%.

In terms training of employed workers, for the 2021/22 period, 418 workers registered for learnerships and 635 completed; and 901 workers registered for skills programmes and 317 completed.

Table 3-11: Number of Workers Registered and Certificated for Learning Programmes, 2021&22

LGSETA	Learnerships			Skills Programmes			Total target	Total actual
	Target	Actual	Achieved (%)	Target	Actual	Achieved (%)		
Registered	1 150	418	36.3%	1 500	901	60.1%	2 650	1 319
Certificated	800	635	79.4%	1 000	317	31.7%	1 800	952

Source: DHET, 2023

In terms of training of unemployed persons, for the period 2021/22, 957 learners registered for learnerships and 886 completed; 352 individuals registered for internships and 112 completed; and 196 individuals registered for skills programmes and 430 completed.

Table 3-12: Number of Unemployed Registered and Certificated Learning Programmes, 2021&22

LGSETA	Learnerships			Internships			Skills Programmes			Total target	Total actual
	Target	Actual	Achieved (%)	Target	Actual	Achieved (%)	Target	Actual	Achieved (%)		
Registered	875	957	109.4%	500	352	70.4%	1 000	196	19.6%	2 375	1 505
Certificated	700	886	126.6%	500	112	22.4%	700	430	61.4%	1 900	1 428

Source: DHET, 2023

In relation to SETA targets, the LGSETA only met the learnerships target for the unemployed learners.

Table 3-13: Number of Apprentices Entering and Completing Artisanal Programmes, 2017-2022

SETA	2017/18	2018/19	2019/20	2020/21	2021/22
Entering	646	191	44	59	-
Completing	453	368	549	263	309

Source: DHET, 2023

The table above shows that there was a significant decline in apprentices entering artisan programmes between 2017 and 2019, from 646 in 2017/18 to 44 in 2019/20, before a slight increase is recorded for 2020/21 at 59 apprentices. No data is available for 2021/22. In terms of completions, there was an increase between 2017 and 2019, from 453 in 2017/18 to 549 in 2019/20, before a decline is recorded for 2020/21 to 263 apprentices. There was a recovery from 2020/2021, increasing to 309 in 2021/22.

3.3.3 Qualifications Under Development

The following qualifications were developed by the LGSETA ETQA department to support development of skills and supply and are awaiting registration from the QCTO:

Table 3-14: Developed Qualifications

Qualification Type	Qualification Title	Year submitted
Full Qualification	Advanced Occupational Diploma: Disaster Risk and Response Manager; NQF 7 (276 Credits)	Mar-23
Full Qualification	Higher occupational Certificate: Disaster Management Officer; NQF level 6 (460 credits)	2021
Full Qualification	Advanced Occupational Diploma: Air Quality Analyst; NQF level 7 (120 Credits)	2021
Part Qualification	Occupational Certificate: Air Quality Policy and Planning Specialist; NQF level 7 (28 Credits)	2021
Part Qualification	Occupational Certificate: Air Quality Authorisation and Management Specialist; NQF level 7 (88 credits)	2021
Part Qualification	Occupational Certificate: Air Quality Monitoring and Information Management Specialist; NQF level 7 (92 Credits)	2021
Full Qualification	Occupational Certificate: Building Inspector: Class III; NQF level 7 (407 Credits)	2019
Full Qualification	Occupational Certificate: Building Inspector: Class II; NQF level 6 (134 credits)	2019
Full Qualification	Occupational Certificate: Building Inspector: Class I; NQF level 5 (235 credits)	2019
Full Qualification	Higher Occupational Certificate: Business Development Officer; NQF level 5 (234 Credits)	2019
Full Qualification	Advance Occupational Diploma: Financial Administration Manager; NQF level 7 (232 Credits)	2019
Full Qualification	Higher Occupational Certificate: Environmental Practitioner; NQF level 5 (170 Credits)	2019
Part Qualification	Occupational Certificate: Environmental Monitor; NQF level 3 (102 Credits)	2019
Full Qualification	Occupational Certificate: Water and Sanitation Coordinator; NQF level 6 (255 credits)	2017
Full qualification	Occupational Certificate: Water Liaison Practitioner; NQF level 8 (288 Credits)	2017

In addition, the following LGSETA qualifications were registered in the recent past, and together with the existing list of LGSETA registered qualifications and learnerships in Annexure B, seek to address identified skills needs.

Table 3-15: LGSETA New Qualifications Registered

Qualification Type	NQF Level	Credits	NLRD No.	Registration End Date
Occupational Certificate: Municipal Finance Manager	8	721	118775	2027-02-03
Occupational Certificate: Water Process Controller	3	181	102255	2025-02-26
Occupational Certificate: Electrician	4	360	91761	2023-06-30
Occupational Certificate: Environmental Science Technician	6	467	99508	2023-06-30
Occupational Certificate: Firefighter	4	149	98991	2023-06-30
Occupational Certificate: Valuer (Municipal Property Assessor)	5	120	99700	2023-06-30
Occupational Certificate: Water Infrastructure Manager	8	304	104623	2023-09-12
Occupational Certificate: Water Reticulation Practitioner	4	236	102581	2023-06-30

3.3.4 Supply Problems Facing Employers

A key supply problem facing employers in the LG sector, specifically municipalities, is the lack of mentors available to assist with training. A recent study conducted by the LGSETA (2021) looked at training conducted via Public-Private Partnerships. A number of case studies were conducted with each one focussing on a training programme. A key finding from these case studies is that a challenge with implementing skills development programmes within municipalities is the lack of capacity within municipalities to effectively implement training programmes – trainees often do not have mentors, which negatively impact the outcomes of training.

Another supply problem facing employers is the lack of willingness of employees to be exposed to workplace training, especially within rural municipalities. This negatively impacts the supply of skills. A lack of funding for training is another supply problem facing employers. With the Covid-19 pandemic, funds had to be redirected to support various municipal initiatives to assist the public in dealing with the negative consequences brought on by the pandemic. This meant that the training budget was negatively affected.

In response to these supply challenges, the LGSETA has undertaken various measures. To curb some of the supply challenges experienced, research projects on skills development needs in the Local Government sector, as well as tracer studies on the number of learners who have completed workplace-based learning programmes and their subsequent absorption into employment are conducted. Results from these studies are used for monitoring and evaluation purposes and inform skills planning.

3.4 Sectoral Priority Occupations and Interventions (PIVOTAL)

PIVOTAL training interventions are defined as programmes that are vocational, occupational, technical and or academic in nature. A key component of the SSP research process is to identify and develop a list of SPOI that addresses the HTFV, and Skills Gaps identified within the LG sector. 80% of the available SETA discretionary budget must be spent on the identified programmes on the SPOI list. The list is also used by 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).

3.4.1 Methods Employed in Identifying Occupations in the SPOI List

The research approach used to develop the SPOI list was a mixed method approach including both quantitative and qualitative aspects. Moreover, the process adopted was a bottom-up process whereby district specific occupational shortages and skills gaps reports were generated for each province, taking into account the number of reported occupational shortages and skills gaps as well as the required interventions.

