Plan for Revoking Quality Functions delegated to SETAs

1. Introduction and Background.

The Quality Council for Trades and Occupations (QCTO) was established through the Skills Development Act (SDA) number 97 of 1998.   The National Qualifications Framework (NQF) Act number 67 of 2008 (Chapter 5 sections 26 and 27) also outlines the functions of the QCTO. Section 26I of the SDA makes provision for the QCTO to delegate its functions.

In terms of the repealed SAQA Act, the South African Qualifications Authority had operational responsibility for the quality assurance of Historically Registered Qualifications on the NQF. This it did through Education and Training Quality Assurance Bodies (ETQAs). These were SAQA sub-structures accredited by SAQA. In most instances, occupational qualifications were quality-assured by one of the twenty-one SETA ETQAs or professional bodies. SAQA maintained the current NQF qualifications through the ETQAs as per ETQA Regulations R1127 provided for in the SAQA Act (1995).

The NQF Act and the Skills Development Act of 2008 provided for the establishment of the Quality Council for Trades and Occupations (QCTO). This legislation envisaged a landscape in which operational responsibility for the qualifications development and quality assurance of occupational qualifications would move from SAQA to the QCTO. It further made provision for the managed transition through continued oversight of the quality assurance function for registered qualifications and part-qualifications by the SAQA.

2. Overview of QCTO Quality Assurance Framework

The QCTO's quality assurance framework covers all aspects of the qualifications, from qualification design and development, to the implementation of the qualification, through to the external integrated summative assessment and finally, the certification of successful candidates. Its principal goal is to ensure the standardisation of processes and continuous compliance to set standards so that credible certificates are issued to qualifying candidates.

Standards for qualifications and part qualifications registered on the OQSF are set and maintained in:

- The qualification design model and rules that govern qualifications;
- The quality assurance of provisioning of occupational qualifications and part qualifications through the accreditation and on-going monitoring of skills development providers and assessment centres.
- The national final External Integrated Summative Assessment (EISA);
- Certification

2.1.   Qualification design model and rules that govern qualifications

Occupational Qualifications and part qualifications are designed, quality assured, supported and maintained according to high industry standards, and take into account articulation within and across the NQF. Historically registered qualification with learner uptake are being re-aligned to

occupational qualifications where there are no registered occupational qualifications. Skills programmes and curricula are also developed. All occupational qualifications are continuously reviewed. The QCTO endeavors to curtail the proliferation of qualifications in the system and only develop them when there is a clear need of such. There are two types of qualification streams in the suite of qualifications being developed by the QCTO, namely: (a) full qualifications for employment; and (b) part-qualifications and skills programmes for livelihoods and employability.

2.2 Quality Assurance of Provisioning

2.2.1 Accreditation of Skills Development Providers (SDP)
The QCTO follows a 2 Phase approach to Accreditation of Skills Development Providers.

> ➢ Phase 1 – This phase involves a desktop evaluation to determine institutional compliance in respect of licensing and safety issues.
> ➢ Phase 2 – This phase involves a site visit evaluation.

In terms of the QCTO policy regulating the accreditation of skills development processes, the turnaround time for the accreditation (Phase 1 and phase 2) is 90 working days.

2.2.2 Monitoring of Skills Development Providers

Monitoring of SDPs is mostly be done online via the Occupational Qualifications Learner Management System (OQLMS)

The implementation of a common OQLMS for use by all accredited providers enable the QCTO to have immediate access to their learner information, facilitators used, internal quality assurance evidence, internal summative assessments, etc.

Thus the QCTO is in a position to monitor all providers on-line, and draw required reports immediately, based on documents loaded (quality assurance evidence) and information provided by the SDP. The QCTO is able to categorise all SDPs and focus on those performing poorly, thus improving the reach of its quality assurance to ALL SDPs:

Accredited SDPs are also required to submit annual self-evaluation reports. The QCTO conducts sample verification visits to validate the authenticity of the self-evaluation reports.

2.2.3 Assessment Centers

The QCTO is moving its quality assurance away from the Portfolio of Evidence (PoEs) to the External Integrated Summative Assessment (EISA). The EISA takes place at QCTO accredited Assessment Centers, which meet the requirements for the conduct of the EISA. The EISA, which is administered on demand or as frequent as possible, can only be taken at accredited Assessment Centres. Accredited Assessment Centers must have effective management, human resources,

security systems, processes and resources (required equipment etc.) in place in order to conduct the assessment of the final EISA.

