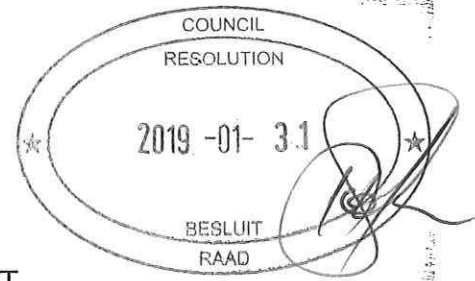


Reference No 00642/1[Nkosi]  
Umar Banda (8110)  
COUNCIL: 31 January 2019



7. GROUP FINANCIAL SERVICES DEPARTMENT  
(FINANCIAL REPORTING AND ASSETS)  
CHARTERED ACCOUNTANCY TRAINING PROGRAMME (CATP) POLICY  
**(From the Executive Committee: 12 November 2018, the Mayoral Committees:  
5 December 2018 and 16 January 2019)**

1. PURPOSE

Request approval of the amended policy on the Chartered Accountancy Training Programme (CATP) for the City of Tshwane.

2. STRATEGIC PILLARS

A city that is open, honest and responsive.

3. BACKGROUND

The City of Tshwane Metropolitan Municipality (CoT) passed a resolution in December 2000, making a commitment to the implementation of the budget reforms and the conditions of the proposed Financial Management Grant to support the reform processes. To date City of Tshwane participates in the internship programme and has capacity to employ up to 35 interns in terms of the FMG programme which is funded partly by the Financial Management Grant (FMG) and council funding.

As per National Treasury guidelines the Financial Management interns should hold a minimum of a three-year Bachelor's Degree or National Diploma with majors in Accounting, Economics, Financial Management, Risk Management and/or Auditing, among others.

Over the years, the Municipal Finance Management Intern Programme (MFMIP) programme has successfully provided learnership opportunities for graduates who have either continued to secure long term job opportunities within the City of Tshwane or with other employers. Financial management continues to evolve year on year and financial management practitioners are required to keep abreast of reforms and achieve a minimum level of continued professional education on a regular basis. The current internship programme is a stop-gap measure to link finance graduates with job opportunities and history has proven that this is not sufficient for supporting a Capital City to achieve what is contained in its Long-Term Vision while also promoting good governance as enshrined in the constitution.

What the city requires is a more sophisticated programme that promotes excellence, professionalism, education, training and retention of key financial professionals in their organisations. It is the Vision of the Mayoral Committee and Council to build a capable and professional public service in City of Tshwane.

#### 4. DISCUSSION

The City achieved an unqualified audit opinion on its financial statements for the year-ended 30 June 2018 and has maintained this for the sixth year in succession. Although this is applaudable, existing findings are demonstrable of governance issues that exist that need to be addressed to ensure financial management is intact. The Auditor General of South Africa (AGSA) cited "the need for improvement of financial and internal control disciplines", non-compliance with laws and regulations and lack of financial discipline as some of the root causes that are affecting good governance in the City of Tshwane.

The South African Institute of Chartered Accountants (SAICA), South Africa's preeminent accountancy body, is widely recognised as one of the world's leading accounting institutes. SAICA plays a significant role in the nation's highly dynamic business sector through its goal of strengthening the country's economy. Through the CA(SA) Training Programme, the accountancy profession and corporate South Africa can join forces to *Invest, Develop and Grow* South Africa's human capital and develop future business leaders. In recent years SAICA has reviewed its training regulations and has made it possible for many more organisations to produce Chartered Accountants (CA's) within a well-regulated and controlled environment. This creates an opportunity for organisations to build own capacity to produce for themselves and the economy at large finance professionals with qualifications that are highly recognised worldwide.

The CA (SA) designation has been recognised as the ultimate professional qualification that is characterised by highly sophisticated finance professional who bring value to any business. What has been identified as a gap though is that these professionals would obtain their CA (SA) qualification through traditional audit firms and other private entities and do not have an understanding of local government finance which has proven to get more and more complex over the years. With the new SAICA Regulations in place, there is now an opportunity for municipalities to provide the training ground for such finance graduates who would later qualify as finance professionals with a deep understanding of local government finance.

The Mayoral committee of 15 July 2016 approved that the City of Tshwane applies for SAICA accreditation as a Training Office legible to offer the CA(SA) training programme in terms of the SAICA Training Regulations for training of 50 CA(SA)s. Following the approval, an application was made and in October 2016, CoT got accredited by SAICA as a Training Office to train an initial amount of 10 graduates aspiring to qualify as Chartered Accountants. As a training office, SAICA (through the training regulations) requires that the City develop and adopt a policy specifically for this training programme.

The policy is effectively a guiding document to assist the city to successfully implement and administer the running of the programme in a manner that is in compliance with the SAICA regulations and in keeping with the ultimate skills development objectives of the city. The supreme aim of the programme is to create a platform in the city to train professionals in the public sector environment and retain them after their training in order to bolster the finance and accounting skills base in the city.

## 4.1 Key features of the policy document

### 4.1.1 Overview and management of policy document

This spells out the alignment of the objectives of the CATP (CA Training Programme) with the overall skills development strategies of the city. The responsibilities in terms of updating the policy document with the changes in the training regulations or city objectives/arrangements.

### 4.1.2 Policy statement

The overall objectives and principles as the basis on which the programme is implemented and administered are outlined in the policy. The SAICA information and assessment covers the accreditation of the city and how it would affect various participating primary sites, i.e. other entities within the city which could be identified for the rotation of the trainees.

### 4.1.3 SAICA assessment information and process

The number of trainees the City can take is regulated by SAICA and may be increased on SAICA's approval and also based on the appetite and availability of funds in the city. The SAICA training model which has been adopted by the city and the process and workings of the training plan to be followed by the city. The training plan explores the generic training plan; the rotation and/or secondment of trainees across different divisions or primary sites.

### 4.1.4 Governance structure and role player

For the effective monitoring and evaluation of the administration and running of the programme, a "CATP Committee" has been established to oversee the overall governance. The committee consists of divisional heads involved in the programme.

The document further covers the specific roles and responsibilities of the appointed Training Officer and Programme Manager in regard to the successful running of the programme. An outline of trainees' responsibilities in regard to taking responsibilities for their own learning. The reviewers, evaluators, mentors and assessors as important role players in the assessment are allocated specific roles in the process.

### 4.1.5 Assessment process

This outlines the process of reviewing and assessing the skills levels of the trainees as they go through their training in the city. The tools and methods used, as prescribed by SAICA, to assess the levels at which the trainees have demonstrated competence on their allocated tasks. The assessment process also covers the grievances and appeals process for instances where a trainee disputes the outcome of the assessments performed by the reviewers/evaluators.

#### 4.1.6 Other features in the document

The remainder of the document cover the recruitment and selection of trainees; trainees' performance management and ratings; salary levels and leave entitlements; study costs and other contractual obligations which have been aligned to City of Tshwane HR policies and incorporates the requirements as set out by SAICA.