There are a few steps involved in developing a consolidated SPOI list for the LGSETA. Firstly, occupations which have HTFV and where skills gaps exist are identified. The main source of data used for this is the 2023 WSP/ATR submission. In the PIVOTAL section, employers are asked to fill in information on the type of PIVOTAL training they require for both employed workers and the unemployed individuals. The fields here include the type and appropriate, and/or preferred intervention for the occupation, at a specific NQF level.

The SETA then develops, from the WSP/ATR data, top 20 HTFV and top 20 Skills Gaps lists for each province and for each metro and district. These lists were presented to provincial stakeholders in provincial focus groups. This allowed for the quantitative WSP/ATR analysis to be supplemented with qualitative provincial engagements. Furthermore, individual stakeholder engagements were conducted which allowed for further triangulation of the HTFV and Skills Gaps Lists. The SSP research and engagements with stakeholders in the sector are used to inform a revised set of HTFV in the PIVOTAL table. Once these processes are concluded, a draft SPOI list is presented to the LGSETA Board. The SSP together with the SPOI list was reviewed and approved by the LGSETA Board. Table 3-16 shows the approach of LGSETA in developing the list as per the DHET's guidelines.

Table 3-16: Approach to the Sectoral Priority Occupations and Interventions List

Question in the SSP Guideline	LGSETA Approach to the Development of the Sectoral Priority Occupations & Interventions List
What methods (including consultative processes) did the SETA employ in identifying occupations in the SPOI list?	The list is initially derived from WSP/ATR submissions showing occupational shortage and are analysed to reveal the most strategic and impactful occupations informed by sectoral priorities as well as those impacting on service delivery areas. Stakeholder consultations were conducted across the provinces for validation to inform the final SSP, which was reviewed by and approved by the LGSETA board.
What informed the interventions in the SETA SPOI List?	Interventions are informed by the WSP/ATR submission as well as stakeholder engagements.
What are the envisaged outcomes from the identified interventions?	In the case of occupational shortages, the envisaged outcomes are an increase in supply into the labour pool for the given occupation to ease the supply constraints. In the case of skills gaps, the identified gap should be closed by the intervention.
What informed the quantities indicated in the SETA SPOI?	The number of occupational shortages, as assessed in the reported vacancies in WSP/ATR submissions, was used as an indicator of quantity.
Is the SETA SPOI ranked in order? If so, what informed ranking?	No. The final occupations included in the Sectoral Priority Occupations & Interventions List can all be considered a high priority.

Table 3-17 is presented on the next page, listing the top 10 Sectoral Priority Occupations and Interventions (SPOI) for the Local Government Sector.

Table 3-17: 2023 Sectoral Priority Occupations and Interventions (SPOI) List

SETA Name	Period	OFO Code	Occupation	Specialisation/ Alternative Title	Intervention Planned by the SETA	NQF Level	NQF Aligned	Quantity Needed	Quantity to be Supported
LGSETA	2024/25	2021-313203	Water Process Controller		Learnership: National Certificate in Wastewater Treatment Operations (ID58951)	2	Y	1500	250
					Learnership: Further Education and Training Certificate: Water and Wastewater Treatment Process Control Supervision, ID 61709/Occupational Certificate: Water Process Controller, ID 102255	4	Y		
					RPL: Occupational Certificate: Water Process Controller, ID 102255	3	Y		50
					Skills Programmes	2 to 5	Y		200
		2021-133105	Information Technology Manager	Information Technology Manager	Bursary: Bachelor of Information Technology	7	Y	100	50
					Bursary: Bachelor of Computer Science	8	Y		
					Bursary: Certificate: Information Technology	6	Y		
		2021-214202	Civil Engineering Technologist	Water and Wastewater Technologist	Bursary: Degree in Engineering Technology	6	Y	50	50
				Transportation and Urban Planner Technologist					
				Construction Technologist					
		2021-642601	Plumber	Water Plumber	Recognition of Prior Learning: Plumbing Apprenticeship: Plumbing	4	Y	73	50
		2021-311301	Electrical Engineering Technician	Electrical Engineering Technical Officer	Further Education and Training Certificate: Electrical Engineering	4	Y	50	100
				Heavy Current Electrical Technician	National Certificate: Electrical Engineering	2 to 3			
					Further Education and Training Certificate: Electrical Engineering	4	Y		

2021-671101	Electrician	Construction Electrician	Apprenticeship: Electrician	2 to 4	Y	136	50
		Electrician (Engineering)	RPL: Electrician	2	Y		40
		Electrician (General)	RPL: Electrician	3	Y		50
2021-216401-1	Urban and Regional Planner	Town Planner, Traffic and Transport Planner Land Use Planner Land Development Planner Community / Country / District Planner	Bursary and Internship: Bachelor of Technology in Town and Regional Planning	6	Y	28	40
			Bachelor of Town and Regional Planning	8	Y		
			Certificate: Municipal Integrated Development Planning	6	Y		40
2021-132401	Supply Chain Manager	Procurement Manager Supply Lead Manager	Bursary: Bachelor of Commerce: Supply Chain Management	7	Y	40	30
			Bursary: Bachelor of Accounting Hons	8	Y		
			Skills Programmes: SCM in Service Delivery Areas	5 to 6	Y		10
2021-111203-5	Municipal Manager	Local Authority Manager	Bursary or Skills Programme: Higher Certificate in Municipal Management and Governance (SAQA ID No. 102206)	5	Y	29	25
			Bursary: Bachelor's Degree in Public Administration/ Business Administration or relevant qualification	7	Y		
			Certificate in Municipal Financial Management (SAQA ID No. 48965) or relevant qualification	5	Y		
2021-132104	Engineering Manager	Engineering Maintenance Manager (inclusive of Water and Wastewater and Construction)	Bursary: Master of Engineering in Engineering Management (SAQA ID 118177)	9	Y	30	20
			Bursary: Post Graduate Diploma: Engineering Management (SAQA ID 14002/118420) or related qualification	8	Yes		

Source: LGSETA WSP Submissions, 2023

Water Process Controller makes the LGSETA's PIVOTAL List. In research conducted by the SETA (2021) it was found that "vacancies and instability in key positions within municipalities is amongst the reasons for accountability failure". Amongst these key skills are water reticulation skills as well as water process management skills. It was found that "a large majority of the country's water managers do not have water qualifications" and "82% of the reticulation staff in the country have not had reticulation training". Electricians also strongly maintain their position on the SPOI List, indicating the demand for these professionals. Information Technology Managers are also a priority occupation, with the 4IR and accelerated uptake of digital technologies.

3.5 Conclusion

This chapter explored the occupations that are hard-to-fill and skills gaps amongst employees as well as reasons for these in the Local government sector. The key HTFV in the sector are either in the Technical group such as Electricians; or in the Water and Environmental Services group such as Water Process Controllers and Plumbers. Key Skills Gaps are Finance skills, Performance Management and Customer Care & Client Service Skills; while in the services areas, First Aid in the Workplace and Fire Fighting Training are included. The Chapter also looked at the extent and nature of supply of skills in the sector. The South African PSET Landscape is made up of 26 universities, 50 TVET colleges, 133 private HEIs, 124 registered private colleges, 9 CET Colleges, with the total number of institutions totalling 342. In terms of the LGSETA, the learning programmes that the SETA implements are Learnerships, Skills Programmes, Internships and Apprenticeships. Key supply problems facing LG sector employers are the lack of mentors in municipalities, lack of willingness of employees to train, and insufficient funding for training.

