Terms of Reference for funding norms of Adult Learning Centres

higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

DRAFT

TERMS OF REFERENCE FOR THE MINISTERIAL COMMITTEE ON ALIGNING THE NATIONAL NORMS AND STANDARDS FOR FUNDING ADULT LEARNING CENTRES (NSF-ALCs) TO THE PROPOSED INSTITUTIONAL MODEL FOR POST SCHOOL EDUCATION AND TRAINING (PSET)

PURPOSE

1. The role of the Ministerial Committee will be to align the National Norms and Standards for Funding Adult Learning Centres (NSF-ALCs) of Adult Education and Training (AET) to the proposed new institutional model of Post School Education and Training (PSET) i.e. Community Education and Training Colleges (CET Colleges).

BACKGROUND

2. The NSF-ALCs were published in government gazette number 30576 on 14 December 2007. A copy of the funding norms is attached as **Annexure A**.

3. The initial implementation date of NSF-ALCs was 01 January 2010 and was later postponed to 01 January 2011 (Government Gazette number 33215) after Provincial Education Departments (PEDs) indicated that they were not ready to implement the funding norms during the call for public comments. A copy of the General Notice is attached as **Annexure B**.

4. Some PEDs even requested that the implementation date be postponed further than the date of 01 January 2011.

5. A proposal was made to postpone the implementation date of NSF-ALCs indefinitely after it was realised that PEDs would not be ready to implement the funding norms on 01 January 2011.

6. On 04 August 2011 the Minister postponed indefinitely implementation of NSF-ALCs pending meeting the requirements for implementation mentioned in paragraph 7 below. A copy of the General Notice is attached as **Annexure C**.

7. Implementation of the funding norms require, amongst others, the following to be in place:
   7.1 Costed AET programmes to determine a funding formula. A funding formula is required in order to determine the centre allocations in implementing the funding norms. These allocations which currently include educator salaries have to be transferred to the bank accounts of the Public Adults Learning Centres (PALCs). It will be a state responsibility to pay educator salaries once the Further Education and Training Colleges Amendment Bill 2012 has been assented to by the State President of South Africa;
   7.2 Fully constituted and functional Governing Structures as per the AET Act 52 of 2000;
   7.3 Certification of PALCs by PEDs on the capability of managing and accounting for public funds in line with the AET Act. Certification of PALCs is a pre-requisite for the full implementation of the funding norms as it is in preparation for transfers of allocated funds to ALCs by PEDs; and
   7.4 Centre Evaluation Teams (CETs) established by PEDs to evaluate centres for quality rating to determine the enrolment target of the PALCs for each year.

8. The NSF-ALCs are piloted in most provinces at designated centres and continue to be piloted notwithstanding the indefinite postponement of the NSF-ALCs as it is a measure to prepare for full scale implementation that will be announced by the Minister.

9. A task team was commissioned by the Minister in April 2011 to conceptualise the development and implementation of Community Education and Training Centres. A final draft report was presented to the Minister which is attached as **Annexure D**.

10. The Green Paper argue that NSF-ALCs makes provision for programme funding although PALCs do not offer programmes at this stage but learning areas. There might be a need to consider whether the learning areas offered in different levels of AET could be grouped into programmes, if not then a proper funding model or a revision of the current funding norms is necessary. The Green Paper further mention that in very weak institutions funding based on learner enrolment does not allow for the building of institutional capacity.

11. DHET developed a Discussion Document that proposes how to align the current funding norms to PSET which the committee has to consider is attached as **Annexure E.**

SCOPE OF WORK

12. The main tasks of the Ministerial Committee are as follows:
    12.1 Analyse the current funding framework to determine whether it is effective in achieving the goals of attaining a skilled and capable workforce to support inclusive growth path;
    12.2 Consider other funding modalities of CET Colleges in other countries and make comparative advantage; and
    12.3 Diagnose the relevance of the current funding approach in the light of all developments that have taken place, e.g. the new proposed Community Education and Training (CET) Colleges taking into consideration other funding modalities globally, formula funding programme and funding of AET level 1 to 4 learning areas and propose the most suitable preferable funding model.

13. The Committee must make recommendations on how to align the current NSF-ALCs to suit/align to the proposed new institutional models, taking account of the following:
    13.1 Provision for the funding model that ensures some core funding in the form of programme-based funding in the light that ALCs are currently offering Learning Areas in AET level 1 and 4. This will be an important first step in the process of building PALCs into Community Education and Training Centres;
    13.2 Aligning the NSF-ALCs to cater for funding of qualifications from National Qualifications Framework (NQF) level 1 to 4 as proposed in the Further Education and Training (FET) Colleges Amendment Bill of 2012. This implies that some FET College

programmes such as National Curriculum (Vocational) (NC(V)) and Report 191 may be offered at CET Colleges;

13.3 Provision for funding of other skills programmes through other income such as funding from the National Skills Funds (NSF) or Sector Education and Training Authority (SETAs);

13.4 Determining a typical CET College with regard to performance, accountability in funding, staff development, utilization of posts, payment of personnel salaries in Centre and compensation of Council members, growth potential, etc.;

13.5 Provision for funding different models of institutions differently as proposed by the Ministerial Task Team on CET Colleges;

(i) investigate the offering of other types of vocational qualifications proposed in the report and determine cost implications thereof.