Assessment Centers must ensure that all required documents, assessment instruments, and assessment requirements are made available in the right locations and formats, for all final assessments, including for written, practical and e-assessments.

The National Artisan Moderating Body (NAMB) will play a key role in the assessments of the trade related qualifications. All trade test centers for the historically registered trade qualifications are accredited by the SETAs. A process is in place for the transfer of accreditation to the QCTO. This happens as trade test centers apply to assess the new Occupational Qualifications or as there accreditation with SETAs expires. NAMB as the QCTO approved assessment quality partner is responsible for conducting the evaluations and recommending accreditation of trade test centers to the QCTO. The NAMB is also responsible for the development of the trade tests. As outlined later, the incorporation of NAMB into the QCTO is part of Phase 1 of the plan.

2.3 Assessments

The QCTO quality assures its national system of qualifications to ensure that consistent standards are set, applied and maintained. To this end, the QCTO collaborates with Communities of Expert Practitioners (CEPs), approved Assessment Partners, accredited Skills Development Providers and accredited Assessment Centers. In the final External Integrated Summative Assessment (EISA) for Occupational Qualifications, the QCTO requires that all candidates be assessed according to the specified standards for a particular qualification as set in the Qualification Assessment Specifications (QAS) Addendum (blueprint).

For the lifespan of the historically registered qualifications, the QCTO will implement a compulsory FISA (Final Integrated Summative Assessment), in addition to the current PoE system, which will serve the following purpose:

- Bring the final assessment of historically registered qualifications in line with the assessment model used for occupational qualifications
- Bring about a national standard of achievement

2.4 Certification

The QCTO is responsible for issuing certificates for all qualifications and part qualifications on the OQSF. In its role as the quality assurer, the QCTO is committed to issuing learners with valid and credible certificates. Such a commitment consequently requires that the QCTO ensure that the certified data is valid and reliable and that learner achievements are verifiable.

The certification process is intricately linked to the assessment and quality assurance processes of the QCTO. The QCTO ensures that, through rigorous quality assurance processes, the certificate it issues meets the minimum requirements for the occupational qualification/part qualification or trade.

3 QCTO Delegation model

The QCTO took over the quality assurance function of legacy qualifications in October 2012. In the context of the legislation, the QCTO adopted a delegation model as provided for in the NQF Act, as policy. The QCTO, in an effort to ensure seamless transition to the new landscape, delegated its quality assurance mandate for Historically Registered Qualifications to the SETAs and Professional Bodies. In this model, QCTO delegations are to two types of quality partner's viz.: Development Quality Partners (DQPs) – responsible for the development of qualifications using expert practitioners and Assessment Quality Partners (AQPs) – responsible for the development and management of nationally standardised and credible assessments. The SETAs have to a large extent played the role of DQP and AQP thereby subsuming some of the delegated quality assurance functions into the DQP and AQP functions. In addition the QCTO delegated the quality assurance for certain historically registered qualifications to professional bodies. The QCTO is under constant pressure to take control of the delegated functions. This is encapsulated in the White Paper on Post School Education and Training (WPPSET), which states that:

> *"There have been some intended developments since the establishment of the Quality Council for Trades and Occupations. The intention was that this body would take on much of the quality assurance work previously carried out by the SETAs. However, because of funding constraints and challenges in establishing systems and processes in the QCTO, this function has remained largely the same as before, now delegated to the SETAs by the QCTO. A concerted effort will be made in the coming years to build the capacity of the QCTO and reduce the quality assurance work carried out by the SETAs".* (WPPSET 2013: 71).

The Ministerial Guidelines of 2014/15 also indicates *"Ongoing support to the QCTO…to become fully operational in terms of it quality assurance role, and reduce the quality assurance role carried out by SETAs."*

The quality assurance of the 21 SETAS is very diverse and has often been characterized by bureaucratic complexities and inefficiencies. Whilst the QCTO has taken full control of the development of occupational qualifications, this process is being frustrated by the inability of the QCTO to quality assure the new occupational qualifications. This is necessitating that the QCTO revokes the delegated quality assurance function from the SETAS. In developing the revoking strategy, special attention is given to the transfer of quality assurance functions from SETA Education and Training Quality Assurance bodies (ETQAs), Professional Bodies and the National Artisan Moderating Body (NAMB) to the QCTO in a manner that will not disrupt the system in a negative way.