4. SETA Partnerships

The definition of a partnership as outlined in the SSP Framework states that it is **“A collaborative agreement between two or more parties intended to achieve specified outcomes directed towards addressing mutually inclusive skills priorities or objectives within a specified time frame”**. The LGSETA's Strategic Partnership Model provides a guideline for entering into strategic partnerships that form part of a value chain approach that embraces research, planning, development of interventions, implementation and beneficiaries, and supports collaboration relating to skills demand and supply needs affecting the local government sector. It further guides the process identification of key role-players as indicated in Chapter 1. Strategic partnerships that are effective are aimed at harnessing synergies through maximizing strengths and capabilities towards achieving a shared mandate towards making greater impact in the local government sector.

4.1 Existing Partnerships

As a result of the LGSETA Strategic Partnership Model, the established partnerships listed in Table 4-1 are being reviewed to ensure alignment to achieve greater impact.

Table 4-1: Outputs from Current Partnerships in Pursuance of the NSDP Goals

NSDP Outcome	Partner	Objective	Output
NSDP Outcome 1: Identify and increase production of occupations in high demand.	Department of Water and Sanitation	To provide oversight and advice on programmes relating to key water and sanitation related occupations including RPL, Learnerships and OFO codes.	The LGSETA facilitated grants disbursements for skills development initiatives. This was delivered through mandatory grants of which 294 Workplace Skills Plans (WSP) to the value of R303 308 877.33 million were approved in delivering the top 10 priority list occupations.
NSDP Outcome 2: Linking education and the workplace	NWU, WSU, UJ, CPUT, CUT and TUT, UKZN, Rhodes, Enterprises UP	To collaborate on priority occupations in local government in key priority areas.	The LGSETA, through Work Integrated Learning (WIL) programme, facilitated linkages between the labour market whereby: <ul style="list-style-type: none"> • 474 University students and 1078 TVET students were supported for 2022/2023 financial year were supported internship or candidacy programme.
	TVET Colleges: Cape Town, Ehlanzeni, Ekurhuleni East, False Bay, Gert Sibande, King Sabata, Majuba, Northern Cape Rural, Southwest, Gauteng, Umfolozi, West Coast,	To collaborate and support implementation of skills interventions for LG sector including placement of learners for WIL.	
	CET Colleges: Eastern CET, Free State CET, Northwest CET, Western Cape CET	To collaborate in the delivery of training and development programmes to capacitate local government sector.	In strengthening capacity of the Community Education and training Colleges (CET) the SETA provided the following beneficiaries with support: <ul style="list-style-type: none"> • 18 Managers receiving training on curriculum related studies. • 21 CET College Lecturers awarded Skills Development Programmes. • 538 CET learners accessing AET programmes.

NSDP Outcome	Partner	Objective	Output
NSDP Outcome 3: Improving the level of skills in the South African workforce	Municipalities: City of Ekurhuleni, Buffalo City, Ethekwini, Vhembe, Mangaung, Sekhukhune, Musina, Nelson Mandela Bay, Sekhukhune, Ehlanzeni, Mquma, Namakwa	To collaborate and support implementation of skills development interventions including placement of learners for work: AET, bursaries, learnerships, and skills programmes.	<p>The SETA through its discretionary grants disbursement facilitated skills development through the following interventions.</p> <p>Unemployed: Overall unemployed learners were supported, i.e. through Skills Programmes (940 learners), Learnerships (1700), Candidacy (110), Bursaries (521), CET / AET (538) and an Artisan development programme (241)</p> <p>Employed: Overall 5740 employed learners were supported whereby (Skills Programmes 3143, Learnerships 1677, Bursaries 237, CET /AET 192 and RPL / ARPL 491)</p>
NSDP Outcome 6: Support skills development for entrepreneurship and cooperative development	Services SETA	To promote SMME support in local government sector.	<p>The LGSETA continued to contribute to the socio – economic development of South Africa by supporting the institutions with skills development.</p> <ul style="list-style-type: none"> • 30 Cooperatives and 32 Small business • 30 Non-Governmental Organisations
NSDP Outcome 7: Encourage and support worker- initiated training.	South African Municipal Workers Union	To support councillor induction and development programmes; To assist the coordination and implementation of interventions for councillors and municipal officials based on specific needs; To address LGSETA strategic focus areas in Governance, Leadership and Management, Service Delivery and Planning.	In strengthening worker-initiated training initiatives, the LGSETA continued to support 2 trade unions namely, SAMWU and IMATU through various relevant skills training interventions.
	Independent Municipal and Allied Trade Union (IMATU)		

4.1.1 Successes of Current Partnerships

Overall, LGSETA has yielded successful results with partnerships despite challenges experienced. Partnerships with unions (IMATU & SAMWU), SALGA and COGTA are regarded as successful based on the interventions aimed at improving municipal efficiency, governance and quality of decision-making. Programmes with national departments focused on bridging skills gaps and targeted unemployed learners. The SETA's successful facilitation of workplace learning and candidacies through its partnerships with professional bodies, such as SAICE, focused on the pipeline of strategic occupations and skills gaps in municipalities. Despite the small scale of these programmes, several cohorts of learners have been trained successfully. The SETA's partnerships with TVETs, public universities, and research institutes have ensured that learners are certified and gain access to workplace experience in the sector. The success was due to higher responses received through the DG partnership window.

4.1.2 Challenges with Current Partnerships

Whilst skills gaps have been addressed through partnerships with infrastructure and finance professional bodies, the cost of the three-year candidacy programme is high, and the absorption and placement of graduates remains an issue despite an increase in the number of professionals. As part of the new LGSETA Strategic Partnership Model, monitoring and evaluation of partnerships will measure successes and identify challenges and areas of improvement more timeously, to be addressed. A template for monitoring strategic partnerships has been developed.

LGSETA's partnerships with trade unions experienced challenges with the implementation of the RPL programmes and resulted in high drop-out rates, especially amongst the NEET group. Similar problems were experienced with the administration of RPL and learnerships in the Department of Water and Sanitation. Some partnerships were not renewed after a review due to the new approach that will ensure that strategic partnerships are aligned to the current strategy that includes: the District Development Model's nine broad municipal service delivery areas; top 10 SPOI; Economic Reconstruction and Recovery skills plan priorities; and the Discretionary Grant Framework priorities.

4.2 Planned Partnerships

Based on the LGSETA Strategic Partnership model and strategic focus areas for the new financial year, it is important that new partnerships are identified to help in the delivery of new initiatives. The table below reflects the proposed new partnerships, and the objectives on which each partnership will be focusing.

