

Annual Performance Plan 2023/24



higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

**SERVICES SECTOR EDUCATION
AND TRAINING AUTHORITY**



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Foreword By The Minister

The mandate of the Sector Education and Training Authorities is derived, in the main from the Skills Development Act 97 of 1998 as amended, which amongst others, directs SETAs to develop Sector Skills Plan (SSPs). In their Sector Skills Plans, SETAs must reflect and incorporate government priorities, especially those that address our priority developmental goals, that of tackling the triple challenges of poverty, unemployment and inequalities. The SSPs are intended to ensure that skills are not a constraint to the economic development of our country.

The mandate of the SETAs must be understood within our vision of the post-school education and training system of having an integrated, coordinated and articulated PSET system for improved economic participation and the social development of youth and adults. Critical to this vision is our challenge of addressing the plight of the youth that are Not in Education, Employment or Training (NEET), which is standing at over 3.4 million in the fourth quarter of 2022.

The White Paper for Post-School Education and Training (WPPSET) envisages the post-school education and training system as an important institutional mechanism

that must be responsive to the needs of society. Critical to this, is our transformational and developmental imperatives which include amongst others: class, gender, race, geography and youth, which must be reflected at all materials times in our SETA interventions. The Ministry of Higher Education, Science and Innovation is among the leading ministries for the 2019–2024 Medium Term Strategic Framework (MTSF) Priority 3: Education, Skills and Health, and the following medium-term outcomes have been identified:

- An integrated and coordinated PSET system.
- Expanded access to PSET opportunities.
- Improved success and efficiency of the PSET system.
- Improved quality of PSET provisioning.
- A responsive PSET system

The President launched the Economic Reconstruction and Recovery Plan (ERRP) in October 2020 pointing out to skills development, science and innovation as enablers in driving South Africa's economic reconstruction and recovery, but also key in sustaining it. In support of this initiative, the Department working with social partners at the National Economic Development and Labour Council (NEDLAC) & the

National Skills Authority, in the main developed the Skills Strategy to support the government's efforts to mitigate the impact of COVID-19 global health pandemic and the initiatives towards economic and social recovery.

The Economic Reconstruction and Recovery Plan Skills Strategy (ERRP SS) aims to support the Economic Reconstruction and Recovery Plan (ERRP), ensuring that it is not compromised by skills shortages. It is born out of the urgency for a well-coordinated strategy of skills development to support both the management of the COVID-19 global health pandemic and economic and social recovery. President Ramaphosa captured our determination to reset the South African economy when he said: "We are determined not merely to return our economy to where it was before the coronavirus, but to forge a new economy in a new global reality." As stated in the ERRP, South Africa is now on the threshold of an important opportunity to imaginatively, and with a unity of purpose, reshape its economic landscape.

The ERRP SS is located within the broader skills planning arsenal of the Post-School Education and Training (PSET) system, which promotes the use of labour market intelligence (including future work scenarios) to inform PSET provisioning. The Department of Higher Education and Training has identified skills needs in the form of the List of Occupations in High Demand, the Priority Skills List and the Critical Skills List (which it prepared on behalf of the Department of Home Affairs). The SETAs will continue to play a critical role in the implementation of the Skills Strategy to support Economic Reconstruction and Recovery Plan.

The National Skills Development Plan (NSDP) 2030 remains at the centre in directing how the skills development levy will be disbursed up to 31 March 2030. For this reason, the Sector Education and Training Authorities (SETAs) have been re-established until 2030,

in alignment with the National Development Plan to ensure that the SETAs focus on skills required for our socio-economic development. For the financial year, we aim at expanding the participation of young people in skills development programs as well as workplace based learning opportunities. We have surpassed the State of the Nation Address (SoNA) 10 000 Technical and Vocational Education and Training (TVET) target placements in 2022 leading to setting a target for 2023 of 20,000 TVET placements.

For the 2023/24 financial year, the entire SETA system has set itself the following targets, as part of expanding post-school opportunities:

- 107000 workplace-based learning (WBL) opportunities;
- 148000 learners registered in skills development programs;
- 22 000 learners entering artisanal programs;
- 20 500 learners passing artisanal trades;
- 31 300 learners completing learnerships; and
- 5 200 learners completing internships.

The SETA will enter into the Service Level Agreement with the Director-General of the Department and commit that 25% of all targets to be achieved on a quarterly basis, with 100% achievement in the last quarter of the financial year.

The SETA Annual Performance Plan (APP) provides a clear commitment to the delivery of our skills development priorities and targets for implementation during the 2023/24 financial year.

Dr. BE Nzimande, MP

Executive Authority of Higher Education, Science



Accounting Authority Statement

It is my privilege, on behalf of the Services Sector Education and Training Authority (Services SETA) Accounting Authority, to submit the Annual Performance Plan (APP) to the Department of Higher Education and Training (DHET) for the period 1 April 2023 to 31 March 2024. This Annual Performance Plan was guided by the Services SETA Strategic Plan, which the Sector Skills Plan informs, and was finalised with inputs from the Services SETA management and relevant committees of the Services SETA Board.

The Services SETA is committed to the implementation of sectoral and national priorities articulated in the National Development Plan, National Skills Development Plan (NSDP) 2030, Economic Reconstruction and Recovery Plan (ERRP) and Economic Reconstruction and Recovery Skills Strategy (ERRSS). The Services SETA appreciates the government's commitment to harmonising development interventions through the District-based Delivery Model. To this end, all Services SETA interventions have been mapped to the district level to adequate alignment with the government plans and the DHET's mandate.

As a Sector Education and Training Authority (SETA), we are focused on continuing to deliver on our mandate of facilitating skills development across the Post-School Education and Training (PSET) system and improving the employability of youth through skills development interventions. The APP aims to strengthen the Services SETA's role in implementing the National Skills Development Plan 2030 by focusing on Work-Integrated Learning, Workplace-Based Learning, PSET system role players capacitation, and Entrepreneurship and Cooperatives Development interventions. This is achieved by strengthening partnerships with employers and other stakeholders to expand access to workplaces for learning.

We will continue with our flagship programme of expanding access to skills development opportunities by establishing skills development centres, focusing on rural areas. The remainder of this term will focus on operationalising the seven skills development centres completed thus far. We will appoint a mediator to advise of a sustainable and effective way of operationalising these skills development centres to ensure that they continue to operate in the absence of the Services SETA.

The Accounting Authority has placed prime focus on strengthening the availability of relevant occupational qualifications that meet the standards set by our quality councils. The development of relevant qualifications is further necessitated by the changes in the economy as driven by Information Communication Technology, globalisation, climate change and growth trends in the economy. This requires the Services SETA to move quickly to support the services sector's growth and sustainability. We will guide and support the management and staff of this endeavour.

As the Services SETA Accounting Authority, we endorse this APP and look forward to our continued close collaboration with DHET in delivering against the Services SETA s' refined strategic goals and objectives in the upcoming year for the benefit of our stakeholders and the country.

At the same time, we would like to thank the Minister of Higher Education and Training and the National Skills Authority for their guidance and oversight. We thank the services sector role players: labour, business, learners, and skills development providers, for their support throughout these years. We also congratulate the Services SETA staff for their accomplishment in the past financial year.



Mr Stephen De Vries
Chairperson: Accounting Authority



Accounting Officer Statement

The Annual Performance Plan (APP) 2023/24 update builds on the momentum of the past financial year, which witnessed a sturdy improvement in organisational performance. This is primarily due to intervening in external and internal developments in the economic realm. Externally, the country's economy, and the services sector, are showing promising signs of recovery. Successes of the previous financial year, upon which this is building, have been informed by a turnaround strategy the organisation adopted to improve operational efficiencies in line with the Services SETA's mandate. In addition, the government's strategies and policies to fast-track the economic reconstruction and recovery from the impact of COVID-19 provide an opportune lever to ride on and drive impactful organisational performance.

Recent headways in the economic growth front are the clearest indication of an economy's growth trajectory. Growth levels in the last two quarters, as measured through the Gross Domestic Production, were higher than COVID-19 trends. The economy grew by 1,9% and 1,7% in Q1 and Q2 2022, compared to negative levels recorded at the height of the pandemic. The government's Economic Reconstruction and Recovery Plan (ERRP) has been partly accredited for these achievements.

This growth positively impacted the services sector, wherein the rate of levy payment and participation in Workplace Skills Plans and Annual Training Reports increased. These developments have enabled the Services SETA to achieve 80% overall organisational performance. This APP builds on this solid foundation to deepen the impact and contribution to the Economic Reconstruction and Recovery Plan (ERRP) and the Economic Reconstruction and Recovery Skills Strategy (ERRSS) of the Department of Higher Education and Training.

Additional emphasis is placed on supporting the government's initiatives to tackle high levels of unemployment among the youth through the Youth Employment Scheme and Work Integrated Learning, which focuses on TVET college learners. Performance targets for the latter have been increased in this update and will cumulatively increase in the outer years, resources allowing.

As we approach the mid-term period of the first five years of the NSDP 2030, we will be turning our focus on impactful interventions. To realise this goal, we have devised measures to strengthen partnerships with employers to facilitate learner work placement, a critical component of the occupational-level curriculum. We have identified the lack of work placement as a key blockage to our throughput rate target.

To further engender transformation in our operations, we will emphasise the government's transformational imperatives to deepen our contribution to B-BBEE legislation. The focus will be on promoting the participation of women, youth and people living with disabilities in the key services sector industry through a strategic partnership approach and active participation.

The Services SETA's Responsive Strategy Implementation Plan underpinning this APP update emphasises organisational performance, financial controls, systems and business processes, people, stakeholder relationships and good governance. The performance pillar of the strategy places greater emphasis on designing and implementing skills development interventions that support ERRP and ERRSS, as well as the government's ambitious plan to place 10 000 TVET college learners requiring the workplace to complete their studies. Small and medium enterprises continue to receive heightened attention as a strategy to grow the economy and create job opportunities.

To ensure the relevance of the Services SETA offerings and more substantial alignment with the NSDP, the investment in the development of occupationally directed qualifications in line with the QCTO framework continues to increase over the years. Building the capacity of supply in the post-education and training system is one of the key focus areas of this APP. Collaboration and partnerships with skills development providers and institutions of high education will be strengthened. Investment in lecturer development interventions has also increased to aid the effort to build the supply capacity for occupationally directed qualifications.

On behalf of the Services SETA management and staff, I would like to thank the Accounting Authority for its unwavering support and guidance. We are also grateful for the support we continue to enjoy from labour, business, and our service providers. I urge everyone to lend their helping hand to support the Services SETA to realise its goals and fulfil its mandate of providing a capable service sector workforce.



Mr Menzi Fakude
Chief Executive Officer

Official Sign-Off

It is hereby certified that this Annual Performance Plan:

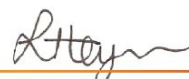
- was developed by the management of the Services SETA under the guidance of Mr Stephen De Vries, the Chairperson of the Services SETA Accounting Authority.
- considers all relevant policies, legislation, and other mandates for which the Services SETA is responsible.
- accurately reflects the outcomes and outputs that the Services SETA will endeavour to achieve within available funding for the 2023/24 financial year

Mr Andile Sipengane



Executive Manager: Strategic
Partnership and Collaboration

Ms Liesel Köstlich



Executive Manager: Core Business

Mr Sibusiso Dhladhla



Executive Manager: Corporate Services

Mr Tsheola Matsebe



Chief Financial Officer

Ms Mamabele Motla



Executive Manager: Strategy & Planning

Mr Menzi Fakude



Chief Executive Officer

Approved by:

Mr Stephen De Vries



Chairperson: Accounting Authority

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List of Acronyms

4IR	Fourth Industrial Revolution
AA	Accounting Authority
AET	Adult Education and Training
AFS	Annual Financial Statements
AGSA	Auditor-General South Africa
APP	Annual Performance Plan
APR	Annual Performance Report
ATR	Annual Training Report
AQP	Assessment Quality Partner
B-BBEE	Broad-Based Black Economic Empowerment
BUSA	Business Unity South Africa
CATHSSETA	Culture, Art, Tourism, Hospitality and Sport Sector Education and Training Authority
CET	Community Education and Training colleges
CETA	Construction Education and Training Authority
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COVID-19	Corona Virus Disease
CPD	Continuing Professional Development
DG	Discretionary Grants
DHET	Department of Higher Education and Training
DoA	Department of Agriculture
DPME	Department for Planning, Monitoring and Evaluation
DQP	Development Quality Partner
Dti	Department of Trade and Industry
ECD	Early Childhood Development
ENE	Estimates of National Expenditure
ERP	Enterprise Resources Planning
ERRP	Economic Reconstruction and Recovery Plan
ERRSP	Economic Reconstruction and Recovery Skills Plan
ETD	Education Training and Development

ETQA	Education and Training Quality Assurance
eQPRS	Electronic Quarterly Performance Reporting System
EXCO	Executive Committee
FoodBev SETA	Food and Beverages Manufacturing Sector and Education Training Authority
FP & MSETA	The Fibre Processing and Manufacturing SETA
GDP	Gross Domestic Product
GRSC	Governance, Risk, Security and Compliance
HEI	Higher Education Institutions
HET	Higher Education and Training
HR	Human Resources
HRD	Human Resource Development
ICT	Information and Communications Technologies
LPE	Levy Paying Employer
M&E	Monitoring and Evaluation
MG	Mandatory Grants
MICT SETA	Media, Information and Communication Technologies SETA
MIS	Management Information System
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NCV	National Certificate Vocational
NDP	National Development Plan
NEET	Not in Education, Employment or Training
NGP	New Growth Path
NLPE	Non-Levy Paying Employer
NQF	National Qualifications Framework
NSA	National Skills Authority
NSDP	National Skills Development Plan
NSDS	National Skills Development Strategy
NSF	National Skills Fund
NSFAS	National Student Financial Aid Scheme

OQ	Occupational Qualifications
PAIA	Promotion of Access to Information Act 2 of 2000
PAJA	Promotion of Administration Justice Act 3 of 2000
PESTEL	Political, Economic, Social, Technological, Environmental and Legal
PIVOTAL	Professional, Vocational, Technical and Academic Learning Programmes
PSET	Post-School Education and Training
QCTO	Quality Council for Trade and Occupations
RPL	Recognition of Prior Learning
SARS	The South African Revenue Services
SAQA	South African Qualification Authority
SCM	Supply Chain Management
SDA	Skills Development Act
SDLA	Skills Development Levies Act
SDP	Skills Development Providers
SETA	Sector Education and Training Authority
SETM	Sector Education and Training Management

SETMIS	Sector Education and Training Management Information System
SIC	Standard Industrial Classification
SIPS	Strategic Integrated Projects
SLA	Service Level Agreement
SME	Small- and Micro-sized Enterprises
SMME	Small- Medium- and Micro-sized Enterprises
SoP	Standard Operating Procedure
SP	Strategic Plan
SSP	Sector Skills Plan
SRM	Supplier Relationship Management
SWOT	Strengths, Weaknesses, Opportunities and Threats
ToR	Terms of Reference
TVET	Technical Vocational Education and Training
WIL	Work Integrated Learning
WPPSET	White Paper on Post-School Education and Training
WSP	Workplace Skills Plan
WR SETA	Wholesale and Retail Sector Education and Training Authority



PART A
OUR MANDATE

1. UPDATES ON THE RELEVANT LEGISLATIVE AND POLICY MANDATES

1.1. Relevant Legislative and Policies Mandate

There are no updates to the relevant legislative and policy mandates for the Services SETA. As stated in the Strategic Plan (SP) 2020/21 - 2024/25, the legislative mandate remains unchanged.

2. UPDATES TO INSTITUTIONAL POLICIES AND STRATEGIES

2.1. Institutional Policies

The Services SETA has two broad types of policy approaches: (1) governance and (2) operational. The Accounting Authority (AA) is responsible for governance policies that cover the governing body's vision and mission of the SETA, their accountabilities, attendance, codes of conduct, commitments, conflict of interest, decision-making, financial prudence, governance values, leadership, ethics, roles and responsibilities, and a range of related cultural matters. They also include policies on the governing body's delegations to top management and staff and interactions with the broader community and stakeholder base.

Operational policies are delegated to the executive management. These include policies on:

- Discretionary Grants (DG);
- Delegation of Authority and Approval Framework;
- Supply Chain Management (SCM), Human Resources (HR); and
- Organisational Compliance and Enterprise Risk Management

Management initially develops and oversees these policies, with the governing body reviewing and finally approving them.

2.2. A Responsive Strategy

To guide the Services SETA to realise its mandate, the management, under the guidance of the Accounting Authority, has devised "A Responsiveness Strategy". Below we outline key elements of the strategy, and full discussions will be provided under "Internal Situational Analysis" sections 1.2.5 below:

Table 1: Responsive Strategy

Strategic Pillars	Description	Key Action Plans
<p>Organisational Performance</p>	<p>Drive organisational performance to deliver effectively on the National Skills Development Plan (NSDP) 2030 and mandate and ensure responsiveness to sector skills needs as informed by ongoing labour market research, the sector skills plan, the strategic plan, and the annual performance plan.</p>	<ul style="list-style-type: none"> • Enhance research to better understand changes in the job market and skills needs. • Ensure alignment between the industry needs and SETA supply through research planning, monitoring, and evaluation. With a particular focus on short skills programmes. • Develop a report on skills in high demand, including linking training and the workplace. • Strengthen collaboration with the Quality Council for Trades and Occupations (QCTO) in developing occupational qualifications. • An assessment of the progress made in implementing the NSDP 2030 against the Services SETA performance. • Develop monitoring and evaluation (M&E) systems for the organisation. • Once finalised, continuous learner-tracking with reports submitted to Management/Executive Committee (EXCO)/AA. • Timely tabling of requests for the required capacity to support the achievement of performance targets to be submitted to EXCO/AA where approval is required. • Increased % of workforce reached with skills development – align skills needs with Annual Performance Plan (APP) interventions. • Develop a completion-focused strategy (remediations), active pipeline analysis and historic completions. • Quarterly South African Qualifications Authority (SAQA): National Learners' Records Database uploads. • Develop and implement an organisation-wide M&E framework to improve monitoring.

Strategic Pillars	Description	Key Action Plans
Finance	Strive for the effective use of resources to ensure financial sustainability to meet the mandate through improving financial controls and effective implementation and monitoring of commitments.	<ul style="list-style-type: none"> • Implementation of stringent monitoring of expenditure and implementation of projects. • Commitments - annual implementation plan including ongoing M&E of active projects. • Management to develop a plan for unlocking spending on the R1.5 billion expenditure for active projects. • Guide funding approach in relation to old commitments (NSDS III, NSDP 2030 and SA priority programmes). • Effective cashflow management to monitor the possible impact of the Business Unity South Africa (BUSA) outcome. • Regular supply chain efficiency, contract management and irregular & fruitless expenditure monitoring. • DG Window and Commitments Rationalisation. • Organisational development project to look at addressing the challenges with the 10.5% administration cost and 7.5% DG project cost. • The Services SETA management to continue implementing and strengthening the internal controls.
Business Processes, including systems	Improve and align business processes to ensure efficiencies in delivering the Services SETA strategic goals and Enhance the ICT infrastructure and system, including integrating systems and platforms to optimise operational efficiencies.	<ul style="list-style-type: none"> • Improve skills delivery platforms to accommodate learners with disabilities. • Explore the process of leveraging technology, including developing an interactive platform, to facilitate constant and targeted communication with the different stakeholders. • Enhance value chain process including synergies (Standard operating procedures). • End-to-End Business Process mapping, review, and optimisation of business processes across the value chain. • Improve efficiencies by strengthening administrative capacity and accountability. • IT Environment stabilisation. • Information security strengthened. • Automating processes, redesign & integration of systems (Management Information Systems (MIS) & Enterprise Resources Planning (ERP)). • Enhance Data Integrity & Migration (SAQA – National Learners’ Records Database from Oracle, Department of Higher Education and Training (DHET) – Sector Education and Training Management Information System (SETMIS) & Department of Planning, Monitoring and Evaluation (DPME) – Electronic Quarterly Performance Reporting System (eQPRS)). • Develop the Document and Records Management policy and procedures.

Strategic Pillars	Description	Key Action Plans
People	Our people are central to the desired performance. The Services SETA aims to invest in employees' capabilities to drive a culture of continuous personal development and high performance.	<ul style="list-style-type: none"> • Develop soft skills intervention, including coaching & mentoring on the job & management capacitation. • Elevate provincial operations as a delivery vehicle (increased role) – by developing a clear delivery structure. • Promote human resource optimisation intervention through: <ul style="list-style-type: none"> ◊ Services SETA as work integrated learning (WIL) participant (internship placement); ◊ improving a culture of performance, then incentives; and ◊ supporting and optimising our talent. • Put teamwork interventions in place to promote a conducive working environment. • Encourage living Services SETA values through intervention to personalise Services SETA values. • The organisational development project to be transparent, and management to engage with the Union on the process. • Implementation of the transformation agenda in the organisation to be cascaded and included as part of the managers' key performance indicators to ensure accountability.
Stakeholder Relationships	A healthy working relationship is critical to the success of the Services SETA. The Services SETA will continue to build, strengthen, and maintain good relationships with its internal and external stakeholders.	<ul style="list-style-type: none"> • Prioritise public & private stakeholder engagement. • Foster greater inter-SETA collaborations for the implementation of projects. • Services SETA to assist in building capacity in the Technical Vocational Education and Training (TVET) colleges and Community Education and Training (CET) colleges. Management to develop the Stakeholder Relationship Management Plan and Programme for 12 months with specific milestones and time frames. • The report on proposed alternative options to include recommendations on the disposal of land which was acquired for the development of early childhood development (ECD). • Develop a clear Supplier Relationship Management (SRM) framework to guide stakeholder engagements. • Improve responsiveness through efficient customer care.

Strategic Pillars	Description	Key Action Plans
Governance	Risk management and organisational compliance are critical governance functions. The Services SETA strives to promote good governance by early detection of strategic risks and treatment thereof. Improved organisational compliance will ensure adherence to critical legislative prescripts.	<ul style="list-style-type: none"> • Monitor audit remediation action plans. • Effective governance, including strengthening internal controls and addressing audit action plans. • Alignment of the Department of Agriculture (DoA) & Terms of Reference (ToR) with the optimised business processes, including Policy & Standard Operating Procedure (SoP) reviews. • Improve and streamline the alignment between EXCO/AA approvals of projects and performance targets. • To look at high-level stakeholder engagements that the Services SETA should prioritise. • Governance, Risk, Strategy and Compliance (GRSC) and Finance Committee to place the items on audit and performance as standing items on their agendas.

3. UPDATES TO RELEVANT COURT RULINGS

Regulations on Monies received by SETAs and related matters were promulgated in July 2013. The BUSA versus DHET court case is bound to have an impact on the implementation of this plan. BUSA launched a court case against DHET on the SETA Grant Regulations Regarding Monies Received by a SETA and Related Matters', which was gazetted on 3 December 2012 and came into effect on 1 April 2013. In summary, BUSA did not agree with the decrease in the Mandatory Grant percentage from 50% to 20% and that unspent SETA funds are transferred to the National Skills Fund (NSF). The court ruled in favour of BUSA. This ruling has significant financial implications for the Services SETA, especially if retrospective payment is awarded.

In the plan for 2023/24, the DG allocations have been based on the Grant Regulations' determination of 20%. In line with this budget plan, the available DG amount is R1,361b. At the implementation of the court ruling above, the DG amount available will be R958m, and this outcome will have a severe impact on the Services SETA's ability to execute its mandate in line with the Strategic Plan 2020/21- 2024/25 and Annual Performance Plan's 2023/24 predetermined objectives.



PART B
**OUR STRATEGIC
FOCUS**

1. UPDATED SITUATIONAL ANALYSIS

1.1.EXTERNAL ENVIRONMENT ANALYSIS

The external environment of the services sector is discussed in detail in the updated Sector Skills Plan (SSP) 2023/24 as well as the Strategic Plan (SP) 2020/21-2024/25 as updated in 2023/24). The SSP 2023/24 defines the Services SETA's scope of focus and the sectors' economic and labour market situation, including change drivers, focusing on the mismatch between the demand and supply of labour. Occupations critical for filling hard-to-fill vacancies and addressing skills gaps have been identified and prioritised.

Partnerships and collaborations are critical components of the successful and impactful delivery of skills development in the post-school education and training (PSET) system. The SSP 2023/24 presents the rationale, objectives, time frames, and related costs to partnerships identified by the Services SETA and monitoring and evaluation systems put in place to measure performance and impact. Since the external environment is sufficiently covered in the SSP and SP, it suffices to present updated Political, Economic, Social, Technological, Environmental and Legal (PESTEL) and Strengths, Weaknesses, Opportunities and Threats (SWOT) analyses given their relevance to the successful implementation of this APP.