4 QCTO Business Case and Vision 2020 for the revoking of QA functions delegated to the SETAs

The QCTO's main funding source is the Skills Levy. QCTO has to apply annually for this allocation, which is set at 0.5% of the levy. The QCTO also receives a fiscal grant. As indicated earlier, resource constraints played a major role in the QCTO not being able to take back the quality assurance functions delegated to the SETAs. The SETAs continue to receive funds for these activities. Due to the inability to ascertain the costs for quality assurance across the SETAs, the QCTO developed a Business Case to support its funding requirements for it to revoke the delegations made to SETAs.

The QCTO commenced with the implementation of Vision 2020 in June 2017. Vision 2020 outlines the strategy for the revoking of quality assurance functions delegated to the SETAs. The Vision 2020 was also submitted to the DHET and served as a direct input into the NSDP process.

4.1 CONSULTATIONS.

The QCTO consulted with the SETA CEO Forum during its participation in these meetings. In 2015, the SETA CEO forum established a sub-committee to engage with the QCTO and to report back on the strategic matter of taking back the delegated quality assurance functions. The QCTO co-ordinated these meetings on the following dates.

1st meeting: 3 September 2015
2nd meeting – 12 May 2016
3rd meeting – 1 December 2016
4th meeting – 28 June 2017
5th meeting – 21 November 2017 – This is the final meeting which was called by DHET.

Unfortunately, no strategic decisions could be taken at these meetings as the meeting was in the main attended by SETA operational staff. The meeting of the 21st November 2017 was coordinated by the DHET in a bid to ensure that the nominated CEOs attend. The QCTO presented its Vision 2020 take over strategy at this meeting. The SETA delegation requested time out to discuss and indicated that they will need to consult more broadly before commenting or committing to the plan. The QCTO reported this position to the subsequent SETA CEO Forum. In an attempt to get traction on this process, the QCTO invited SETA CEOs and Quality Assurance Managers to a meeting on 27 September 2018. (This meeting was set prior to the QCTO meeting with the Minister on 10 September 2018). Despite the confirmations (with 3 apologies), only a single Acting CEO arrived for the meeting. The meeting did however continue with the SETA QA managers who were in attendance. This meeting was also attended by Ms Erra (SETA Support Unit)

4.2   RISKS

One of the key reputational risks that the QCTO is facing is the perception that it is not certain about its role within the PSET sector and is taking too long to be the regulator it is meant to be. Full control of the quality assurance functions will allow the QCTO to claim its space within the NQF landscape. Failure to implement Vision 2020 also raises the level of risk for the QCTO with regards to legitimacy within the NQF space.

The lack of financial and human resources as well as Information and Technology infrastructure that is concomitant to expected growth, is an area of risk that needed to be addressed as a matter of urgency. To this end, the QCTO has implemented a revised organogram based on Occupational clusters. The organogram categorises the core functions of the QCTO into Engineering and Business and Services clusters. In this model, QCTO will develop an in-house intellectual capacity for its functions and also facilitate the training of contract workers who will be based in the field to conduct accreditation and assessments. The organogram facilitates the appointment of subject matter experts and domain experts (viz. accreditation, quality assurance and assessment). The organogram is being implemented in phases dependent on funding levels. The QCTO is also developing an MIS system. Phase 1 is currently being implemented.