Table 4-2: Planned Partnerships

Name of Organisation	Objectives of Partnership
Gauteng Department of Economic Development	In response to ERRP Skills Strategy, LGSETA will collaborate with the department to roll out a capacity program targeted at township entrepreneurs to enhance the development of local economies through skills development programmes.
Department of Mineral Resources and Energy	To provide oversight and advice on programmes relating to energy-/electricity-related occupations including RPL, Learnerships and OFO codes.
South African Council for the Property Valuers Profession (SACPVP)	To collaborate on training of property valuers, workplace experience and qualification development.
Department of Environment, Forestry and Fisheries	To collaborate on LED and green economy initiatives through supporting RPL, Learnerships, Bursary interventions and qualification development informed by research recommendations.
Department of Rural Development and Land Reform	To support rural development initiatives through skills development, including learnerships linked to NSDP Objectives.
Statistics South Africa	To collaborate on municipal initiative to establish data sources for a strategic data analytics platform to improve the quality of data from municipalities.
National Disaster Management Centre (CoGTA)	To collaborate on disaster management skills interventions in local government and address the impact of COVID-19.
National School of Government (NSG)	To collaborate on skills interventions contextualised for LG and offered by the NSG using blended learning opportunities to address the impact of COVID-19.

4.2.1 LGSETA's Most Successful Partnership Approach

Current partnerships with a wide range of institutions including TVET colleges, HE institutions and professional bodies have shown value in collaborating for sustainable skills development. Many of these partnerships relate to service delivery agreements specific to learnerships, bursaries and WIL.

The University of Stellenbosch's School of Public Leadership (SPL, 2017) assessed the challenges facing the SDF in implementing skills development plans. Informed by the recommendations of the research, a customised skills programme titled "HRD for Good Municipal Governance" was developed and implemented over a three-year period 2018/2019 – 2020/2021. The programme targeted municipal employees, namely SDFs, HR Officials and Labour Forum members, which resulted in a total of 1145 personnel trained. The success of this programme led to its documentation in a cyclical model for other programmes. The next phase of the cycle will look at programmes to assess training at the municipalities.

4.3 Conclusion

Partnerships are an important service delivery mechanism that supports collaboration with critical stakeholders which the SETA uses to improve the value chain components leading to the implementation of various programmes and interventions, contributing to the achievement of its strategic focus areas, and overcoming occupational shortages and skills gaps identified in the sector. The SETA has formed successful partnerships with various organisations and institutions that have been informed by the new Discretionary Window process and the Strategic Partnerships Model. Potential partnerships, which will be required to support implementation of strategic priorities aimed at creating greater impact, have been further identified. The DDM creates an opportunity to inform the creation of future strategic partnerships that address skills planning and development across the nine municipal-service areas, as mentioned in Chapter 1. The support of workplace-based learning interventions including learnerships and workplace experience, using partnerships with TVETs and professional bodies, are critical for the SETA to contribute to the achievement of the outcomes of the NSDP 2030. LGSETA will continue to monitor and review all partnerships on a regular basis (quarterly) to determine any implementation issues and gaps so that these are addressed timeously and form part of the continuous improvement.

5. SETA Monitoring and Evaluation

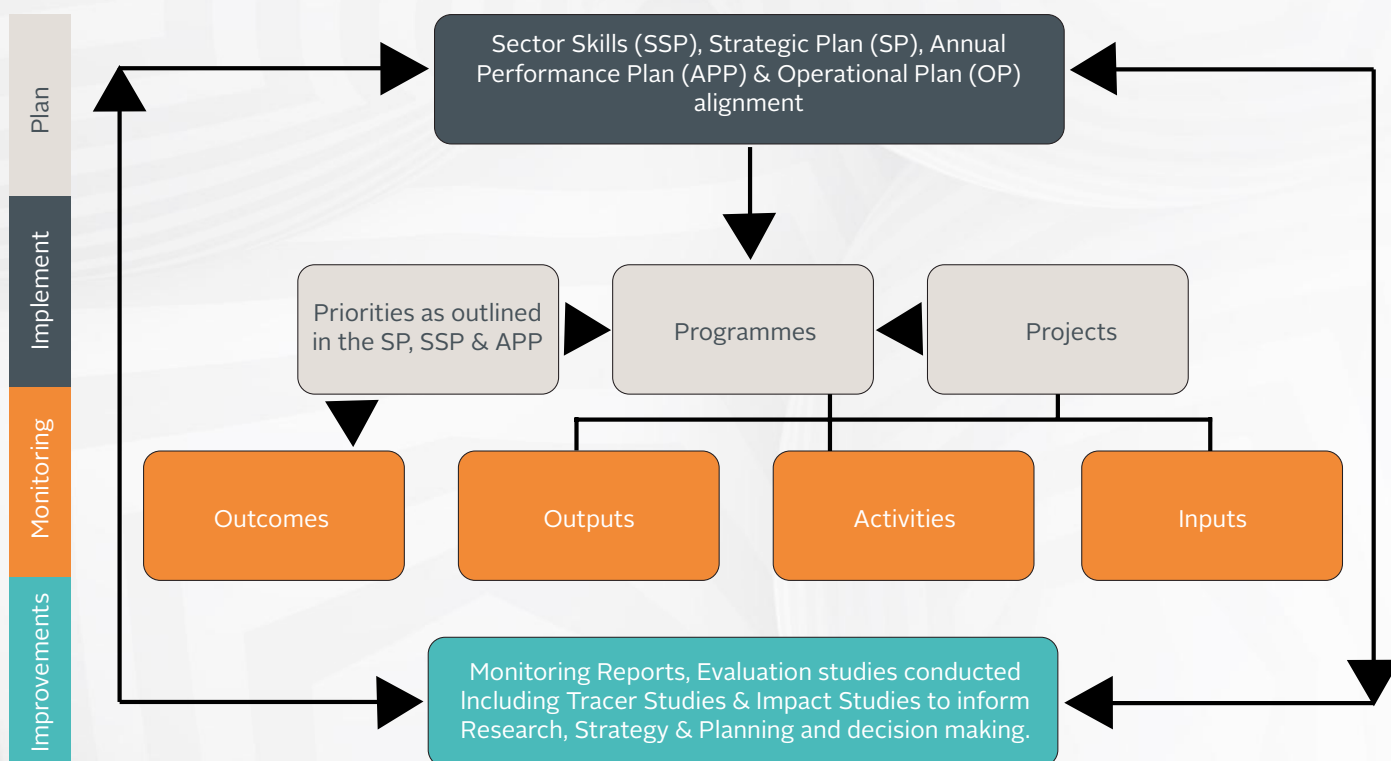
5.1 Introduction

The purpose of this chapter is to highlight the role of M&E in supporting the LGSETA's approach to skills planning, as well as how strategic priorities are translated in the entire planning value chain of the SETA. It will also recommend strategies to improve efforts to meet these skills priorities, as well as systems for planning in the SETA.

5.2 Sector Skills Planning Reflections

M&E at the LGSETA goes beyond the compliance reporting of performance. It adopts a results-based approach which is underpinned by the PIMI model i.e., Plan, Implement, Monitor, and Improve that reflects what is working well, what is not and why. Figure 5-1 below reflects how the SETA will deliver its programmes or projects goals.

Figure 5-1: LGSETA Results Based Approach



The monitoring and evaluation approach as underpinned by the PIMI model in Figure 5-1, demonstrates progress update in relation to previous financial year interventions.