1.1.1. PESTEL Analysis

In addition to considering major change drivers for skills demand and supply for the services sector, detailed PESTEL and SWOT analyses were conducted. These trends have informed the development of strategic goals and objectives to steer the Services SETA on its path to deliver on its mandate.

Noteworthy: Table 2, PESTEL analysis below reveals a dire economic situation and its impact on skills development budgets. This will significantly impact the labour market as funding is reprioritised. This challenge is only partly mitigated by the confluence between decreased costs and increased accessibility associated with technology, the ever-increasing competency of Services SETA human resources and more flexible commuting and working practices, which are increasingly possible in a 'connected' world. The rapidly changing technology landscaped, fuelled by the advances of the fourth industrial revolution (4IR), will mean an increasing urgency for the Services SETA to work proactively.

Table 2: PESTEL Analysis

Politics	Economic
<ul style="list-style-type: none"> Legislative mandate – Skills Development Act, Skills Development Levies Act, the Constitution. Policy mandate – Medium Term Strategic Framework (MTSF) (2019-2024), National Development Plan (NDP), NSDP 2030, White Paper on Post-School Education and Training. Transition from historical to occupational qualifications. Increased role of CET, TVET, and Higher Education Institutions (HEIs) in skills development provisioning. 	<ul style="list-style-type: none"> Low growth of GDP impacting skills levies revenue. Increase in business rescue and international benchmark/standards. Alignment of skills development interventions to support the Economic Reconstruction and Recovery Plan (ERRP). Green economy – relevant training interventions to meet skills demand.
Social	Technology
<ul style="list-style-type: none"> High level of unemployment at the national level The cumulative decline in employment rates in the services sector in the last two years. Access to Work-Integrated Learning (WIL) for TVET graduates. Aligning education and health systems. High levels of social problems, i.e., poverty, crime, GBV, substance abuse, teenage pregnancy. Disproportionate access to learning: infrastructure and geographical spread. Collaboration and Partnerships with other public entities may broaden access. 	<ul style="list-style-type: none"> Need to regularly update skills and re-train for the workforce replaced by technology. 4IR presents opportunities for new businesses. Cyber security and related digital skills. Disproportionate access to learning: devices and data. Low and variable speed/ bandwidth. Opportunity to create a more equal society. Online and open education opportunities created.
Environment	Legal
<ul style="list-style-type: none"> Climate change – impact on business operations – eco-friendly, adaptation environment legislation. Environmental preservation - reduce carbon emissions – appropriate skills. Climate change creates opportunities for entrepreneurship and innovation. Environmental, Social, and (Corporate) Governance. 	<ul style="list-style-type: none"> Labour Relations Act – basic conditions of employment; Minimum Wage Act. COIDA. Protection of Private Information. B-BBEE. National Treasury Legislation and Regulations impede public-private partnerships.

1.2. INTERNAL ENVIRONMENT ANALYSIS

1.2.1. SWOT Analysis

The Services SETA's internal strengths and weaknesses, together with the external opportunities and threats referenced earlier, were evaluated to provide a basis for re-aligning, re-prioritising and refining Services SETA's strategic outcomes in line with the NSDP's vision and strategic outcomes, details in Table 3 below. The purpose of the analysis is for the Services SETA to optimise identified strengths, harness opportunities, offset identified weaknesses and mitigate threats. The SWOT analysis findings have been integrated into the Services SETA's strategic responses and are also addressed in more detail in our Annual Performance Plan.

Table 3: SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Stable leadership and Governance; • Committed stakeholders and employees; • Research capacity to guide towards relevance; • Investment in research to improve evidence-based planning with industry; • Strong brand – highly regarded by key stakeholders; • Enjoy legislative mandate to implement skills development; and • Regular performance monitoring and evaluation of impact to ensure alignment with the mandate. 	<ul style="list-style-type: none"> • Integration of systems and business processes; • Inadequate delivery model – resulting in the slow implementation of learning interventions; • Centralisation of services and operations; • Ageing commitments with multi-year implementation; • Expired historical qualifications and transition to occupational qualifications, identification, and capacity to supply; and • Funding and implementation of occupational qualifications may result in a reduction in the number of learners enrolled.
Opportunities	Threats
<ul style="list-style-type: none"> • Organisational Design to ensure alignment of organisational structure, skills, and business processes with strategic objectives NSDP 2030 policy; • Improvement in automation of core business and support processes through system development, with partial deployment; • Improvement in system functionality and integration requiring deployment, training and skills transfer to embed usage; • Strong focus and presence in entrepreneurship and co-operatives development; • Increased demand for skills development due to economic decline and increased unemployment; • Alignment of services sector skills in demand/ needs with the implementation of the annual performance plan to ensure supply of critical, prioritised, and hard-to-fill vacancies; and • Decentralisation of services to reach remote areas. 	<ul style="list-style-type: none"> • Negative audit outcomes; • BUSA court judgement – impact on available discretionary grants; • The high number of small and informal sectors – resulting in low revenue and participation in skills development; • Employers and Public Higher Institutions lack of support to implement occupational qualifications; • Low rate of participation by employers in workplace training through WSP/ATR; and • The decline in employment rates in the services sector in the last two years.

1.2.2. Compliance with B-BBEE

The Services SETA considers Broad-Based Black Economic Empowerment (B-BBEE) and transformation vital in achieving its mission. The Services SETA is being measured on the Generic Specialised Scorecard as gazetted by the Department of Trade and Industry (Dti). One of the critical avenues through which B-BBEE is pursued is through preferential procurement. Preferential procurement measurement is based on suppliers that are awarded via the tender or request for quotation processes. The Services SETA procures goods and services from Exempted Micro Enterprises, enterprises that are 51% owned by black people and 30% enterprises owned by black women. In addition, Services SETA received bonus points for procuring from Designated Group Suppliers that are at least 51% Black owned based on the B-BBEE Recognition Level.

Services SETA has invested in a Supplier Development initiative aimed at assisting all Small-and Medium-and Micro-sized Enterprises (SMME) Discretionary grantees to successfully complete allocated projects. The programme has gained traction and is ongoing as and when there is a new allocation. The initiative entails a comprehensive project management offering administered by a reputable service provider. The Enterprise Development approach is intended to feed into the value chain. This programme is aimed at assisting SMMEs with the entire accreditation process. This intervention entails accreditation workshops and skills programmes in line with business support and assists SMMEs with uploading the documents in the Learning Intervention and Monitoring system for accreditation, which is desktop evaluation. The progress so far is stable and satisfactory.

The Services SETA has contributed towards various initiatives aimed at improving non-profit organisations and the well-being of the beneficiaries. These contributions align with the organisations' Socio-Economic policy and the BEE Codes of Good Practice. The Services SETA's policy is broad and covers infrastructural developments of Skills centres, skills development interventions and sponsorships. One initiative that stands out amongst others is the sponsorship of summits facilitated by the Disabled People of South Africa, which were a success and yielded a positive outcome.

1.2.3. Transformation imperatives

In line with the government's transformation agenda, the Services SETA has targeted designated groups as outlined below. This performance will be maintained and even improved over the MTSF period.

Table 4. Services SETA and Transformation

Learning Intervention	Enrolment 2021/22	Employed	Unemployed	Female	Black	Youth	Rural
Adult Education and Training	350 (2%)	0 (%)	350 (4%)	222 (2%)	122 (1%)	282 (2%)	115 (2%)
Artisans	355 (2%)	0 (%)	355 (4%)	178 (2%)	315 (2%)	346 (3%)	76 (1%)
Bursaries	1,627 (11%)	443 (10%)	1,184 (12%)	1,023 (10%)	1,494 (12%)	1,388 (12%)	179 (3%)
Candidacy Programmes	216 (2%)	0 (%)	216 (2%)	150 (1%)	188 (1%)	169 (1%)	59 (1%)
HET Graduates	359 (3%)	0 (%)	359 (4%)	237 (2%)	355 (3%)	324 (3%)	138 (3%)
Internships	427 (3%)	0 (%)	427 (4%)	323 (3%)	416 (3%)	412 (4%)	162 (3%)
Learnerships	4,520 (31%)	703 (16%)	3,817 (39%)	3,465 (33%)	4,035 (31%)	3,720 (32%)	1,518 (29%)
Recognition of Prior Learning	144 (1%)	0 (%)	144 (1%)	106 (1%)	128 (1%)	93 (1%)	37 (1%)
Skills Programmes	5,896 (41%)	3,274 (74%)	2,622 (27%)	4,388 (42%)	5,415 (42%)	4,08 (39%)	2,769 (54%)
TVET Placements	375 (3%)	0 (%)	375 (4%)	297 (3%)	363 (3%)	346 (3%)	113 (2%)
TOTAL	14,269	4,420 (31%)	9,849 (69%)	10,389(73%)	12,831(90%)	11,588 (81%)	5,166 (36%)

Source: Services SETA Annual Report, 2022

As illustrated above, for the financial year 2021/22, more than 14 000 learners participated in Services SETA offerings. The majority of beneficiaries were unemployed black female youth. More work needs to be done to expand access to education and training for people living with disabilities and those residing in rural areas. Skills development centres are primarily aimed at addressing these shortcomings. To date, seven skills development centres have been constructed in rural municipalities. An implementation strategy is being rolled out that will see the Services SETA collaborating with other SETAs to utilise these centres to address skills needs in rural areas. Regarding equity, 73% and 90% of beneficiaries are women and black, respectively.

1.2.4. Priority interventions for skills supply

Based on the PESTEL and SWOT analysis above, the following priority interventions have been identified for implementation and progress on other internal institutional factors affecting the ability to achieve its outcomes.

- a. The Services SETA identified five critical areas for interventions to promote skills development in the sector in the short-to-medium term:
 1. The realignment of historical qualifications into Occupational Qualifications per the Quality Council for Trades and Occupations (QCTO) programme, including short skills interventions to address national priorities. The organisation has developed/aligned/updated 54 occupational qualifications in partnership with the QCTO to date (an inclusive number for the past five years). Of the 54, 36 qualifications have been registered by SAQA and issued with ID numbers. An additional ten qualifications and four part-qualifications are targeted for development in the 2022/23 FY.
 2. Implementing skills development initiatives in line with the industry skills needs in line with the Sector Skills Plan and Economic Reconstruction and

Recovery Plan (ERRP) with a specific bias to digital and contact centre skills. Implementation of related occupations is monitored quarterly. Achievement ranges between 20% and 40% quarterly.

3. A focus on Work-Integrated Learning and Workplace-Based Learning Interventions in close collaboration with industry role players to create "workplace" training places." The Services SETA has developed partnerships with no less than 200 employers to form an active partnership that facilitates placement of learners at the workplaces or uptake of Services SETA's offerings by large employers.
4. Integration of Application Systems and Business Optimisation to support the implementation of learning interventions, including project monitoring, external moderation, and certification. The current Services Seta website provides an interactive platform with external stakeholders. The planned rollout of the Customer Relationship Management (CRM) system to improve interaction with all stakeholders.
5. Strengthen collaboration across the Post School Education and Training (PSET) ecosystems, including Inter-SETA partnerships, to ensure an effective response to priority interventions aligned to the ERRP. The SETA has initiated partnerships with more than 40 TVET/CET colleges to foster collaboration and build capacity for supply across the PSET system.

b. Services Sector Skills Plan (SSP) Priorities and implementation progress made

1. Foster Inter-SETA collaboration and industry partnerships to promote SMME development in the services sector

The South African Government's ERRP and NDP place a strong emphasis on developing small and medium enterprises. Point four of the Nine-Point Plan aims to

"[unlock] the potential of small, medium and micro enterprises, cooperatives and township enterprises". The Services SETA aims to work collaboratively with the Media, Information, and Communication Technologies Sector Education and Training Authority (MICTSETA), the Food and Beverages Manufacturing Sector Education and Training Authority (FoodBev SETA), the Fibre Processing and Manufacturing Sector Education and Training Authority (FP&MSETA), Construction Education and Training Authority (CETA), the Wholesale and Retail Sector Education and Training Authority (W&RSETA) and the Culture, Art, Tourism, Hospitality, and Sport Sector Education and Training Authority (CATHSSETA) to support the development and growth of SMMEs. MOUs have been concluded, and the relevant SETAs are working on concept papers for implementation.

Leveraging on its mobile office infrastructure, the Services SETA partnered with training providers to take training opportunities to peri-urban and rural areas, mostly dominated by SMEs and co-operatives. More than 900 SMEs, co-operatives, start-ups, Non-governmental Organisations (NGOs), and entrepreneurs also participated in the Services SETA's learning programmes during the 2021/22 reporting period.

2. Secure workplace training opportunities working in collaboration with the industry, employers, and the SETA

The Services SETA aims to work closely with industries to implement learning interventions. The priority is the mobilisation of the industry to participate in workplace based learning initiatives to ensure good quality workplaces and improved throughput. Collaboration with other SETAs in this space is critically important and will be explored.

About 64 interventions required to improve enrolment and completion of priority occupations have been concluded with the industry.

3. Work with QCTO and industry role players to complete and implement registered occupationally directed qualifications

Several Services SETA qualifications are either outdated, have expired, or are not aligned to the Quality Council for Trades and Occupations (QCTOs) occupationally directed qualifications framework. Working with the industry and QCTO, the Services SETA will continue to update these qualifications and ensure alignment with the prescribed framework.

Progress made includes the fact that 54 occupational qualifications have been developed through a partnership with the QCTO to date (an inclusive number for the past five years). Of the 54, 36 qualifications have been registered by SAQA and issued with ID numbers. An additional ten qualifications and four part-qualifications are targeted for development in the 2022/23 FY. Furthermore, 10 Short-skills programmes were targeted and approved for development during FY 2022/23. Occupational qualifications (OQ) implementation strategy and plan developed, and implementation is being monitored. A cross-functional OQ Task Team is in place to manage the Sector Education and Training Management Information System (SETMIS) transition and consider progress reports. The capacity of supply is being strengthened considering the roles of the Development Quality Partner (DQP) and Assessment Quality Partner (AQP). Gaps in the capacity of supply are being remediated through targeted interventions.

4. Strengthen alignment between industry needs and Services SETA's supply through research, implementation, and structured M&E

Rapid developments in the South African economy, as brought about by Information and Communications Technology (ICT) and COVID-19, requires SETAs to conduct regular and relevant research to inform decision-making processes and training interventions. The Services SETA will foster closer collaboration with industry partners, businesses, labour, and

university research institutions to conduct relevant and up-to-date research. Internal business operations will be streamlined to ensure efficient and effective implementation of learning interventions and timely monitoring and evaluation of impact.

The Services SETA has embarked on an aggressive campaign to improve the rate of employer participation in WSP/ATR submissions. Activities include: (i) Monthly monitoring of submission rates by Chamber, subsector and Top levy payers (ii) Compiled newsletter detailing WSP/ATR benefits, submission and remediation processes (iii) Quarterly monitoring of timely payment of compliant submissions (iv) Concept plan on historic submissions whose payment is outstanding and/or complete remediation is required, and (v) Regular guidance and support to employers based on the analysis of Workplace Skills Plan (WSP)/Annual Training Report (ATR) data – e.g., weaknesses identified in the quality of data per entity.

About 14,269 learners (with 12,642 for learning programmes and 1,627 for bursaries) benefited from the Services SETA's funded interventions in the 2021/22 reporting year. This is a significant improvement in performance from 237 enrolled learners in 2020/21. A sizable number of learners are from rural areas, 36%. Most learners are unemployed youth, black and female.

In response to critical skills in demand in the services sector, the Services SETA identified a list of Top Priority Skills. Seven of the priority skills were successfully implemented, benefiting 1,462 employed and 3,733 unemployed learners. This implies that 5,195 learners benefited from implementing top (7/10) priority skills. This number represents 36% (5,195/14,269) of total learners trained. Included in the remaining 64% will be occupations in high demand - that is, hard-to-fill vacancies, as expressed in the Sector Skills Plan 2021/22 (SSP).

5. Development of an organisational-wide M&E Framework to improve performance management

To inculcate a high-performance culture with impact, the Services SETA is developing an M&E framework that will integrate management performance and institutional (delivery) performance standards. The framework will draw from the Government-Wide Monitoring & Evaluation system and frameworks for Evaluation, Performance Standards (Monitoring), and Social, Economic and Demographic Statistics. The Theory of Change will be used to guide the M&E framework to adequately measure the impact of Services SETA's skills development interventions.

To strengthen alignment with the new SETA landscape and mandate, the Services SETA has developed a Standard Operating Procedure for Performance Information to ensure completeness of reporting and reliability of the data reported. Efforts are underway to update and align the M&E framework.

1.2.5. Progress report against a Responsive Strategy Pillars Underpinning Performance

A thorough reflection of the organisational performance and the set goals triggered a need for a focused strategy to drive performance. The strategy addresses operational and skills-related challenges that hamper performance. Internal considerations include Organisational Performance, Finance, Business Processes Including Systems, People, Stakeholder Relationships and Governance. Progress achieved against this strategy is outlined below.

a. Organisational Performance

Services SETA performance increased from 40% to 80% in 2020/21 and 2021/22, respectively. Two programmes achieved 100% performance against pre-determined goals. The other programme achieved

85%. More work is required in Programme 3: Learning Interventions. Building on the momentum of the previous achievements, the management will endeavour to improve this performance, focusing more on the latter programme. Plans for 2022/23 are to attain 80% overall organisational performance with a further increase in 2023/24 and 2024/25.

Progress includes 14,269 learners benefiting from our learning interventions with 315 Cooperatives and 337 SMMEs; 111 representatives of non-governmental organisations, 104 trained in entrepreneurial skills and 121 people trained to start their own businesses. The current focus is on impact. The critical area of impact to be pursued is the throughput rate. This will be realised through close collaboration with large employers to secure sufficient workplace opportunities for learners. The Chamber Department is working closely with the Strategic & Collaborations, Core Business (Mandatory Grants Division), and Marketing & Communications Departments to encourage employer participation in Services SETA's learning interventions. Strategies employed one-on-one engagements with senior leadership of large companies and intensive campaigns to encourage employers to submit WSP/ATRs.

Our concerted efforts to build the capacity of supply within the PSET system resulted in 4 Centres of Specialisations supported, 5 TVET and 3 CET colleges supported with infrastructure requirements and more than 155 TVET and CET managers and lectures supported with either bursary or skills development opportunities and capacity development opportunities for practitioners. This intervention is critical in ensuring articulation across the PSET system. Collaboration between the Services SETA and TVET, CET Colleges and Universities will ensure programme and quality alignment, facilitating vertical articulation. For a long time, the challenge has been the recognition of SETA qualifications by higher education institutions. The lack of collaboration between these role players has been a

major hindrance. This initiative by the Services SETA is aimed at closing this gap.

The capacity of supply was further strengthened with more than 50 new qualifications developed/aligned to the occupational qualifications framework of the QCTO, a monthly average of 76 accreditation applications were processed, and 90% of external moderations concluded in time resulting in 97% of certificates or statement of results issued on time. Research-generated evidence-based decision-making processes supported these achievements with eight research studies initiated, five concluded and three underway in this past financial year.

b. Finance

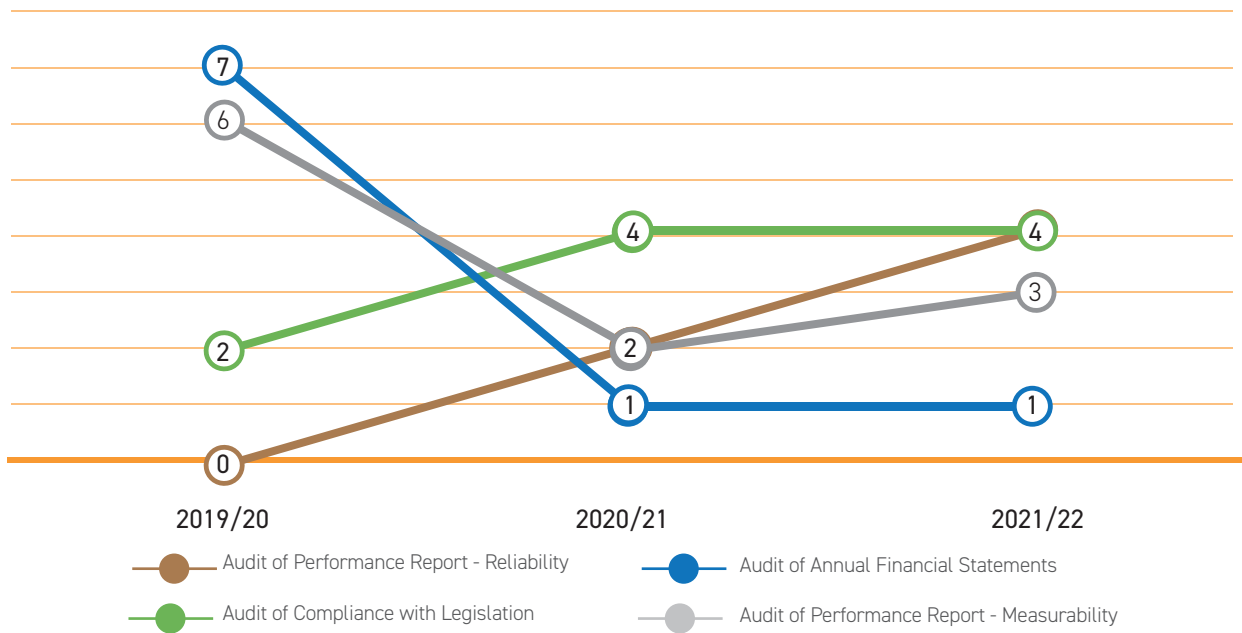
Services SETA's economic health has improved after a prolonged period of intensive care, which seriously affected our ability to deliver on our mandate. This is largely due to prudent financial controls the organisation has introduced regarding managing the cash flow and addressing commitments.

The organisation is committed to implementing NSDP 2030 and supporting the government's priority programmes whilst maintaining financial viability. The recovery of South Africa's economy, including the services sector, from the devastations of the COVID-19 pandemic implies that the Services SETA is in a better position than in the ensuing years to fulfil its mandate. As a result, the Services SETA levy income has stabilised.

The turnaround strategy designed and implemented by management also bears results, which is the most unambiguous indication that funds will be available to deliver on the mandate. The realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The Services SETA's focus is to implement commitments already made in line with skills needs that are relevant in the current economic environment.

The Services SETA received a qualified audit opinion during the 2021/22 financial year. There has been noticeable progress in financial and performance information management. Audit matters raised in previous years were classified into Financial statements (various areas), Predetermined Objectives, and compliance with legislation. The audit action plan was developed and monitored, reducing the number of findings issued. Below is a graph of the reflecting three years audit report matters. Accordingly, the audit outlook is improving steadily. The plan for 2022/23 & 2023/24 financial years is to achieve an unqualified audit outcome and a clean audit outcome in the 2024/25 financial year.

Figure 1. Three-year audit report matters



Source: Services SETA Annual Report 2021

c. Business processes, including systems

During the 2021-22 year the ICT Department has rolled out its strategy that was underpinned by the Tri-Modal Philosophy supporting the Services SETA's 2019-22 Medium Term Strategic Framework. The Tri-Modal Philosophy is premised on the need to address three pillars of the Services Seta business, namely:

- Eradication of any legacies related to systems and processes,
- Ensuring that operations are stable by reducing system downtimes and keeping the lights on, and lastly
- Optimising the business by introducing new innovative business solutions.

In line with the approved ICT Strategy, the Tri-Modal Philosophy has resulted in close to 10 focused interventions that ICT implemented. This progress assisted Services SETA in increasing its overall performance and improving financial controls.

Following the completed business optimisation process, the review and alignment of organisational business processes is a strategic focus area.

d. People

A key focus of this strategy has been to capacitate the Services SETA staff, create a conducive working environment, assist staff in adjusting to remote working, and cope with the physiological and psychosocial impact of the COVID-19 pandemic. More than 80% of personal development plans were implemented, with 100% achieved against the recruitment plan.

Wellness programmes focus on living with COVID-19. Wellness webinars to educate employees about how to restore physical and mental health during and after COVID-19 were organised. The webinar covered the following topics:

- COVID-19 Home Care and Treatment;
- Restoring and maintaining physical health;
- Mental Health and COVID-19;

- Finding strength and resilience during COVID-19 times;
- Effective Remote working; and
- Understanding the vaccines.