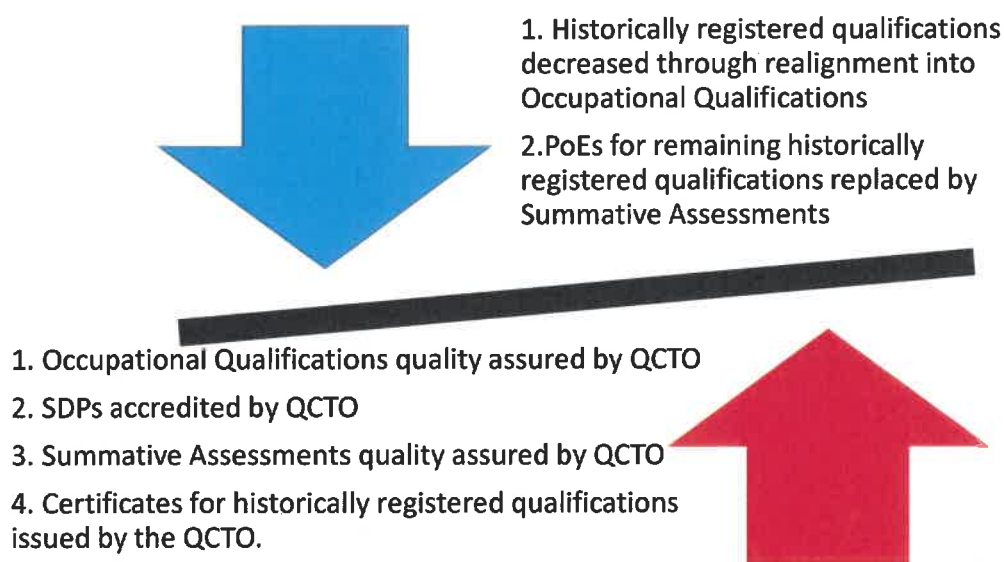## 4.3. Strategy for the Revoking of Quality Functions delegated to SETAs

The table below provides the overarching transitioning of QA functions from SETAs to QCTO.

Transition of QA functions from SETA to QCTO				
Period	**2011**	**2014 - 2017**	**2018/19**	**Year 2020/21 onwards**
Institution responsible	Delegated to SETAs (in effect creating a decentralised system)	Decentralised to SETA	Shared/joint implementation SETA-QCTO	QCTO
Functional form	ETQA (SETA)	QAP (SETA)	Transition to QCTO supervision	QCTO cluster model
Funding source	SETA	SETA	QCTO/SETA	QCTO

The strategy focusses on the four key areas.

1. Quality Assurance of Historically registered qualifications and skills programmes.
2. Accreditation of Skills Development Providers (SDPs)
3. Quality Assurance of Assessments
4. Certification

The strategy aims to reduce overtime the quality assurance functions of the SETAs as depicted in the diagram below.

1. Historically registered qualifications decreased through realignment into Occupational Qualifications

2.PoEs for remaining historically registered qualifications replaced by Summative Assessments

1. Occupational Qualifications quality assured by QCTO

2. SDPs accredited by QCTO

3. Summative Assessments quality assured by QCTO

4. Certificates for historically registered qualifications issued by the QCTO.

The envisaged take over will take place in 2 phases. A detailed plan is attached at the end as Appendix 1.

Phase 1

In phase 1, the functions delegated to 14 SETAs   will be taken over. The six SETA's offering trades and engineering related qualifications are prioritised for takeover. The rationale for this is that the QCTO is also required in terms of the White Paper on PSET to take over the quality assurance functions of NAMB. It will therefore make sense to combine these two processes. Significance progress has been made with 50% of the functions assigned to NAMB being undertaken by QCTO. The trade qualifications have also been prioritised due to the links between the various projects such as Dual Apprenticeship (DSSP) and SIPS projects. The QCTO is currently involved in these projects. For example in Centers of Specialisation (CoS) projects the DHET through its special projects unit are establishing occupational task teams as well as identifying TVET colleges to be developed as centers of specialisation. The Occupational teams could overtime be taken over by the QCTO to form the CEPs. The QCTO will apply its full quality assurance regime for these projects (accreditation, assessment and certification).

The analysis of the SETA offerings also indicated that there are eight SETA's offering both trades and non –trades. These eight SETA's would also form part of phase 1 with the focus being on the trade qualifications as well as the non-trade qualifications.

SETAs offering Engineering and Trades	SETAs offering Trades and Non-Trades
Cluster 1	Cluster 2
- CETA - CHIETA - EW SETA - MERSETA - MQA - TETA	- AGRISETA - FOOD&BEV SETA - HW SETA - LG SETA - PSETA - SASSETA - SERVICES SETA - FP&M SETA

Phase 2

The remaining 7 SETAs will be considered in phase 2.
- MICTSETA
- BankSETA
- FASSET
- CATHSETA
- ETDPSETA
- BATSETA
- INSETA

Notwithstanding the fact that provision is made for Phase 2, the QCTO will consider cases where SETAs are willing and ready to enter into agreements with the QCTO to facilitate the transfer of Quality Assurance functions to the QCTO.