#### 4.1.7 Amendments

Amendments made to the CA training programme policy are as follows:

Amendment	Reason for amendment
Addition of Assessment of Professional Competence (APC) to the definitions section of the policy	The acronym is not defined, yet it is a vital part of the training programme to which the body of the policy refers to, hence it is necessary that it is defined.
Addition of Initial Test of Competence (ITC) to the definitions section of the policy	The acronym is not defined, yet it is a vital part of the training programme to which the body of the policy refers to, hence it is necessary that it is defined.
Removal of CAE from the definitions section of the policy	This acronym was erroneously defined as SAICA's Initial Test of Competence and Assessment of Professional Competence.
Removal of 9.2 which reads:  "During the trainees' SAICA prescribed period, trainees' performance shall be assessed based on academic progress and work performance per SAICA prescriptions."  And replacing it with:  "During the trainees' SAICA prescribed period, trainees' performance shall be assessed based on work performance per SAICA prescriptions."	A trainee is entitled to immediate notch change upon SAICA releasing results and the trainee has passed. Including "academic progress" as one of the items on which the trainee's performance is based on has created confusion as to whether academic progress is recognised immediately or is part of the evidence portfolio that is considered when determining the annual salary increases. Consequently, only work performance is taken into account in determining annual increases (PSRs, TSRs and ANAs), academic progress is considered on results day. As such, removing "academic progress" from this clause will assist to clear the confusion. With this said, it is proposed that 9.6.3 be removed as academic progress is not part of the performance agreement, it is automatic.
Removal of 11.3 which reads:  "Additionally, the trainees shall qualify for salary increases based on their performance as detailed in paragraph 9 above. The notch increase shall be based on the increase levels approved in terms of the policies and procedures of the City of Tshwane."  And replacing it with:  "During the first 2 weeks of November in each year, all reviewers shall sit and discuss the performance of all trainees for the year just gone by. By show of majority, trainees' performance shall be determined as: Below Expectations (BE), in this instance the City will need to identify a reviewer to closely	The measurement of performance needs to give reference to specific measurables/benchmarks. If that is not so, it becomes difficult when it comes to implementation as to what is it that constitute adequate and inadequate performance. Consequently, it is necessary that there are specific performance levels that both trainees and reviewers can refer to and in the case of trainees, aim to achieve. The reviewers, given that they work with trainees every day, are more placed to make judgments regarding the performance of trainees.



<p>monitor the performance of the trainee on a daily/weekly basis. The trainee is thus placed under Performance Management (PM). The identified reviewer should report to the training officer/programme manager every week on progress made in bringing the trainee back to the minimum acceptable performance level (ME). Should the trainee be rated BE, he will not be entitled for an annual salary increase (notch adjustment)</p> <p>Meets Expectations (ME). In this instance the trainee's performance is at par with expectations. The trainee would be entitled to a notch increase based on work performance.</p> <p>Exceeds Expectations (EE). In this instance the trainee's performance not only meets expectations but the trainee reflects a level of maturity, performance and ability to apply professional values well above that expected of her stage in the traineeship programme. In this instance the trainee's salary shall be increased by one notch plus R1 000."</p>	
<p>Inserting the following paragraph under section 11: "In addition to the annual salary increase which is based on work performance, trainees shall also qualify for a salary increase based on academic progress as follows:</p> <p>On passing CTA : Progresses to salary level C1 notch 5</p> <p>On passing ITC : 1 Notch</p> <p>On passing APC : 2 Notches</p> <p>The salary increase shall be effective on the 1st day of the month which follows that in which the university or SAICA released the results."</p>	<p>As explained above, trainee salary increases are two-pronged, one based on work performance which reflects TSRs, PSRs and ANAs and the second one reflecting academic progress as evaluated by the universities or SAICA. It is critical that the two are differentiated, the first one is judged by the City, the second by the universities or SAICA.</p>
<p>Removal of 11.6 which reads:</p> <p>"Where the trainee does not obtain the minimum prescribed performance level, s/he shall not progress to the next salary notch for the following year."</p>	<p>The work performance and academic progress sections have now clearly explained the circumstances under which trainees are entitled to or not entitled to salary increases, hence this paragraph would not be necessary.</p>
<p>Removal of 13.1.2 which reads:</p> <p>"Five (5) working days for preparation and on the day of writing the examination, for the first time sitting of the second qualifying exam (APC);"</p> <p>And replacing it with:</p>	<p>Trainees are expected to have two preparatory sittings before the final APC exam in November. The first happens in June and the second in September. If they pass the September one, then they are entitled to sit the final exam in November. The second and final exams leads to official results recognised by SAICA. Each of these sittings require five days of preparation. In the spirit of sharing the cost of the programme between the trainee and the City, it appears reasonable for the City to award the</p>

<p>"Ten (10) working days for preparation and on the day of writing the examination, for the first time sitting of the second qualifying exam (APC);"</p> <p>Inserting a new paragraph under section 13 reading:</p> <p>"Five (5) working days for preparation and on the day of writing the examination, for the first repeat of the second qualifying exam (APC);"</p>	<p>trainee 10 days for the second and final exams. The trainee can then foot the first exam out of their annual leave. Else, it would appear placing undue difficulty on the trainee.</p> <p>The policy needs to take into account that trainees may not make it on the first sitting, hence make provision for the second sitting. The conditions progressively become adverse to the trainee if he continues to fail, hence the number of leave days is reduced progressively. After the second attempt the trainee will need to fund study leave out of their annual leave days.</p>
<p>Removal of 14.2.4 which reads:</p> <p>"All payments shall be made to the relevant service provider by the City of Tshwane"</p> <p>And replacing it with:</p> <p>"All tuition and examination fees shall be made to the relevant service provider, university or SAICA.</p> <p>In the case of CTA, the City shall pay the trainee R4 000 to cover the cost of study material. The amount shall be payable upon submitting proof that the trainee is registered for CTA for the current year."</p>	<p>It is not always practical to pay directly to the service provider. In the event that study material is paid for separately from tuition fees, which is the case with CTA, the trainee may purchase the study material from bookshops well before the City finalises the relevant payments. It would be detrimental to the trainee to defer purchasing material till the City makes the funds available as crucial study time is then lost. It appears more practical that the City pays directly to service providers, universities and SAICA for tuition and exam fees. For academic material, a set amount should be payable to all registered trainees. This also eliminates the possibility of trainees buying different things and thus creating disparities between amounts claimed. The amount can be reviewed from time to time.</p>
<p>Removal of the following under 14.5:</p> <p>"The Trainee shall be liable to reimburse all study costs incurred by the City of Tshwane as in paragraphs 14.1 and 14.2 respectively if the termination of the employment agreement is earlier than the contract period per the employment agreement. Study costs incurred shall be payable together with interest at a prescribed rate as fixed from time to time for government departmental debts by the Minister of Finance."</p> <p>And replacing it with:</p> <p>"The Trainee shall be liable to reimburse registration costs incurred by the City of Tshwane if the termination of the employment agreement is earlier than the contract period per the employment agreement."</p>	<p>The City's training policy is not allowed to be more adverse to the trainee than what is provided for by SAICA's training regulations, hence the recovery of costs is limited to registration fees in the event of the training contract being terminated.</p>
<p>Removal of the two statements under section 15: "Retain the trainee during the work back period, failure of which shall result in the deployment of the trainee either to City of Tshwane or another primary site or any other public sector institution."</p>	<p>These two statements appear to indicate that after the trainee's training period, they are obliged to stay within the employ of the City for a set minimum period. SAICA prohibits such practices, neither can a restraint of trade be placed upon a trainee on completion of the training period.</p>

And	
"The salaries of trainees during the work back period shall be borne by the primary site."	
Amend clause 16.2.10 which reads:  "achieve and maintain the performance level agreed to in terms of paragraph 11;"  To read:  "achieve and maintain the minimum acceptable work performance level agreed to in terms of paragraph 11, which is ME;"	It is important that what constitutes acceptable work performance be clearly defined, otherwise it becomes a challenge to implement.
Removal of the clause under 16.2.14 which reads:  "attain a Certificate in the Theory of Accounting (CTA) within two years starting from the assumption date of employment agreement for those CATP Trainees without the CTA qualification;"  And replacing it with:  "achieve at least one year of academic progress during any two calendar years. This progress is measured by passing the examinations of an accredited education institution; and"	The City's training policy is not allowed to be more restrictive than the training regulations which stipulates one year of academic progress for each two calendar years.
Remove the clause under 17.1.1 which reads:  "Where the trainee is not successful in the completion of the academic component (in case of undergraduate studies) or the competency assessment;"  And replace it with:  "Where the trainee fails to achieve academic progress  Where the trainee's work performance continues to be below minimum acceptable standards despite all the City's counselling and disciplinary measures being implemented to remedy the identified shortfalls;"	It needs to be clear that the pillars against which trainees are measured are academic progress and work performance. Academic progress will not be limited to undergraduate studies.