(ii) identify other key aspects to be included for funding new institutional models; and

13.6 Determine a measure on how to deal with poor performance by CET Colleges to avoid reducing enrolments which might have a negative effect on students who might already be from disadvantaged communities and may not have any recourse.

14. Conduct a study of the demographics in terms of areas with more or dwindling target groups such as considering a particular age cohort and identify where new CET Colleges could be established or merge those with low enrolments.

15. The committee must provide recommendations on the following:

15.1 Provision of funding for distance education in CET Colleges. Currently the success rates in distance education are low and therefore models of distance student support and high level contact technologies need to be developed and funded. There is a need to consider for example; providing distance students with laptops and funding for connectivity;

15.2 The size of a CET college which would be economically viable whilst delivering optimum outcomes and consider the possibility of having Central/ Main colleges with satellites. This might require rationalizing of the centres and consider hostel accommodation with its funding implication.

15.3 Funding of special education needs. Consider different types of CET Colleges to cater for different special needs and propose different funding models accordingly.

15.4 Funding mechanism for National Senior Certificate for Adults (NASCA). Investigate any challenges in offering NASCA at CET Colleges which may have further cost implications and propose how to address them if there could be any. These might include additional infrastructure costs such as laboratories as NASCA proposes physical science, computer science, life science etc.

15.5 Conditions for granting subsidies or grants to Private Centres considering the draft conditions attached as **Annexure F.**

15.6 Different funding model for rural CET Colleges to be able to make such centres more economically viable as they are likely to benefit lesser on other forms of private funding; and

15.7 How to regulate the remuneration of college council members via the funding norms, if their constitution or structure might differ from that of FET Colleges. Conduct research to better understand the cost implications regarding the expenses of College Council members incurred as part of their duties before regulating the remuneration of council members.

COMPOSITION OF THE MINISTERIAL COMMITTEE

The members of the Ministerial Committee are:

a) Professor Ahmed Cassim Bawa

b) Professor Pundy Pillay

c) Professor John Aitchison

d) Dr Charles Sheppard

e) Dr Gerald Ouma

f) Professor Pieper Vermuelen

g) Professor Divya Singh

h) Professor Stephen Khehla Ndlovu

16. The Minister will appoint public service officials to work with the committee as Reference Group.

17. Financial Planning Directorate will be part of the secretariat of the committee.

DELIVERABLES

18. The key deliverables are as follows:

18.1 Provide the DHET with a process map (project plan) indicating the timeframes on the activities to be carried out relating to their scope of work, within two weeks of commencement of the project;

18.2 Submit a draft report to the Department of Higher Education and Training (DHET) for review in seven (7) months after the date of appointment of the Ministerial Committee;

18.3 Submit a final report to the DHET with findings, recommendations and proposed implementation steps on the revised FET Colleges funding norms, one month following submission of the comments by DHET on the draft report;

18.4 Report that will include analysis, findings, challenges and recommendations based on the scope of work. The report should also provide concrete recommendations mentioned in paragraph 13 and 15 on the scope of work with emphasis on:

18.4.1 Funding model that ensures some core funding in the form of programme-based funding.

18.4.2 Aligning the NSF-ALCs to cater for funding of qualifications from NQF level 1 to 4.

18.4.3 Funding of other skills programmes through other income.

18.4.4 Funding for distance education in CET Colleges.

18.4.5 Economic viable size of CET Colleges.

18.4.6 Funding of special education needs.

18.4.7 Funding mechanism for National Senior Certificate for Adults (NASCA).

18.4.8 Conditions for granting subsidies or grants to Private Centres.

18.4.9 Funding model for rural CET Colleges.

18.4.10 Remuneration of college council members;

18.5 Different funding modalities applied in different countries; and

18.6 Draft amendments for the NSF-ALCs that are aligned to the new institutional model.

19. The product of the work of the Ministerial Committee will become the property of the DHET.

TIME LINES

20. The Ministerial Committee is expected to complete the work within a period of twelve (12) months from date of commencement of the project. Notwithstanding the scope of work outlined above, the Ministerial Committee is at liberty to include any other area of focus that is deemed pertinent to its investigation which will be within the project budget and timelines. The committee can also work with other key centres of excellence in the planning such as National Planning Commission (NPC).

ENQUIRIES

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APPROVAL BY MINISTER: HIGHER EDUCATION AND TRAINING

DR BE NZIMANDE, MP	19/06/14 **DATE**