5. Budget

1. To aid this process the DHET instructed SETAs to clearly articulate activities and funding for Programme 4: Quality Assurance of the SETA Annual Performance Plan. The QCTO conducted an analysis of the APPs to understand the activities and budget allocations. The activities differ for the various SETAs. The total allocation for Quality Assurance across all SETAs for 2018/19 is R256million.

2. The table below provides an indication of the projected income over the short term.

Table 1

Income source	2018/19	2019/20	2020/2021
Government grant for operating costs and development of new occ. qualifications	R27 380 000	R28 977 000	R30 535 000
Rendering of services	R3 000 000	R5 000 000	R6 000 000
Levy grant income (current 0.5%) to fund transition of quality assurance functions from SETAs	R86 700 000	R90 348 000	R114 000 000
SETA allocations for Quality Assurance	R256 335 000	R196 353 000	R193 529 000
Total QA System cost	R373 415 000	R320 678 000	R344 064 000
Total QA system assuming 20% reduction due to improved efficiencies and elimination of duplications	R373 415 000	R256 242 400	R 275 251 200
QCTO allocation		R124 000 000 + transfer portion of R 132 242 400 from SETAs for functions taken over by the QCTO.	R 275 251 200 QCTO will from this allocation fund any activity still undertaken by QAPs. The NQF Act makes provision for the QCTO to delegate functions but such delegation must be accompanied with funds.

Notes to table 1

- Government Grant for 2019/20 and 2020/21 are indicative allocations received from the DHET.

- Rendering of Services are projections based on Accreditation and Certification fees as there is still no reliable trends.
- Levy grant for 2019/20 is the approved amount. Levy grant for 2020/21 is an estimate.
- SETA allocations amounts are extracted from the SETA 2018/19 APPs made available to the QCTO by the DHET. The figures are not an accurate reflection, as four SETAs did not specify allocations for Programme 4: Quality Assurance but those functions are being carried out
- Total system includes total of QCTO and SETA allocations for Quality Assurance.
- Efficiency savings set at a conservative 20%. This could be much higher as activities become clearly separated and well-coordinated.

3. The table below indicates the projected expenditure over the short term.

Table 2

Expenditure	2018/19	2019/20	2020/2021
Compensation	R 63 148 000	R 76 242 400	R 87 929 000
Goods and Services – Core operations	R25 180 000	R 139 500 000	R 146 500 000
Goods and services- Corporate services	R19 000 000	R 28 000 000	R 30 000 000
Capital Expenditure	R 6 746 000	R 12 500 000	R 10 822 200
Total	R 114 080 000	R 256 242 400	R 275 251 200

Notes to table 2

- Goods and Services – Core operations includes the quality assurance activities relating to qualifications management, accreditation and monitoring of SDPs and quality assurance of assessments.

4. Table 3 below provides the costing leading to the determination of as indicated in Table 1

Table 3

Expenditure		2019/20	2020/2021
1. Qualifications Management			
1.1 Realignment of historically registered qualifications at		65 Qualifications at R 450 000 each	70 Qualifications at R 450 000 each

1.2 Development of new Qualifications		R 29 250 000 10 qualifications at R 500 000 each R 5 000 000	R 31 500 000 10 qualifications at R 500 000 each R 5 000 000
2. Review of Qualifications		Review of 45 qualifications at R 450 000 each R 20 250 000	Review of 40 qualifications at R 450 000 each R 18 000 000
3. Accreditation and monitoring of SDPs		2000 SDPs at R 25 000 each R 50 000 000	2000 SDPs at 25 000 each R 50 000 000
4. Quality Assurance of Assessments		50 assessments at R 700 000 each R 35 000 000	60 assessments at R 700 000 each R 42 000 000
Total		**R 139 500 000**	**R 146 500 000**

Notes to table 3

- The number of qualifications identified to be re-aligned is part of the 5-year plan (2018-2023) to replace all historically registered qualifications with Occupational Qualifications.
- The number of providers to be accredited and monitored is based on the number of providers who have applied to the DHET for registration and which will have to be accredited by the QCTO. The number of applications to the DHET is almost 3000. The 4000 providers spread over the two years includes this category of providers as well as "new" providers applying for accreditation to offer the Occupational qualifications.
- The number of assessments is based on the projected uptake of Occupational qualifications. The unit costs are estimated at R700 000 as this includes once off set up costs relating to the development of the qualification assessment specifications, the assessment addendums and item banks.
- The unit costs include the payment of subject experts, meeting and logistics costs

6. Procedure going forward.

1. The QCTO will engage with identified SETAs to craft agreements to facilitate the transfer of QA functions to QCTO. It must be noted that the QCTO has already implemented plans across the SETAs regarding accreditation of SDPs.