## 5. COMMENTS OF THE STAKEHOLDER DEPARTMENTS

### 5.1 COMMENTS OF THE CHIEF FINANCIAL OFFICER

Cognisance is taken of the contents of the report as well as the attached proposed Chartered Accountants Training Policy.

It is recommended in the report that the amendments to the policy on the Chartered Accountancy Training Programme (CATP) for the City of Tshwane be approved.

The comments of the Group Legal Counsel and Group Human Capital Management Department (TLMA) should be obtained with regard to the proposed implementation of the Chartered Accountant (CA (SA)) programme.

It is indicated in the report that the cost for the implementation of the Chartered Accountant (CA (SA)) programme in terms of the South African Institute of Chartered Accountants training will amount to R8 219 834 for 2018/19 and R12 676 350 for 2019/2020 financial year.

Savings will be identified within Group Financial Services for this initiative and funds will be transferred in the 2018/19 financial year. The department will submit a request for this funding in the 2019/20 MTREF.

## 5.2 COMMENTS OF THE GROUP HEAD: GROUP LEGAL AND SECRETARIAT SERVICES

The purpose of the report is to request approval of the amended policy on the Chartered Accountancy Training Programme (CATP) for the City of Tshwane.

Section 11 (1) of the Municipal Systems Act 32 of 2000 provides that the executive and legislative authority of a municipality is exercised by the council of the municipality, and the council takes all the decisions of the municipality subject to section 59. Section 11(3) (a) thereof further stipulates that a municipality exercises its legislative or executive authority by developing and adopting policies, plans strategies and programmes, including setting targets for delivery.

Section 16 (1) of the Local Government Municipal Systems Act mandates municipalities to "...develop a culture of municipal governance that complements formal representative government with a system of participatory governance".

It must be noted that the initiating Department should ensure that the Policy complies with the Council *Policy on the Review of Policies* which was adopted on 18 January 2012. (See especially paragraphs 8 and 9 thereof i.e. PRINCIPLES FOR THE FORMULATION AND REVISION OF POLICIES and PROCESS FOR THE DRAFTING, APPROVAL, IMPLEMENTATION AND AMENDMENT OF POLICIES) Without derogating from all requirements of the said adopted document, we would like to refer to paragraph 8 (k) requires that this Group Legal Services Department express view on whether the policy need to be subjected to *public participation or not*. In this instance we would like to mention that public participation will not be required as it does not directly impact on the community outside the corporate environment of the Municipality. It should be mentioned that only Council can approve of policies.

We would also like to draw attention to paragraph 9(h) of the said Resolution of 18 January 2012 which requires that policies must be translated into all official languages. Paragraph 9(o) of the Policy, 2012 requires that all employees must be made aware of the revised policy. Paragraph 11 makes provision for a policy library which need to be established. The City Manager will decide where such Library will be situated. In the absence of anything else we advise that it will be in the Governance Division within the CM's Offices.



Having regard to the contents of this report, Group Legal Department in principle supports and takes cognizance of the reports and same may be recommended and reported to the Mayoral Committee.

## 5.2 COMMENTS OF THE GROUP HEAD: GROUP HUMAN CAPITAL MANAGEMENT

Learning and Development Division (TLMA) supports the refinements to the Chartered Accountants Training (CATP) policy, as proposed by Group Finance. The amendments do not conflict with the City's approved Training policy, of which TLMA is the custodian. The amendments to the policy as proposed would support the City of tshwane's continued accreditation as a training organisation with SAICA.

## 6. IMPLICATIONS

### 6.1 HUMAN RESOURCES

All trainees will be employed on a contract basis for a 3 year period if they have the minimum required qualifications or a maximum of 5 years based on the following criteria:

	Qualifications at the start of the training contract	Basic term of the training contract	Required minimum hours of core experience
1	<ul style="list-style-type: none"> <li>• CTA or equivalent</li> <li>• Accredited Bcom degree</li> <li>• Accredited bridging programme</li> </ul>	36 months	3 600
2	<ul style="list-style-type: none"> <li>• Non-accredited BCom degree</li> <li>• B Tech degree</li> <li>• Non-relevant degree</li> </ul>	48 months. A remission of 12 months is granted if the trainee accountant achieves the CTA or equivalent or and accredited BCom degree or an accredited bridging programme	4 800
3	<ul style="list-style-type: none"> <li>• National Diploma in Internal Auditing, Cost and management Accounting or Tax</li> <li>• National Higher Diploma in Internal Auditing, Cost and management Accounting or Tax</li> </ul>	48 months	4 800
4	<ul style="list-style-type: none"> <li>• Matriculation certificate or equivalent</li> <li>• Any other related qualification not listed above</li> </ul>	60 months. A remission of 12 months is granted if the trainee accountant achieves an accredited BCom degree or CTA	6 000

## 6.2 FINANCES

Financial implications are as follows for the 3 years:

	2017/18	2018/19	2019/20
Accreditation fee (C&I)	0	0	0
Accreditation fee (Public Practice)	0	0	0
Assessor training	R7 000	R7 000	R7 000
Post-accreditation visit	No charge	No charge	No charge
Trainee fees			
Administration fee (once-off per trainee)			
3-year contracts	10 x R1 760 = R17 600	15 x R1 760 x 1,06 = R27 984	20 x R1 760 x 1,06 x 1,06 = R39 550
Annual levy @ R2 490	R24 900	R37 350	R49 800
Contribution for 100 black CA's	R250 000	R500 000	R750 000
Membership fees for CAs at R6 500	R65 000	R97 500	R130 000
Salaries	R2 750 000	R4 700 000	R7 950 000
Training, CPD, conferences, seminars	R980 000	R1 600 000	R2 400 000
Tools of trade	R600 000	R600 000	R800 000
Marketing and promotions	R500 000	R650 000	R800 000
TOTAL	R5 174 500	R8 219 834	R12 676 350

## 6.3 CONSTITUTIONAL AND LEGAL FACTORS

The report is in line with current legislation in line with comments from Legal Services.

## 6.4 COMMUNICATION

The report is in line with current legislation in line with comments from Legal Services.

## 6.5 PREVIOUS COUNCIL OR MAYORAL COMMITTEE RESOLUTIONS

Council resolution resolved on 28 September 2017 as follows:

1. That cognizance be taken of the report.
2. That the Policy for the Implementation of the Chartered Accountants (CA(SA)) trainee program for the City of Tshwane Metropolitan Municipality be approved.
3. That the current Municipal Finance Management Intern Programme (MFMIIP) approved by Council be converted over a period of time into a recognized Chartered Accountant (CA(SA)) training program.
4. That the implementation of the Chartered Accountant (CA(SA)) program in terms of the South African Institute of Chartered Accountants training regulations be approved.

5. That the Human Capital Management Department supports the initiative subject to the collaboration with the Tshwane Leadership and Management Academy (TLMA) in order to ensure the alignment of the City's training programmes.

## 7. CONCLUSION

The improvement of financial management within the local government sphere requires accounting professionals who are highly qualified and subscribe to the highest level of professional ethic, conduct and integrity. The CA(SA) profession has over the years produced these professionals for the private sector and there is now an opportunity to have the same caliber of professionals managing the finances of local government. "It is vital for the City to invest in its' business success and reputation by developing its own leaders."

**The Mayoral Committee on 16 January 2019 resolved to recommend to Council as set out below:**

**During consideration of this item by Council on 31 January 2019, and after Cllr PF Molaba addressed Council on this matter, it was resolved as set out below:**

## ANNEXURE:

### A. CA Training Programme Policy Aug 18

## RESOLVED:

1. That cognisance be taken of the report.
2. That the amendments to the Policy of the Chartered Accountants (CA(SA)) trainee program for the City of Tshwane Metropolitan Municipality be approved.
3. That the amended policy be implemented retrospectively from the implementation date of the Chartered Accountancy Training Programme.
4. That the implementation of the programme be within the approved budget.





