



Department of Public Service and Administration

Directive:

**UTILISATION OF THE 1% PERSONNEL BUDGET
FOR TRAINING AND DEVELOPMENT IN THE PUBLIC
SERVICE**

Contents

1.	LIST OF ACRONYMS.....	3
2.	PREAMBLE.....	4
3.	PURPOSE.....	5
4.	LEGAL MANDATE.....	5
5.	APPLICATION.....	6
6.	TRANSFER OF FUNDS TO SETAS.....	9
7.	DATE OF IMPLEMENTATION.....	9
8.	MONITORING AND EVALUATION.....	9
9.	APPROVAL BY THE EXECUTIVE AUTHORITY.....	9

1. LIST OF ACRONYMS

NSDS	National Skills Development Strategy
PSHRDSF	Public Service Human Resource Strategic Framework
SDA	Skills Development Act
SDLA	Skills Development Levies Act
SETA	Sector Education and Training Authority
PSETA	Public Service Sector Education and Training Authority
ETDPSETA	Education, Training and Development Practices SETA
PALAMA	Public Administration, Leadership and Management Academy
PFMA	Public Finance Management Act

2. PREAMBLE

- The need for redress and re-skilling of public servants as a result of the changing and ever-increasing demands for quality service delivery places emphasis on continuous development and learning in the Public Service.
- Training in the Public Service has generally not been driven by appropriate skills needs assessments.
- Training and development interventions need to be focused on areas where the need has been identified, including but not limited to, coal face service delivery institutions like hospitals, schools, correctional facilities, police stations, customs and excise, junior/middle/senior management, identified scarce and critical skills, etc.
- As the public service accelerates its levels of training interventions in a focused manner, appropriate resource allocation, utilisation and accountability will have to be arrived at and decided upon.
- Training and development in the Public Service is currently managed through the legislative and budgetary processes as expressed in the Skills Development Act of 1998 and Skills Development Levies Act of 1999 as amended, the Public Finance Management Act of 1999 and the Public Service Act 1994 as amended. The current budgeting, utilisation and accountability measures have not yielded desired results.
- To ensure that Government is able to deliver on the approved Outcomes, the training and development interventions will have to be needs-based, respond to government priority skills needs, support Government's developmental agenda, contribute to increased performance and to the reduction of poverty and unemployment.

- This Directive provides a framework for the utilisation of the departmental training budgets to ensure that each department spends the allocated training budget appropriately and in accordance with Government priorities.

3. PURPOSE

- The purpose of this Directive is to provide a framework for the utilisation of national and provincial departments' training budgets, determined in terms of the Public Service Regulations 2001 as amended, to ensure that departmental training budgets are spent appropriately and in accordance with determined priorities.
- The regulated utilisation of the 1% personnel budget for training and development in the Public Service will give effect to the Skills Development Act, NSDS Goal 4.5 and the Human Resource Development Framework for the Public Service.
- The implementation of this Directive will facilitate the positioning of the public service to create and offer opportunities as a training and development space.

4. LEGAL MANDATE

- This Directive is issued in terms of Part IX, Sections A and B.4 of Public Service Regulations, 2001 as amended.

4.1. Section A: states that:

Employees should have ongoing and equitable access to training geared towards achieving an efficient, non-partisan and representative public service. Training should support work performance and career development. It should become increasingly driven by needs, and link strategically to broader human resource management practices and programmes aimed at enhancing employment equity and representativeness.

4.1.2. Section B.4 states that:

"A head of department shall ensure that sufficient funds are available for the training".

5. APPLICATION

- Per annum each government department shall set aside a minimum amount of one percent (1%) of the total department's annual personnel budget for training and development of its personnel and potential employees.
- **Per annum the 1% of the total personnel budget shall be apportioned as follows:-**

5.1. **Thirty percent (30%)** of this amount shall be paid to the SETA with which the department is affiliated and to the PSETA for staff that fall within the scope of PSETA. **(Attached as schedule A)**

5.1.1. **The above 30% to be apportioned in the following manner:-**

5.1.1.1. The $33\frac{1}{3}\%$ or $\frac{1}{3}$ to be utilized to fund the administration of the SETA and

5.1.1.2. The remaining $66\frac{2}{3}\%$ or $\frac{2}{3}$ to be used to fund special projects as approved by the relevant SETA Boards. Such projects shall be in line with the scope and mandate of the respective SETA and seek to advance the development of the sector.

5.1.2. Departments belonging to more than one SETA, shall apportion the 30% payable to the respective SETAs proportionally, based on the number of employees employed in terms of a special employment act and /or the function designating such function of the department under the scope of that particular line function SETA. For an example, the Departments of Basic Education shall transfer to the PSETA, as a levy, an amount proportional to the employees employed in terms of the Public Service Act, 1994 as amended and the remaining portion

shall be transferred to the ETDPSETA for the educators employed in terms of Employment of Educators Act No.76 of 1998.

5..2. **Twenty percent (20%)** of the 1% shall be set aside for the training and development of **unemployed youth and the positioning of the public service to create and offer opportunities as a training and development space.**

5..2.1. Departments shall use these funds to implement the following programmes, namely, Learnerships, Internships, Artisans and Technician development.

5.3. Departments shall utilize the remaining **fifty percent (50%)** of the 1% for the **capacity development of serving public service employees.**

5.3.1. Departments shall utilize these funds prioritising mandatory training programmes (as determined from time to time), and identified skills gaps. All capacity building interventions must be aligned with the departmental strategic priorities and in line with departmental human resource development plans.

5.3.2. Priority must be given to courses offered by State institutions established to fulfill the role of capacity building in the public service, such as PALAMA, sectoral academies, provincial academies and public training institutions.

5..4. Table 1: Apportionment of the 1 % of personnel budget for training and development

Total government budget for training and development:			
Allocation	Target	Purpose	SPECIAL MEASURES
30%	SETAs	$\frac{1}{3}$ Administration of the SETAs	Compliance as per the PFMA, SDA, SDLA and SETAs Supply Chain processes
		$\frac{2}{3}$ Discretionary Grants: Special Projects, Learnerships, Internships, and Apprenticeships Skills Programmes	
20%	Unemployed Youth, including graduates, learners leaving schooling system, those requiring internships to complete their qualification and artisans.	Learnerships, Internships, and Apprenticeships Skills Programmes Bursaries	Alignment with national, provincial, sectoral and departmental goals
50%	Serving employees	Capacity development: Mandatory Training Programmes; Identified skills gaps	Palama, Sectoral and Provincial Academies Public providers Private Providers

6. TRANSFER OF FUNDS TO SETAS

- Transfer of the 30% as per paragraph 5.2.1 above, shall be effected before the 15th of each month by every department directly to the relevant SETA or SETAs and PSETA.

7. DATE OF IMPLEMENTATION

- The implementation of this directive shall be with effect from 01 April 2013.

8. MONITORING AND EVALUATION

- Respective Heads of Department are responsible for ensuring compliance with this Directive.
- The DPSA will monitor the implementation through the Human Resource Development Annual Monitoring and Evaluation Reports obtained from departments.
- DPSA is responsible for coordinating the effective implementation of the Directive across the public service and reporting on its implementation success in the Annual Human Resource Performance Report.

9. APPROVAL BY THE EXECUTIVE AUTHORITY

Approved:



LN SISULU MP
MINISTER FOR PUBLIC SERVICE AND ADMINISTRATION

Date: 2012/03/30