An organisational design project will be embarked upon to ensure the alignment of the SETA to its mandate and budget and to ensure the appropriate placement of staff to adequately leverage their skills and expertise.

e. Stakeholders' relationship

The Services SETA embarked on aggressive stakeholder relationship management campaigns. Primary focus is on attracting and retaining top Levy payers to ensure their full participation in Services SETA programmes to increase the reach of skills development opportunities. A series of online engagements with CEOs of top levy payers were held to foster closer collaboration. Several workshops were facilitated with qualifying entities to provide technical support regarding submission of WSP and ATRs – resulting in a modest increase in submission rates, and conducted 29 accreditation workshops reaching a total of 252 attendees.

For learners, more than 20 career exhibitions were held jointly with other SETAs, DHET and National Student Financial Aid Scheme (NSFAS). As we transition to an occupationally directed qualifications regime, capacitation workshops with skills development providers and other PSET role players will be implemented throughout the next two years to build adequate capacity for supply.

By bringing employers and PSET role players together, the Services SETA aims to enhance throughput rates across the PSET system and promote the employability of graduates through exposure to the world of work.

f. Governance

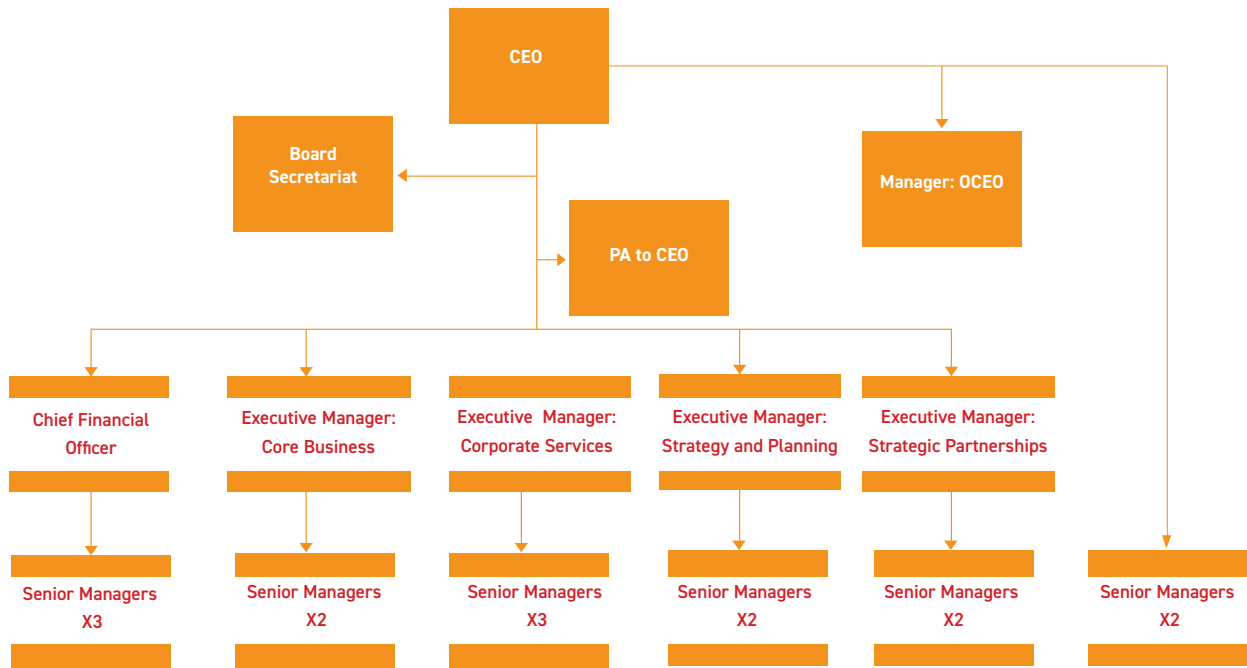
Effective oversight by the Accounting Authority has resulted in improvements. Since its establishment, the Accounting Authority has provided consistent oversight over the affairs of the Services SETA and guidance on its strategic direction, as highlighted above. The Board is fully functional, as demonstrated by the frequency of the scheduled meetings and the meeting attendance rate by members. Six sub-committees have been duly established to complement the work of the board: Accounting Authority, Audit Committee; Finance Committee; Governance, Risk and Strategy Committee; Human Resources and Remuneration Committee; Transformation Committee. In addition, six Chamber Committees have been established. Similarly, the functionality of these committees is very effective, as illustrated by the frequency of meetings and attendance rates.

Special attention will be paid to risks related to audit outcomes and organisational compliance as the organisation matures and transitions from legacy/traditional qualifications into occupational qualifications.

1.2.6. Services SETA Organisational Structure and Staffing

The Organogram below reflects the Governance Structures and Management Committee, which comprises Executive and Senior Management. Management is well constituted. Senior Management positions across core business functions are fully occupied.

Figure 2. Governance and Executive Structure



The table below illustrates that the Services SETA is reasonably well staffed against the approved organisational structure with at least 61% capacity. The economic and revenue environment discussed above casts serious doubt on the Services SETA's possibility to fully place staff according to the organogram. Regarding human resources per programme to support the delivery of the Services SETA strategic goals, reference should be made to the analysis done per programme below; Programme 1 to Programme 4.

Like many organisations, the Services SETA staff were significantly affected by COVID-19. Staff had to adjust to working remotely with reduced chances of infection in the workplace. As the COVID-19 regulations have been relaxed, all staff are now reporting physically to their respective offices. These developments come with genuine concerns and anxieties. To smoothen the transition to the organisation's normal operation, the Services SETA has developed a change management plan to assist staff in adjusting accordingly.



PART C

MEASURING OUR PERFORMANCE

1. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

1.1. Programme 1: Administration

1.1.1. Purpose

The purpose of the administration programme is to enable the delivery of the Services SETA Mandate through the delivery of support services.

1.1.2. Description of the Programme

The programme comprises the following sub-programmes:

Sub-Programme	Description
1.1. Finance	Ensures that Reporting on financial matters must be in line with legislative requirements.
1.2. Human Resources Management and Development	Facilitates improved organisational performance through people, processes, and systems.
1.3. Marketing and Communications	Expands stakeholder participation by promoting access to services across all sub-sectors and provinces and growing visibility.
1.4. Information and Communication Technology	Provides an integrated, efficient, and innovative ICT service.
1.5. Compliance	Ensures the Accounting Authority is assured of compliance with statutory and regulatory provisions and internal policies and procedures are monitored and strengthened to mitigate risk and improve organisational performance.
1.6. Risk Management	To ensure that enterprise-wide risk and fraud management frameworks and mitigation strategies implemented strengthen the overall achievement of strategic objectives and reduce fraud and corruption.
1.7. Governance	To ensure that governance structures and processes are established, capacitated, and maintained in accordance with the Standard Constitution of SETA Regulations.

1.1.3. Outcomes, outputs, performance indicators and targets

This programme primarily supports Outcome 1: Enhanced organisational capabilities to deliver the strategy (NSDP), but it also supports the implementation of the other four outcomes as a support programme. Outputs and indicators which support the realisation of the outcome are outlined below.

Sub-Programme: 1.1. Finance

Outcome	Output	Output Indicator	Audited Performance				Annual Targets			
			2019/2020	2020/2021	2021/2022	Estimated performance 2022/2023	Planned Performance 2023/2024	2024/2025	2025/2026	2026/2027
1. Enhanced organisational capabilities to deliver on the strategy (NSDP)	1.1. Error Free Financial Statements and reliable performance information report	1.1.1. No material findings on financial statements and performance information	Qualified (audited financial year 2019/20)	Qualified (audited financial year 2020/21)	Qualified (audited financial year 2021/22)	Qualified (audited financial year 2022/23)	Unqualified (audited financial year 2023/24)	Unqualified (audited financial year 2024/25)	Clean Audit (audited financial year 2025/26)	Clean Audit (audited financial year 2026/27)
Output Indicator (Annual & Quarterly Targets)			Annual Targets	Indicator Status	Indicator Type	Reporting Period	Q1	Q2	Q3	Q4
1.1.1. No material findings on financial statements and performance information			Unqualified	Continued	Non-Cumulative	Annually	-	Unqualified (audited financial year 2022/23)	-	-

Sub-Programme: 1.2. Human Resources Management and Development

Outcome	Output	Output Indicator	Annual Targets							
			Audited Performance			Estimated performance	Planned Performance	MTEF Period		
			2019/2020	2020/2021	2021/2022			2024/2025	2025/2026	2026/2027
1. Enhanced organisational capabilities to deliver on the strategy (NSDP)	1.2. Human resources capacitation	1.2.1. Percentage occupancy maintained	88%	65%	88%	70%	70%	75%	75%	75%
		1.2.2. Percentage of Personal Development Plans implemented	-	55%	84%	-	75%	75%	80%	80%
Output Indicator (Annual & Quarterly Targets)			Annual Targets	Indicator Status	Indicator Type	Reporting Period	Q1	Q2	Q3	Q4
1.2.1. Percentage occupancy maintained			70%	Continued	Cumulative	Quarterly	65%	65%	70%	70%
1.2.2. Percentage of Personal Development Plans implemented			75%	New	Cumulative	Quarterly	35%	45%	65%	75%

Sub-Programme: 1.3. Information and Communication Technology

Outcome	Output	Output Indicator	Annual Targets							
			Audited Performance			Estimated performance	Planned Performance	MTEF Period		
			2019/2020	2020/2021	2021/2022			2024/2025	2025/2026	2026/2027
1. Enhanced organisational capabilities to deliver on the strategy (NSDP)	1.3. ICT infrastructure and application systems plans to support Services SETA	1.3.1. Percentage achievement against the prioritised ICT implementation plan	-	63%	100%	70%	75%	75%	80%	80%
		Output Indicator (Annual & Quarterly Targets)	Annual Targets	Indicator Status	Indicator Type	Reporting Period	Q1	Q2	Q3	Q4
1.3.1. Percentage achievement against the prioritised ICT implementation plan			75%	Continued	Cumulative	Quarterly	35%	45%	65%	75%

Sub-Programme: 1.4. Marketing and Communications

Outcome	Output	Output Indicator	Annual Targets							
			Audited Performance			Estimated performance	Planned Performance	MTEF Period		
			2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
1. Enhanced organisational capabilities to deliver on the strategy (NSDP)	1.4. Effective stakeholder management	1.4.1. Number of stakeholder engagements	-	155	165	-	160	165	170	170
Output Indicator (Annual & Quarterly Targets)			Annual Targets	Indicator Status	Indicator Type	Reporting Period	Q1	Q2	Q3	Q4
1.4.1. Number of stakeholder engagements			160	Continued	Cumulative	Quarterly	40	60	60	-

Sub-Programme: 1.5. Compliance

Outcome	Output	Output Indicator	Annual Targets							
			Audited Performance			Estimated performance	Planned Performance	MTEF Period		
			2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
1. Enhanced organisational capabilities to deliver the strategy (NSDP)	1.5. Enterprise-wide integrated compliance	1.5.1. Percentage of audit and compliance action plans actioned	100%	100%	100%	100%	100%	100%	-	-
Output Indicator (Annual & Quarterly Targets)			Annual Targets	Indicator Status	Indicator Type	Reporting Period	Q1	Q2	Q3	Q4
1.5.1. Percentage of audit and compliance action plans actioned			100%	Continued	Non-Cumulative	Quarterly	100%	100%	100%	100%

Sub-Programme: 1.6. Risk Management

Outcome	Output	Output Indicator	Annual Targets											
			Audited Performance			Estimated performance	Planned Performance			MTEF Period				
			2019/2020	2020/2021	2021/2022		2022/2023	2023/2024	2024/2025	2025/2026	2026/2027			
1. Enhanced organisational capabilities to deliver the strategy (NSDP)	1.6. Enterprise-wide integrated risk management	1.6.1. Percentage of risk action plans actioned	100%	100%	100%	100%	100%	100%						
Output Indicator (Annual & Quarterly Targets)			Annual Targets	Indicator Status	Indicator Type	Reporting Period	Q1	Q2	Q3	Q4				
1.6.1. Percentage of risk action plans actioned			100%	Continued	Non-Cumulative	Quarterly	100%	100%	100%		100%		100%	

Sub-Programme: 1.7. Governance

Outcome	Output	Output Indicator	Annual Targets											
			Audited Performance			Estimated performance	Planned Performance			MTEF Period				
			2019/2020	2020/2021	2021/2022		2022/2023	2023/2024	2024/2025	2025/2026	2026/2027			
1. Enhanced organisational capabilities to deliver the strategy (NSDP)	1.7. Effective governance oversight	1.7.1. Quarterly Good Governance report	4	4	4	4	4	4						
Output Indicator (Annual & Quarterly Targets)			Annual Targets	Indicator Status	Indicator Type	Reporting Period	Q1	Q2	Q3	Q4				
1.7.1. Quarterly Good Governance report			4	Continued	Cumulative	Quarterly	1	1	1		1		1	

1.1.4. Programme Resource Considerations Financial Resources

Budget allocation for programme and sub-programme as per the Estimates of National Expenditure.

Expenditure by Programmes	Actual Expenditure				Budget (previous)	Adjusted Appropriation	Medium-term expenditure estimate						
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26	2026/27			
R thousand													
Board Secretariat Services	R 11,897	R 9,001	R 9,007	R 9,343	R 9,350	R 10,775	R 11,098	R 11,431	R 11,774				
CEO	R 492	R 73	R 626	R 4,555	R 7,400	R 5,205	R 5,361	R 5,522	R 5,688				
Communication Marketing	R 2,630	R 1,943	R 2,890	R 3,005	R 3,000	R 3,005	R 3,095	R 3,188	R 3,284				
Compliance & Enterprise Risk Management	R 2	R 0	R 0	R 85	R 80	R 85	R 88	R 90	R 93				
Legal	R 11,030	R 3,078	R 1,251	R 3,000	R 3,300	R 3,000	R 3,090	R 3,183	R 3,278				
Finance	R 48,792	R 54,973	R 40,547	R 38,146	R 39,002	R 39,460	R 40,644	R 41,863	R 43,119				
Human Resources	R 72,610	R 62,361	R 91,162	R 82,914	R 108,424	R 113,581	R 116,988	R 120,498	R 124,113				
Information Technology	R 27,748	R 27,935	R 32,026	R 34,710	R 35,190	R 36,533	R 37,629	R 38,758	R 39,921				
Facilities Management	R 20,125	R 13,406	R 17,093	R 17,325	R 20,080	R 21,830	R 22,485	R 23,159	R 23,854				
Internal Audit	R 2,053	R 387	R 2,188	R 3,000	R 2,500	R 2,500	R 2,575	R 2,652	R 2,732				
WSP Unit	R 0	R 0	R 0	R 5	R 5	R 5	R 5	R 5	R 6				
Core Business - EM Office	R 3	R 0	R 0	R 205	R 130	R 388	R 400	R 412	R 424				
Transformation			R 532	R 305	R 300	R 305	R 314	R 324	R 333				
Strategic Partnerships				R 515	R 500	R 313	R 322	R 332	R 342				
Planning	R 417		R 43	R 315	R 300	R 320	R 330	R 339	R 350				
Records Management	R 1,567	R 857	R 444	R 5,000	R 3,262	R 3,000	R 3,090	R 3,183	R 3,278				
TOTAL	R 199,366	R 174,014	R 197,808	R 202,428	R 232,823	R 240,305	R 247,514	R 254,940	R 262,588				

Human Resources

Programme 1: Administration ¹	
Positions	Filled Posts per Job Level by Programme
Executive Management	3
Senior Management	7
Management	14
Senior Officers	18
Officers	11
Administrators	22
General	17
TOTALS	92

1.2. Programme 2: Skills Planning

1.2.1. Purpose

To enable the Services SETA and Services Sector to target relevant skills development. It is responsible for researching skills needs within the Services Sector, issuing the Sector Skills Plan, developing strategic and annual performance plans for the Services SETA, monitoring and evaluating organisational performance and conducting targeted evaluations to strengthen programme improvement in executing its mandate.

1.2.2. Description of the Programme

This programme consists of the following sub-programmes:

Sub-Programme	Description
2.1. Research, planning, monitoring, and reporting	The services sector needs to be researched, documented, and communicated to enable effective planning across all economic sub-sectors annually. Sector Skills, Strategic, Annual and Operational Performance Plans are aligned and updated annually in compliance with regulatory frameworks.
2.2. Mandatory Grants	This sub-programme facilitates the participation of employers in skills development through the submission of WSP/ATRs annually.
2.3. Stakeholder Relations, Marketing and Communications, Provincial Operations and Chamber Operations	Expand stakeholder participation, promote access to services across all sub-sectors and provinces and grow visibility.

1.2.3. Outcomes, outputs, performance indicators and targets

This programme contributes to Outcome 2: *“Enhanced mechanism for effective skills planning through collaborative research and partnerships”*. The outcome has three outcome indicator(s) and a five-year target. The alignment of outcomes to the outputs is demonstrated below.

¹ The Programme has the following executives, CEO, EM: Corporate Services, CFO, EM: Strategy & Planning, EM: Strategic Partnerships & Collaborations

Sub-Programme: 2.1. Research, planning, monitoring, and reporting

Outcome	Output	Output Indicator	Annual Targets											
			Audited Performance					Planned Performance						
			2019/2020	2020/2021	2021/2022	Estimated performance 2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	MTEF Period	2026/2027		
2. Enhanced mechanism for effective skills planning through collaborative research and partnerships	2.1. Revised SSP, SP and APP	2.1.1. Evidence-based SSP, SP and APP	Approved	Approved	Approved	Approved	Approved	Approved	Approved	Approved	Approved	Approved	Approved	Approved
	2.2. Skills planning research conducted	2.2.1. Number of sector research agreements signed for TVET growth occupationally directed programmes	0	2	2	2	2	3	3	3	3	3	3	3
		2.2.2. Number of learners who completed workplace-based learning programmes absorbed into employment or self-employment	-	25,799	9,235	2,000	500	500	500	500	500	500	500	500
		2.2.3. Percentage of discretionary grants allocated at different skills levels	-	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
		<i>High-level skills</i>	-	3%	17%	30%	20%	20%	20%	20%	20%	20%	20%	20%
		<i>Intermediate level skills</i>	-	40%	40%	30%	30%	30%	30%	30%	30%	30%	30%	30%
		<i>Elementary level skills</i>	-	57%	43%	40%	50%	50%	50%	50%	50%	50%	50%	50%

Output Indicator (Annual & Quarterly Targets)	Annual Targets	Indicator Status	Indicator Type	Reporting Period	Q1	Q2	Q3	Q4
2.1.1. Evidence-based SSP, SP and APP	Approved	Continued	Cumulative	Quarterly	-	AA Approved SSP	AA Approved SP & APP	DHET & Parliament Approved SSP/SP/APP
2.2.1. Number of sector research agreements signed for TVET growth occupationally directed programmes	3	Continued	Cumulative	Quarterly	-	2	1	-
2.2.2. Number of learners who completed workplace-based learning programmes absorbed into employment or self-employment	500	Continued	Non-Cumulative	Annually	-	-	500	-
2.2.3. Percentage of discretionary grants allocated at different skills levels	100%	Continued	Cumulative	Quarterly	-	50%	-	100%
<i>High-level skills</i>	20%				-	10%	--	20%
<i>Intermediate level skills</i>	30%				-	15%	-	30%
<i>Elementary level skills</i>	50%				-	25%	-	50%

Sub-programme: 2.3. Mandatory Grants

Outcome	Output	Output Indicator	Annual Targets											
			Audited Performance				Estimated performance	Planned Performance	MTEF Period					
			2019/2020	2020/2021	2021/2022	2022/2023			2023/2024	2024/2025	2025/2026	2026/2027		
	2.3. Increased number of employers participating in SETA programmes	2.3.1. Number of WSPs and ATRs approved	3,773	3,925	4,560	3,852	3,929	4,047	4,249	4,462				
		<i>Number of WSPs and ATRs approved for Small firms</i>	2,458	2,606	3,081	2,513	2,563	2,640	2,772	2,991				
		<i>Number of WSPs and ATRs approved for Medium firms</i>	742	772	870	776	792	815	856	899				
		<i>Number of WSPs and ATRs approved for Large firms</i>	573	547	609	563	574	591	621	652				
		2.3.2. Number of SETA-Employer partnerships established	-	507	649	150	570	600	630	660				
		Output Indicator (Annual & Quarterly Targets)	Annual Targets	Indicator Status	Indicator Type	Reporting Period	Q1	Q2	Q3	Q4				
		2.3.1. Number of WSPs and ATRs approved	3,929	Continued	Cumulative	Quarterly	-	392	2,358	1,179				
		<i>Number of WSPs and ATRs approved for Small firms</i>	2,563				-	256	1,538	769				
		<i>Number of WSPs and ATRs approved for Medium firms</i>	792				-	79	475	238				
		<i>Number of WSPs and ATRs approved for Large firms</i>	574				-	57	345	172				
		2.3.2. Number of SETA-Employer partnerships established	570	Continued	Cumulative	Quarterly	142	171	171	86				

Sub-programme: 2.4. Stakeholder Relations, Marketing and Communications, Provincial Operations and Chamber Operations

Outcome	Output	Output Indicator	Annual Targets									
			Audited Performance					Planned Performance		MTEF Period		
			2019/2020	2020/2021	2021/2022	Estimated performance 2022/2023	2023/2024	2024/2025	2025/2026	2026/2027		
2.4. Promote access to skills development opportunities, including rural areas	2.4.1. Number of career development practitioners trained		-	20	40	40	40	40	40	40	40	40
		2.4.2. Number of Career Development Events in rural/urban areas on occupations in high demand	18	19	25	18	18	18	20	20	20	
		<i>Urban</i>	9	13	8	8	8	8	8	8		
		<i>Rural</i>	10	12	10	10	10	12	12	12		
	2.4.3. Number of capacity-building workshops on career development services initiated	-	9	18	18	20	20	20	20			
	2.4.4. Number of Universities/TVET/CET Partnerships established	-	8	21	15	14	9	9	9			
	<i>Number of TVET partnerships established</i>	-	2	11	7	7	5	5	5			
	<i>Number of Universities partnerships established</i>	-	3	6	4	3	2	2	2			

Outcome	Output	Output Indicator	Annual Targets									
			Audited Performance				Estimated performance	Planned Performance	MTEF Period			
			2019/2020	2020/2021	2021/2022	2022/2023			2023/2024	2024/2025	2025/2026	2026/2027
		<i>Number of CET partnerships established</i>	-	3	4	4	4	4	2	2	2	
		2.4.5. Number of SETA offices established and maintained in TVET colleges	-	-	-	-	1	1	1	1	1	1
		2.4.6. Number of federations/trade unions supported through the relevant skills training interventions	4	9	7	5	5	5	6	6	6	7
		Output Indicator:	Annual Targets	Indicator Status	Indicator Type	Reporting Period	Q1	Q2	Q3	Q4		
		2.4.1. Number of Career Development Practitioners trained	40	Continued	Cumulative	Quarterly	10	15	15	15	-	-
		2.4.2. Number of Career Development Events in rural areas on occupations in high demand	18	Continued	Cumulative	Quarterly	3	7	8	8	-	-
		<i>Urban</i>	8				1	3	4	4	-	-
		<i>Rural</i>	10				2	4	4	4	-	-

Output Indicator	Annual Targets	Indicator Status	Indicator Type	Reporting Period	Q1	Q2	Q3	Q4
2.4.3. Number of capacity-building workshops on Career Development Services initiated	20	Continued	Cumulative	Quarterly	5	7	8	-
2.4.4. Number of Universities/TVET/CET Partnerships established	14	Continued	Cumulative	Quarterly	4	5	5	-
<i>Number of TVET partnerships established</i>	<i>7</i>				<i>2</i>	<i>2</i>	<i>3</i>	<i>-</i>
<i>Number of Universities partnerships established</i>	<i>3</i>				<i>1</i>	<i>1</i>	<i>1</i>	<i>-</i>
<i>Number of CET partnerships established</i>	<i>4</i>				<i>1</i>	<i>2</i>	<i>1</i>	<i>-</i>
2.4.5. Number of SETA offices established and maintained in TVET colleges	1	Continued	Cumulative	Quarterly	1	-	-	-
2.4.6. Number of federations/trade unions supported through the relevant skills training interventions	5	Continued	Cumulative	Quarterly	1	2	2	-

1.2.4. Programme resource considerations Financial Resources

Budget allocation for programme and sub-programme as per the Estimates of National Expenditure.