## **CITY OF TSHWANE METROPOLITAN MUNICIPALITY**

### **OFFICE OF THE CHIEF FINANCIAL OFFICER**

## **CHARTERED ACCOUNTANCY TRAINING PROGRAMME (CATP) POLICY**

### **CHANGE CONTROL TABLE**

<b>Version</b>	<b>Date</b>	<b>Responsible</b>	<b>Action</b>	<b>Status</b>	<b>Description of Change</b>
<b>V1.01</b>	9 June 2017	Umar Banda CA(SA) CFO	Review		
<b>V1.01</b>	12 June 2017	Sipho Mnguni CA(SA)	Updates & changes		Updating changes from CFO review
<b>V1.01</b>	23 June 2017	Sipho Mnguni CA(SA)	Updated salary levels		Updated the salary levels and finalised the 1st draft
<b>V1.01</b>	30 June 2017	Sipho Mnguni CA(SA)	Updated with comments from EDs	In draft	Updated the document with comments/recommendations from Chris K. Thipe



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## DEFINITIONS AND ACRONYMS

"**ANA**" means analysis needs assessment.

"**APC**" means SAICA's Assessment of Professional Competence

"**ATO**" Approved Training Office as defined by SAICA.

"**Bursary Obligation**" means amount owed to a previous sponsor by the CATP trainees

"**CA**" Chartered Accountant (SA).

"**CATP**" Chartered Accountants Training Programme is the Municipality's training programme regulated by SAICA for prospective Chartered Accountants (SA).

"**CATP Guidelines**" City of Tshwane guide on the implementation and administration of CATP.

"**CFO**" the Chief Financial Officer of the City of Tshwane.

"**CTA**" means a Certificate in the Theory of Accounting and refers to a qualification conferred by an accredited education institution and recognised by SAICA as a prerequisite for admission to the ITC. For the students enrolled at the University of South Africa, CTA shall mean CTA2;

"**Designated group**" means historically disadvantaged individuals.

"**Divisional head**" means the head of a division within the Group Financial Services Department.

"**Employer**" means the City of Tshwane, a municipality as established in terms of section 4 of the Local Government Municipal Structures Act, 1998 (Act 117 of 1998).

"**Employee**" refers to anyone employed by the Employer.

**“ITC”** means SAICA’s Initial Test of Competence

**"Municipality"** refers to City of Tshwane Metropolitan Municipality.

**"POE"** refers to portfolio of evidence file that should be collated by the trainee during the training period.

**"Prescribed period"** articles period as prescribed by SAICA.

**"Primary site"** participating institutions at all levels of the municipality that satisfied SAICA requirements as per resource audit results.

**"Programme Manager"** a person given the responsibility to manage the CATP within City of Tshwane.

**"PSR"** means Professional Skills Review and refers to a form used as part of the assessment process to document and review the competence demonstrated by the trainee accountant in the prescribed professional competencies;

**"Public Sector"** refers to National, Provincial and Local government

**“Registered assessor”** means a CA(SA) who has met the requirements as determined by SAICA for registration as an assessor. A training office is required to maintain a minimum ratio of one assessor for every 15 trainee accountants;

**“Reviewer”** Supervisor (as appointed by the CATP Committee) who will allocate and oversee the trainees work and rate the trainee’s competence using the SAICA Decision Trees;

**"RPL"** means recognition of prior learning and refers to a mechanism for the recognition of the achievement of one or more of the competencies prescribed by SAICA, however obtained. In terms of RPL a trainee accountant need not undergo any further learning intervention in respect of the relevant competency or competencies;

**"SAICA"** South African Institute of Chartered Accountants;

**"Secondment"** temporary transfer or outsourcing of a trainee to another work environment as prescribed by SAICA;

**"Secondment Partner"** an institution which takes on City of Tshwane trainees as part of temporary transfer or outsourcing of a trainee to another work environment as prescribed by SAICA in order to expose the trainees to a different environment.

**"Service Provider"** means a service provider appointed by City of Tshwane or primary site to perform assessments of the CATP trainees.

**"Simulation"** means an activity or activities that serve as a replacement for practical (on-the-job) experience.

**"TCMS"** means Training Contract Management System, which is an on-line system that SAICA has developed to enable training officers, training office administrators and trainees to manage their own training contracts.

**"Technical Competency"** means the required Technical CATP outcomes and competency levels as prescribed by SAICA.

**"TOPP"** refers to Training Outside Public Practice as defined by SAICA.

**"Trainee"** means a person recruited to the CATP, who enters into the SAICA training contract for the purpose of completing requisite training to qualify as a Chartered Accountant.

**"Training Officer"** means a person who is a member of SAICA and who is responsible for performing the functions and duties ascribed to a training officer in terms of SAICA regulations.

**"TSR"** means Technical Skills Review and refers to a form used as part of the assessment process to document and review the competence demonstrated by the trainee accountant in the prescribed technical competencies;



## **1. PURPOSE**

- 1.1** The purpose of this policy is to set a framework for the management and administration of the CATP activities across all departments of the Municipality. The CATP is aimed at providing experience and on-the-job training for aspiring Chartered Accountants, to produce CAs who are specialists in local government finance and to retain these key accounting professionals in the Municipality with preference given to candidates from disadvantaged backgrounds.

## **2. POLICY OVERVIEW**

- 2.1** This policy aligns itself to the requirements of Public Service and Labour Relations Legislation, when prescribing and defining the objectives, process and outcomes of the CATP in order to enhance the skills and competencies available to the Municipality in particular and the Public Sector in general.
- 2.2** This policy seeks to place and develop graduate and post-graduate students within the various financial management disciplines in the Municipality, which will ultimately assist in building their capacity for efficient, effective and transparent financial management as required by section 34(1)(d) of the Municipal Finance Management Act.
- 2.3** The policy provides an opportunity for prospective CAs(SA) to complete TOPP financial management training route to qualifying as a CAs(SA). The Municipality's CATP has financial management as an elective and further provides exposure to accounting and external reporting, taxation, auditing and assurance, risk management and governance, and management decision-making and control, and employs a cost-effective means of achieving the outcomes of the Municipality's capacity building strategies.
- 2.4** The policy is geared towards providing designated groups with the opportunity of gaining valuable hands-on work experience, dedicated training in financial management and all its disciplines, broad exposure to a variety of the Municipality's business operations and management functions, which they will be able to apply across the Public Sector.

- 2.5** This policy should be read in conjunction with all applicable City of Tshwane approved human resource policies and procedures.

### **3. MANAGEMENT OF THIS POLICY DOCUMENT**

- 3.1.** In regard to the management of this CATP Policy document, the Training Officer shall be responsible for the following:
- 3.1.1.** Cause the document to be reviewed and updated annually so as to ensure that it remains current and up-to-date in relation to changes in the SAICA regulations and other relevant laws, regulations and policies.
  - 3.1.2.** In line with the City of Tshwane information management policies, the Training Officer shall ensure that the document is stored in known locations readily accessible to all the relevant stakeholders for the CATP.
  - 3.1.3.** Promote compliance with this policy, delegate responsibility for the implementation and management of this policy.

### **4. APPLICABILITY**

- 4.1** This policy shall impact the following business areas of the City of Tshwane Municipality:
- 4.1.1** All departments, divisions and business units within the City of Tshwane and any other selected sites as identified by the Municipality.