2. Through the implementation of these agreements, a proper function transfer analysis will be undertaken to facilitate the transfer of resources to the QCTO so that it is able to undertake all the quality assurance functions related to qualifications and part qualifications on the OQSF and to determine more accurately the cost of quality assurance.

APPENDIX 1

Key Focus Area	Current Situation	Strategy for taking over of QA function	Timeframe	Resources
1. Quality Assurance of Historically registered qualifications and skills programmes.	Historically registered qualifications and skills programmes are quality assured by the SETAs. These qualifications and skills programmes are registered on the NQF with end date June 2023.	a. Historically registered qualifications and skills programmes that have currency in the market (as indicated by demand) will be realigned and registered as occupational qualifications and part qualifications. This will result in the transfer of QA for the realigned qualifications from the SETA to QCTO. 1.2. Where required, the QCTO will take over the responsibility of appointment and monitoring activities relating to DQP, QDF, LQDF and CEPs;	By 2023 Process already in place with 96 historically registered qualifications currently being realigned.	For strategy 1.1 QCTO funding oversight and management of the realignment process. SETAs are funding the costs of realignment – Payment of qualification development facilitators and subject matter experts. For strategy 1.2 Fully funded by QCTO
2. Accreditation of Skills Development Providers	SDPs offering historically registered qualifications are accredited by the SETAs.	a. For new accreditation applications. As of July 2018 (QCTO Communique 1 of 2017), SDPs applying to offer historically registered qualifications are being accredited by the QCTO. b. For SDPs currently accredited by SETAs The accreditation will be transferred to the QCTO. QCTO will then undertake a verification exercise through its monitoring processes. The QCTO to publish a list of accredited providers on its website. c. Monitoring of SDPs. Intermediate phase. • SETAs will monitor SDPS and submit monitoring plans and reports to the QCTO;	For new application-process implemented. Transfer of SDPs currently accredited by SETA to QCTO – March 2020	For strategy 2.1 QCTO funding Phase 1 which is the processing of letter of Intent. SETAs funding Phase 2, which is the verification site, visit. For strategy 2.2 – QCTO funded For strategy 2.3 SETAs fund their monitoring visits. QCTO funds sample monitoring.

		• The QCTO to select sample of SDP's to monitor		
3. Quality Assurance of Assessments	Assessments for historically registered qualifications conducted through portfolio of evidence (PoE)	a. The QCTO to take responsibility for the QA of assessments for historically registered qualifications. Intermediate phase – The SETA conducts assessment and verification processes and submits reports to QCTO who then approves results and certification. QCTO undertakes sample verifications. b. Where there is an opportunity to replace the current PoEs with an external integrated summative assessment (EISA), this will be implemented. This will bring the QA closer in line with the QCTO processes until the qualification is fully realigned.	For 3.1 March 2019	For 3.1 SETAs to fund assessment and verifications. QCTO to fund sample verifications. **For 3.2** QCTO funding oversight and management of the development of the EISA. SETAs to fund the costs of developing the EISA.
4. Certification	SETAs are issuing certificates for historically registered qualifications.	a. For trade qualifications. The QCTO will continue to issue trade certificates & upload learner data to NLRD b. For non-trades. The SETAs to issue certificates upon approval of results from the QCTO until such time that the QCTO certification system for historically registered qualifications is in place.	For 4.1 System operational. For 4.2 March 2019	For 4.1 QCTO funded through certification fees. For 4.2 Currently funded by SETAs

ACRONYMS

CEP	Community of Experts
EISA	External Integrated Summative Assessment
ETQA	Education and Training Quality Assurance
MIS	Management Information n System
NAMB	National Artisan Moderating Body
NQF	National Qualifications Framework
OQLMS	Occupational Qualifications Learner Management System
OQSF	Occupational Qualifications sub-framework
PoE	Portfolio of Evidence
QAP	Quality Assurance Partner
QCTO	Quality Council for Trades and Occupations
SAQA	South African Qualifications Authority
SDP	Skills Development Provider
SETA	Sector Education and Training Authority
WPPPSET	White Paper on Post School Education and Training.