TERMS OF REFERENCE FOR A DIRECTED WRC PROJECT

THEME	4. Advisory Services
TITLE	South African Water Sector Skills Audit and Training Landscape Mapping Focused on the Municipal Water Services Authority and Provider Functions

General context

Water and Sanitation sector skills[1] and capability are long standing priorities in the South African water sector. This is because having appropriately skilled people in the Sector is a fundamental enabler to water security and effective water and sanitation service delivery.

Skills and capability planning works across various tension points: making sure that current skills needs and vacancies are filled versus planning for future skills needs, jobs and requirements; ensuring that there is a robust pipeline of new entrants being skilled to enter the sector and reskilling or upskilling existing employees to meet sectoral needs. Growing the skills pool in under-represented groups remains a further priority. Getting skills planning right requires a clear understanding of water sector skills demand from the institutions of the sector, the scope and scale of existing skills in the sector, the requirements for the future, and the supply of training available.

Currently there are a range of gaps hindering effective skills planning, including:

1. There are gaps in the national picture of the Skills and capability requirements for different types and sizes of public sector water institutions (now and in future), and how this aligns to available skills in the sector.
2. Recent legislative developments have, and will continue to, influence the demand for particular skills e.g. Process Controller Regulations (Regulation 3630), the Revised Compulsory National Water and Sanitation Services Standards in terms of Section 9(1) of the Water Services Act, and the proposed amendment of the Water Services Act to enable licensing of WSPs, etc.
3. The gaps in a detailed skills and capability demand and supply picture impacts on our capacity to analyse the responsiveness and preparedness of the existing water sector training landscape. For example, we are not clear whether there are sufficient appropriately skilled persons in the South African job market to fill vacancies (if advertised). Similarly, the extent of private sector capacity to support WSP functions and be more actively involved in service delivery is unclear.

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[1] In this ToR, a 'job' is a position that needs to be filled with by an individual with specific skills and capabilities. 'Skills' are the specific, teachable actions or abilities to perform a task. Capability is the broader ability to use skills, knowledge, and experience to deliver results effectively in various situations. 'Training' encompasses the various formal interventions to develop skills and nuance capabilities.

4. There is a need to update the mapping of different skills and capability building training interventions on the South African landscape.
5. There is a need to explore how to make the work that goes into skills and capability audits permanently institutionalised in the water sector.

Given this context, the EWSETA and WRC have partnered to co-fund a South African Water Sector Skills Audit and Training Landscape Mapping exercise. This project is undertaken working in partnership with LGSETA and the DWS.

Rationale

Skills planning and information is a priority and responsibility for the Sector Education Training authorities (SETA), with the water sector mandate shared across the Energy-Water SETA (EWSETA) and the Local Government SETA (LGSETA). Water sector skills planning and demand is captured as a priority and programme in the EWSETA 2025/26 strategic plan[2]. This programme aims to ensure that skills development initiatives within the sector are aligned with the current and future needs of the labour market. Furthermore, it prioritises enabling credible mechanisms to identify skills gaps, forecasting future skills demands, and developing strategies to address these needs effectively.

Also, the Presidency launched Phase 2 of Operation Vulindlela in January 2025. For the next five years, this programme focuses on water, creating dynamic and integrated cities to enable economic activity and strengthening local government to improve the delivery of basic services. A priority for local government reform, is to shift to a utility model for all trading services to ensure financial and operational sustainability, and standardize and professionalize the appointment of senior officials in local government. This is aligned to the proposed amendment Bill and published compulsory standards mentioned in point 2 above, amongst others.

The importance of skills and capability also resurfaced as a priority at the March 2025[3] Water and Sanitation (DWS) Indaba hosted by the Department of Water and Sanitation (DWS), focused on water security and provision. The high-level declarations and resolutions of the Indaba affirmed the need to seek consensus on enhancing and strengthening technical and operational capacity and efficiency in the sector. There were also a number of declarations related to rethinking the institutional model for water service delivery, emphasizing the need for Water Service Authorities (WSAs) to implement utility-style models for water and sanitation operational efficiency, the need for utilities to enhance capacity to support WSAs with a retail Water Service Provider (WSPs) function where needed, and emphasizing the implementation of the local government professionalisation frameworks, etc. These shifts in institutional models and changing patterns of service delivery roll-out have implications for which skills are needed. DWS also committed at the Indaba to develop minimum competency regulations for water service providers and water services authorities and issue them by end of 2026 financial year.