Plan: The planning phase addresses the “why” of service delivery and is guided by the LGSETA Performance Management Policy which is reviewed on an annual basis after the final audit process to capture new developments or recommendations. The Monitoring and Evaluation department facilitate the planning process by providing analysis of previous financial year achievements. This analysis is critical in providing baseline information for the SETA in identifying its service delivery priorities that are to be outlined in the Sector Skills Plan, Strategic Plan, and DHET Service Level Agreement.

Implement: The implementation phase addresses what of service delivery and outlines key specifics of what needs to be implemented such as priorities outlined in the Sector Skills Plan, Strategic Plan, and DHET Service Level Agreement. This also includes budgeted programmes and projects that will ensure that the SETA achieves its set objectives.

Monitor: The monitoring phase addresses the “how” of service delivery through ensuring that implementation of data quality assurance procedures is in place for data collection, processing, monitoring, and corrective action(s). The critical process of monitoring is verification and validation of submitted data which is key in ensuring the SETA tracks its planned interventions as outlined in the Sector Skills Plan, Strategic Plan, and DHET Service Level Agreement.

Improve: The improvement phase aimed to demonstrate or provide feedback on planned, implemented, and monitored interventions through conducting evaluation studies and tracer studies. The main aims are to demonstrate that interventions are successful or having a positive or negative impact on intended beneficiaries, including women, youth, and persons with disabilities. For example, the SETA in the previous financial year conducted a tracer study which demonstrated pockets of excellence that indicated that out of a sample of 1112 learners traced, 389 (35%) attributed their employment status to the SETA direct support.

5.3 Interventions Implemented in Support of the ERR Skills Strategy

The table below presents the interventions linked to the ERR Skills Strategy.

Table 5-1: LGSETA Interventions linked to ERRSS Implementation

Action 3.1 Expansion of WBL: SETAs and the NSF will increase opportunities for WBL significantly and will reset their APP targets in response to this strategy. Employers need to open up spaces for WBL, drawing on all available incentives.				
LGSETA	Planned Projects / Initiatives	2022/23 Target	2022/23 Actual	% Achieved
Skills Development	Unemployed Learners enrolled in Internships	500	528	106%
	Unemployed learners completed in internships	150	40	27%
	Unemployed learners enrolled in learnerships programmes	1500	1700	113%
	Unemployed in Learners completed learnerships programmes	835	384	46%
	Candidacy Enrolled	100	110	110%
	Candidacy Completed	50	17	34%
Action 4.3 Student Bursaries: SETAs and the NSF will redirect their funds to support students who enrol in programmes that are linked to occupational shortages.				
Skills Development	Planned Projects / Initiatives	2022/23 Target	2022/23 Actual	% Achieved
	Bursaries granted for new enrolments (occupationally directed)	180	203	113%
	Bursaries granted for completed. Enrolments (occupationally directed)	200	28	14%
5.6 Partnerships: Universities will partner with industry, professional bodies and other stakeholders to develop new qualifications or review PQMs and curricula. Similarly, the DHET will establish sustainable structures and mechanisms to engage with industry and other stakeholders to review TVET College PQMs and curricula. Universities, TVET Colleges and the DHET will partner with leading international educational institutions to accelerate the development of curricula.				
Skills Development	Planned Projects / Initiatives	2022/23 Target	2022/23 Actual	% Achieved
	HEI partnerships established	10	10	100%
	CET partnerships established	3	3	100%
8.1 Embed Skills in Economic Planning Processes: The DHET and relevant SETAs will participate in economic planning initiatives such as the Master Plan development processes, industry-led planning processes, public sector human resource planning processes, the circular economy initiative and the Public-Private Growth Initiative to ensure that skills planning is embedded in these economic planning processes. The DHET and SETA representatives in these processes will ensure that skills remain on the agenda and that there is a collective and on-going and iterative process of determining which skills are required, the reasons for skills shortages and the type of skills development interventions that will meet this demand.				
Skills Development	Planned Projects / Initiatives	2022/23 Target	2022/23 Actual	% Achieved
	Sector Skills Planning	1	1	100%
Action 10.6 Partnerships: The DHET, together with SETAs, will support TVET colleges to become more embedded in industrial, social, and especially occupational developments.				
Skills Development	Planned Projects / Initiatives	2022/23 Target	2022/23 Actual	% Achieved
	TVET Partnerships	10	10	100%

5.4 Strategic Priorities in the Previous SSP, SP and APP

The LGSETA continued to strengthen internal controls by obtaining an unqualified audit opinion for the 2022/2023 financial year. The LGSETA managed to maintain a solid vacancy rate of 4,5%. This achievement was also enhanced by a 75% implementation of Workplace Skills Plan interventions for its internal staff.

Resilient, skilled, and capable Local Government SETA administration

Through the board support and guidance, the SETA also implemented 52% of strategic risk mitigations plans. In addition, to facilitating grants disbursements, SETA complied with the mandatory grants regulations by approving 294 Workplace Skills Plans (WSPs) to the value of R303 308 877.33 million.

Increase production of occupations in high demand in the Local Government sector

The 2022/2023 financial year saw a bold move by the LGSETA by increasing levy paying entities through inter SETA transfers to five these entities are:

- Amathole Economic Development Agency;
- Alfred Nzo Development Agency;
- Tshwane Economic Development Agency;
- South African Municipal Workers Union; and
- Joe Gqabi Development Agency.

In order to promote future planning, six research projects were conducted to identify skills development needs in the LG sector, while one tracer study was conducted with the view of determining employment (including self-employment), of which the absorption rate was 33% with 220 females and 150 males absorbed or participating meaningfully in the economy.

Increase production of occupations in high demand in the local government sector

In order to support planning processes in the post-school education and training sector, the SETA, through its discretionary grants mechanism, allocated grants to facilitate skills development as follows:

- 7% for high skills;
- 36% intermediate skills and
- 57% for elementary skills.

Improve work-based learning opportunities through education in the local government sector

The LGSETA facilitated work-based learning opportunities via linkages between the labour market, whereby 1078 TVET students and 474 University students were supported, either through an internship, or a candidacy programme. A total of 528 unemployed learners were enrolled for internships and a further 40 unemployed learners from previous funded financial years completed their internships. A total of 4062 learners for both employed and unemployed participated in skills programmes. Enrolments for both employed and unemployed learnerships was 3377 and 110 learners were enrolled for candidacy programme.

Increase workers' participation in various learning programmes to a minimum of 80% by 2030

In increasing workers participation, the following interventions were supported for the period under review:

- 1677 workers participated in learnerships;
- 3122 workers participated in a skills programme; and
- 336 workers were awarded bursaries.

Addressing critical skills required by various sectors of the economy to transform workplaces

The LGSETA successfully updated and presented the Sector Skills Plan for the period of 2022/2023. The Sector Skills Plan is reliant on up-to-date and accurate data to inform skills development priorities, with the view of supporting the sector with relevant interventions aimed at empowering employees in the workplace, as well as unemployed learners. In total 1814 learners were supported with access to training for top 10 critical skills as identified in the SSP of 2022/2023.

Improved delivery of quality occupational directed programmes and the growth of the public education system

In strengthening the implementation of the PSET system, the SETA established partnerships with the following institutions:

- 10 partnerships were established with Higher Education and Training Institutions.
- 10 partnerships were established with TVET Institutions.
- 3 partnerships were established with CET institutions.
- 13 partnerships were established with SETA employer partners.