### **5. POLICY STATEMENT**

- 5.1** This policy's overall objectives are based on the following principles:
- 5.1.1** An established and successful CATP implemented in the City of Tshwane Metropolitan Municipality;
  - 5.1.2** The CATP forms part of the talent and skills development strategy of the Municipality and value chain in capacity building in Financial Management;
  - 5.1.3** A sustainable retention strategy for qualified CAs(SA); and
  - 5.1.4** Train and develop sufficient numbers of Trainees needed to qualify as CAs(SA) in the Public Sector to meet the requirements of the Municipality.
  - 5.1.5** To aid the Public Sector in its efforts to transform local government finance and promote good governance as required by the constitution.

## **6. SAICA ASSESSMENT INFORMATION AND PROCESS**

### **6.1 APPROVED TRAINING ORGANISATION**

- 6.1.1** The Municipality is an Approved Training Organisation (ATO) and the participating primary sites do not need to apply for accreditation status with SAICA. A resource audit, for the purposes of trainee secondments, shall be conducted at participating primary sites in order to ensure compliance with SAICA requirements. Participating primary sites shall at all times adhere to SAICA training regulations and SAICA may visit the primary sites to evaluate compliance.
- 6.1.2** The Municipality shall maintain the accreditation status to implement the CATP at all times. City of Tshwane and all participating primary sites shall apply the agreed training model based on the resource audit results and the need in the municipality.
- 6.1.3** SAICA shall assess the primary sites and provide reports to City of Tshwane.
- 6.1.4** The primary sites shall be subject to continuous quality assurance reviews conducted by City of Tshwane in order to ensure that the accreditation status is not compromised. If a primary site no longer complies with the training regulations, the City of Tshwane shall withdraw the trainees and allocate them to complying primary sites.

### **6.2 NUMBER OF CATP TRAINEES**

- 6.2.1** The intake by the CATP shall be based on the SAICA approved training office quota, training capacity, a needs assessment and availability of funds.
- 6.2.2** The number of trainees to be recruited for each primary site shall be determined and approved by City of Tshwane. The total number for City of Tshwane and all other primary sites' trainees, shall not exceed the total number provided for in City of Tshwane's accreditation status as approved by SAICA.

### **6.3 TRAINING MODEL**

- 6.3.1** Trainees are required to complete the Compulsory, Elective and Residual competencies and tasks according to SAICA's CA Competency Framework.

**6.3.2** City of Tshwane is accredited to offer Financial Management as an elective. Trainees will be required to complete the following tasks per SAICA's Competency Framework:

**6.3.2.1** Accounting and External Reporting - compulsory tasks

**6.3.2.2** Professional Conduct, Management & Leadership, Personal Attributes and Information Technology - compulsory tasks

**6.3.2.3** Financial Management - elective tasks

**6.3.2.4** Management Decision Making - residual tasks

**6.3.2.5** Taxation - residual tasks

**6.3.2.6** Risk Management & Governance – residual tasks

**6.3.2.7** Auditing & Assurance – residual tasks

*Refer to Generic Training Plan (Annexure A) for the Prescribed Tasks that the trainees are required to complete.*

## **6.4 TRAINING PLAN**

### **6.4.1 Generic training plan**

**6.4.1.1** The Generic Training Plan details the SAICA tasks, the departments/divisions in which trainees can be exposed to the tasks, and examples of the types of activities that trainees will complete in order to achieve the required competency level for each task.

*Refer to Generic Training Plan (Annexure A) for the Prescribed Tasks that the trainees are required to complete.*

### **6.4.2 Trainee rotation**

**6.4.2.1** Each trainee shall have a Rotation Plan linked to the overall Generic Training Plan. The CATP trainees shall be obliged to adhere to their Rotation Plan. The Rotation Plans shall be revised and adjusted based on developmental needs and any other circumstances arising during the prescribed period. The right to amend the Rotation Plan lies with the Programme Manager.

**6.4.2.2** Included in the Rotation Plan shall be induction, compulsory training courses, rotation to different units at primary sites, City of Tshwane and secondment partners.



- 6.4.2.3** For the competencies which the trainees cannot achieve through the rotation and/or secondments, the Training Office shall plan adequate simulations to ensure that the trainees achieve the said competencies during the prescribed training period.
- 6.4.2.4** When the CATP trainee rotates to a division in the City of Tshwane, a primary site or Secondment Partner, s/he shall report to the supervisor/ line manager in that division or primary site.
- 6.4.2.5** Primary sites shall rotate trainees within relevant divisions at the time that will enable trainees to gain the prescribed experience.

#### **6.4.3 Allocation of trainees to primary sites**

- 6.4.3.1** City of Tshwane shall allocate trainees to primary sites in consultation with the participating primary sites.
- 6.4.3.2** The number of trainees to be recruited each year for primary sites shall be determined based on availability of funds and resources at each primary site.

#### **6.4.4 Secondment partners**

- 6.4.4.1** Secondment Partners shall be identified for the secondment of trainees by the Programme Manager, Training Officer and liaison officers at primary sites. The secondment period shall be aligned to SAICA regulations.
- 6.4.4.2** A memorandum of understanding (MOU) shall be signed between the City of Tshwane/primary site and the Secondment Partners.

#### **6.4.5 Advanced versus Basic Exposure**

- 6.4.5.1** Trainees are required to be exposed to the compulsory and elective tasks at an advanced level, and to residual tasks at a basic level.
- 6.4.5.2** The definitions of the two levels of complexity are as follows:
  - 6.4.5.2.1** Advanced: A comprehensive understanding of the concepts and techniques and the trainee must be able to apply these concepts and techniques in complex situations or environments.

- 6.4.5.2.2** Basic: A basic understanding of the concepts and techniques and the trainee must be able to apply these concepts and techniques in simple, uncomplicated situations or environments.

## **6.5 GOVERNANCE STRUCTURE AND ROLE PLAYERS**

### **6.5.1 CATP COMMITTEE**

- 6.5.1.1** A CATP Committee consisting of the Divisional Heads in City of Tshwane and the Programme Manager shall oversee the governance of the CATP. Members appointed on the CATP committee are formally appointed by the Training Officer of the City of Tshwane and this function shall form part of the members' Key Performance Areas within their scope of work.
- 6.5.1.2** The responsibilities of the Divisional Heads (and their line managers) with regard to training and supervision of trainees, shall be adequately communicated and understood by the Divisional Heads (and their line managers). Guidelines and training which is up to date shall be provided to the Divisional Heads (and their line managers) by the Training Office.
- 6.5.1.3** Members of participating primary sites shall be appointed to the CATP committee by their principals and approved by the Training Officer of the City of Tshwane.
- 6.5.1.4** The CATP Committee shall ensure that the CATP creates a fair and transparent environment for the trainees.
- 6.5.1.5** The CATP Committee shall adhere to the Terms of Reference (TOR) as approved by the Training Officer of the City of Tshwane.
- 6.5.1.6** The CATP Committee shall ensure that the trainee accountant gets every reasonable opportunity to obtain sufficient exposure to the prescribed competencies, as defined by SAICA from time to time, to enable him to apply his knowledge in a variety of relevant situations. This will be achieved through rotation, simulations and secondments and monitored through the assessment process.

## **6.5.2 TRAINING OFFICER**

- 6.5.2.1** The Training Officer shall meet the requirements for training officers as set out in SAICA's accreditation criteria and must be registered with SAICA as an assessor in terms of the applicable SAQA requirements.
- 6.5.2.2** The Training Officer shall be responsible for implementing processes and procedures to ensure that the development and assessment processes meet the requirements of both SAICA and SAQA.
- 6.5.2.3** The Training Officer shall be appointed by the Accounting Officer and will maintain overall responsibility for the City of Tshwane's CATP and will liaise with SAICA. He will, however, delegate certain of his functions to the programme manager and the assessor.
- 6.5.2.4** The training officer must be compliant with SAICA's CPD requirements. His responsibilities will include complying with the duties of the training officer as explained in Annexure 3 of SAICA's Training Regulations.