Programme 2: Skills Planning, Budget

Expenditure by Programmes	Actual Expenditure				Budget (previous)	Adjusted Appropriation	Medium-term expenditure estimate							
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26	2026/27				
R thousand														
Research studies	R 10,220	R 952	R 0	R 8,000	R 8,000	R 10,000	R 10,300	R 10,609	R 10,927					
Infrastructure development	R 60,613	R 9,109	R 27,137	R 60,000	R 50,000	R 75,000	R 77,250	R 79,568	R 81,955					
Strategic Partnerships & initiatives	R 1,185	R 34,123	R 22,790	R 50,000	R 50,000	R 201,500	R 207,545	R 213,771	R 220,184					
Personnel costs			R 0	R 16,000	R 11,000	R 26,221	R 27,008	R 27,818	R 28,652					
Other DG Support costs	R 5,401	R 3,242	R 393	R 5,600	R 5,600	R 18,100	R 18,643	R 19,202	R 19,778					
TOTAL	R 77,419	R 46,474	R 50,320	R 139,600	R 124,600	R 330,821	R 340,746	R 350,968	R 361,497					

Human resources

Program 2: Skills Planning ²	
Positions	Filled Posts per Job Level by Programme
Executive Management	4
Senior Management	6
Management	15
Senior Officers	16
Officers	20
Administrators	21
General	-
TOTALS	82

1.3. Programme 3: Learning Programmes

1.3.1. Purpose

The skills development programme aims to deliver the Services SETA service offering to the target stakeholders in order to achieve its mandate. The programme is responsible for the disbursement of the Services SETA discretionary grants through special and regular projects for infrastructure development, to expand access to skills development in rural and underserved areas, and pivotal learning interventions.

1.3.2. Description of the Programme

This programme consists of the following sub-programmes:

Sub-Programme	Description
3.1. Entrepreneurship and Corporative Cooperative Development	This programme promotes the growth and sustainability of SMMEs through targeted interventions.
3.2. Special Projects	The purpose of this sub-programme is to ensure that transformational imperatives and national priorities are promoted through partnerships development and strategic integration resulting in the contracting in respect of learners across learning Interventions.
3.3. Learning Interventions	This sub-programme facilitates the uptake of funded and unfunded learning interventions should be improved and monitored to take good stock of the pool of labour provided within the sector.

² This Programme is headed by four Executive Managers, EM: Strategy & Planning, EM: Core Business and EM: Strategic Partnerships & Collaborations; EM: Corporate Services

1.3.3. Outcomes, Outputs and Output Indicators

This programme contributes to Outcomes 3: *“Promote access to technical and professional skills across the services sector”*. The outcome has three outcome indicator(s) and a five-year target. The alignment of outcomes to the outputs is demonstrated below.

Sub-Programme 3.1. : Entrepreneurship and Cooperative Development

Outcome	Output	Output Indicator	Annual Targets										
			Audited Performance			Estimated performance	Planned Performance	MTEF Period					
			2019/2020	2020/2021	2021/2022			2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	
3. Promote access to technical and professional skills across the services sector	3.1. Increased participation by entrepreneurs in SETA offerings	3.1.1. Number of enterprises funded for skills that enhance their organisations' growth/ development/ sustainability.	737	84	763	700	700	700	700	700	700	700	700
		Cooperatives	279	0	315	300	300	300	300	300	300	300	300
		SMMEs	357	84	337	300	300	300	300	300	300	300	300
		CBOs/ NGOs/ NPOs	101	0	111	100	100	100	100	100	100	100	100
		3.1.2. Number of enterprises trained on the sector and national priority occupations or skills.	-	-	59	60	60	60	60	60	60	60	60
	Small and emerging enterprises	Established or emergent cooperatives	-	-	29	30	30	30	30	30	30	30	30
		Small and emerging enterprises	-	-	30	30	30	30	30	30	30	30	30
		3.1.3. Number of people trained on entrepreneurship supported to start their business.	-	-	121	200	200	200	200	200	200	200	200

Output Indicator	Annual Targets	Indicator Status	Indicator Type	Reporting Period	Q1	Q2	Q3	Q4
3.1.1. Number of enterprises funded for skills that enhance their organisations' growth/development/sustainability.	700	Continued	Cumulative	Quarterly	170	210	220	100
<i>Cooperatives</i>	300				70	90	90	50
<i>SMMEs</i>	300				70	90	90	50
<i>CBOs/ NGOs/ NPOs</i>	100				30	30	40	-
3.1.2. Number of enterprises trained on the sector and national priority occupations or skills.	60	Continued	Cumulative	Quarterly	20	20	20	-
<i>Established or emergent cooperatives</i>	30				10	10	10	-
<i>Small and emerging enterprises</i>	30				10	10	10	-
3.1.3. Number of people trained on entrepreneurship supported to start their business.	200	Continued	Cumulative	Quarterly	60	70	70	-

Sub-Programme 3.2. : Special Projects

Outcome	Output	Output Indicator	Annual Targets										
			Audited Performance			Estimated performance	Planned Performance	MTEF Period					
			2019/2020	2020/2021	2021/2022			2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	
	3.2. Partnerships established to promote access to skills development opportunities, including rural areas.		-	0	4	4	4	4	4	4	4	4	4
		3.2.1. Number of Centres of Specialisation supported											
		3.2.2. Number of TVET Lecturers exposed to the industry through Skills Programmes	-	40	40	40	40	50	50	50	50	50	50
		3.2.3. Number of Managers receiving training on curriculum curriculum-related studies - TVET	-	5	11	5	5	5	5	5	5	5	5
		3.2.4. Number of TVET colleges Lecturers awarded Bursaries	-	-	57	70	50	50	50	50	50	50	50
		3.2.5. TVET colleges infrastructure development (equipment/ workshops)	-	-	5	2	2	2	2	2	2	2	2
		3.2.6. Number of CET colleges lecturers awarded skills development programmes	-	-	16	10	20	20	20	20	20	20	20
		3.2.7. CET colleges infrastructure development support (equipment/ workshops/ Connectivity/ ICT)	-	-	3	1	1	1	1	1	1	1	1
		3.2.8. Number of Managers receiving training on curriculum curriculum-related studies - CET	-	-	11	5	5	5	5	5	5	5	5
		3.2.9. Number of CET learners accessing AET programmes	-	-	20	20	20	20	20	20	20	20	20
		3.2.10. Number of Rural Development Projects initiated	11	5	7	5	10	10	10	10	10	10	10

Output Indicator	Annual Targets	Indicator Status	Indicator Type	Reporting Period	Q1	Q2	Q3	Q4
3.2.1. Number of Centres of Specialisation supported	4	Continued	Cumulative	Quarterly	-	2	2	-
3.2.2. Number of TVET Lecturers exposed to the industry through Skills Programmes	50	Continued	Cumulative	Quarterly	-	25	25	-
3.2.3. Number of Managers receiving training on curriculum-related studies – TVET	5	Continued	Cumulative	Quarterly	-	5	-	-
3.2.4. Number of TVET colleges Lecturers awarded Bursaries	50	Continued	Cumulative	Quarterly	10	20	20	-
3.2.5. TVET colleges infrastructure development (equipment/workshops)	2	Continued	Cumulative	Quarterly	-	1	1	-
3.2.6. Number of CET colleges lecturers awarded skills development programmes	20	Continued	Cumulative	Quarterly	10	10	-	-
3.2.7. CET colleges infrastructure development support (equipment/ workshops/ Connectivity/ ICT)	1	Continued	Cumulative	Quarterly	-	-	1	-
3.2.8. Number of Managers receiving training on curriculum-related studies – CET	5	Continued	Cumulative	Quarterly	-	5	-	-
3.2.9. Number of CET learners accessing AET programmes	20	Continued	Cumulative	Quarterly	-	10	10	-
3.2.10. Number of Rural Development Projects initiated	10	Continued	Cumulative	Quarterly	-	5	5	-

Sub-programme 3.3. Learning Programmes Implementation

Outcome	Output	Output Indicator	Annual Targets									
			Audited Performance			Planned Performance			MTEF Period			
			2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027		
3.3. Number of learners enrolled in priority occupations	3.3.1. Number of industry learners enrolled		500	899	1,650	610	610	641	673	706		
		3.3.2. Number of learners enrolled learnership programmes	5,265	0	4,520	8,000	7,800	8,190	8,600	9,029		
	<i>Unemployed</i>		5,060	0	3,817	7,000	6,600	6,930	7,277	7,640		
		<i>Worker</i>	205	0	703	1,000	1,200	1,260	1,323	1,389		
	3.3.3. Number of learners completed learnerships programmes		10,363	763	262	2,051	2,772	2,760	2,898	3,043		
		<i>Unemployed</i>	9,623	743	262	1,701	2,177	2,160	2,268	2,381		
	<i>Worker</i>	740	20	0	350	595	600	630	662			
	3.3.4. Number of learners granted bursaries		1,237	237	1,627	1,420	1,500	1,475	1,549	1,626		
		<i>Unemployed learners (new enrolments)</i>		87	1,072	800	800	840	882	926		
	<i>Unemployed learners (continuing)</i>	1,098	0	112	200	400	320	336	353			
<i>Workers (new entries)</i>		150	430	420	300	315	331	347				
<i>Workers (continuing)</i>	139	0	13	0	0	0	0	0				

Outcome	Output	Output Indicator	Annual Targets									
			Audited Performance			Estimated performance	Planned Performance	MTEF Period				
			2019/2020	2020/2021	2021/2022			2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
		3.3.5. Number of learners granted Bursaries completed their studies	2,152	243	1,006	652	492	474	498	523		
		<i>Unemployed</i>	1,318	228	768	400	82	348	365	384		
		<i>Worker</i>	834	15	238	252	410	126	132	139		
		3.3.6. Number of Internships Enrolled	3,498	0	1,161	2,000	1,800	1,890	1,985	2,085		
		<i>Number of Unemployed learners enrolled on Internships</i>	1,983	0	427	500	500	525	551	579		
		<i>Number of TVET students requiring Work Integrated Learning to complete their qualifications placed in workplaces</i>	967	0	375	1,000	1,000	1,050	1,103	1,158		
		<i>Number of CET learners enrolled on Internships</i>	-	-	-	-	100	105	110	116		
		<i>Number of Universities students requiring work-integrated learning to complete their qualifications placed in workplaces</i>	548	0	359	500	200	210	221	232		
		3.3.7. Number of Internships Completed	4,436	502	108	505	694	700	735	772		

Outcome	Output	Output Indicator	Annual Targets										
			Audited Performance			Estimated performance	Planned Performance	MTEF Period					
			2019/2020	2020/2021	2021/2022			2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	
		<i>Number of Unemployed learners completed Internships</i>	2,122	253	93	189	244	200	210	221			
		<i>Number of TVET students completed their work-integrated learning placements.</i>	1,497	201	15	158	243	400	420	441			
		<i>Number of CET learners completed the Internship</i>	-	-	-	-	0	20	21	22			
		<i>Number of University students completed their Work Integrated Learning placements</i>	817	48	0	158	207	80	84	88			
		3.3.8. Number of learners enrolled for Skills Programmes	6,425	0	5,896	6,500	4,100	4,305	4,520	4,746			
		<i>Unemployed</i>	4,586	0	2,622	2,500	1,300	1,365	1,433	1,505			
		<i>Workers</i>	1,839	0	3,274	4,000	2,800	2,940	3,087	3,241			
		3.3.9. Number of learners completed Skills Programmes	2,470	761	1,625	2,958	1,767	2,225	2,336	2,454			
		<i>Unemployed</i>	1,470	242	1,130	1,225	1,075	600	630	662			
		<i>Worker</i>	1,000	519	495	1,733	692	1,625	1,706	1,792			
		3.3.10. Number of unemployed learners enrolled for Candidacy programmes	113	0	216	120	200	210	221	232			

Outcome	Output	Output Indicator	Annual Targets										
			Audited Performance			Estimated performance	Planned Performance	MTEF Period					
			2019/2020	2020/2021	2021/2022			2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	
		3.3.11. Number of unemployed learners completed Candidacy programmes	51	0	0	42	61	75	79	83			
		3.3.12. Number of artisan learners enrolled	689	0	355	1,000	1,000	1,050	1,103	1,158			
		3.3.13. Number of artisan learners completed	253	390	1,517	1,000	290	550	578	606			
		3.3.14. Number of learners enrolled RPL/ARPL	382	0	144	150	500	525	551	579			
		3.3.15. Number of learners completed RPL/ARPL	340	0	0	56	76	200	210	221			
		3.3.16. Number of workers enrolled AET programmes	151	0	350	500	150	158	165	174			
		3.3.17. Number of workers completed AET programmes	297	4	0	140	29	60	63	66			

Output Indicator	Annual Targets	Indicator Status	Indicator Type	Reporting Period	Q1	Q2	Q3	Q4
3.3.1. Number of industry learners enrolled	610	Continued	Cumulative	Quarterly	152	183	183	92
3.3.2. Number of learners enrolled learnership programmes	7,800	Continued	Cumulative	Quarterly	1,950	2,340	2,340	1,170
<i>Unemployed</i>	6,600				1,650	1,980	1,980	990
<i>Worker</i>	1,200				300	360	360	180
3.3.3. Number of learners completed learnership programmes	2,772	Continued	Cumulative	Quarterly	948	716	330	778
<i>Unemployed</i>	2,177				877	511	172	617
<i>Worker</i>	595				71	205	158	161
3.3.4. Number of learners granted bursaries Enrolled	1,500	Continued	Cumulative	Quarterly	375	450	450	225
<i>Unemployed learners (new enrolments)</i>	800				200	240	240	120
<i>Unemployed learners (continuing)</i>	400				100	120	120	60
<i>Workers (new entries)</i>	300				75	90	90	45
3.3.5. Number of learners granted Bursaries completed their studies	492	Continued	Cumulative	Quarterly	0	392	6	94
<i>Unemployed</i>	82				0	40	6	36
<i>Worker</i>	410				0	352	0	58
3.3.6. Number of Internships Enrolled	1,800	Continued	Cumulative	Quarterly	450	540	540	270
<i>Number of Unemployed learners enrolled on Internships</i>	500				125	150	150	75
<i>Number of TVET students requiring Work Integrated Learning to complete their qualifications placed in workplaces</i>	1,000				250	300	300	150

Output Indicator	Annual Targets	Indicator Status	Indicator Type	Reporting Period	Q1	Q2	Q3	Q4
<i>Number of CET learners enrolled on Internships</i>	100				25	30	30	15
<i>Number of Universities students requiring work-integrated learning to complete their qualifications placed in workplaces</i>	200				50	60	60	30
3.3.7. Number of Internships Completed	694	Continued	Cumulative	Quarterly	126	290	56	222
<i>Number of Unemployed learners completed Internship</i>	244				45	113	14	72
<i>Number of TVET students completed their work-integrated learning placements.</i>	243				53	74	0	116
<i>Number of University students completed their Work Integrated Learning placements</i>	207				28	103	42	34
3.3.8. Number of learners enrolled for Skills Programmes	4,100	Continued	Cumulative	Quarterly	1,025	1,230	1,230	615
<i>Unemployed</i>	1,300				325	390	390	195
<i>Workers</i>	2,800				700	840	840	420
3.3.9. Number of learners completed Skills Programmes	1,767	Continued	Cumulative	Quarterly	401	537	191	638
<i>Unemployed</i>	1,075				94	259	144	578
<i>Worker</i>	692				307	278	47	60
3.3.10. Number of unemployed learners enrolled for Candidacy programmes	200	Continued	Cumulative	Quarterly	50	60	60	30
3.3.11. Number of unemployed learners completed Candidacy programmes	61	Continued	Cumulative	Quarterly	0	46	15	-
3.3.12. Number of artisan learners enrolled	1,000	Continued	Cumulative	Quarterly	250	300	300	150
3.3.13. Number of artisan learners completed	290	Continued	Cumulative	Quarterly	66	76	14	134
3.3.14. Number of learners enrolled RPL	500	Continued	Cumulative	Quarterly	125	150	150	75

Output Indicator	Annual Targets	Indicator Status	Indicator Type	Reporting Period	Q1	Q2	Q3	Q4
3.3.15. Number of learners who completed RPL	76	Continued	Cumulative	Quarterly	8	28	32	8
3.3.16. Number of workers enrolled AET programmes	150	Continued	Cumulative	Quarterly	38	45	45	22
3.3.17. Number of workers completed AET programmes	29	Continued	Cumulative	Quarterly	29	-	-	-

1.3.4. Programme resource considerations

Financial Resources

Budget allocation for programme and sub-programme as per the Estimates of National Expenditure.

Expenditure by Programmes	Actual Expenditure			Budget (previous)	Adjusted Appropriation	Medium-term expenditure estimate			
	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25	2025/26
Enterprise development	R 0	R 0	R 81	R 6,600	R 6,600	R 9,720	R 10,012	R 10,312	R 10,621
Learning Intervention	R 650,936	R 137,720	R 96,512	R 509,769	R 503,371	R 549,400	R 565,882	R 582,858	R 600,344
Artisan Development	R 238,344	R 125,808	R 97,076	R 199,070	R 190,000	R 206,290	R 212,479	R 218,853	R 225,419
Mandatory Grants	R 211,914	R 132,342	R 217,483	R 209,763	R 235,241	R 272,968	R 281,157	R 289,592	R 298,280
Bursary Management	R 75,566	R 0	R 98,625	R 80,000	R 80,000	R 97,000	R 99,910	R 102,907	R 105,995
Personnel costs				R 110,140	R 88,795	R 77,063	R 79,375	R 81,756	R 84,209
DG support costs	R 239,740	R 163,506	R 170,501	R 70,470	R 66,760	R 53,601	R 55,209	R 56,865	R 58,571
TOTAL	R 1,416,500	R 559,376	R 680,278	R 1,185,812	R 1,170,767	R 1,266,042	R 1,304,023	R 1,343,144	R 1,383,438

Human Resources

Programme 3: Learning Programmes ³	
Positions	Filled Posts per Job Level by Programme
Executive Management	2
Senior Management	3
Management	6
Senior Officers	13
Officers	11
Administrators	6
General	-
TOTALS	41

1.4. Programme 4: Quality Assurance

1.4.1. Purpose

This sub-programme aims to accredit skills development providers and fulfil the QCTO delegated quality assurance of learner achievement's function.

1.4.2. Description of the Programme

This programme consists of the following sub-programmes as outlined below:

Sub-Programme	Description
4.1. Certifications	Learner achievements are quality assured according to the QCTO assessment policy and certification process,
4.2. Qualification's development	Support, facilitate and promote the quality of occupational-based learning, work-integrated learning and professionalisation in the sector.

³ This Programme is headed by two Executive Managers, EM Strategic Partnership & Collaborations and EM: Core Business

1.4.3. Outcomes Outputs and Output Indicators

This programme contributes to Outcome 4: “Enhanced Quality Assurance efficiencies to execute QCTO delegated functions”. The outcome has an outcome indicator(s) and a five-year target. The alignment of outcomes to the impact statement is as demonstrated below.

Sub-programme 4.1: Certifications

Outcome	Output	Output Indicator	Annual Targets										
			Audited Performance			Planned Performance	MTEF Period			Reporting Period	Indicator Type	Annual Targets	
			2019/2020	2020/2021	2021/2022		2022/2023	2023/2024	2024/2025				2025/2026
4. Enhanced Quality Assurance efficiencies to execute QCTO delegated functions	4.1. Improve the capacity of skills supply	4.1.1. Percentage of learners receiving certificates/SOR	-	87%	80%	80%	85%	85%	85%	85%	90%		
Output Indicator: (Annual and Quarterly targets)			Annual Targets	Indicator Status	Indicator Type	Q1	Q2	Q3	Q4				
4.1.1. Percentage of learners receiving certificates/SOR			85%	Continuing	Cumulative	70%	75%	80%	85%				

Sub-programme 4.2: Qualification's development

Outcome	Output	Output Indicator	Annual Targets									
			Audited Performance			Planned Performance	MTEF Period			Reporting Period	Indicator Type	Annual Targets
			2019/2020	2020/2021	2021/2022		2022/2023	2023/2024	2024/2025			
4. Enhanced Quality Assurance efficiencies to execute QCTO delegated functions	4.2. Strengthen the development and alignment of SETA qualifications to occupational qualifications	4.2.1. Number of qualifications developed or aligned to the priority skills	7	5	10	10	15	15	15	15		
Output Indicator:			Annual Targets	Indicator Status	Indicator Type	Q1	Q2	Q3	Q4			
4.2.1. Number of qualifications developed or aligned to the priority skills			10	Continuing	Cumulative	2	4	4	-			

1.4.4. Programme resource considerations

Financial Resources

Budget allocation for programme and sub-programme as per the Estimates of National Expenditure:

Expenditure by Programmes	Actual Expenditure			Budget (previous)	Adjusted Appropriation	Medium-term expenditure estimate			
	2019/20	2020/21	2021/22	2022/23	2022/23	2023/24	2024/25	2025/26	2026/27
Qualification development	R 1,838	R 1,837	R 3,625	R 15,000	R 15,000	R 20,000	R 10,000	R 5,000	R 5,000
Occupational qualification interventions	R 0	R 0	R 0	R 0	R 0	R 15,000	R 15,450	R 5,914	R 6,091
Personnel cost	R 0	R 0	R 0	R 1,360	R 1,360	R 1,600	R 1,648	R 1,697	R 1,748
DG support costs	R 138	R 138	R 0	R 1,200	R 850	R 950	R 979	R 1,008	R 1,038
TOTAL	R 1,838	R 1,975	R 3,625	R 17,560	R 17,210	R 37,550	R 28,077	R 13,619	R 13,877

Human Resources

Programme 4: Quality Assurance ⁴	
Positions	Filled Posts per Job Level by Programme
Executive Management	2
Senior Management	1
Management	2
Senior Officers	1
Officers	3
Administrators	2
General	0
TOTALS	11

⁴ This Programme is headed by two Executive Managers, EM: Strategy & Planning, EM: Core Business

2. EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

The Services SETA has identified four impact statements linked to eleven outcomes which are in turn connected to outputs and output indicators. Output indicators are directly linked to outcomes indicators. This approach allows the Services SETA to track progress against each outcome indicator and the outcome. Performance against the outcome assists the Services SETA to realise the envisaged impact. The impact is directly linked to the National Skills Development Plan outcomes and the NDP Five-Year Implementation Plan. The NDP Five-Year Implementation Plan is connected to the Medium Term Strategic Framework as explained in the Strategic Plan.

The Services SETA tracks progress against transformational imperatives annually. The particular focus is on unemployed youth, women, people with disabilities and learners from rural areas. To this effect, the Annual Performance contains specific output indicators that measure the organisational performance against these goals.

The section below highlights resources consideration for all outputs. The outputs, outcomes and impact statements are aligned to four programmes in line with the DHET guidelines: Administration, Skills Development and Planning, Learning Programmes and Quality Assurance. The resources sections cover the allocation of resources per programme and outputs.

3. PROGRAMMES RESOURCES CONSIDERATION

3.1. Overview

The Services SETA's primary function is to facilitate skills development by establishing learning programmes such as learnerships, skills programmes, internships, and other strategic learning initiatives. This is done through the disbursement of grants to employers and

training providers. We are also tasked with monitoring the quality of occupation-based training within the services sector scope as delegated by the Quality Council for Trades and Occupations (QCTO).

For the budget considerations, the below critical indicators were the main drivers towards the costing:

- The global outlook's main drivers are the cost of living crisis, tightening financial conditions influenced by the Russia vs Ukraine conflict and the lingering COVID-19 pandemic effects;
- The annual consumer price inflation levels reported by Statistics SA, as of 30 September 2022, was 7.5%, down from 7.6% in August 2022, indicating a negative impact in the 2023-24 financial period;
- The Mid-Term Expenditure Framework for 2023 shared by National Treasury estimated a costing assumption for inflation increase for the 2023-24 financial period to be 4.42%.
- Though the levies revenue levels have been consistent during the 2022-23 financial year, a prudent and moderate increase of 3% was considered in the budget process for the 2023-24 financial period; and
- The possible going concern risk in relation to the Mandatory Grants (MG) refund percentage to levy-paying companies remains; however, the budget is prepared in line with current Grant regulations.

The Estimates of the National Expenditure Budget, which forms an integral part of the Annual Performance Plan, after the Accounting Authority's endorsement is submitted to the Executive Authority, which is the Minister of Higher Education, Science, and Innovation.

In terms of the Grant Regulations, the following table provides a summary of the breakdown of the skills development levy collected by SARS from levy-paying employers and then transferred to the Sector Education and Training Authorities (SETAs). It also indicates the expenditure stream limits. It is important to note that there are continuous engagements between businesses and the government regarding the applicability of some parts of grant regulations, which came into effect on 01 April 2013.