Increase access to occupationally directed programmes in the local government sector

In contributing towards the transformation agenda, the LGSETA supported enrolment of 241 learners in an artisanal development programme. A total of 491 learners were enrolled for RPL / ARPL and 31 completed the RPL / ARPL programme due to learners awaiting certification that were entered in 2021.

5.5 Plan of Action

Improving Programme Implementation: The LGSETA will continue using evaluation studies to improve program design and implementation. Evaluation studies will help to identify areas of improvement and ultimately help the SETA to set goals more efficiently.

Enhancing Data Verification and Validation: Data has arguably become one of the most valuable assets for the LGSETA. Good data is important for improving planning, decision making and reporting. Data management has been recognised as an enabler for effective planning, monitoring, reporting and evaluation to support decision making. As a result, more efforts will be done to ensure that the data reported meets data quality dimensions e.g., completeness, accuracy, consistency, validity, integrity, and uniqueness. Internal data management system is also envisaged to strengthen Monitoring and Evaluation, which is one of the critical areas identified in the NSDP.

This enhancement of SETA's performance information reporting will ensure reliability, validity, accuracy, completeness, and traceability of actual performance achievements for quarterly management reporting, while informing annual reporting, compliance reporting and strategic decision making.

5.6 Conclusion

This chapter has outlined the LGSETA's approach to M&E, including the approach and processes to support skills development implementation. Building on the solid foundation for the role of M&E in the organisation, there are still some improvements required to fill the gaps in the system, particularly with respect to strengthening data verification and validation of the institution. M&E will continuously improve and thereby assist in providing impactful feedback for planned initiatives and conducting evaluation studies inclusive of tracer studies on an annual basis.

6. Strategic Skills Priority Actions

6.1 Introduction

The previous chapters provided information and analysis on the skills dynamics within the Local Government Sector. This chapter summarises those findings and presents a response in the form of recommended actions/priority actions that are realistic, consistent, and achievable.

6.2 Key Skills Findings from Previous Chapters

6.2.1 Findings from Chapter 1

The Sector profile clarifies the scope and scale of the sector in terms of the economic performance as well as the employer and employee profile. There are 257 municipalities in South Africa, including eight metropolitan, 205 local, and 44 district municipalities. Between 2019:Q1 and 2023:Q1, GDP growth in the key LG sectors followed the same trend as the economy at large. The only exceptions are Transport, storage and communication, which was the lowest in 2021, and Construction and Personal Services, which declined in 2022 – yet these three sectors increased above overall GDP rates by 2023:Q1. Municipalities across South Africa received revenue of R548.7 billion in 2021 increasing by 5.8% to R580.3 billion in 2022. In relation to service delivery, the services that are available to households is water (78.1%), followed by sewerage and sanitation (64.7%) and provision of electricity (61.0%). About half of the households reported having access to solid waste management (54.3%). According to the 2023 WSP submissions, municipalities (local, district and metropolitans) employed 299 691 workers. With the inclusion of 14 municipal entities, 4 local government entities and 29 private entities (as additional constituents of LGSETA), the total employment came to 309 169. Unemployment, inequality, and poverty continue to plague South Africa. According to the Quarterly Labour Force Survey: Q1:2023, the official unemployment rate is 32,9% (7.9 million) and 42,4% (11.9 million) by the expanded definition. Unemployment amongst youth is also a critical issue. In the first quarter of 2023, there were approximately 3.7 million NEET youth. South Africa had the highest inequality in income distribution in 2021, while approximately 55.5% of the population is living in poverty. Additionally, the World Bank indicates a total of 13.8 million people (25%) are experiencing food poverty.

6.2.2 Findings from Chapter 2

The chapter identified factors affecting skills demand and supply for the sector and the challenges and implications for skills development. A change in skills needs arises from the development of smart cities, 4IR, the green economy, SMMEs and cooperatives. The Covid-19 pandemic impacted on skills demand and supply, particularly on accelerating technological change and digitisation. Additional skills issues identified include the impact of political change on the lack of development of personnel, weak management, and lack of institutional controls. Specific skill needs that may arise include urban and regional planners, local economic development officers, data analysts, cyber security specialists, drone engineers, virtual platform specialists and software programmers.

6.2.3 Findings from Chapter 3

In this Chapter occupational shortages, or HTFV, were identified through the analysis of 2023 WSP/ATR data. HTFV identified include Electrician, Plumber, and Town Planner, amongst others. Skills gaps were defined for each of the eight major OFO groups. Finance Skills, Performance Management, and Health and Wellness are in the top 10 skills gaps. This could be because employers feel vulnerable since the Covid-19 pandemic. The learning programmes that the SETA supports are learnerships, skills programmes, internships, and apprenticeships. Key supply problems facing LG sector employers are the lack of mentors in municipalities, lack of willingness to train, and insufficient funding for training.

6.2.4 Findings from Chapter 4

Partnerships are an important service delivery mechanism that can be leveraged by the SETA to assist in overcoming skills gaps, improving implementation of various programmes and providing access to other relevant stakeholders. LGSETA's strategic partnership model will strengthen the approach to addressing skills gaps. These include partnerships with organisations such as the Department of Tourism, Department of Water and Sanitation and partnerships with various professional bodies. The LGSETA plans to enter into new partnerships such as those with the Department of Mineral Resources and Energy and the NSG.

6.2.5 Findings from Chapter 5

Chapter 5 outlined the SETA's M&E approach. The Chapter shows that the SETA reviewed its strategy and approach to M&E to ensure that evidence-based planning is adopted as well as evidence-based decision making. The M&E Unit works closely with the Planning and Research Units to ensure a more integrated approach to align the SSP, APP, SP and M&E processes. A plan of action was also presented on how the SETA intends to achieve its priorities and address the gaps identified regarding its M&E. This plan of action includes implementing the PIMI cycle.

6.3 LGSETA Strategic Focus

Local government, as a constitutionally mandated function of government, is driven by policy and legislative imperatives. Its mandate is encapsulated in the KPAs as defined by the Municipal Financial Management Act. Broadly, the KPAs relate to good governance and institutional development; municipal planning; financial management; infrastructure development and basic services. The strategic focus areas (Table 6-1 below) were developed based on these KPAs, in addition to the Economic Reconstruction and Recovery Plan (ERRP) and resultant ERR Skills Strategy, the DG Strategic Framework Priorities, and the District Development Model (DDM). Along with the DDM, the Strategic Partnerships Model outlined in Chapter 4 allows for improved service delivery and infrastructure asset management through appropriate and targeted interventions addressing Local Economic Development (LED), technology and 4IR, youth unemployment initiatives, and service delivery across the nine municipal service areas (e.g., energy, water and sanitation, and waste management, etc.).

The disasters and the civil unrest have disrupted the course of business in the LG sector, thus necessitating a change in strategic approach. The strategic priority areas require increased skilling in areas such as water, sanitation, engineering, and technology and digitisation. In addition, with the adoption of e-learning and blended learning methods gaining favour, calls for greater collaboration with ICT stakeholders. Emerging research aims to understand how best to facilitate socio-economic development and service delivery to support SMMEs and unemployed learners into local economies, as part of LED programmes.