## **6.5.3 PROGRAMME MANAGER**

- 6.5.3.1** A programme manager, who reports to the CFO, shall be appointed to administer the training programme and they shall ensure that:
  - 6.5.3.1.1** Trainees are registered for the correct elective(s) on TCMS;
  - 6.5.3.1.2** Training contracts of each trainee are recorded correctly in their records; and
  - 6.5.3.1.3** All training contract-related fees are paid timeously.
  - 6.5.3.1.4** Every trainee is provided access to the online assessment tool to complete the TSR, PSR and ANA and timesheets.
  - 6.5.3.1.5** Trainee assessment tools are completed, reviewed and approved within the prescribed timelines.
  - 6.5.3.1.6** Monitoring the progress and movement of trainees between rotations;
  - 6.5.3.1.7** Liaison and co-ordination with Secondment Partners;
  - 6.5.3.1.8** Assisting with the recruitment of trainees;
  - 6.5.3.1.9** Assisting with performance management processes and procedures for trainees;
  - 6.5.3.1.10** Planning, scheduling and controlling the training programme and rotations;

- 6.5.3.1.11** Arranging induction programmes for trainees;
- 6.5.3.1.12** Arranging reviewer training for new reviewers and refresher training for existing reviewers and stakeholders;
- 6.5.3.1.13** Monitoring compliance with SAICA's Training Regulations and by-laws;

#### **6.5.4 TRAINEE RESPONSIBILITIES**

- 6.5.4.1** Externally recruited trainees must have completed the minimum academic requirement of a SAICA accredited B.Com before being accepted onto the programme.
- 6.5.4.2** Internally recruited trainees must have completed the minimum academic requirement of a SAICA accredited B.Com before being accepted into the programme.
- 6.5.4.3** Preference shall be given to candidates who hold a SAICA accredited Certificate in the Theory of Accounting.
- 6.5.4.4** The trainee must initiate the assessment process and ensure the completion of TSRs, PSRs and ANAs within City of Tshwane's timeframes. As part of this process, the trainee must arrange the rotation, rating difference, ANA and final assessment meetings with the relevant role players. The trainee will adhere to the terms of the SAICA training contract and the employment agreement at all times.  
*See Assessment Heading for further trainee responsibilities.*
- 6.5.4.5** The trainee's responsibilities will include complying with the duties of the trainee accountant as detailed in Annexure 3 of SAICA's Training Regulations.
- 6.5.4.6** The trainee shall be ultimately responsible for their own learning and development and therefore actively drive the process of learning, completion of timesheets and assessment and eventual sign off by the Supervisors or line managers.

#### **6.5.5 REVIEWERS**

- 6.5.5.1** The following are the responsibilities of the Reviewer with regard to the assessment:

- 6.5.5.1.1** Ensure that the work allocated to the trainee is well understood by the trainee and must incorporate the competencies that the trainee needs to achieve as per the CATP Generic Training Plan.
- 6.5.5.1.2** The work allocated is communicated in a manner that ensures that the trainee is given adequate opportunity to perform the tasks competently
- 6.5.5.1.3** The trainee completes an assessment every two month that includes an evaluation of both technical competence and professional competence as provided for in the guidelines that accompany this policy.
- 6.5.5.1.4** Trainees' assessments are conducted in a manner which is fair, valid and consistent, making use of the SAICA regulations
- 6.5.5.1.5** The assessments are done through the completion of the TSR (Technical Skills Review) at least once every two months and the evidence of professional skills updated in the PSR (Professional Skills Review) every two months.
- 6.5.5.1.6** The TSR and the PSR are properly completed, reviewed and approved within seven working days after the end of the said two months period.

## **6.5.6 EVALUATORS**

- 6.5.6.1** The evaluator function is fulfilled by the assessor.

## **6.5.7 ASSESSOR**

- 6.5.7.1** The assessor role is fulfilled by a CA(SA) employed by City of Tshwane. The allocation of the assessor is determined by the Training Officer.
- 6.5.7.2** The assessor is required to attend SAICA Assessor Training and be registered as an assessor with SAICA before they are loaded as an assessor on LTS. The assessor is also required to attend any subsequent SAICA and in-house assessor update training. The assessor will be removed from LTS if he/she does not attend the required training.
- 6.5.7.3** The assessor must be compliant with SAICA's CPD policy. The assessor is required to submit evidence of his/her compliance with SAICA's CPD policy on an annual basis.

- 6.5.7.4** The City of Tshwane training office shall maintain the required minimum ratio of one registered assessor for every 15 trainee accountants, thereby complying with the SAICA training regulations. The number of trainees for the municipality is accredited to train will be updated annually to match SAICA's increased or decreased quota.
- 6.5.7.5** The assessor is responsible for discussing the progress of trainees allocated to him/her with the trainees periodically. This is done through the completion of the Assessment Needs Analysis (ANA). Before completing an ANA with a trainee, the assessor must liaise with the reviewers that the trainee worked for during the period that the ANA covers.
- 6.5.7.6** The assessor confirms the credibility of the assessment process every time he/she signs off an ANA, and must therefore ensure that he/she is actively involved with City of Tshwane's CA Training Programme and the workings thereof.

#### **6.5.8 MENTOR**

- 6.5.8.1** The CATP committee shall ensure that each trainee is allocated a mentor that will be in charge of monitoring the progress and development of each trainee in the training programme. The mentor allocated to each trainee will ensure that the trainee is developing accordingly with regard to the set competencies in the Generic Training Plan.
- 6.5.8.2** The mentor must ensure that the ANA is completed, reviewed and approved by the trainee and assessor within 14 days after the end of the said six month period.

### **6.6 ASSESSMENT PROCESS**

#### **6.6.1 SKILLS REVIEWS**

- 6.6.1.1** Trainees shall be assessed every two months in terms of SAICA technical and professional skills requirements through the completion of a Technical Skill Review (TSR) and a Professional Skills Review (PSR), unless otherwise directed by the CATP committee. The assessment shall be performed by the trainee's supervisor/reviewer and may be assisted by a service provider appointed in terms of the City of Tshwane SCM processes.



**6.6.1.2** Primary site trainees may be assessed at City of Tshwane or at the primary sites. Telephone or video conference facilities may be used to minimise costs when it comes to discussing performance and competence on the TSR and PSR.

**6.6.1.3** The TSR and the PSR must be properly completed, reviewed and approved within seven working days after the end of each two month cycle.

## **6.6.2 ASSESSMENT NEEDS ANALYSIS**

**6.6.2.1** The ANA (Assessment Needs Analysis) is completed every six months. The objective of the assessments is to ensure that trainees are meeting their training requirements i.e. fulfilling the required competencies and achieving the core training hours required. The assessments shall be taken into consideration when evaluating the Trainee's work performance as mentioned in paragraph 11.

**6.6.2.2** The completion of the ANA process will include the following:

**6.6.2.2.1.1** The trainee will compile a Portfolio of Evidence (POE) for the assessment period every month to provide as evidence of competence to the assessor;

**6.6.2.2.1.2** The trainee will maintain assessment templates (TSR and PSR);

**6.6.2.2.1.3** The trainee and the Reviewers (Supervisors) will meet and ensure agreement on levels and hours before the ANA meeting;

**6.6.2.2.1.4** Completion of assessment tools and checklists including the ANA;

**6.6.2.2.1.5** Reflection on major assignments for the next six months, recording of academic progress and of any training the trainees have attended in the last six months.

**6.6.2.2.1.6** The filling of Assessment Templates in the POE file;

**6.6.2.2.1.7** The handing over of the permanent POE files to the Programme Manager for the purpose of final assessments, to be signed off by the Training Officer;

**6.6.2.2.1.8** At the end of the SAICA training contract the POE file must be returned to the training office;

- 6.6.2.2.1.9** The trainee will take responsibility for their own development and arrange for assessment meeting to ensure that s/he is assessed on all technical and professional skills s/he is exposed to during each period of assessment.