LEVY INCOME / EXPENDITURE	GRANT REGULATIONS LIMITS(Current)	CONTINGENT GRANT REGULATIONS LIMITS
Administration	10.5%	10.5%
Mandatory	20%	50%
Discretionary	49.5%	19.5%
Allocation to SETAs	<u>80%</u>	<u>80%</u>
National Skills Funds	20%	20%
Total	100%	100%

3.2 Request to retain accumulated surplus as at 31 March 2022

According to section 53(3) of the Public Finance Management Act (PFMA), cash surpluses which were earned in the previous financial years may not be retained without obtaining prior written approval of the National Treasury. The Services SETA's accumulated surplus as at 31 March 2022 amounted to R1,352,053,000 which excludes the revaluation surplus of R1, 457,000. Contractual obligations amounted to R2,735,511 will be financed by the accumulated reserves and expected future revenue.

Calculation in terms of Annexure A of the National Treasury Instruction No 12 of 2020/21;

Description	Amount
Cash and cash equivalent	1,515,884,000
Add: Receivables	6,958,000
Less: Current liabilities	(338,021,000)
Surplus/(deficit)	1,184,821,000

The Services SETA is currently over-committed and therefore requests approval to retain the accumulated surplus funds as at 31 March 2022.

3.3. Projected outcome versus original budget for 2022-23

3.3.1. Levies

At the time of preparing the original budget for FY2022/23, the approach for a conservative budget was followed; this was heavily driven by the post-COVID-19 pandemic effect on the economy and skills development levies to be received by SETAs. The actual year-to-date levies received till 30 September 2022 were used to determine expected levies for FY2022-23. On average, the Services SETA received R147 million per month.

	Original budget 2023	Actual YTD September 2022	Proposed outcome 2023	Rand movement	%
Administration income	200,228,162	113,619,811	233,021,820	32,793,658	16%
Mandatory Grants income	381,386,975	216,524,172	443,851,085	62,464,110	16%
Discretionary Grants income	943,932,763	553,064,364	1,098,531,436	154,598,673	16%
Total Skills Levies	1,525,547,899	883,208,347	1,775,404,341	249,856,441	16%

3.3.2. Other income

Cash remains in the Reserve Bank CPD account for longer periods as expenditure incurred per month is lower than levies received. The analysis of learner programme initiatives registers and alignment to the planned commencement of projects by the core business unit is underway to address commencements of projects from 2021-22 into 2022-23 having a low rate of claims on the majority of the learner targets. The actual income received from investment by 30 September 2022 was R36 million; thus, the annual expected investment income is expected to be R59 million resulting in a 197% increase.

3.3.3. Mandatory Grant expenditure

In terms of the Grant Regulations, a portion of levies allocated to SETAs may be disbursed to companies that comply with certain conditions, including submission of WSPs and ATRs by the deadline. The actual claim rate for the first six months of FY2023 amounted to 53%, and this is anticipated to remain stable for the rest of the year as it is based on the 30 April 2022 submission.

It is, therefore, anticipated that the mandatory grants disbursements for the year will amount to R235 million for the year compared to the original budget of R210 million. The steep increase (12%) is driven by the actual levies received being 16% higher than the original budget.

3.3.4. Administrative expenditure

Skills Development Grant Regulations limit the administration costs of SETAs to 10.5% of levies received. The administration costs of the Services SETA are therefore limited to the budgeted levy income of the year.

The overall consideration on expenditure was to reprioritise costs within the original approved total budget of R1.545 billion.

During the 2021-22 financial period, the Services SETA revised its Discretionary Grant policy, effective 01 April 2022, to align with the requirements of the Grant Regulations. The changes were in relation to the limit of 7.5% of DG expenditure being used as support costs. The policy further clarifies that any expense incurred as DG support costs more than the 7.5% limit shall be reallocated to administrative expenditure.

The table below depicts how the change in the DG policy now affects the 10.5% limit test, with an expected excess on the 10.5% limit of R80 million. The Services SETA has made a submission to the department for approval on exceeding the 10.5% limit and will continue to monitor spend against budget and reassess projections.

Admin Income versus Admin Expenditure (10.5% Limit) Test			
	BUDGET	ACTUAL @ 30 Sep 2022	PROJECTED OUTCOME
	FY22/23	FY22/23	FY22/23
REVENUE:	R	R	R
Admin Levy Income	200,228,162	113,619,811	233,021,820
Adjusted Administrative expenditure	- 200,227,989	- 101,935,925	- 230,132,778
Administrative Expenditure	- 202,427,989	- 107,056,181	- 232,832,778
Add back Depreciation	18,000,000	6,904,417	18,000,000
Add Additions	- 15,800,000	- 1,784,161	- 15,300,000
Adjusted Net surplus/(deficit) before excess on 7.5%	173	11,683,886	2,889,042
Expenditure in excess of 7.5%	- 130,879,314	- 52,583,056	- 82,592,275
Adjusted Net surplus/(deficit) after excess on 7.5%	- 130,879,141	- 40,899,170	- 79,703,233

	Budget	Projected Outcome	Movement
	FY 22/23	FY 22/23	FY 22/23
	R	R	
Administrative cost	77,029,252	98,374,041	28%
DG support costs	127,500,000	103,155,211	-19%
Total payroll costs	204,529,252	201,529,252	-2%

Below are items with a change above 10%:

A: Overall increase in budget	The overall increase of R30 Million on administrative expenditure was based on the year-to-date spend patterns that indicated that the annual costs would be above budget levels.
B: Venue Hire, Catering and Refreshments (R425K increase - 77%)	The increased budget is due to the increased face to face engagements post COVID-19 lockdowns.
C: Professional Fees & Consultancy (R5.9 million increase - 31%)	The increase is due to the reallocation of the budget for the organisation's design project from payroll to consultants. The organisational design project is focusing on the optimisation of organisational structures.
D: External Audit fees (R1.5 million Increase - 30%)	The increase is to cater for the audit of commitments opening balances, as the organisation could not clear the qualification during the 2021-22 audit cycle.
E: Internal audit fees (R500K decrease -17%)	The decrease is purely to align with the approved internal audit plan for the financial year 2022-23.

F: Cleaning, repairs, and maintenance (R2 million increase – 33%)	The organisation has several owned properties that require extensive repairs; the increase is to cater for these projects and will overlap into the 2023-24 financial period.
G: Printing and stationery (R2.9 million decrease – 83%)	The storage costs (document management) were reallocated to its own account for better reporting.
H: Operating lease rentals (R200K increase – 20%)	This is due to the increased monthly rental for the Nelspruit office, while awaiting an occupational certificate from the municipality.
I: Office tools (R10K increase – 99.9%)	This is an additional cost brought in as computer equipment ages. Need for small tools to support users, such as laptop chargers and adapters.
J: Storage costs (R2.8 million increase – 99.9%)	This is purely a reallocation from the printing and stationery account; the account is for proper safekeeping and recording of physical and digital information.
K: Recruitment expenses (R50K increase – 99.9%)	This is due to the HR plan to use agents for the appointment of personnel with special needs which is in line with the Services SETA transformation plans.
L: Subscription & membership fees (R620K increase – 99.9%)	The increase is to cater for staff and AA member's subscriptions to professional bodies.
M: Travel and accommodation (R722K increase – 66%)	The increase is to accommodate the rising face-to-face interactions.
N: Staff costs (R21.3 million increase – 28%)	The realignment of payroll costs between Admin and DG support expenditure.

3.3.5. Discretionary Grant

In of the Grant Regulations regarding the 49.5% of levy income allocated to SETAs, any unclaimed mandatory grants, administration surplus, and investment income must be allocated to fund discretionary grants. The projected outcome for total discretionary grants expenditure has slightly reduced from R1.1 billion to R1 billion due to the analysis of the learner programme initiatives register and alignment to the planned commencement of projects by the core business unit. This is considered sufficient to cover all costs associated with the targeted APP achievements for the current year.

3.3.5.1. DG support (R30 million decrease – 15%)

- The main drivers of the reductions are as below:
- Staff cost (R26 million decrease – 21%) - realignment of payroll costs between Admin and DG support expenditure.
- Legal fees (R3 million increase – 25%) - the rationalisation process for over-commitment, which has benefits to the organisation.
- Depreciation (R3 million decrease – 13%) – delayed acquisitions of DG assets.
- DG computer expenses (R4 million decrease – 80%) – delayed initiation of new projects relating to ICT systems to be commenced in FY23 and overlap to FY24.

DG admin expenditure (7.5% Limit) Test			
	BUDGET	ACTUAL @ 30 Sep 2022	PROJECTED OUTCOME
	FY22/23	FY22/23	FY22/23
EXPENDITURE	R		
DG support costs	204,770,000	80,996,906	174,365,211
Less: Depreciation	- 23,000,000	- 8,553,150	- 20,000,000
Add: Capex Additions	35,000,000	-	4,000,000
Adjusted DG support costs	216,770,000	72,443,756	158,365,211
Total DG expenditure	1,133,209,146	273,362,481	1,026,305,819
Less: Depreciation	- 23,000,000	- 8,553,150	- 20,000,000
Add: Capex Additions	35,000,000	-	4,000,000
Adjusted Total DG expenditure	1,145,209,146	264,809,331	1,010,305,819
Adjusted DG support costs	216,770,000	72,443,756	158,365,211
Adjusted DG Direct	928,439,146	192,365,575	851,940,608
Calculation of 7.5% limit	85,890,686	19,860,700	75,772,936
Expenditure in excess of 7.5%	-130,879,314	-52,583,056	-82,592,275

3.3.5.2 DG direct (R76 million decrease)

The movements between line items were to align with the current actual spend, projected spend for the rest of the year and expected implementation of planned commencements. The overall reduction was due to the analysis of learner programmes initiatives register and alignment to the planned commencement of projects by the core business unit.

3.3.6. CAPEX

The reduction in software is because of the prioritisation of projects within the ICT environment aligned with the approved ICT strategy and the delayed procurement process.

CAPITAL EXPENDITURE	Original Budget	Projected outcome Total Cost	Actual		% Change	
			Note	YTD 30 September 2022	Rand Value	%
Building (incl improvements)	-	1,300,000	Replacement of roofs Provincial offices	-	1,300,000	1%
Vehicles		-		-	-	0%
Building Machinery - Cost	800,000	1,500,000	Generators	-	700,000	1%
Office Furniture - Cost	-	500,000	Need: Vacuums - R148500 (9) Fridges - R84000 (9 plus the one already bought for Polokwane) Microwaves- R24000 (4) Urns - R19500	5,700	500,000	100%
Office Equipment - Cost	-	-		-	-	0%
Computer Equipment - Cost	3,000,000	3,500,000	Laptops, Hpe Data Center & Network Equipment Replacement, UPS, Trend Micro Enterprise Information Security Hardware	1,431,261	500,000	17%
Computer Software - Cost	12,000,000	8,500,000	AX upgrade	347,200	(3,500,000)	-29%
DG- Computer equipment - Cost	10,000,000	-	No work is to be done in the current financial year	-	-	-100%
Computer Networks - Cost	-	-		-	-	0%
DG-Software's-Cost	25,000,000	4,000,000	Migration of legacy data and enhancement of LIMS, Integration IMS, Performance management system	-	(21,000,000)	-84%
Capital Expenditure	50,800,000	19,300,000		1,784,161	(21,500,000)	-62%

3.4. 2022-23 Projected outcome versus original budget for 2023-24

3.4.1. Levies

The Services SETA considered the outlook for the 2023-24 financial period to be influenced by the predicted slow economic growth in 2022-23 because companies are still in recovery mode and not planning to recruit more staff members. With such conditions, the assumption of a 3% is based on the expected growth rate per MTEF guidelines minus 1.42% expected transfers and an increase in revenue compared to the 2022-23 financial year.

Revenue	Projected Outcome FY22/23	Budget FY23/24	Projected VS Budget Rand Increase (Decrease)	% Increase- Decrease
Administration income	233,021,820	238,847,365	5,825,546	3%
Mandatory grants income (WSP/ATR)	443,851,086	454,947,363	11,096,277	3%
Discretionary grants income incl interest & penalties	1,098,531,437	1,125,994,723	27,463,286	3%
Total Skills Levies	1,775,404,342	1,819,789,451	44,385,109	3%

3.4.2. Administrative expenditure

The overall increase from 2022/23 to 2023/24 is 2% to cater for adjusted inflation. The overall expenditure increased from R233 million to R237 million, reflecting the efforts to reduce costs such as consulting and the need to comply with the regulations.

In terms of the Grant Regulations, the test for compliance with the 10.5% limitation of administration expenditure should be determined as below. The reason for exceeding the 10.5% limit is due to extensive work required on the provincial offices, critical financial system upgrade and reallocation of excess on the 7.5% DG support costs.

Admin Income versus Admin Expenditure (10.5% Limit) Test		
	PROJECTED OUTCOME	ORIGINAL BUDGET
	FY22/23	FY23/24
REVENUE:	R	R
Admin Levy Income	233,021,820	238,847,365
Adjusted Administrative expenditure	(230,132,778)	(240,304,566)
Administrative Expenditure	(232,832,778)	(240,304,566)
Add back Depreciation	18,000,000	19,000,000
Add Additions	(15,300,000)	(19,000,000)
Adjusted Net surplus/(deficit) before excess on 7.5%	2,889,042	-1,457,200
Expenditure in excess of 7.5%	-82,592,275	-60,626,531
Adjusted Net surplus/(deficit) after excess on 7.5%	-79,703,233	-62,083,731

	Projected Outcome	Budget	Movement
	FY 22/23	FY 23/24	
	R	R	
Administrative cost	98,374,041	103,232,519	5%
DG support costs	103,155,211	104,884,892	2%
Total payroll costs	201,529,252	208,117,411	3%

Items with changes above 10% are below:

A: Professional Fees & Consultancy (R3.6 million decrease - 8%)	The Business Continuity Project and Organisational Design commenced during the 2022-23 financial period and is expected to conclude within the 2023-24 period.
B: Electricity, water, rates & taxes (R500K increase of 10%)	This increase is aligned with municipal increases estimates for annual adjustments.
C: External audit fees (R1.5 million decrease - 23%)	The expectation of auditors completing the audit of opening balance on commitments during the 2022-23 financial period allows for a reduction in audit fees for the 2023-24 period.
D: Insurance charges (R1 million decrease - 33%)	This is due removal of disposed assets, aged assets, and negotiations with the underwrites on insurance premiums
E – Cleaning, repairs, and maintenance (R1 million increase - 15%)	Certain repair projects for all offices will only be deferred from 2022-23 to 2023-24.
F: Printing & stationery (R99K decrease -16%)	The Services SETA is striving to move to the digitisation of documents and reduce manual documents.
G: Operating lease rentals (R128K increase by 11%)	The increase is aligned to with the annual inflation adjustments for equipment rentals in the organisation.
H: Security (R700K Increase 12%)	To cater for annual pricing increases relating to the use of security firms across Services SETA offices.
I: Training and development (R1 million increase - 33%)	The current submissions for bursaries and training needs indicate a need for additional funds for the organisation to support its staff complement.
J: Staff Welfare (R300K decrease - 20%)	The decrease is based on the reduction in the need for COVID screening that used to happen daily at Services SETA premises programs.
K: QCTO (R2 million increase - 20%)	Aligned to the determination made as per the letter from DHET.
L: Recruitment Expense (R100K increase - 99%)	Plans to align to with the transformation plans of the organisation by approaching recruitment agencies for the recruitment of people with special needs and required ethnicity groups.

3.4.3. Discretionary Grant

In terms of the Grant Regulations, 49.5% of levy income is allocated to SETAs, and any unclaimed mandatory grants, administration surplus and investment income must be allocated to fund discretionary grants. The total discretionary grant expenditure budget amounts to R1.4 billion, with a 33% increase from the 2022-23 financial period based on adjustments of targets for the 2023-24 financial period and planned commencement of projects. This comprises Direct Discretionary grants of R1.2 billion and DG support amounting to R178 million.

3.4.4. Discretionary grant support expenditure

Overall, a 2% increase was applied to costs in comparison to the proposed outcome for the 2022-23 period, which is the attributable reduction of professional and consulting fees and an increase in travel and accommodation to support the implementation of APP targets in 2023-24.

DG Admin Expenditure (7.5% Limit) Test		
	PROJECTED OUTCOME	ORIGINAL BUDGET
	FY22/23	FY23/24
EXPENDITURE	R	R
DG support costs	174,365,211	177,534,892
Less: depreciation	(20,000,000)	(20,000,000)
Add: additions	4,000,000	4,000,000
Adjusted DG support costs	158,365,211	161,534,892
Total DG expenditure	1,026,305,819	1,361,444,812
Less: depreciation	(20,000,000)	(20,000,000)
Add: additions	4,000,000	4,000,000
Adjusted total DG expenditure	1,010,305,819	1,345,444,812
Adjusted DG support costs	158,365,211	161,534,892
Adjusted DG direct	851,940,608	1,183,909,920
Calculation of 7.5% limit	75,772,936	100,908,361
Expenditure in excess of 7.5%	-82,592,275	-60,626,531

3.4.4.1 Discretionary Grant direct

The targets set in the APP are driven by the organisation's mandate and its ability to achieve them. An overall 39% increase is expected from the projected outcome of 2022-23 (R852 million) to the budget of 2023-24 (R1.2 billion).

3.4.5. Mandatory Grants

The budget for mandatory grant disbursements has increased to R455 million for 2023-24. The base is the projected revenue and claim rate, which slightly increased from 53% to 60% due to plans to have workshops and capacitation to improve the WSP submission rate within the sector.

3.4.6. CAPEX

CAPITAL EXPENDITURE	Projected Outcome 2022/23	Budget 2023/24	Comment
Building (incl improvements)	1,300,000	-	Server room air-conditioners and fire system deployment
Vehicles		-	
Building Machinery - Cost	1,500,000	3,000,000	2023/24- Procurement, installation and commissioning of generators for provincial offices
Office Furniture - Cost	500,000	2,000,000	Replacement of all old furniture and fittings - purchase of new furniture (HO)
Office Equipment - Cost		-	
Computer Equipment - Cost	3,500,000	4,000,000	Laptops, Hpe Data Center & Network Equipment Replacement, UPS, Trend Micro Enterprise Information Security Hardware
Computer Software - Cost	8,500,000	10,000,000	AX upgrade and Microsoft CRM Implementation
Computer Networks - Cost	-	-	
DG- Computer equipment - Cost	-	-	
DG-Software's-Cost	4,000,000	4,000,000	Migration of legacy data and enhancement of LIMS, Integration IMS, and Performance management system
TOTAL	19,300,000	23,000,000	

3.5. Conclusion

The Services SETA regards that all probabilities that could influence the budget have been considered to the submission being made in relation to the projected

outcome for 2022-23 and the budget for 2023-24. The Services SETA will continue to monitor spend against budget, and should a need arise for amendments; this will be timeously communicated to the department.

3.6. Budget outline

Table 5. Services SETA Medium-Term Expenditure Framework

Services SETA												
Income and Expenditure Estimates for the period 2022/23 - 2026/27												
Income by economic classification	Income outcome				Budget (Original)	Adjusted Appropriation	Medium-term income estimate					
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26	2026/27		
R thousand												
Levies Received	R 1,643,547	R 1,010,643	R 1,621,622	R 1,525,548	R 1,775,404	R 1,819,789	R 1,874,383	R 1,930,614	R 1,988,533			
Levies Received: Administration 10.5%	R 216,021	R 132,628	R 212,841	R 200,228	R 233,022	R 238,847	R 246,012	R 253,393	R 260,995			
Levies Received: Employer Grants 20%	R 411,200	R 253,986	R 405,138	R 381,387	R 443,851	R 454,947	R 468,595	R 482,653	R 497,133			
Levies Received: Discretionary Grants 49.5%	R 1,016,327	R 624,029	R 1,003,643	R 943,933	R 1,098,531	R 1,125,995	R 1,159,775	R 1,194,568	R 1,230,405			
Other Income	R 102,973	R 77,943	R 86,124	R 19,852	R 59,000	R 60,770	R 65,000	R 70,000	R 75,000			
Penalties and Interest on Levies	R 45,594	R 44,491	R 45,405									
Investment Income	R 20,680	R 13,788	R 33,232	R 19,852	R 59,000	R 60,770	R 65,000	R 70,000	R 75,000			
Other Income	R 36,698	R 19,664	R 7,487	R 0	R 0	R 0	R 0	R 0	R 0			
TOTAL INCOME	R 1,746,520	R 1,088,586	R 1,707,746	R 1,545,400	R 1,834,404	R 1,880,559	R 1,939,383	R 2,000,614	R 2,063,533			
All programmes by economic classification												
R thousand	Expenditure outcome				Budget (Original)	Adjusted Appropriation	Medium-term expenditure estimate					
	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26	2026/27		
Administrative expenses	R 215,487	R 144,114	R 180,916	R 200,228	R 230,133	R 241,305	R 239,944	R 243,282	R 251,826			
Compensation of employees	R 65,307	R 60,423	R 87,253	R 77,029	R 98,374	R 103,233	R 106,330	R 109,520	R 112,805			
Goods and services of which:	R 150,180	R 83,691	R 93,663	R 123,199	R 131,759	R 138,072	R 133,614	R 133,763	R 139,020			
Advertising	R 2,460	R 1,943	R 2,838	R 3,000	R 3,000	R 3,000	R 3,090	R 3,183	R 3,278			
Audit Fees	R 6,011	R 4,507	R 8,039	R 8,000	R 9,000	R 7,500	R 7,725	R 7,957	R 8,195			
Communication	R 4,698	R 8,591	R 10,109	R 9,500	R 9,500	R 9,700	R 9,991	R 10,291	R 10,599			
Computer services	R 9,338	R 7,816	R 10,601	R 12,500	R 12,500	R 13,000	R 13,390	R 13,792	R 14,205			
Consultants, contractors and special services	R 29,356	R 17,140	R 15,813	R 21,875	R 28,036	R 25,680	R 26,450	R 27,244	R 28,061			
Governance Fees	R 10,349	R 8,843	R 9,007	R 9,000	R 9,000	R 9,500	R 9,785	R 10,079	R 10,381			
Maintenance repair and running cost	R 23,320	R 16,804	R 20,929	R 25,893	R 26,595	R 27,944	R 28,782	R 29,646	R 30,535			

All programmes by economic classification	Expenditure outcome			Budget (Original)	Adjusted Appropriation	Medium-term expenditure estimate						
	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25	2025/26	2026/27		
R thousand												
Depreciation & Impairment	R 27,313	R 33,502	R 19,746	R 18,000	R 18,000	R 19,000	R 19,570	R 20,157	R 20,762			
Less: Depreciation & Impairment	-R 27,313	-R 33,502	-R 19,746	-R 18,000	-R 18,000	-R 19,000	-R 19,570	-R 20,157	-R 20,762			
Less Capital Expenditure	R 43,434	R 3,602	R 2,854	R 15,800	R 15,300	R 20,000	R 12,000	R 8,500	R 10,000			
Travel and subsistence, and venue hire	R 3,475	R 219	R 772	R 1,650	R 2,797	R 2,730	R 2,812	R 2,896	R 2,983			
Staff training, recruitment, assistance, and welfare	R 3,662	R 2,062	R 3,762	R 4,750	R 4,600	R 5,400	R 5,562	R 5,729	R 5,901			
GCTO	R 10,964	R 11,446	R 7,829	R 10,231	R 10,231	R 12,290	R 12,659	R 13,038	R 13,430			
Rental	R 3,113	R 718	R 1,110	R 1,000	R 1,200	R 1,328	R 1,368	R 1,409	R 1,451			
Mandatory Grants - Transfers and subsidies to:	R 211,914	R 132,342	R 217,483	R 209,763	R 235,241	R 272,968	R 281,157	R 289,592	R 298,280			
Provinces												
Agencies and accounts												
Universities and TVETS												
Public corporations and private enterprises	R 211,914	R 132,342	R 217,483	R 209,763	R 235,241	R 272,968	R 281,157	R 289,592	R 298,280			
Foreign governments and international organisations												
Non-profit institutions												
Households												
Discretionary Grants - Transfers and subsidies to:	R 1,283,981	R 475,345	R 516,739	R 1,133,209	R 1,077,336	R 1,361,445	R 1,391,688	R 1,418,139	R 1,460,533			
Provinces												
Agencies and accounts												
Universities and TVETS												
Public corporations and private enterprises	R 1 283 981	R 475,345	R 516,739	R 1,133,209	R 1,077,336	R 1,361,445	R 1,391,688	R 1,418,139	R 1,460,533			
Foreign governments and international organisations												
Non-profit institutions												
Households												
Total expenditure (Excluding CAPEX)	R 1,711,383	R 751,801	R 915,18	R 1,543,200	R 1,542,710	R 1,875,718	R 1,912,790	R 1,951,013	R 2,010,639			