6.4 Recommended Actions

Through targeted delivery of learning programmes, the development of required qualifications and skills interventions, the SETA will continue to invest in the sector to support service delivery. The LGSETA's strategic focus areas are mapped to NSDP 2030 outcomes, strategic skills priorities and interventions, outcomes and impacts linked to these skills priorities – and take into account priorities linked to disasters and civil unrest that impacts the sector.

The eight NSDP 2030 objectives, referenced in the table below, are as follows:

1. Identify and increase production of occupations in high demand
2. Linking education and the workplace
3. Improving the level of skills in the South African workforce
4. Increase access to occupationally directed programmes
5. Support the growth of the public college institutional type as a key provider of skills required for socio-economic development
6. Skills development support for entrepreneurship and cooperative development
7. Encourage and support worker-initiated training
8. Support career development service

The SETA's strategic skills priorities will be articulated in the SETA's Strategic Plan and APP as part of Programme 2: Skills Planning, Programme 3: Learning Programmes and Programme 4: Quality Assurance. The key priorities for the 2022/2023 financial year are:

- Support youth, and employees targeted skills programmes relating to Councillor Development, governance/performance culture, ethical leadership, management, accountability, 4IR, green skills, ocean governance, LED, SMMEs and Cooperatives, basic service including roads, electricity, and water, AET, disability and rural initiatives.
- Support youth and employees' priority occupations and interventions linked to occupational shortages/skills gaps including municipal financial management, supply chain; engineering, technical services, infrastructure, town planning, and disaster management.
- Support partnerships with TVET colleges and partnerships linked to strategic priority areas.
- Implement PIMI model for all interventions linked to planning and performance.

As mentioned in section 6.3, the strategic skills priorities are informed by the DDM approach to address municipal service delivery skills needs at a district level including metropolitan municipalities, confirming the appropriate interventions according to the unique demand, and implementing interventions at the “coal-face” of service delivery.

The analysis also included the Economic Reconstruction and Recovery Plan (ERRP) and resultant ERR Skills Strategy (“Skills Strategy”). The ERRP looks at recovering the waning economy and “stimulating equitable and inclusive growth”. LGSETA has incorporated priority interventions proposed in the ERRP namely: Aggressive Infrastructure Investment, Energy Security, Gender Equality and Economic Inclusion of women and youth, Green Economy Interventions, and Mass Public Employment Interventions. Many of the occupational shortages identified in the ERRP are also reflected in the SPOI List (Chapter 3.4).

To respond to the 9 priorities of the ERRP, the ERRSS proposes 10 skills interventions as follows:

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 6-1 presents the Strategic Skills Priorities and their link to the NSDP 2030 and ERRSS.

Table 6-1: Strategic Skills Priorities

NSDP Obj.	ERR Skills Strategy	LGSETA Strategic Focus Area	Outcomes	Priority Interventions	Time Frame (Short 1-2 yrs; Medium 3-4 yrs; Long Term 5yr +)
Overall Impact: Highly skilled and professional local government workforce to ensure efficient and effective service delivery					
1	3	Enhancing Good Governance, Leadership and Management Capabilities	Strengthen governance, engaged management and ethical leadership	1. Support targeted interventions for councillor development 2022-2023 (informed by councillor strategy) and strengthen partnership with CoGTA and SALGA to target interventions. Support community engagements, civic education and capacity initiatives, especially in rural communities.	Medium to Long term
2	4			2. Implement approved Councillor Development strategy with continuing focus on Phase 2	Medium to Long term
3	5			3. Support relevant skills programmes such as governance/leadership and management/human resources and labour relations/HRD/performance culture for municipal management linked to service delivery	Medium to Long term
8				4. Support targeted Management training programmes including Technical training, Municipal Financial Management, and supply chain management functions.	Medium term
				5. Support skills programmes relating to engaged manager, ethical leadership, enabling governance, ethics and accountability and productivity tools.	Medium term
				6. Support skills programmes for Traditional Leaders based on identified needs to ensure Traditional Leader priority areas are implemented, so they may propagate this information in their communities, especially rural areas	Medium to Long term
				7. Support Union Leadership programmes	Medium to Long term
				8. Support Women in Leadership and Management programmes and Women leadership and empowerment programmes	Medium to Long term
				9. Conduct research on HRD Governance/Political Oversight/Evidence-based research on implementing Integrated Management Framework for HRD	Medium term
1	2	Promoting Sound Financial Management & Financial Viability	Sound financial management to ensure efficient and effective use of public resources	1. Support skills programmes relating to minimum competencies, financial skills, internal auditing, supply chain management through programmes such as Municipal Financial Management Programme and Public Administration Programmes. Municipalities will thus have to exercise frugal financial management to preserve funds when revenue collection is declining.	Medium to Long term
2	3			2. Support occupations relating to chief financial officer/financial manager/supply chain manager. With revenue collection declining as individuals lose their jobs, it is important to detect irregularities and arrest them in an effort to promote accountability, especially with scarce resources	Medium term
3	4			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	Medium term
5				4. Conduct a Tracer Study research on Programmes including learners who have achieved minimum competencies (enrolments, graduates, and Return on Investment in workplace) which forms part of approved Evaluation Plan.	Medium to Long term
2	1	Enhancing Infrastructure and Service Delivery	Improved Service Delivery and Infrastructure	1. Support priority occupations informed by the nine municipal-service areas including water reticulation practitioner, water quality analysts, and water and wastewater treatment operators, technical project managers, civil engineering technician, civil engineering technologists, electrical engineering, electrical engineering technician, electrical engineering technologist, electrician, property valuer, project managers (technical) and building inspector.	Medium term
3	2			2. Support skills programmes linked to municipal service areas including basic services for water, electricity and energy including renewables, sanitation, waste management, safety and security, roads including civil and electrical engineers/technicians and technical project management, Batho Pele principles and client services.	Medium term
4	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 accelerated this with the uptake of the 4IR, data analysis, cybersecurity and software development	Medium term
5	9				
6					
7					