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[2] EWSETA. 2025. EWSETA Strategy Plan 2025/26. https://ewseta.org.za/3d-flip-book/strategic-plan-2025-26-2029-30/
[3] DWS. 2025. Declaration and Resolutions of the March 2025 Water Indaba. https://www.gov.za/news/media-statements/water-and-sanitation-high-level-declaration-and-resolutions-2025-water-and

In addition , the DWS has renewed its emphasis on the roll-out of Blue, Green and No Drop in the sector. Getting this right requires appropriately capacitated Water Service Authorities and Providers in South Africa.

Based on this need, the focus of this Water Sector Skills Audit and Training Landscape Mapping project will be on the Municipal WSA and WSP function in South Africa. This is particularly important with the shift on the landscape around the need to accredit this function.

Objective

Proposals in response to this Terms of Reference must focus on 6 main objectives.

1. Comprehensively map stakeholders and review existing skills studies and strategic sectoral initiatives/programmes, that will contribute to the methodology and data baseline for this project whilst supporting more effective sectoral coordination.
2. Building on existing work in this regard, develop institutional skills and capability archetypes providing a realistic understanding of what the skills and capabiltiy need is (now and in future) for the WSA and WSP (municipal) environment of the South Africa Water Sector.
3. Produce a skills and capabilities matrix for each institutional archetype.
4. Describe existing jobs in the sector and gaps in relation to the Skills and Capabilities matrix.
5. Describe the existing WSA and WSP related training offerings and clarify gaps.
6. Develop strategic programmatic recommendations and interventions, that will contribute to a well institutionalized water sector skills audit ecosystem.

Note that that there is in-principle support from LGSETA, EWSETA and DWS to support access to Water Sector Skills Plan Data and Green/Blue and No Drop Data.

Proposal needs to clearly specify the methodology that will be used, provide clarity on how broader data for the project will be accessed and managed, and clarify the scope of stakeholder engagement that will be undertaken by the project team.

The selected proposal implementation team will be required to work in close consultation with WRC, EWSETA, LGSETA, DWS and a Reference Group comprised of key sector stakeholders.

The long-term home and sustainability of this project needs to be a key part of the investigation to ensure sustainability post the lifespan of the project.

Outputs and Products

Objectives 1-6 must be developed into a series of work packages and associated outputs. At a minimum, the following outputs should be planned around, and where there is a change from these minimum requirements this should be motivated in the proposal.

Output 1: Desktop Review (studies and strategic programmes/initiatives and Stakeholder mapping

Comprehensively review existing skills audits and related studies that will contribute to the development of the methodology for the project and define where data can be accessed. Amongst others, this needs to take into account the LGSETA funded project focused on developing a local government skills forecasting model (implemented by the CSIR).

Map out strategic initiatives, policy and institutional shifts, and programmes that connect or should be synergized with the results and implementation process of this project.

Map out the stakeholders that will be required to deliver on the project, what their roles are and how their engagement process will be managed.

Understand where there is existing data to draw from and where new data will need to be collected. (e.g. LGSETA and EWSETA Workplace Skills Plan data, etc.)

This should be packaged in a user-friendly style that will enable stronger coordination amongst partners.

Output 2: Municipal capacity archetypes

Provide a realistic understanding of what the skills and capacity need is (now and in future) for the WSA and WSP (municipal) environment of the South Africa Water Sector.

This would need to be undertaken by developing a series of institutional capacity archetypes for different categories of WSA and associated WSPs (e.g. metro, district, local municipalities, utilities mandated to provide WSP functions), and different service delivery contexts (e.g. rural/urban). The archetypes should be built on standard municipal categorizations (e.g. COGTA municipal categorization).