## **6.7 GRIEVANCE AND APPEALS PROCESS**

- 6.7.1** The aim of the appeals process is to ensure that trainees who feel aggrieved by an assessor's decision have a mechanism that they can use to voice their disagreement with the decision.
- 6.7.2** An appeal only relates to a disagreement about final summative assessment of competence, i.e. ANA and not the TSR/PSR.
- 6.7.3** Appeals can be brought for the following reasons:
  - 6.7.3.1** Unfair assessments;
  - 6.7.3.2** Invalid assessments;
  - 6.7.3.3** Unreliable assessments;
  - 6.7.3.4** The assessor's judgement, if the trainee considers that it was biased;
  - 6.7.3.5** Inadequate expertise and experience of the assessor, if it influenced the assessment; and
  - 6.7.3.6** Unethical practices.
- 6.7.4** The appeals procedure shall be clearly documented in the CATP Guidelines and made readily accessible to all trainees, reviewers, evaluators and assessors of the municipality.
- 6.7.5** Any other disagreement relating to the assessment process (i.e. an unresolved dispute between a trainee and their reviewer regarding a rating difference in a TSR or PSR) is regarded as a "grievance" and shall first be referred to the responsible Divisional Head and then to the Training Officer if the grievance is still not resolved.
- 6.7.6** The set appeals process to be in line with Annexure 7 of the SAICA Training Regulations.

## **7. RECRUITMENT AND SELECTION**

- 7.1.1** A nationwide recruitment drive shall be undertaken to promote the CATP at all accredited tertiary institutions. Human Resources Management (HRM), and participating primary sites shall be responsible for the recruitment drive.
- 7.1.2** Primary sites may participate in the recruitment process at universities within their vicinity with assistance from City of Tshwane.
- 7.1.3** Standardised marketing materials, as approved by City of Tshwane communications division, shall be used by all participating primary sites, City of Tshwane shall provide marketing material to primary sites when required.
- 7.1.4** The graduate recruitment shall be done by means of one or a combination of the following but not limited to:
- Participation in tertiary institutions "open days";
  - Attendance at (tertiary institutions) career fairs and exhibitions;
  - Presentation to final year CTA students and classes;
  - Advertisement in national newspapers; and
  - The current recruitment and selection process of the City of Tshwane shall be followed as prescribed in the Recruitment and Selection Policy.
  - Members of primary sites shall form part of the interview panel in the selection process for trainees to be allocated to each particular primary site.

## **8. APPOINTMENTS**

- 8.1** All trainees shall be appointed by the City of Tshwane in terms of the municipality's human resource, recruitment and other relevant policies in place for the prescribed period.
- 8.2** Trainees shall be appointed on the staff establishment of the City of Tshwane for the prescribed period.
- 8.3** Trainees at City of Tshwane shall report to the Programme Manager, the Divisional Head(s) or/and line manager(s) to where they are rotated.

- 8.4** Trainees at participating primary sites shall report to the delegated liaison officer, line manager or/and Divisional Head where they are rotated.

## **9. PERFORMANCE MANAGEMENT**

- 9.1** Trainees' performance shall not be managed in terms of either the City of Tshwane or the primary sites Performance Management Systems during the prescribed period.
- 9.2** During the trainees' SAICA prescribed period, trainees' performance shall be assessed based on work performance per SAICA prescriptions.
- 9.3** The SAICA assessment ratings on both technical and professional skills shall form the basis of trainees' performance and shall not be converted to either City of Tshwane or the primary site's performance ratings.
- 9.4** Trainees shall not be entitled to performance bonuses during the prescribed period.
- 9.5** Trainees shall enter into a Performance Agreement with the City of Tshwane. The following shall be assessed against agreed key performance areas relating to:
- 9.5.1** Technical competence as per SAICA outcomes;
  - 9.5.2** Professional competence as per SAICA outcomes;
  - 9.5.3** Compliance to CATP policy and employment agreement; and honesty and integrity as well as all other ethical and professional requirements as stipulated by SAICA.

## **10. POSITION**

- 10.1** Provision shall be made on the establishment of the City of Tshwane for the positions in line with the accreditation status approved by SAICA.

**10.2** The number of positions shall be increased subject to approval by both SAICA and the City of Tshwane and the availability of funds.

## **11. SALARY LEVEL**

**11.1** Trainees in position of the CTA qualification shall be appointed in accordance with the City of Tshwane's salary structure, at salary level C1 notch 5 and this aims at benchmarking trainees' salaries with other training organisations.

**11.2** All candidates without the CTA qualification, shall be appointed in accordance with the City of Tshwane's salary structure, at level C1 notch 1.

**11.3** In addition to the annual salary increase, trainees shall also qualify for a salary increase based on academic progress as follows:

On passing CTA	:	Progresses to salary level C1 notch 5
On passing ITC	:	1 Notch
On passing APC	:	2 Notches

The salary increase shall be effective on the 1<sup>st</sup> day of the month which follows that in which SAICA released the results.

**11.4** The provisions of this policy will apply retrospectively to a trainee who achieved academic progress before the effective date of this policy

**11.5** Where the trainee does not obtain the minimum prescribed performance level, s/he shall not progress to the next salary notch for the following year.

## **12. LEAVE**

**12.1** Trainees shall adhere to the City of Tshwane's leave policy during the prescribed period except for the study leave days which are detailed in paragraph 13 of this policy.

**12.2** Trainees allocated to primary sites shall adhere to primary sites leave policy during the work back period.

### **13. SPECIAL STUDY LEAVE**

**13.1** The CATP trainees, during the prescribed period, will be entitled to study leave as follows:

**13.1.1** Twenty (20) working days for preparation and on the day of writing the examination, for the first sitting of the first qualifying exam (ITC);

**13.1.2** Ten (10) working days for preparation and on the day of writing the examination, for the first time sitting of the second qualifying exam (APC);

**13.1.3** Ten (10) working days for preparation and on the day of writing the examination only, for the first repeat writing the first qualifying exam (ITC);

**13.1.4** Five (5) working days for preparation and on the day of writing the examination, for the first repeat of the second qualifying exam (APC);

**13.1.5** The trainee may apply for additional leave relating to the qualification examination. The leave may be granted from the trainee's annual leave, provided it does not interfere with the trainee's training, secondment/ or rotation;

**13.1.6** From the second re-write, the trainee shall have to utilize their annual leave or unpaid leave; and

**13.1.7** The study leave for the trainees studying towards CTA shall be granted as follows:

**13.1.7.1** Eight (8) working days for preparation and on the day of writing the CTA tests for each academic year.

**13.1.7.2** Fifteen (15) working days for preparation and on the day of writing the CTA examinations for each academic year.

**13.1.7.3** The trainee may be granted additional study leave based on the trainee's approved academic support plan and academic performance.