NSDP Obj.	ERR Skills Strategy	LGSETA Strategic Focus Area	Outcomes	Priority Interventions	Time Frame (Short 1-2 yrs; Medium 3-4 yrs; Long Term 5yr +)
				being some of the areas that will be explored further (the digital economy is noted as a key skills gap in recovery by the ERP).	
				4. Support occupations linked to infrastructure planning, maintenance, and technical services, environmental healthcare specialist, energy production technologists, instrumentation controllers, horticulture specialists, water engineers, water technologists and environmental health officers	Medium to Long term
				5. Partner with TVET colleges as specialist centres of excellence informed by the Strategic Partnerships Model (See Chapter 4)	Medium term
				6. Support youth linked to Priority occupations and interventions. Improve career development support, for example, through bursaries, learnerships, internships and apprenticeships, in line with the PYEI objectives to curb youth unemployment.	Medium to Long term
				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.	Medium term
				8. Strengthen partnerships with TVET colleges, CET colleges and HEIs to support local government related programmes and learning excellence informed by the Strategic Partnerships Model (See Chapter 4)	Medium to Long term
1	2	Promoting Spatial Transformation and Inclusion	Strengthen coordination towards local economic development and transformation	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 including building surveyors, transport planners, economic modellers.	Medium term
2	4			2. Support key green economy occupation and skills programmes relating to green skills in local government	Medium term
3	5			3. Support key ocean economy occupation and skills programmes linked to ocean economy and protection	Medium term
4	7			4. Skills programmes to support LED occupations relating to analytical skills, economics, SMME and Cooperative development, tourism, agriculture, food security and sustainable development, mining and waste management, in line with the NGP Framework.	Medium term
	8			5. Support youth linked to Priority occupations and interventions and career development support, for example, through bursaries, learnerships, internships and apprenticeships, in line with the PYEI objectives to curb youth unemployment.	Medium term
				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)	Medium term
				7. Support Skills Development relating to spatial planning, SMART cities and 4IR. Develop the Strategy Partnerships Policy and review SOP. Forge research partnerships with PSET institutions to enhance funding, planning and monitoring mechanisms, in line with the NSDP 2030.	Medium to Long term
2	1	Enhancing Municipal Planning	Improved collaboration with stakeholders for efficient and effective skills Planning and Delivery	1. Review and assess the Strategic Partnerships Model linked to Strategic and Sectoral Priority areas	Medium term
3	2			2. Identify new occupations/skills programmes for development and ensure training materials are developed for new qualifications	Medium term
7	4			3. Implement PIMI model for all interventions linked to performance and planning	Medium term
8	5			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 in Local Government, Councillor Development informed by research conducted; Traditional Leadership informed by research conducted; and DDM implementation informed by research conducted.	Medium term
	6			5. Skills programme relating to HR managers and HRD (Professionalisation/Change Management/Performance Management/Accountability)	Medium term
	8			6. Implementation strategy on Batho Pele in Local Government	Medium term
	9			7. Implementation strategy on Mentoring and Coaching to support Scarce and Skills Gaps (Top-Up Skills) in LG	Medium term
	10			8. Supporting women in targeted programmes and implement strategy on Women in Leadership in Local Government.	Medium/Long term
				9. 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 (Chapter 5)	Medium/Long term

6.5 Conclusion

The recommended actions of the SSP are aligned to LGSETA's strategic focus areas, Economic Reconstruction and Recovery Skills Strategy priorities, and the NSDP 2030 objectives. This alignment will allow LGSETA to ensure they are implementing interventions that address all three of these areas in an integrated manner using a DDM approach. LGSETA's strives to be a SETA of excellence that facilitates skills development towards achieving a highly skilled and capable local government workforce as envisaged in the National Development Plan. By approaching skills development in an integrated systemic manner, LGSETA aims to improve service delivery for the benefit of all thus creating greater impact.

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8. Annexure A: University and TVET Partnerships

The Table below illustrates the start and end dates of the various University and TVET colleges as mentioned in Chapter 4 and are currently under review.

Table A-8-1 University and TVET Partnerships

Province	Name of Institution	Start and End Date
Public Universities (10)		
Free State	Central University of Technology	01 March 2023 -01 March 2024
Gauteng	Enterprises University of Pretoria	30 March 2022 -31 March 2025
KwaZulu-Natal	University of KwaZulu-Natal	30 March 2022 -31 March 2025
KwaZulu-Natal	Durban University of Technology	31 March 2023 - 31 March 2024
Limpopo	University of Venda	30 March 2023 – 31 March 2024
North-West	North-West University	05 February 2020 – 31 March 2030
Eastern Cape	Rhodes University	30 March 2022 – 31 March 2025
Western Cape	Cape Peninsula University of Technology	01 March 2023 -01 March 2024
Western Cape	Stellenbosch University	01 March 2023 -01 March 2024
Mpumalanga	University of Mpumalanga	01 June 2023- 31 May 2025
TVET Colleges (15)		
Gauteng	South West TVET College	30 March 2022 – 30 June 2025
Gauteng	Ekurhuleni East TVET College	1 March 2022 – 30 June 2025
KwaZulu-Natal	Mnambithi TVET College	22 March 2023- 01 March 2024
KwaZulu-Natal	Majuba TVET College	30 March 2022 – 31 March 2024
KwaZulu-Natal	Umfolozu TVET College	01 March 2023 – 01 March 2024
Mpumalanga	Gert Sibande TVET College	31 March 2022- 31 March 2025
Mpumalanga	Ehlanzeni TVET College	30 March 2022 – 31 December 2027
Mpumalanga	Nkangala TVET College	03 March 2023 – 31 March 2026
Northwest	Taletso TVET College	02 September 2020 – 31 March 2030
North West	Orbit TVET College	02 September 2020 – 31 March 2030
North West	Vuselela TVET College	02 September 2020 – 31 March 2030
Western Cape	False Bay TVET College	24 March 2022 – 31 March 2025
Western Cape	West Coast TVET College	24 March 2022 – 31 March 2025
Western Cape	South Cape TVET College	01 March 2023- 30 September 2024
Western Cape	College of Cape Town TVET College	30 March 2022 – 31 March 2025

Table B-8-2 CET Colleges

Province	Name of Institution	Start and End Date
CET Colleges (2)		
Eastern Cape	Eastern Cape CET College	30 March 2022 -21 March 2024
Western Cape	Western Cape CET College	21 March 2022-31 March 2025

9. Annexure B: Current LGSETA Registered Qualifications

The table below shows the list of existing LGSETA registered qualifications:

Table C-9-1 Current LGSETA Registered Qualifications

No	NAME OF QUALIFICATION	NQF LEVEL	QUALIFICATION ID
1	Certificate: Local Government	Level TBA: Pre-2009 was L5	23616
2	Certificate: Municipal Financial Management	Level TBA: Pre-2009 was L6	48965
3	Further Education and Training Certificate: Community Development: Local Economic Development	Level 4	76989
4	Further Education and Training Certificate: Environmental Practice	Level 4	50309
5	Further Education and Training Certificate: Fire and Rescue Operations	Level 4	57803
6	Further Education and Training Certificate: Generic Management: Disaster Risk Management	Level 4	64870
7	Further Education and Training Certificate: Leadership Development	Level 4	50081
8	Further Education and Training Certificate: Municipal Finance and Administration	Level 4	50372
9	General Education and Training Certificate: Environmental Practice	Level 1	49552
10	Higher Certificate: Local Government	Level 5	23617
11	National Certificate: Community Development: Integrated Development Planning	Level 5	83392
12	National Certificate: Community Development: Local Economic Development	Level 5	83393
13	National Certificate: Emergency Services Supervision: Fire and Rescue Operations	Level 5	64390
14	National Certificate: Environmental Management	Level 5	66789
15	National Certificate: Environmental Practice	Level 3	49752
16	National Certificate: Environmental Practice	Level 2	49605
17	National Certificate: Local Economic Development	Level 4	36436
18	National Certificate: Local Economic Development	Level 6	36437
19	National Certificate: Local Economic Development	Level 5	36438
20	National Certificate: Local Government Councillor Practices	Level 3	58578
21	National Certificate: Local Government Support Services	Level 3	58644
22	National Certificate: Municipal Governance	Level 5	60529
23	National Certificate: Municipal Integrated Development Planning	Level 5	50205
24	National Certificate: Ward Committee Governance	Level 2	57823

Notes

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