These archetypes will have to take into account current and future skills needs of these municipalities and be sensitive to the planned shifts on the water service delivery landscape (for example, the archetypes must incorporate projected competency requirements needed for compliance with WSP licensing and accreditation obligations under the amended Water Services Act)

These archetypes need to be presented in a manner that makes it clear for Blue and Green Drop standards teams to plan for and assess appropriate skills mixes in different sizes and types of institutions (this is with view to recommending revised skills and capabilities for municipalities of different sizes and contexts). The archetypes also need to support the sense-checking of Work Place Skills Plan Data.

When designing the archetypes the teams should balance demand for certain skills with the ideally projected skills requirements.

Note that the LGSETA funded, CSIR implemented study on developing a local government skills forecasting model has already partially addressed this objective, so the intention would be to build on what already exists (e.g. extend beyond the current B4/C2 municipality focus, and more effectively link in WSP and Blue/Green/No drop data).

<u>Output 3: A skills and capabilities matrix for each institutional archetype</u>

The matrix must specify the specific jobs and their associated capabilities required to fulfill the WSA and WSP function, for each of the different institutional archetypes.

This should focus on the technical functions of the WSA and WSP. By technical we refer to the domains directly supporting drinking water, waste water, faecal sludge management and other sanitation related service delivery. This should include the financial management capacity needed to drive a viable business model for water and sanitation service delivery in municipalities. This thus excludes HR, procurement, and other support roles.

The matrix must draw on compulsory national standards for WSA/WSP managers and other roles where available.

The matrix, amongst others will be used to sense-check WSP data and nuance Blue and Green Drop job guidelines.

<u>Output 4: Analysis report of existing Jobs and capabilities in the sector and gaps in relation to the Skills and Capabilities matrices</u>

This output focuses on ascertaining the current municipal skills availability. Are the required jobs filled? Are their sufficiently skilled people to fill vacancies? What reskilling is required to deepen capabilities?

Given that there is a specific focus on whether existing WSA and WSP managers meet compulsory national standards, this should be included as a specific substream of the available skills and capabilities analysis.

In addition to mapping municipal skills availability, the extent of private sector WSP service delivery capacity also needs to be mapped. This essentially entails investigating the extent to which the private sector is capacitated to function as water services providers and in so doing allowing for the transition and further involvement of private sector.

Once existing public and private skills availability is defined, map the existing skills against the required jobs and capabilities developed in work package 2, to specify the gaps or oversupply areas.

This task needs to be undertaken with a sensitivity to skills demand.

The project methodology needs to clearly define how this data will be accessed and what the approach will be to get this right.

Final output need to be a quantitative and qualitative data report of available skills and capabilities and gaps. It must include a sub section that specifically analyses whether managers responsible for water service provision and water service authorities meet compulsory national standards.

Output 5: Existing WSA and WSP function training offering and gap analysis

Based on the Skills gap analysis (output 4), undertake an assessment of the training landscape supporting municipal skills and capability deepening in South Africa.

The focus here will be to understand what training is being offered by public and private sector institutions, who is offering the training, what level of accreditation the training has and costs associated.

Once the existing landscape is mapped, clarify training gaps that need to be addressed.

*Note that the Training mapping part of this should be undertaken early on, in conjunction with the Desktop review phase. The gap analysis component can come later.

Output 6: Final Report including an overall project consolidation with strategic programmatic recommendations and interventions

The final report must summarise all project outcomes and the associated tools/ deliverables that have been developed. This will be distributed to sector partners.

The final report would need to have high impact recommendations and an advisory section advising what the fundamental next steps and initiatives should be for the system.

This must include well-consulted advice on how to more sustainably institutionalise skills audits and associated Monitoring, Evaluation, Research and Learning into the sector (linking with the LGSETA/CSIR project project where possible).

These recommendations need to be packaged in a way that they can be pulled into targeted and strategic programmes/partnerships for action.

There needs to be a clear specifying of responsible role players that are well consulted with the named partners.

Time frame
14 months

Total funds available
R 3 000 000

Closing date
3 weeks from date of advertisement

Proposal Template
Please apply on the standard WRC template, via the BMS system.

Contact
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