## **14. STUDY AND OTHER COSTS**

- 14.1** The study costs for both ITC and APC shall be borne by the City of Tshwane for all attempts during the prescribed period per exam. The study costs shall consist of the:
- 14.1.1** Board courses offered by SAICA accredited tertiary institutions and payments to approved academic support programmes;
  - 14.1.2** Specialist course/diploma which is a pre-requisite for qualifying to write APC and refresher workshops;
  - 14.1.3** Qualifying examination fees during the prescribed period; and
  - 14.1.4** Books and other study related material, which are specific to CATP and approved by the Programme Manager.
- 14.2** In addition to costs in paragraph 14.1, City of Tshwane shall also bear the following costs to SAICA and other professional bodies for the CATP trainee during the prescribed period:
- 14.2.1** Registration fees payable; and
  - 14.2.2** Annual, remission, secondment and all other fees payable to SAICA for a CATP trainee;
  - 14.2.3** Internal courses presented by City of Tshwane shall be paid by City of Tshwane and shall not form part of study costs.
  - 14.2.4** All tuition and examination fees shall be made to the relevant service provider, university or SAICA.
  - 14.2.5** In the case of CTA, the City shall pay the trainee R4 000 to cover the cost of study material. The amount shall be payable upon submitting proof that the trainee is registered for CTA for the current year.
  - 14.2.6** Financial assistance for trainees' completion of CTA and/or accredited B.Com degree shall be assessed by the training manager and approved by the CATP Committee in line with the City of Tshwane bursary and study assistance policies.
- 14.3** The primary site shall bear the following costs for its own trainee(s) during the prescribed period:
- 14.3.1** Subsistence and travelling allowances, accommodation costs and air fares for their trainees when rotating to other sites than the primary site,



and when attending to all CATP prescribed and approved programmes by the programme manager, supervisor and line manager; and

- 14.3.2** Costs of a computer, telephone unit and for calls, workstation, stationery, access to accounting, auditing and other systems used at the primary site.
- 14.4** Internal courses presented by the primary site shall be paid by the primary site and shall not form part of study costs.
- 14.5** The Trainee shall be liable to reimburse registration costs incurred by the City of Tshwane if the termination of the employment agreement is earlier than the contract period per the employment agreement.
- 14.6** When required to perform official duties away from the City of Tshwane/primary site offices, the CATP trainee shall be re-imbursed for all the travelling expenses at the rate applicable to all the City of Tshwane/primary site employees per kilometer to get to the place where he or she has to perform his or her duties.
- 14.7** During the secondment period, City of Tshwane/primary site shall reimburse the trainee for travelling costs incurred for travelling between the secondment partner offices and its client(s) at a rate applicable to all the City of Tshwane/primary site employees per kilometer. City of Tshwane/primary site shall not reimburse the travelling costs incurred by the trainee for travelling from/to place of residence to/from the secondment partner offices.

## **15. PRIMARY SITE**

- 15.1** The role of primary site pertaining to its own trainees shall, among other things, include the following during the prescribed period:

- 15.1.1** Manage the performance evaluations in terms of CATP performance guideline;
- 15.1.2** Allocate a mentor for the trainee;
- 15.1.3** Approve leave and travelling plans for the trainee;
- 15.1.4** Report any unethical behaviour and disciplinary measures taken against the trainee;
- 15.1.5** Establish and maintain relationships with other training organisations within their vicinity for secondment purposes;
- 15.1.6** Ensure that the City of Tshwane receives trainees' electronic templates on time for assessment purposes;
- 15.1.7** Provide adequate prescribed experience to the trainees; and
- 15.1.8** Ensure that City of Tshwane retains the SAICA accreditation status.
- 15.1.9** A MOU shall be signed between City of Tshwane and primary sites.

## **16. CONTRACTUAL OBLIGATIONS**

- 16.1** The City of Tshwane shall seek to retain the trainees after the prescribed period only at the discretion of the City of Tshwane.
- 16.2** The Trainee shall: —
  - 16.2.1** remain in the service of the Employer for the prescribed period whilst pursuing his/her training and / or studies as provided for in paragraph; 20.2.2
  - 16.2.2** diligently pursue his/her training and / or studies towards qualification in the profession of a Chartered Accountant at the Employer's offices for the prescribed period;
  - 16.2.3** not engage in any other business or occupation during the currency of his training contract without the express written authority of the training officer
  - 16.2.4** sit for the required qualification examination sessions at the intervals and times set by SAICA;

- 16.2.5** satisfy, within the prescribed period, all the rules and regulations as determined by SAICA that lead to qualification and certification as a Chartered Accountant;
- 16.2.6** adhere to the codes of professional conduct, disciplinary rules, laws and regulations that apply to the profession of Chartered Accountants and also comply with the prescribed Code of Conduct, inclusive of all the policies governing the Employer irrespective of when the policies came into effect;
- 16.2.7** at all times keep the affairs of the training office and its clients confidential and not breach any codes of professional conduct, disciplinary rules or by-laws that apply to the profession of a CA(SA);
- 16.2.8** at all times comply with the SAICA regulations;
- 16.2.9** achieve and maintain the performance level agreed to in terms of the employment agreement;
- 16.2.10** achieve and maintain the minimum acceptable work performance level agreed to in terms of paragraph 11, which is ME;
- 16.2.11** keep daily timesheets and record correct time;
- 16.2.12** continuously compile a POE containing proof of training attendance, a list of completed tasks, task output and line manager/ supervisor feedback;
- 16.2.13** attend regular assessment sessions (at least every three months), whereby the CATP Trainee will be assessed by the line manager and the Training Officer;
- 16.2.14** attain a Certificate in the Theory of Accounting (CTA) within two years from the date of initial registration for this course; and
- 16.2.15** must be aware that the training officer will be entitled, and is authorised to, disclose to SAICA any circumstances which in the opinion of the training officer may constitute improper conduct on the part of the trainee accountant. The trainee accountant must further agree to the training officer making available to SAICA all information regarding disciplinary procedures in the training office in which the trainee accountant may have been involved, including the record of those procedures.

**16.3** The City of Tshwane and primary sites shall:

- 16.3.1** Afford the trainee every reasonable opportunity to obtain sufficient exposure as a trainee to the range of core experiences, as defined by SAICA, to enable the trainee to effectively obtain and apply knowledge in a variety of relevant situations;
- 16.3.2** Properly instruct the trainee on the standards of professionalism and ethics;
- 16.3.3** Provide appropriate training for the trainee;
- 16.3.4** Provide adequate supervision to the trainee while on rotation;
- 16.3.5** Conduct, or have conducted, on-the job assessments of the trainee's performance;
- 16.3.6** Keep records of training, update the training records and periodically discuss the trainee's progress with the trainee;
- 16.3.7** Provide the trainee accountant with adequate supervision; and
- 16.3.8** Provide trainee accountants with appropriate support to achieve academic progress.

**16.4** A fixed term employment agreement is attached to this policy document as an annexure.

**17. TERMINATION OF SAICA CONTRACT AND EMPLOYMENT AGREEMENT**

**17.1** City of Tshwane reserves the right to terminate the trainee's training contract with SAICA on any of the following grounds:

- 17.1.1** Where the trainee is not successful in the completion of the academic component (in case of undergraduate and CTA studies) or the competency assessment;
- 17.1.2** Where the trainee fails to comply with the CATP policy and CATP Guidelines;
- 17.1.3** Where the trainee resigns from the City of Tshwane during the prescribed period;

- 17.1.4** Where the trainee's employment agreement is terminated for whatever reason;
- 17.1.5** Where the trainee fails to observe any one or more of the provisions and conditions of employment agreement;
- 17.1.6** Where the trainee has been found guilty of misconduct or has not made or is not making satisfactory progress with his/her studies;
- 17.1.7** Where the trainee discontinues his/her studies for the CTA qualification or SAICA qualifying examinations; and
- 17.1.8** Where the trainee, in more than one instance, fails to complete and submit timesheets within the prescribed timeframe or misses two successive assessment sessions without approval by the Programme Manager.

- 17.2** Termination of the trainee's employment agreement shall be handled as per the City of Tshwane HR policies and procedures.

## **18. REMOVAL FROM THE PROGRAMME**

- 18.1** It shall be the prerogative of the Programme Manager to terminate the trainee's SAICA contract on the grounds mentioned in paragraph 17 and for poor work performance, after following the relevant labour legislation and due processes with regard to the disciplinary procedures.
- 18.2** Automatic removal from the programme shall apply subsequent to the cancellation of the SAICA training contract as per paragraph 17.

## **19. RETENTION STRATEGY**

- 19.1** A retention strategy shall be put in place to accommodate the qualified trainees after they have completed their training at the City of Tshwane.

**20. APPROVAL**

- 20.1** The CATP policy and employment agreement are hereby approved for and on behalf of the City of Tshwane.