All programmes by economic classification	Expenditure outcome			Budget (Original)	Adjusted Appropriation	Medium-term expenditure estimate						
	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25	2025/26	2026/27		
R thousand												
Adjusted Net surplus (deficit) - Cash Basis	R 35,138	R 336,785	R 792,608	R 2,200	R 291,694	R 4,841	R 26,593	R 49,601	R 52,894			
Adjusted Net surplus (deficit) - Accrual	R 51,259	R 306,885	R 775,716	R 0	R 291,694	R 5,841	R 19,023	R 61,258	R 63,656			
Payments for capital assets:	2019/20	2020/21	2021/22	2022/23	2022/23	2023/24	2024/25	2025/26	2026/27			
Buildings and other fixed structures	R 8,976	R 671	R 176	R 0	R 1,300	R 0	R 0	R 0	R 0			
Machinery and equipment	R 2,597			R 800	R 2,000	R 5,000	R 2,000	R 1,500	R 1,000			
Computer equipment	R 2,695	R 280	R 825	R 13,000	R 3,500	R 4,000	R 4,000	R 4,000	R 4,000			
Software and other intangible assets	R 29,168	R 2,651	R 1,853	R 12,000	R 8,500	R 10,000	R 6,000	R 3,000	R 5,000			
DG software		R 681	R 0	R 25,000	R 4,000	R 4,000	R 5,000	R 3,000	R 2,000			
Motor vehicle	R 0	R 0	R 0	-	-	-	-	-	-			
Total Capital expenditure	R 43,437	R 4,283	R 2,854	R 50,800	R 19,300	R 23,000	R 17,000	R 11,500	R 12,000			

Note: Services SETA applies the accrual basis of accounting, and assets are written off through depreciation which is a budgeted expense

Expenditure by Programmes	Expenditure outcome			Budget (Original)	Adjusted Appropriation	Medium-term expenditure estimate						
	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25	2025/26	2026/27		
R thousand												
1. Administration	R 199,366	R 174,014	R 197,808	R 202,428	R 232,823	R 240,305	R 247,514	R 254,940	R 262,588			
2. Skills Planning	R 77,419	R 46,474	R 50,320	R 139,600	R 124,600	R 330,821	R 340,746	R 350,968	R 361,497			
3. Learning Programmes	R 1,416,500	R 559,376	R 680,278	R 1,185,812	R 1,170,767	R 1,266,042	R 1,304,023	R 1,343,144	R 1,383,438			
4. Quality Management	R 1,976	R 1,975	R 3,625	R 17,560	R 17,210	R 37,550	R 28,077	R 13,619	R 13,877			
TOTAL	R 1,695,261	R 781,839	R 932,031	R 1,545,400	R 1,545,400	R 1,874,718	R 1,920,360	R 1,962,671	R 2,021,401			

4. KEY RISKS

Table 6. Key Risks and Mitigation Strategies

Outcome	Key Risks	Risk Mitigations
1. Occupational qualifications development and capacitation of Quality Assessment Partners.	<ul style="list-style-type: none"> All qualifications expire in 2023; QCTO grants no extension. 	<ul style="list-style-type: none"> Skills Development needs and gaps are identified through research, WSP submission data, and stakeholder engagements.
	<ul style="list-style-type: none"> Limited budget and capacity enable the development of a few qualifications at a time. 	<ul style="list-style-type: none"> Qualifications to be prioritised for development or realignment are identified and aligned to the PIVOTAL and Hard-to-Fill skills list.
	<ul style="list-style-type: none"> Current Systems (LMIS) not compatible with new occupational qualifications. 	<ul style="list-style-type: none"> Occupational Qualification Development is a focus. To promote efficient, effective processes within the organisation established a Qualification Task Team, consisting of Strategy & Planning as DQP, Core Business as AQP, and Corporate Services for support roles: ICT, Communication, HRM&D and Assurance partners for on-going monitoring.
	<ul style="list-style-type: none"> Lack of control over accreditation of SDPs for new occupational qualifications - QCTO function. 	
	<ul style="list-style-type: none"> Delays in setting up the Assessment Quality Partner to develop a bank of assessment tools due to budget constraints; already developed six qualifications. 	
<ul style="list-style-type: none"> Lack of focus on qualifications to respond the pandemic. 		
2. Inappropriate/ Unauthorised information leads to leaking outside the Protected Disclosure Act and PRECCA, resulting in reputational damage.	<ul style="list-style-type: none"> Inconsistent and Inadequate Information Security 	<ul style="list-style-type: none"> Include the current ethics process as the current control. Investigate all data breach incidents. Quarterly campaigns to communicate policies in the support divisions. Privacy policy and Records Management policy approved. Quarterly training sessions to create awareness of all support division policies and procedures. Trend management is implemented for the movement of documents. Endpoint encryption in place. Continuous awareness and training on Whistle blower facility. Critical data identified by business and dealt with through the information management strategy. Closely monitor traffic on all networks. Utilise encryption. Lock down the network. Endpoint security. Protect hard copies of packs at meetings. Investigate all incidents. M365 Encryption protocols embedded for emails. Monthly reports from the service provider on vulnerabilities and threats.
	<ul style="list-style-type: none"> Lack of classification of documents. 	<ul style="list-style-type: none"> Physical network encryption that is currently in place is the MPLS encryption control provided by Vodacom.
3. Inability to implement APP targets due to BUSA case outcome impacting financial stability.	<ul style="list-style-type: none"> Current grants regulation has been set aside due to the BUSA case.. 	<ul style="list-style-type: none"> Prioritising expenditure, critically needed expenditure. Cash in the bank is optimised. Monthly and bi-monthly pay runs. MG refunds quarterly. Monitor improvement of reserves from year-to-year financial year (CEO comment).

Outcome	Key Risks	Risk Mitigations
4. Non-delivery of value to our Stakeholders (levy paying), leading to disgruntled stakeholders, which prevents the organisation from proceeding with the implementation of our Discretionary Grants, commitments increase and increase in ISTs and damage to our reputation.	<ul style="list-style-type: none"> DG policy is too generic. Our allocation process is flawed; non-levy payers get large allocations as opposed to levy payers - having workplaces and getting smaller allocations. Our practices and business processes should be aligned, and stakeholders lose trust in us. 	<ul style="list-style-type: none"> Focus on the top 20 levy-paying members and form strategic partnerships and alignment. Mapping of commitments, budgets and APP targets and alignment to the current skills needs of the sector. Adjustment period locked in for allowable corrections on allocations to entities to free up funds quickly. Balance implementation of pre-enrolments and creating opportunities for new DG allocations. Alignment in place with ERRP and scarce and hard-to-fill skills.

5. DISTRICT DEVELOPMENT MODEL

Areas of intervention	Project description	Five-year planning period			
		District Municipality	Location: GPS coordinates	Project leader	Social partners
Skills Development	Various learning interventions	Amathole District Municipality - EC	32.5842° S, 27.3616° E	Multiple	Multiple
Skills Development	Various learning interventions	Buffalo City Metropolitan Municipality - EC	32.9344° S, 27.6435° E	Multiple	Multiple
Skills Development	Various learning interventions	Chris Hani District Municipality - EC	31.8743° S, 26.7968° E	Multiple	Multiple
Skills Development	Various learning interventions	OR Tambo District Municipality - EC	31.4632° S, 29.2321° E	Multiple	Multiple
Skills Development	Various learning interventions	Lejweleputswa District Municipality - FS	28.3991° S, 26.2305° E	Multiple	Multiple
Skills Development	Various learning interventions	Mangaung Metropolitan Municipality - FS	29.1303° S, 26.2358° E	Multiple	Multiple
Skills Development	Various learning interventions	Thabo Mofutsanyana District Municipality - FS	28.1270° S, 28.2994° E	Multiple	Multiple
Skills Development	Various learning interventions	City of Johannesburg Metropolitan Municipality - GP	26.1704° S, 27.9718° E	Multiple	Multiple
Skills Development	Various learning interventions	City of Ekurhuleni Metropolitan Municipality - GP	26.1777° S, 28.3462° E	Multiple	Multiple

Five-year planning period					
Areas of intervention	Project description	District Municipality	Location: GPS coordinates	Project leader	Social partners
Skills Development	Various learning interventions	City of Tshwane Metropolitan Municipality - GP	25.6051° S, 28.3929° E	Multiple	Multiple
Skills Development	Various learning interventions	Sedibeng District Municipality - GP	26.6833° S, 28.2059° E	Multiple	Multiple
Skills Development	Various learning interventions	Amajuba District Municipality - GP	27.8036° S, 30.0665° E	Multiple	Multiple
Skills Development	Various learning interventions	eThekweni Metropolitan Municipality - KZN	29.8120° S, 30.8039° E	Multiple	Multiple
Skills Development	Various learning interventions	iLembe District Municipality - KZN	29.3830° S, 31.1710° E	Multiple	Multiple
Skills Development	Various learning interventions	King Cetshwayo District Municipality	28.6192° S, 31.5370° E	Multiple	Multiple
Skills Development	Various learning interventions	Ugu District Municipality - KZN	30.6218° S, 30.2513° E	Multiple	Multiple
Skills Development	Various learning interventions	uMgungundlovu District Municipality - KZN	29.5101° S, 30.3436° E	Multiple	Multiple
Skills Development	Various learning interventions	uMzinyathi District Municipality - KZN	28.5152° S, 30.6200° E	Multiple	Multiple
Skills Development	Various learning interventions	uThukela District Municipality - KZN	28.6783° S, 29.6035° E	Multiple	Multiple
Skills Development	Various learning interventions	Zululand District Municipality - KZN	27.8872° S, 31.4456° E	Multiple	Multiple
Skills Development	Various learning interventions	Capricorn District Municipality - LP	23.6123° S, 29.2321° E	Multiple	Multiple
Skills Development	Various learning interventions	Mopani District Municipality - LP	23.3089° S, 30.7160° E	Multiple	Multiple
Skills Development	Various learning interventions	Vhembe District Municipality - LP	22.7696° S, 29.9741° E	Multiple	Multiple
Skills Development	Various learning interventions	Waterberg District Municipality - LP	23.9748° S, 28.2994° E	Multiple	Multiple
Skills Development	Various learning interventions	Ehlanzeni District Municipality - MP	25.3946° S, 31.2626° E	Multiple	Multiple
Skills Development	Various learning interventions	Gert Sibande District Municipality - MP	26.5471° S, 29.9741° E	Multiple	Multiple
Skills Development	Various learning interventions	Nkangala District Municipality - MP	25.9460° S, 29.6035° E	Multiple	Multiple
Skills Development	Various learning interventions	Sedibeng District Municipality - MP	26.6833° S, 28.2059° E	Multiple	Multiple

Five-year planning period					
Areas of intervention	Project description	District Municipality	Location: GPS coordinates	Project leader	Social partners
Skills Development	Various learning interventions	Dr Kenneth Kaunda District Municipality - NW	26.8618° S, 26.5138° E	Multiple	Multiple
Skills Development	Various learning interventions	Frances Baard District Municipality - NC	28.4251° S, 24.3341° E	Multiple	Multiple
Skills Development	Various learning interventions	Cape Winelands District Municipality - WC	33.4221° S, 19.7592° E	Multiple	Multiple
Skills Development	Various learning interventions	City of Cape Town Metropolitan Municipality - WC	33.9143° S, 18.5701° E	Multiple	Multiple
Skills Development	Various learning interventions	Garden Route District Municipality - WC	33.7042° S, 22.0476° E	Multiple	Multiple

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Annexure A
**Technical Indicator
Descriptions**


Official Sign-off

It is hereby certified that the Services SETA:

- Technical Indicators Descriptions of the Annual Performance Plan (APP) 2023/24, approved by the Minister of Higher Education, Science, and Innovation, aimed to improve definitions, methods of assessments and means of verification to ensure measurable and reliable performance information.

Ms Mamabele Motla

Executive Manager: Strategy & Planning

Signature: 

Date: 29 November 2022

Mr Menzi Fakude

Chief Executive Officer

Signature: 

Date: 29 November 2022

Mr Stephen De Vries

Chairperson: Accounting Authority

Signature: 

Date: 29 November 2022

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Programme 1: Administration

OUTPUT 1: ENHANCED ORGANISATIONAL CAPABILITIES TO DELIVER THE STRATEGY (NSDP)

SUB-PROGRAMME 1.1: FINANCE

COMPONENTS	DESCRIPTIONS
Indicator title	1.1.1 No material findings on financial statements and performance Information.
Definition	<p>This indicator refers to the Services SETA's compliance with its approved financial policies and practices, including applicable legislations, its ability to continually improve and reinforce compliance and its ability to plan and report measurable and reliable performance. The outcome of the indicator is to be measured in line with the audit's outcome on the quality of the Annual Financial Statements and Annual Performance Report. The audit outcome of the prior financial year is reported in July of the following financial year in line with Public Finance Management Act 1 of 1999 (PFMA) requirements.</p> <p>"Outcome of audit" refers to the Auditor General South Africa (AGSA) concluding that the Services SETA's financial statements and annual performance report are free from material misstatements (in other words, a clean audit opinion) and comply with applicable legislation.</p> <p>"Misstatements" refer to incorrect or omitted information in the financial statements and annual performance report.</p> <p>"Performance Information" refers to information relating to organisational targets for a given year as contained in the Annual Performance Plan.</p>
Source of data	AGSA audit report supported by Services SETA's Annual Financial Statements and Annual Performance Report.
Method of calculation/ Assessment	Outcome of the audit (The audit outcome of the prior financial year is reported by the AGSA in July of the following financial year in line with Public Finance Management Act 1 of 1999 (PFMA) requirements.
Means of verification	Audit Report by AGSA.
Assumptions	<ul style="list-style-type: none"> • There is a solid adherence to PFMA and financial regulations at the Services SETA; and • There is adherence to National Treasury and DPME reporting requirements for performance information.
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Calculation type	Non-Cumulative.
Reporting cycle	Annually
Desired performance	Unqualified
Indicator responsibility	Chief Financial Officer Executive Manager: Strategy & Planning

SUB-PROGRAMME 1.2: HUMAN RESOURCES MANAGEMENT AND DEVELOPMENT

COMPONENTS	DESCRIPTIONS
Indicator title	1.2.1. Percentage occupancy maintained.
Definition	<p>Percentage of filled positions in the organisation relative to the total number of approved funded positions in the organisational organogram.</p> <p>The Services SETA uses the data from this indicator:</p> <ul style="list-style-type: none"> • to measure the level of filled positions against the approved funded organogram; and • as an output measure in calculating the efficiency and effectiveness of the Services SETA.
Source of data	<ul style="list-style-type: none"> • The Services SETA Organogram serves as a base source for all approved and funded positions; and • Placement report for filled positions.
Method of calculation	Total Number of Filled Funded Positions / Total Number of Funded Positions per the Organogram *100.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Approved organogram; and • HR Placement Report.
Assumptions	<p>Unapproved organogram.</p> <p>Lack of clarity regarding funded and unfunded positions on the organogram.</p>
Disaggregation of beneficiaries	<ul style="list-style-type: none"> • Women – 70% • People with disability – 3%
Spatial Transformation	N/A
Calculation Type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	70%
Indicator responsibility	Executive Manager: Corporate Services.

COMPONENTS	DESCRIPTIONS
Indicator title	1.2.2. Percentage of Personal Development Plans implemented.
Definition	<p>The indicator is a skills development indicator related to implementing a process to ensure the Services SETA has a unique set of skills and abilities to take forward its mandate efficiently and effectively.</p> <p>“Personal Development Plans” refers to individual professional development plans completed by staff members approved by Heads of Departments at the Services SETA.</p>
Source of data	Sage (HR) database containing staff PDPs.
Method of calculation	The number of personal development plans implemented is divided by the total number of personal development plans multiplied by one hundred.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Approved personal development plans; and • Approved HR report on the implementation of the personal development plan.
Assumptions	All staff members submit personal development plans and are interested in attending training for personal development.
Disaggregation of beneficiaries	<ul style="list-style-type: none"> • General staff; • Administrators; • Officers; • Senior officers; • Managers; • Senior Managers; and • Executive Managers.
Spatial Transformation	N/A
Calculation Type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	75%
Indicator responsibility	Executive Manager: Corporate Services.

SUB-PROGRAMME 1.3: INFORMATION AND COMMUNICATION TECHNOLOGY

COMPONENTS	DESCRIPTIONS
Indicator title	1.3.1. Percentage achievement against the prioritised ICT implementation plan.
Definition	<p>This indicator tests the Services SETA's ability to strengthen the Services SETA capability to provide ICT services in an integrated, efficient, and innovative enabling environment leading to improved organisational efficiency and performance.</p> <p>"ICT Plans" refers to ICT programmes/projects planned for implementation as approved by ICT Steering Committee.</p> <p>"Implementation" measures the project's performance per project plan milestones/ deliverables.</p>
Source of data	List of plans/projects from the Information and Communication Technology Department as approved by the ICT Steering Committee.
Method of Calculation	The number of implemented approved ICT plans / the total number of approved ICT implementation plans * 100.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Approved ICT implementation plans; • Projects plan with specific milestones/deliverables and timelines; and • ICT Reports on the implemented milestones/deliverables.
Assumptions	Availability of budget and fit-for-purpose service providers to implement ICT plans/ projects as approved by the ICT Steering Committee.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Cumulative.
Reporting cycle	Quarterly.
Desired Performance	75%
Indicator Responsibility	Executive Manager: Corporate Services.

SUB-PROGRAMME 1.4: MARKETING AND COMMUNICATIONS

COMPONENTS	DESCRIPTIONS
Indicator title	1.4.1. Number of stakeholder engagements.
Definition	<p>This indicator measures the quality of support provided to key subsector stakeholders through capacity development, information sharing, and technical support. The indicator also measures consultation with stakeholders on any policy and process development that will improve the SETA's service delivery to its subsector stakeholders.</p> <p>“Stakeholders”: levy paying and non-levy paying employers that do business within the scope of the Services SETA in terms of the Skills Development Act, 1998 (act no. 97 of 1998); training providers doing business in the services sector; government departments within the scope of the Services SETA; Associations, Professional Bodies, Community of Expert Practitioners; as well as Trade Unions, CBOs and NGO's that are active in the services sector, and others.</p> <p>“Engagements”: Consultation meetings and workshops; information sharing sessions; guidance or technical support sessions; training and/or capacity building workshops held with stakeholders: national and provincial where information about the Services SETA programmes, offerings, opportunities for partnerships are shared, leading to increased awareness by stakeholders and therefore enhance their participation and/or input in the Services SETA's programmes, respond to the Services SETA's requests for participation across the functions of the Services SETA.</p>
Source of data	List of stakeholder engagements held.
Method of calculation	The performance would be calculated by a simple count of the number of Stakeholder Engagements held by the Services SETA within a financial year.
Means of verification/ Assessment	<ul style="list-style-type: none"> • List/schedule of activities (workshops, roadshows, capacity building session); • Agenda / Presentation / Report; and • Attendance records (Manually/electronically produced).
Assumptions	Services SETA has sufficient funds to pay for stakeholder engagement-related costs.
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	160
Indicator responsibility	Office of the CEO Office of the CFO Executive Manager: Core Business Executive Manager: Corporate Services Executive Manager: Strategy & Planning Executive Manager: Strategic Partnership & Collaboration

SUB-PROGRAMME 1.5: ORGANISATIONAL COMPLIANCE

COMPONENTS	DESCRIPTIONS
Indicator title	1.5.1. Percentage of audit and compliance action plans actioned.
Definition	<p>This indicator refers to the extent to which the Services SETA complies with the audit and compliance action plans to ensure good governance and a clean audit.</p> <p>“Percentage of audit and compliance action plans”: refers to the proportion of the number of audit and compliance action plans implemented by the Services SETA in line with the audit reports and applicable laws and regulations.</p> <p>“Audit Action plans” refers to remedial action plans developed by Management to address internal and external auditors’ findings systematically. Responsible managers must demonstrate that actions have been taken to resolve audit findings.</p> <p>“Status of Action”: based on the activities that have been put in place to mitigate the audit findings and the progress thereof.</p>
Source of data	Audit and compliance action plans.
Method of Calculation	The number of audit and compliance action plans actioned / the total number of audit and compliance action plans developed * 100.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Annual compliance plan; and • Audit tracker.
Assumptions	There is a strong culture of compliance within the organisation.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Non-Cumulative.
Reporting cycle	Quarterly.
Desired Performance	100%
Indicator Responsibility	Organisational Compliance Office of the CEO

SUB-PROGRAMME 1.6: ENTERPRISE-WIDE RISK MANAGEMENT

COMPONENTS	DESCRIPTIONS
Indicator title	1.6.1. Percentage of risk action plans actioned.
Definition	<p>This indicator tests the ability of the Services SETA to proactively identify risks and develop and implement solutions to mitigate the impact of these risks.</p> <p>“Risk action plans” refers to the Services SETA mitigation plan developed and interacted with to manage risks.</p> <p>“Action plans actioned”: the process of executing risk mitigation actions as outlined in the action plans. Risk mitigation progress monitors the continuous process of tracking all identified risks, identifying new threats, and evaluating risk process effectiveness throughout the organisation’s programmes.</p>
Source data	List of risk action plans.
Method of Calculation	The number of risk action plans actioned / the total number of risk action plans developed * 100.
Means of verification/ Assessment	Register of Services SETA action plans – tasks progress against the risk.
Assumptions	The approved risk register is in place and is monitored quarterly.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Non-Cumulative.
Reporting cycle	Quarterly.
Desired Performance	100%
Indicator Responsibility	Enterprise Risk Management Office of the CEO

SUB-PROGRAMME 1.7: BOARD SECRETARIAT

COMPONENTS	DESCRIPTIONS
Indicator title	1.7.1. Quarterly Good Governance report.
Definition	This indicator refers to a quarterly report prepared by the Board Secretariat on the activities of the Board to promote good governance as defined in King IV. “ Good governance report ” refers to a quarterly report issued by the Board Secretariat and submitted to DHET.
Data source	Reports from the Board Secretariat.
Method of Calculation	A simple count of the number of reports submitted quarterly.
Means of verification/ Assessment	Services SETA Quarterly Good Governance reports.
Assumptions	The Services SETA Accounting Authority meets as per the calendar schedule.
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	4
Indicator responsibility	Board Secretariat Office of the CEO

Programme 2: Skills Planning

OUTCOME 2: ENHANCED MECHANISM FOR EFFECTIVE SKILLS PLANNING THROUGH COLLABORATIVE RESEARCH AND PARTNERSHIPS

SUB-PROGRAMME 2.1: PLANNING, MONITORING AND REPORTING

COMPONENTS	DESCRIPTIONS
Indicator title	2.1.1. Evidence-based SSP, SP and APP.
Definition	<p>This indicator measures the Services SETA's ability continuously monitor and conduct outcome/impact evaluations of its learning interventions and forward recommendations to decision-makers for quality improvements.</p> <p>"SSP" refers to a comprehensive document outlining the skills demand and supply factors resulting in the skills gaps in a sector.</p> <p>"SP": refers to a legislated document used to communicate the organisation's goals over five years and the actions needed to achieve those goals.</p> <p>"APP" refers to a legislated document outlining the performance indicators and targets the institution will seek to achieve within a financial year.</p> <p>"Evidence-based": refers to approved planning documents – by the Executive Authority –based on consultation with the Services SETA management and Accounting Authority and are informed by research.</p>
Data source	Letter of approval for SSP, SP and APP from DHET.
Method of Calculation	Approved SSP, SP and APP.
Means of verification/ Assessment	Letter of approval from DHET.
Assumptions	Management and the Accounting Authority members can attend planning sessions.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Non-cumulative.
Reporting cycle	Annually.
Desired Performance	Approved SSP, SP and APP.
Indicator Responsibility	Executive Manager: Strategy & Planning

SUB-PROGRAMME 2.2: RESEARCH AND IMPACT EVALUATION

COMPONENTS	DESCRIPTIONS
Indicator title	2.2.1. Number of sector research agreements signed for TVET growth occupationally directed programmes.
Definition	<p>Research agreements refer to an agreement between the Services SETA and one or more Private Research Providers or TVET/CET Colleges or Universities to jointly conduct research to inform TVET occupationally directed programmes.</p> <p>“Occupationally directed programmes” are learning programmes or qualifications that consist of three learning elements: (i) theory, (ii) practical and (iii) workplace learning, and are offered at TVET Colleges.</p> <p>“Growth” is defined as the improvement in the capacity of TVET colleges to offer occupationally directed programmes.</p>
Data source	List of Sector Research Agreements.
Method of Calculation	A simple count of research agreements informing TVET Colleges occupationally directed programmes.
Means of verification/ Assessment	<ul style="list-style-type: none"> • MOA between the Services SETA and identified entities to conduct research to inform TVET growth occupationally directed programmes; and • Concept Note with an implementation plan.
Assumptions	TVET Colleges have the capacity and interest to embark on research in occupationally directed qualifications.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Cumulative.
Reporting cycle	Quarterly.
Desired Performance	3
Indicator Responsibility	Executive Manager: Strategy & Planning

COMPONENTS	DESCRIPTIONS
Indicator title	2.2.2. Number of learners who completed workplace-based learning programmes absorbed into employment or self-employment.
Definition	This indicator measures the impact of the Services SETA learning interventions on unemployed beneficiaries after completing a learning intervention at the Services SETA within the past years by tracing their employment status through research. These include: <ul style="list-style-type: none"> • Internships; • Skills Programme; • Bursaries; • Learnerships; and • Artisans.
Data source	A tracer study report/s,
Method of calculation	A sample-based calculation, used as the methodology of the Learner Tracer study, identifies the number of unemployed learners who found employment or self-employment upon completing a learning intervention funded by the Services SETA.
Means of verification/ Assessment	The number of learners assessed as to have found employment or self-employment as contained in the learner tracer study report.
Assumptions	The prevailing economic conditions make it difficult for new entrants to enter the labour market, as evidenced by the high graduate unemployment rate.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Non-cumulative.
Reporting cycle	Annually.
Desired Performance	500
Indicator Responsibility	Executive Manager: Strategy & Planning

COMPONENTS	DESCRIPTIONS
Indicator title	2.2.3. Percentage of discretionary grants allocated at developing different skills levels.
Definition	<p>This indicator measures the extent to which the Services SETA allocates funding for elementary, intermediate, and higher levels. The NSDP places greater emphasis on higher levels of training to promote transformation and stimulate economic growth.</p> <p>“Elementary skills level” refers to NQF levels 1-3 as defined by SAQA.</p> <p>“Intermediate skills level” refers to NQF levels 4-6 as defined by SAQA.</p> <p>“Higher skills level” refers to NQF levels 7-10 as defined by SAQA.</p>
Data source	Listing of learner intervention commenced for the financial year.
Method of Calculation	<ul style="list-style-type: none"> • The total amount allocated on learning interventions per level of elementary skills / the amount allocated to learning programmes *100; • The total amount allocated on learning interventions per level of intermediate skills/ the amount allocated on learning programmes multiplied by one hundred; and • The total amount allocated on learning interventions per level of higher skills/ the amount allocated on learning programmes multiplied by one hundred.
Means of Verification/ Assessment	Analysis Report of learning interventions implemented.
Assumptions	The Services SETA has sufficient qualifications at a higher level and accredited training providers to train at a higher level.
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Non-cumulative.
Reporting cycle	Annually.
Desired Performance	<p>Higher level – 20%</p> <p>Intermediate level – 30%</p> <p>Elementary – 50%</p>
Indicator Responsibility	<p>Executive Manager: Core Business</p> <p>Executive Manager: Strategic Partnership and Collaborations</p> <p>Executive Manager: Strategy & Planning</p>

SUB-PROGRAMME 2.3: MANDATORY GRANT

COMPONENTS	DESCRIPTIONS
Indicator title	2.3.1. Number of WSPs and ATRs approved.
Definition	<p>This indicator refers to the total number of approved Workplace Skills Plans (WSPs) and Annual Training Reports (ATRs) submitted by employers.</p> <p>“Employers” includes levy-paying and non-levy-paying employers.</p> <p>“Levy paying employers”: Employers with a SIC code demarcated under the scope of the Services SETA paying the 1% skills levy legislated by the SDLA to the Services SETA through SARS.</p> <p>“Non-Levy paying employers”: employers exempted from contributing SDL as per the SDA and SDLA.</p> <p>Classification of disaggregation</p> <p>“Small employer”: Employers with 0 to 49 employees.</p> <p>“Medium employer”: Employers with 50 to 249 employees.</p> <p>“Large employer”: Employers with 250 employees and above.</p> <p>“Workplace Skills Plan (WSP)”: is a legislated template in terms of the SDA regulation allowing employers to provide statistical data on the range of skills development interventions planned to address those needs.</p> <p>“Annual Training Report (ATR)”: is a legislated template in terms of the SDA regulation allowing employers to provide statistical data on the range of skills development interventions implemented in the current skills year.</p> <p>“Approved”: The submission meets the requirements in the SETA Grants Regulations, 2012 and Mandatory Grant policy. Levy Paying Employers will be reimbursed, and non-levy paying employers cannot be reimbursed, but both categories qualify for approval if minimum requirements are met.</p>
Data source	A list of employers that submitted WSPs/ATRs and were approved.
Method of calculation	The sum of submitted WSPs/ATRs and approved within the reporting period.
Means of verification/ Assessment	The WSP/ATR applications approved by SSETA.
Assumptions	The act provides an incentive for employers to invest in skills development. Employers submit their applications to recover funds invested in skills development. Their eligibility to claim will thus incentivise their submission. The more complex the requirement, the lower the likelihood that small employers would submit.
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Non-cumulative.
Reporting cycle	Quarterly.

COMPONENTS	DESCRIPTIONS
Desired performance	<ul style="list-style-type: none">• Small – 2563• Medium – 792• Large – 574
Indicator responsibility	Executive Manager: Core Business

COMPONENTS	DESCRIPTIONS
Indicator title	2.3.2. Number of SETA-Employer partnerships established.
Definition	<p>This indicator refers to employers partnered with the Services SETA for skills development.</p> <p>“Partnership” is a collaboration between two or more parties to achieve the specified outcomes towards addressing mutual and inclusive skills priorities or objectives as guided by the NSDP. For instance, the Services SETA can provide funding; partner organisations provide the resources, sites, and learning and training to achieve its aims. Entities may include employer companies, associations, professional bodies, unions, training providers, SOEs/Government departments, or institutions of higher learning. The Services SETA and entities can also jointly fund the intervention. There can also be partnerships without monetary attachments, administered through a Memorandum of Understanding/Agreement (MoU/MoA)/ Implementation Plan with non-financial objectives and interventions.</p>
Data source	List of SETA-employer partnerships
Method of calculation	A simple count of unique (counted once) employers that have formed a partnership with the Services SETA
Means of verification/ Assessment	Memorandum of Understanding/ Memorandum of Agreement/Letters of award/ Offer Letters/Implementation Plan.
Assumptions	Employers are willing and able to form a partnership with the Services SETA
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly
Desired performance	570
Indicator responsibility	<p>Executive Manager: Core Business</p> <p>Executive Manager: Strategic Partnerships and Collaboration</p> <p>Executive Manager: Strategy and Planning</p>

SUB-PROGRAMME 2.4: STRATEGIC PARTNERSHIPS

COMPONENTS	DESCRIPTIONS
Indicator title	2.4.1. Number of Career Development Practitioners trained.
Definition	<p>This indicator refers to the number of career development practitioners in schools, TVET Colleges and CET Colleges and/or any civil-based organisations trained by the Services SETA-funded interventions on career development. The qualification obtained by the practitioner will either be a credit-bearing or non-credit-bearing short course.</p> <p>“Career Development Practitioners” refers to practitioners that provide services that help people manage their careers, make occupational and study decisions, plan career transitions and find career information.</p> <p>“Credit-bearing short course” is a type of short learning programme for which credits, concerning the course’s contribution to a unit standard and/or part qualification, are awarded.</p> <p>“Non-credit bearing short course” is a type of short learning programme for which no credits are awarded concerning unit standards or qualifications depending on the purpose and or assessments of the programme.</p>
Data source	List of career practitioners trained.
Method of calculation	A simple count of the number of career practitioners trained as a result of Services SETA intervention.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Learner enrolment form/ Learner Agreement; • Certified ID copy; • Practitioner’s proof of employment; • Signed POPI declaration; and • Commencement Letters.
Assumptions	Participants are willing to participate in the programme.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Cumulative.
Reporting cycle	Quarterly.
Desired Performance	40
Indicator Responsibility	Executive Manager: Strategic Partnership and Collaboration.

COMPONENTS	DESCRIPTIONS
Indicator title	2.4.2. Number of Career Development Events in rural/urban areas on occupations in high demand.
Definition	<p>This indicator measures the number of career guidance events supported/initiated by the Services SETA provincial offices in urban and rural areas to promote sector qualifications and provide career and vocational guidance.</p> <p>“Number of career development events”: the number of career guidance expos or exhibitions or any structured sessions where information on career and vocational guidance is shared with learners, educators, parents and/or other role-players who may assist in transmitting the same to learners. Career guidance events can either be initiated/supported by Services SETA.</p> <p>“Career exhibition” refers to information about careers and vocations in the services sector, training opportunities and minimum requirements in the form of qualifications, subjects studied or any form of support about jobs and learning programmes in the sector.</p>
Data source	List of career development sessions held.
Method of calculation	A simple count of the number of career development events hosted/supported in urban and rural areas.
Means of verification/ Assessment	<ul style="list-style-type: none"> • List of career development events hosted/supported; • Attendance records (manually/electronically produced); and/or • Event reports – hosted/initiated events.
Assumptions	<ul style="list-style-type: none"> • There is sufficient money in the Services SETA to cover costs related to career events; and • The Services SETA will receive invites to support other exhibitors during their career exhibition sessions.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	<ul style="list-style-type: none"> • Urban – 8 • Rural – 10
Indicator responsibility	Executive Manager: Corporate Services

COMPONENTS	DESCRIPTIONS
Indicator title	2.4.3. Number of capacity-building workshops on Career Development Services initiated.
Definition	<p>This indicator refers to workshops conducted to raise awareness of career development services offered at the Service SETA and throughout the Post Education and Training System.</p> <p>“Career Development Services” are programs and services that help individuals explore and sort out questions related to employability, direction, skills development, personal development, progression, and making a difference. Such services are provided in many different settings.</p> <p>“Capacity Building Workshops” refer to training workshops to equip individuals or participants with an interest in participating within the skills development landscape with the necessary skills.</p>
Data source	List of workshops initiated/supported.
Method of calculation	A simple count of the number of workshops conducted.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Invite to workshops; • Attendance records (manually/electronically processed); and/or • Event Report.
Assumptions	Participants are willing to attend career development workshops.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	20
Indicator responsibility	Executive Manager: Strategic Partnership and Collaboration

COMPONENTS	DESCRIPTIONS
Indicator title	2.4.4. Number of Universities/TVET/CET Colleges partnerships established.
Definition	<p>The indicator refers to the total number of partnerships established through formal agreements between Services SETA and higher learning institutes to realise specified common skills development objectives within a financial year.</p> <p>“Partnerships” A partnership is defined as a collaboration between two or more parties to achieve the specified outcomes towards addressing mutual and inclusive skills priorities or objectives as guided by the NSDP. For instance, the Services SETA can provide funding; partner organisations provide the resources, sites, and learning and training to achieve its aims. Entities may include employer companies, associations, professional bodies, unions, training providers, SOEs/Government departments, or institutions of higher learning. The Services SETA and entities can also jointly fund the interventions. There can also be partnerships without monetary attachments, administered through a memorandum of understanding/agreement (MoU/MoA) with non-financial objectives and interventions..</p> <p>“TVET” means public Technical, Vocational, Education and Training colleges – previously referred to as public institutions of Further Education and Training (FET).</p> <p>“CET” means Community Education and Training Colleges.</p> <p>“Universities” means Public and Private Universities.</p>
Data source	List of partnerships entered into.
Method of calculation	A simple count of the number of partnerships established with Universities, TVET Colleges and CET.
Means of verification/ Assessment	Memorandum of Agreement/Learning Programme Commencement Letter/ Skills Development Provider Award Letter / Capacitation letter or report.
Assumptions	HEIs, TVET Colleges and CETs are willing to partner with the Services SETA, and there are enough funds to support such partnerships.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	<ul style="list-style-type: none"> • TVETs Colleges – 7 • Universities/HEIs– 3 • CETs – 4
Indicator responsibility	Executive Manager: Strategic Partnership and Collaboration.

COMPONENTS	DESCRIPTIONS
Indicator title	2.4.5. Number of SETA offices established and maintained in TVET Colleges.
Definition	<p>This indicator refers to the number of offices or satellite offices that the Services SETA has established at any of the 57 TVET Colleges to promote access to its offerings and services.</p> <p>“Established” refers to the physical structure secured for the Services SETA at the TVET College.</p> <p>“Maintained” refers to a Services SETA contribution to the upkeep and functionality of the offices at the TVET College in the form of refurbishment or provision of equipment of ICT infrastructure.</p>
Data source	Database generated by Corporate Services Department.
Method of calculation	A simple count of the number of offices established at any of the 57 TVET Colleges in South Africa.
Means of verification/ Assessment	A list of the number of offices established at TVET Colleges.
Assumptions	TVET Colleges are willing to host Services SETA staff and have space available.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation Type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	1
Indicator responsibility	Executive Manager: Corporate Services

COMPONENTS	DESCRIPTIONS
Indicator title	2.4.6. Number of Federations /Trade Unions supported through the relevant skills training interventions.
Definition	<p>This indicator refers to the number of trade unions and federations supported by the Services SETA through credit-bearing or non-credit-bearing skills development learning programmes and/or capacitation learning interventions.</p> <p>“Trade unions” refers to an organised association of workers in trade, groups of trades, professions, or specific sectors formed to protect and further their rights and interests.</p> <p>“Federation” is an umbrella body of national trade unions organised in specific industry sectors or occupational groups.</p> <p>“Credit-bearing short course” is a short learning programme for which credits, the course’s contribution to a unit standard and/or part qualification, are awarded.</p> <p>“Non-credit bearing short course” is a short learning programme for which no credits are awarded to unit standards or qualifications, depending on the purpose and assessments of the programme.</p>
Data source	List of trade unions and federations supported.
Method of calculation	A simple count of the number of trade unions and federations supported.
Means of verification/ Assessment	<ul style="list-style-type: none"> • List of trade unions and federations supported; and • Learning Programmes Commencement Letter/ Worker Initiated Intervention Report / Workshop Report / Bursary funding confirmation letter.
Assumptions	Trade unions and Federations are willing to participate in Services SETA programmes.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	5
Indicator responsibility	Executive Manager: Strategic Partnership and Collaboration

Programme 3: Learning Programmes

OUTPUT 3: PROMOTE ACCESS TO TECHNICAL AND PROFESSIONAL SKILLS FOR EMPLOYMENT AND ENTREPRENEURSHIP ACROSS THE SERVICE SECTOR

SUB-PROGRAMME 3.1: ECD

COMPONENTS	DESCRIPTIONS
Indicator title	3.1.1. Number of enterprises funded for skills that enhance the growth/ development/sustainability of their organisation's activities
Definition	<p>The indicator refers to the total number of cooperatives, SMMEs, CBOs/NGOs / NPOs supported with training by Services SETA, as prescribed by the DHET SLA requirements.</p> <p>“Cooperatives”, as defined in the Cooperatives Act, 2005, as amended in 2013, means an autonomous association of persons united voluntarily to meet their common economic, social, or cultural needs and aspirations through a jointly owned and democratically controlled enterprise organised and operated on cooperative principles.</p> <p>“SMME” refers to employers/ companies employing less than 50 people.</p> <p>“Community-Based Organisations (CBOs)” are Non-profit Organisations made up of members from a local community that take ownership of developing their community and the livelihoods of local residents through realising the full potential of community assets. The nature of entities includes Voluntary Associations, Non-profit Companies (NPCs) or Trusts. Some even register as Social Enterprises (for-profit). Faith-based CBOs are called Faith Based Organisations (FBOs).</p> <p>“Non-governmental Organisations (NGOs)”: A non-governmental organisation is an organisation that is generally formed independently of the government. They are typically non-profit entities, and many are active in humanitarianism or the social sciences. They can also include clubs and associations that provide services to their members and others.</p> <p>Non-Profit Organisations (NPOs)” A non-profit organisation, also known as a non- business entity, not-for-profit organisation, or non-profit institution, is a legal entity organised and operated for a collective, public or social benefit, in contrast with an entity that operates as a business aiming to generate a profit for its owners</p> <p>“Training” means learning and acquiring skills or behaviours to do a particular task or activity.</p>
Data source	Cooperatives, SMMEs, and CBOs/ NGOs/ NPOs register and attend a training workshop or applied one-on-one/ group learning opportunity hosted by the Services SETA.
Method of calculation	A simple count of the number of Cooperatives, SMMEs and CBOs/ NGOs/ NPOs supported with training.

COMPONENTS	DESCRIPTIONS
Means of verification/ Assessment	<ul style="list-style-type: none"> • Application Form / Registration Form; • CIPC (Companies and Intellectual Property Commission) Certificate of Registration of Cooperative/Company and or verification via the CIPS CIPC eServices Enterprise Search Tool – Biz Portal; • Department of Social Development (DSD) certificate of registration of NPOs or Master of High Court Certificate; • Proof of membership or employment or voluntary; and • Attendance records.
Assumptions	Cooperatives, SMMES and CBOs/ NGOs/ NPOs require training and have the means to be able to access opportunities offered by the Services SETA.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly
Desired performance	<ul style="list-style-type: none"> • Cooperatives – 300 • SMMES – 300 • CBOs/ NGOs/ NPOs / NPC – 100
Indicator responsibility	Executive Manager: Strategic Partnership and Collaboration

COMPONENTS	DESCRIPTIONS
Indicator title	3.1.2. Number of enterprises trained on the sector and national priority occupations or skills.
Definition	<p>This indicator refers to the number of enterprises trained in the sector and national priority occupations or skills. The indicator measures training on prioritised occupations or skills provided to established or emergent cooperatives and small and emerging enterprises.</p> <p>“Established cooperatives” means cooperative established as per Cooperatives Act, 2005, as amended in 2013; it means an autonomous association of persons united voluntarily to meet their common economic, social, or cultural needs and aspirations through a jointly owned and democratically controlled enterprise organised and operated on cooperative principles.</p> <p>“Emergent cooperatives” means cooperatives still at the start stage and therefore require assistance.</p> <p>“Small Enterprise” refers to enterprises or companies that employ less than 50 people.</p> <p>“Emerging Enterprise” refers to enterprises or companies still at startup and require assistance.</p> <p>“Priority occupations or skills” refers to the sector or national occupations or skills identified by the Services SETA through research.</p>
Data source	Enterprises that register and attend a training workshop or applied one-on-one/group learning opportunities hosted by the Services SETA.
Method of calculation	List of enterprises trained in the sector and national priority occupations or skills.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Application Form / Registration Form; • CIPC (Companies and Intellectual Property Commission) Certificate of Registration of Company and or verification via the CIPS CIPC eServices Enterprise Search Tool – Biz Portal; • Proof of membership or employment; and • Attendance records.
Assumptions	There is a budget to train these enterprises.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	Established or emergent cooperatives – 30 Small and emerging enterprises – 30
Indicator responsibility	Executive Manager: Strategic Partnership and Collaboration

COMPONENTS	DESCRIPTIONS
Indicator title	3.1.3. Number of people trained on entrepreneurship supported to start their business.
Definition	<p>This indicator measures SSETA's contribution to entrepreneurship development to support the growth of the SME sector in South Africa.</p> <p>“Entrepreneurship” training is entrepreneurship still at the start stage and therefore requires assistance.</p> <p>“Entrepreneurial skills” combine various technical, managerial, and personal skills. The nature of training can be a short skills programme and/or medium-term qualification. The training intervention can be credit-bearing or non-credit bearing.</p> <p>“Trained” means the process of learning and acquiring skills or behaviour to do a particular task or activity.</p>
Data source	People that register and attend a training workshop or applied one-on-one/ group learning opportunity hosted by the Services SETA.
Method of calculation	A simple count of the number of people trained. Beneficiaries that complete more than one unit of learning in a financial year are aligned to more than one entrepreneurial skill or behaviour as learning outcomes.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Application Form / Registration Form / Learner Agreement; • Attendance Register/Record; and • Certified ID copy.
Assumptions	People require training and have the means to be able to access opportunities offered by the Services SETA.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	200
Indicator responsibility	Executive Manager: Strategic Partnership and Collaboration.

SUB-PROGRAMME 3.2: STRATEGIC PARTNERSHIP

COMPONENTS	DESCRIPTIONS
Indicator title	3.2.1. Number of Centres of Specialisation supported.
Definition	<p>This indicator refers to projects aimed at strengthening the Department of Higher Education and Training with the implementation of apprentices on the new Occupational Trade Qualifications supported by SETAs. In addition, the programme aims to address shortages in the trades and skills areas identified as priorities for national development.</p> <p>“Centres of Specialisation (CoS)” refers to the technical, vocational education and training (TVET) colleges in partnership to deliver the programme.</p> <p>“Supported” aims to measure the funding or capacitation opportunities made available for the TVET College to implement/deliver artisanal training for identified occupational trades.</p>
Data source	List of centres of specialisation supported.
Method of calculation	Centre of Specialisation supported.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Offer Letter; and • MoA/General funding agreement between the Services SETA and the TVET College (COS).
Assumptions	Services SETA has sufficient funds to support Centres of Specialisation.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	4
Indicator responsibility	Executive Manager: Strategic Partnership and Collaboration

COMPONENTS	DESCRIPTIONS
Indicator title	3.2.2. Number of TVET Lecturers exposed to the industry through Skills Programmes.
Definition	<p>This indicator refers to the number of TVET lecturers that have been exposed to the services industry and entered skills programmes/short courses funded by the Services SETA through the Discretionary Grants.</p> <p>“Exposure to industry” refers to organised visits to TVET college lecturers to specific industries or secondment to industry to learn about the industry in which they lecture.</p> <p>“Credit-bearing short course” is a type of short learning programme for which credits the course’s contribution to a unit standard and/or part qualification is awarded.</p> <p>“Non-credit bearing short course” is a type of short learning programme for which no credits are awarded to unit standards or qualifications depending on the purpose and or assessments of the programme.</p>
Data source	List of lectures supported.
Method of calculation	A simple count of TVET lecturers exposed to the industry.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Learner enrolments form/ Learner Agreement; • Certified ID copy; • Proof of employment by TVET; • Signed POPI declaration; and • Commencement letter.
Assumptions	TVET lecturers can take time off their regular duties to get exposed to the industry, and industry employers cooperate fully with the Services SETA and TVET Colleges’ Management.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation Type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	50
Indicator responsibility	Executive Manager: Strategic Partnership and Collaboration

COMPONENTS	DESCRIPTIONS
Indicator title	3.2.3. Number of Managers receiving training on curriculum-related studies – TVET.
Definition	<p>This indicator refers to the TVET College Managers' or Specialists or person/s in a managerial level who have been trained in developing the curriculum, especially for occupationally directed programmes.</p> <p>“Training in curriculum-related studies” refers to TVET College Managers or Specialists or person/s in a managerial level undergoing training to develop a curriculum.</p> <p>“Credit-bearing short course” is a type of short learning programme for which credits to the course's contribution to a unit standard and/or part qualification are awarded.</p> <p>“Non-credit bearing short course” is a type of short learning programme for which no credits are awarded to unit standards or qualifications depending on the purpose and or assessments of the programme.</p> <p>“Training” means learning and acquiring skills or behaviours to do a particular task or activity.</p>
Data source	List of TVET College Managers or Specialists or person/s in a managerial level that were trained
Method of calculation	A simple count of TVET Managers or Specialists or person/s in a managerial level who have received training
Means of verification/ Assessment	<ul style="list-style-type: none"> • Learner enrolments form/ Learner Agreement; • Certified ID copy; • Proof of employment by TVET; • Signed POPI declaration; and • Commencement letter.
Assumptions	The Services SETA has a curriculum development programme and can implement this training
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly
Desired performance	5
Indicator responsibility	Executive Manager: Strategic Partnership and Collaboration

COMPONENTS	DESCRIPTIONS
Indicator title	3.2.4. Number of TVET colleges Lecturers awarded Bursaries.
Definition	This indicator refers to bursaries awarded to TVET College lecturers to further their studies in the bursaries programme within a financial year.
Data source	List of TVET colleges lectures awarded bursaries.
Method of calculation	A simple count of TVET lecturers awarded bursaries by the Services SETA.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Bursary Agreement Form; • Proof of registration from HEI; • Certified ID copy; • Proof of employment by TVET college; and • Signed POPI declaration.
Assumptions	TVET lecturers are interested in pursuing further studies.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	50
Indicator responsibility	Executive Manager: Strategic Partnership and Collaboration

COMPONENTS	DESCRIPTIONS
Indicator title	3.2.5. TVET colleges infrastructure development (equipment/workshops).
Definition	<p>This indicator refers to the support provided to TVET Colleges in the form of offering equipment/ renovation of buildings or construction of workshops as agreed to between the Services SETA and a concerned college.</p> <p>“Equipment” refers to tools required by the respective college to implement skills development interventions.</p> <p>“Workshop” can be defined as a space/room/infrastructure constructed/ renovated for the TVET learners to practice their technical modules.</p>
Data source	List of TVET colleges that were supported with equipment/workshop.
Method of calculation	A simple count of colleges supported with equipment/ renovation of buildings or construction of workshops.
Means of verification/ Assessment	<p>Equipment</p> <ul style="list-style-type: none"> • Memorandum of Agreement / Offer Letter. <p>Workshop (depending on the phase/predetermined performance of the project)</p> <ul style="list-style-type: none"> • General Funding Agreement; • Bill of Quantities Drawings; • Offer letter to a construction service provider and Signed SLA between a service provider and Services SETA; • Program of construction works report; • Completion Certificate; • Project final account; and • Signed Operationalisation MOA.
Assumptions	The Services SETA has sufficient funds to support TVET Colleges with equipment/ renovations or workshops.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	2
Indicator responsibility	Executive Manager: Strategic Partnership and Collaboration

COMPONENTS	DESCRIPTIONS
Indicator title	3.2.6. Number of CET Lecturers awarded skills development Programmes.
Definition	<p>This indicator refers to skills development funding awarded to CET College lecturers entered for skills programmes/short courses funded by the Services SETA through the Discretionary Grants.</p> <p>“Skills Development Programmes” can be defined as programmes that are conducted to improve productivity in the workplace and the competitiveness of CETs.</p> <p>“Credit-bearing short course” is a type of short learning programme for which credits to the course's contribution to a unit standard and/or part qualification are awarded.</p> <p>“Non-credit bearing short course” is a type of short learning programme for which no credits are awarded to unit standards or qualifications depending on the purpose and or assessments of the programme.</p>
Data source	List of CET colleges lectures awarded the skills development programme.
Method of calculation	A simple count of CET lecturers who participated in skills development programmes by the Services SETA.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Learner enrollment form/ Learner Agreement; • Certified ID copy; • Proof of employment signed POPI declaration; and • Commencement letter.
Assumptions	CET lecturers are willing and able to participate in skills programmes.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	20
Indicator responsibility	Executive Manager: Strategic Partnership and Collaboration

COMPONENTS	DESCRIPTIONS
Indicator title	3.2.7. CET colleges infrastructure development support (equipment/ workshops/ Connectivity/ ICT).
Definition	<p>This indicator refers to the support provided to CETs in the form of giving equipment/ workshops/ connectivity/ ICT as agreed to between the Services SETA and a concerned college.</p> <p>“Equipment” refers to tools required by the respective college to implement skills development interventions.</p> <p>“Workshop” can be defined as a renovated/constructed space/room at TVET designated for learners to practice their technical modules.</p> <p>“Connectivity/ICT” refers to Technology infrastructure or connectivity support provided to the CET College.</p>
Data source	List of CET Colleges supported with infrastructure development.
Method of calculation	A simple count of CET colleges supported with the equipment/ workshops/ connectivity/ICT.
Means of verification/ Assessment	<p>Equipment/ICT/Connectivity</p> <ul style="list-style-type: none"> • Memorandum of Agreement/ Offer Letter; and • Proof of Delivery/Service provided/Job Card. <p>Workshop (depending on the phase/predetermined performance of the project)</p> <ul style="list-style-type: none"> • General Funding Agreement; • Bill of Quantities Drawings; • Offer letter to a construction service provider and Signed SLA between a service provider and Services SETA; • Program of construction works report; • Completion Certificate; • Project final account; and • Signed Operationalisation MOA.
Assumptions	The Services SETA has sufficient funds to support CETs with equipment/ renovations or workshops.
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	1
Indicator responsibility	Executive Manager: Strategic Partnership and Collaboration

COMPONENTS	DESCRIPTIONS
Indicator title	3.2.8. Number of CET college Managers receiving training on curriculum-related studies.
Definition	<p>This indicator refers to managers or Specialists or person/s in a managerial level of CET Colleges who have received training on curriculum development facilitated or funded by the Services SETA within a financial year.</p> <p>“Credit-bearing short course” is a type of short learning programme for which credits to the course’s contribution to a unit standard and/or part qualification are awarded.</p> <p>“Non-credit bearing short course” is a type of short learning programme for which no credits are awarded to unit standards or qualifications depending on the purpose and or assessments of the programme.</p> <p>“Training in curriculum-related studies” refers to CET Managers or Specialists or person/s in a managerial level undergoing training related to the CETs curriculum.</p>
Data source	List of CET Colleges managers or Specialists or person/s in a managerial level entered for training.
Method of calculation	A simple count of CET College managers or Specialists or person/s in a managerial level who have received training on curriculum development within a financial year.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Learner enrollment form/ Learner Agreement; • Certified ID copy; • Proof of employment by CET; • Signed POPI declaration; and • Commencement letter.
Assumptions	CET College managers are interested in participating in this training, and the Services SETA has sufficient funds.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	5
Indicator responsibility	Executive Manager: Strategic Partnership and Collaboration

COMPONENTS	DESCRIPTIONS
Indicator title	3.2.9. Number of CET learners accessing AET programmes.
Definition	<p>The indicator refers to the total number of learners based at CETs and entered on Services SETA-funded AET programmes within the financial year.</p> <p>“CET learners” refers to learners based at the CET upon receipt of funding from the Services SETA.</p> <p>“AET programmes” refers to learning and training undertaken by adults, including formal and non-formal learning, for improving knowledge and skills, for personal development, further learning and/or employment.</p> <p>“SETA-funded programmes” refers to learning interventions funded by the Services SETA through the Discretionary Grants Funds.</p>
Data source	List of CET learners accessing the AET programme.
Method of calculation	A simple count of learners that entered AET learning interventions, as reported on SETMIS.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Completed Learner Agreement Forms; • Certified ID copies; • Signed POPI Declaration; • Proof of registration to the CET; and • Commencement letter.
Assumptions	There is sufficient funding to award study grants for AET learners based at CETs.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation Type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	20
Indicator responsibility	Executive Manager: Strategic Partnership and Collaboration

COMPONENTS	DESCRIPTIONS
Indicator title	3.2.10. Number of rural development projects initiated.
Definition	<p>This indicator refers to projects that address the backlog of services to remote areas of South Africa to meet the transformation imperatives of the Government.</p> <p>“Rural area” is a geographic area that is located outside towns and cities.</p> <p>“Rural Development” is a process of improving the quality of life and economic well-being of people living in rural areas.</p> <p>“Development projects” are various training interventions or venture that address identified needs in specific provinces, often relatively isolated and sparsely populated areas.</p>
Data source	List of rural development projects implemented.
Method of calculation	A simple count of the number of rural development projects Implemented.
Means of verification/ Assessment	Learning programme Commencement Letter / Confirmation letter / Learning interventions implementation report of the rural development.
Assumptions	Services SETA has sufficient funds to implement rural development projects
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly
Desired performance	10
Indicator responsibility	Executive Manager: Strategic Partnership and Collaboration

SUB-PROGRAMME 3.3: LEARNING PROGRAMMES

COMPONENTS	DESCRIPTIONS
Indicator title	3.3.1. Number of employer-funded learners Entered.
Definition	<p>The indicator refers to learners entered into learning programmes that the employer funds.</p> <p>“Employer-Funded” Employers with SIC code demarcated under the scope of the Services SETA, who fund Workplace Based Learning Programmes.</p> <p>“Learners” refers to the learner party to a Workplace Based Learning Programme Agreement.</p> <p>“Workplace Based Learning Programme” means a learning programme through which a person internalises knowledge, skills and competencies and gains insights through exposure to a workplace by achieving specific outcomes to enhance employability. It includes learnerships, internships, apprenticeships, candidacies, and any other learning programme comprising a structured work experience component.</p> <p>“Learnerships” refers to a learning programme that consists of a structured theoretical component and practical workplace experiential learning of a specific nature over 12 months and leads to an occupationally related qualification registered on the NQF.</p> <p>“Candidacy programmes” refers to compulsory learning and training undertaken by graduates to achieve professional designation by a professional body/ association through structured workplace experience.</p> <p>“Apprenticeship” refers to a structured artisan learning program in occupations listed as a trade-in Gazette 35625.</p> <p>“Unemployed Learners Internships” refers to students from Technical and Vocational Education Training (TVET) Colleges with Vocational-related qualifications and Nated certificates below level 6 and students from Universities including the colleges students not requiring Work Integrated Learning to complete their qualifications; and are placed for an internship programme to attain the workplace-based learning experience for 12 months.</p> <p>“Universities Student Placements” refers to students who graduated from a Higher Education and Training Institution Universities and are requiring Work Integrated Learning for 12 months to complete their qualifications placed in workplaces.</p> <p>“TVET Student Placements” refers to students who have already completed the N6 National Certificate and require Work Integrated Learning for 18 months workplace to complete their National N Diploma qualifications placed in workplaces.</p>
Data source	Compiled list of employer-funded learners entered.

Method of calculation	The sum of employer-funded learners entered within the applicable reporting period.
COMPONENTS	DESCRIPTIONS
Means of verification/ Assessment	<ul style="list-style-type: none"> • Workplace Based Learning Programme Agreement; • Certified ID copies of learners; • Certified copies of the highest qualification; • Proof of employment (employed learners); or • Learner employment contract (unemployed learners); • Signed POPI declaration; • Proof of Disability (if applicable); and • Confirmation of Learner Registration.
Assumptions	The Tax Rebates provide an adequate incentive for employers to fund and recover skills development costs. Employers score points on their BBBEE scorecard for the enrolment of learners on registered learning programmes, further incentivising funding skills development. Youth Employment Incentive Scheme.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	610
Indicator responsibility	Executive Manager: Core Business

COMPONENTS	DESCRIPTIONS
Indicator title	3.3.2. Number of learners enrolled in learnership programmes.
Definition	<p>The indicator refers to workers and unemployed learners enrolled into a learnership funded by the Services SETA through Discretionary Grants.</p> <p>“Workers” Refers to a learner who works for an employer and receives or is entitled to remuneration for conducting the employer’s business when enrolling on the Learning Programme.</p> <p>“Unemployed learners” Refers to a learner who was not employed at the time of enrolling on the Learning Programme.</p> <p>“Learnerships”: refers to a learning programme which consists of a structured theoretical component and practical workplace experiential learning of a specific nature over a duration of 12 months and leads to an occupationally related qualification registered on the NQF.</p> <p>“Enrolled” means the enrolment of learners on a learning programme post verifying requisite employer and learner documentation.</p>
Data source	Compiled list of employed and unemployed learnerships entered funded by Services SETA following The Sector Education and Training Management Information System (SETMIS) requirements.
Method of calculation	<ul style="list-style-type: none"> • The sum of workers Services SETA-funded learners enrolled within the applicable reporting period; and • The sum of unemployed Services SETA-funded learners enrolled within the applicable reporting period.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Workplace-Based Learning Programme Agreement/ Learner Enrolment Form; • Certified ID copies of learners; • Certified copies of the highest qualification; • Proof of employment (workers); • Learner employment contract (unemployed learners); • Signed POPI Declaration; • Proof of Disability (if applicable); and • Commencement Letter.
Assumptions	<ul style="list-style-type: none"> • Services SETA receives adequate applications in response to Discretionary Grant advertisements. Applicants have the necessary capacity to recruit and implement the learning programmes.
Disaggregation of beneficiaries	<ul style="list-style-type: none"> • Women, 60% • Youth, 80% • For people with disability, 3% • Rural, 26%
Spatial transformation	<ul style="list-style-type: none"> • N/A
Calculation Type	<ul style="list-style-type: none"> • Cumulative.
Reporting cycle	<ul style="list-style-type: none"> • Quarterly.
Desired performanc	<ul style="list-style-type: none"> • Unemployed – 6,600 • Workers – 1,200
Indicator responsibility	<ul style="list-style-type: none"> • Executive Manager: Core Business

COMPONENTS	DESCRIPTIONS
Indicator title	3.3.3. Number of learners who completed learnerships programmes.
Definition	<p>The indicator refers to employed and unemployed learners successfully completing a learnership funded by the Services SETA through the Discretionary Grants.</p> <p>“Workers” Refers to a learner who works for an employer and receives or is entitled to remuneration for conducting the employer’s business when enrolling on the Learning Programme.</p> <p>“Unemployed learners” Refers to a learner who was not employed at the time of enrolling on the Learning Programme.</p> <p>“Learnerships” refers to a learning programme which consists of a structured theoretical component and practical workplace experiential learning of a specific nature over a duration of 12 months and leads to an occupationally related qualification registered on the NQF.</p> <p>Completion means successfully reaching all desired results/passed all unit standards, learner regarded as competent and exits with a full qualification. Completion means successfully reaching all desired results/passed all unit standards; the learner is regarded as competent through the quality assurance process and exits with a full qualification.</p> <p>Completion Date means the date printed on the Certificates/Statement of Results (SoR).</p>
Data source	<ul style="list-style-type: none"> • Compiled list of workers and unemployed learnership completions funded by Services SETA following The Sector Education and Training; and • Management Information System (SETMIS) requirements.
Method of calculation	<ul style="list-style-type: none"> • The sum of workers Services SETA-funded learner completions within the applicable reporting period; and • The sum of unemployed Services SETA-funded learner completions within the applicable reporting period.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Copy of Certificates/Statement of Results; and • Certified ID Copy.
Assumptions	<p>For workers, 10% of Services SETA-funded learners entered will terminate during the course and scope of implementation, and 65% will successfully complete a course. For unemployed learners, 25% of Services SETA-funded learners enrolled will terminate during the course and scope of implementation, and 60% will successfully complete a course.</p>
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly
Desired performance	<ul style="list-style-type: none"> • Unemployed – 2,177 • Worker – 595
Indicator responsibility	Executive Manager: Core Business

COMPONENTS	DESCRIPTIONS
Indicator title	3.3.4. Number of learners granted bursaries.
Definition	<p>The indicator refers to the total number of workers and unemployed learners entered on Services SETA-funded bursary programmes within the financial year.</p> <p>“Workers” refers to a learner who is employed at the time of contracting into bursary granted by the Services SETA.</p> <p>“Unemployed learners” refers to those not employed at the time of contracting into bursary granted by the Services SETA.</p> <p>“Bursaries” is a grant awarded to learners enrolled for part or full qualifications registered on the NQF.</p> <p>“Entered” refers to bursars funded by the Services SETA (i) for the first time (new) and (ii) those who have been funded in the previous year and are continuing to further their studies as continuing students.</p>
Data source	<ul style="list-style-type: none"> List of learners that were supported with bursaries funded by the Services SETA.
Method of calculation	<ul style="list-style-type: none"> A simple count of workers granted bursaries as reported on SETMIS; and A simple count of unemployed learners granted bursaries, as reported on SETMIS
Means of verification/ Assessment	<p>New entered: Workers</p> <ul style="list-style-type: none"> Bursary Agreement Form/Bursary Registration Form; Proof of registration/Fee Statement; Certified ID Copy; and Proof of employment. <p>New entered: Unemployed</p> <ul style="list-style-type: none"> Bursary Agreement Form/Bursary Registration Form; Proof of registration/Fee Statement; Certified ID copy; and Affidavit. <p>Continuing: Workers and Unemployed</p> <ul style="list-style-type: none"> Prior academic year results; Current academic year proof of registration/Fee Statement; and Confirmation letter from Services SETA listing the approved learners to the institutions confirming continuing funding.
Assumptions	There is a sufficient number of learners in the services sector-related qualifications seeking funding at TVET, Colleges and Universities.
Disaggregation of beneficiaries	<ul style="list-style-type: none"> Women, 60% Youth, 80% People with disability, 3% Rural, 26%

COMPONENTS	DESCRIPTIONS
Spatial transformation	N/A
Calculation Type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	<ul style="list-style-type: none"> • Unemployed New – 800 • Unemployed Continuing – 400 • Worker New – 300 • Worker Continuing – 0
Indicator responsibility	Executive Manager: Strategic Partnership and Collaboration

COMPONENTS	DESCRIPTIONS
Indicator title	3.3.5. Number of learners granted Bursaries completed their studies.
Definition	<p>The indicator refers to the total number of workers and unemployed learners completing the learning intervention at the end of Services SETA-funded programmes within the financial year.</p> <p>“Bursary” is a grant awarded to learners enrolled for part or full qualifications registered on the NQF.</p> <p>“Workers” refers to a learner who is employed at the time of contracting into bursary granted by the Services SETA.</p> <p>“Unemployed learners” refers to those not employed at the time of contracting into bursary granted by the Services SETA.</p> <p>“Completed” means that the student has passed all modules registered in the specific academic year.</p>
Data source	List of learners that were supported with bursary funding generated by the Bursaries Department.
Method of calculation	<p>A simple count of the total number of workers who have completed their bursary-funded learning programmes, as reported on SETMIS.</p> <p>A simple count of the total number of unemployed learners who have completed their bursary-funded learning programmes, as reported on SETMIS.</p>
Means of verification/ Assessment	<ul style="list-style-type: none"> • Statements of results; and • Certified ID copy.
Assumptions	Learners pass their respective years of study
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation Type	Cumulative
Reporting cycle	Quarter
Desired performance	<ul style="list-style-type: none"> • Unemployed – 82 • Worker – 410
Indicator responsibility	Executive Manager: Strategic Partnership and Collaboration

COMPONENTS	DESCRIPTIONS
Indicator title	3.3.6. Number of Internships Enrolled.
Definition	<p>The indicator refers to unemployed learners who entered an internship funded by the Service SETA through Discretionary Grants.</p> <p>“Internship” refers to a learning programme which consists of a structured work experience component of learning of a specific nature over a specified duration.</p> <p>“Unemployed Learners Internships” refers to students from Technical and Vocational Education Training (TVET) Colleges with Vocational-related qualifications and Nated certificates below level 6 and students from Universities including the colleges students not requiring Work Integrated Learning to complete their qualifications; and are placed for an internship programme to attain the workplace-based learning experience for 12 months.</p> <p>“Universities Student Placements” refers to students who graduated from a Higher Education and Training Institution Universities and are requiring Work Integrated Learning for 12 months to complete their qualifications placed in workplaces.</p> <p>“TVET Student Placements” refers to students who have already completed the N6 National Certificate and require Work Integrated Learning for 18 months in a workplace to complete their National N Diploma qualifications placed in workplaces.</p> <p>“CET Internships” refers to students who completed their studies and require Work Integrated Learning for 12 months and are placed in workplaces at the CET college.</p>
Data source	Compiled list of internships enrolled funded by Services SETA following the Sector Education and Training Management Information System (SETMIS) requirements.
Method of calculation	<ul style="list-style-type: none"> • The sum of Services SETA funded Universities Students requiring work integrated learning to complete their qualifications placed in workplace enrolled within the applicable reporting period; • The sum of Services SETA funded TVET Students requiring work integrated learning to complete their qualifications placed in workplaces within the applicable reporting period • The sum of Services SETA funded Unemployed Internships entered within the relevant reporting period. • The sum of Services SETA funded CET Internships entered within the relevant reporting period.

Means of verification/ Assessment	<ul style="list-style-type: none"> • Workplace-Based Learning Programme Agreement; • Certified ID copies; • Certified copies of the highest qualifications attained; • Learner employment contract; • Signed POPI declaration; • Proof of Disability (if applicable); and • Commencement Letter.
COMPONENTS	DESCRIPTIONS
Assumptions	Services SETA receives adequate applications in response to Discretionary Grant advertisements. Applicants have the necessary capacity to recruit and implement the learning programmes.
Disaggregation of beneficiaries	<ul style="list-style-type: none"> • Women, 60% • Youth, 80% • Rural, 26% • People with disability, 3%
Spatial transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly.
Desired performance	<ul style="list-style-type: none"> • Unemployed Learners – 500 • TVET students requiring Work Integrated Learning – 1,000 • Universities students requiring work integrated learning – 200 • CET Internships – 100
Indicator responsibility	Executive Manager: Core Business

COMPONENTS	DESCRIPTIONS
Indicator title	3.3.7. Number of Internships Completed.
Definition	<p>The indicator refers to unemployed learners who successfully complete an internship funded by the Service SETA through the Discretionary Grants.</p> <p>“Internship” refers to a learning programme which consists of a structured work experience component of learning of a specific nature over a specified duration.</p> <p>“Unemployed Learners Internships” refers to students from Technical and Vocational Education Training (TVET) Colleges with Vocational-related qualifications and Nated certificates below level 6 and students from Universities including the colleges students not requiring Work Integrated Learning to complete their qualifications; and are placed for an internship programme to attain the workplace-based learning experience for 12 months.</p> <p>“Universities Student Placements” refers to students who graduated from a Higher Education and Training Institution Universities and are requiring Work Integrated Learning for 12 months to complete their qualifications placed in workplaces.</p> <p>“TVET Student Placements” refers to students who have already completed the N6 National Certificate and require Work Integrated Learning for 18 months in a workplace to complete their National N Diploma qualifications placed in workplaces.</p> <p>“Completed” means learners that have completed the entire duration of the work experience.</p> <p>“Completion Date” means the date that the Services SETA verifies and approves the closure report from the employer.</p>
Data source	Compiled list of internship completions funded by Services SETA following the Skills Education and Training Management Information System (SETMIS) requirements.
Method of calculation	<ul style="list-style-type: none"> • The sum of Services SETA funded number of university students completed their Work Integrated Learning placements within the applicable reporting period. • The sum of Services SETA funded number of TVET students completed their work integrated learning placements within the applicable reporting period entered within the applicable reporting period. • The sum of Services SETA funded number of unemployed learners completed Internship within the relevant reporting period.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Approved Closure Report with a list of learners; and • Certified ID copy.
Assumptions	<ul style="list-style-type: none"> • For Universities Student Placement, 25% of Services SETA funded learners entered will terminate during the course and scope of implementation; • For TVET Student Placements, 25% of Services SETA-funded learners; entered will terminate during the course and scope of implementation; and • For Unemployed Learners, 30% of Services SETA funded learners entered will terminate during the period and scope of implementation. • For CET internship 25% of Services SETA funded learners entered will terminate during the course and scope of implementation; • For CET Internship 25% of Services SETA funded learners entered will terminate during the course and scope of implementation;

COMPONENTS	DESCRIPTIONS
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation Type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	<ul style="list-style-type: none"> • Unemployed Learners – 244 • TVET students requiring Work Integrated Learning – 243 • Universities students requiring Work Integrated Learning– 207 • CET Internship - 0
Indicator responsibility	Executive Manager: Core Business

COMPONENTS	DESCRIPTIONS
Indicator title	3.3.8. Number of learners enrolled for Skills Programmes.
Definition	<p>The indicator refers to workers and unemployed learners entered for skills programmes funded by the Services SETA through the Discretionary Grants.</p> <p>“Workers” Refers to a learner who works for an employer and receives or is entitled to receive remuneration for conducting the employer’s business at the time of enrolling on the Learning Programme.</p> <p>“Unemployed learners” Refers to a learner who was not employed at the time of enrolling on the Learning Programme.</p> <p>“Skills programmes” refer to an occupationally based, short-term learning programme. When successfully completed, it constitutes credits towards a qualification registered on the NQF. The Skills Programme comprises a cluster of unit standards where the total number of credits can range between 25 and 60.</p> <p>“Enrolled” means the enrolment of learners on a learning programme post verifying requisite employer and learner documentation.</p>
Data source	Compiled list of workers and unemployed skills programmes enrolled, funded by Services SETA following The Sector Education and Training Management Information System (SETMIS) requirements.
Method of calculation	<ul style="list-style-type: none"> • The sum of workers Services SETA funded skills programme enrolled within the applicable reporting period • The sum of unemployed Services SETA funded skills programme enrolled within the applicable reporting period
Means of verification/ Assessment	<ul style="list-style-type: none"> • Learner Enrollment Forms; • Certified ID copies of learners; • Proof of employment – Workers; • Affidavit – Unemployed; • Signed POPI declaration; • Commencement Letter;
Assumptions	Services SETA receives adequate applications in response to Discretionary Grant advertisements, and applicants have the necessary capacity to recruit and implement the learning programmes.
Disaggregation of beneficiaries	<ul style="list-style-type: none"> • Women, 70% • Youth, 60% • For people with disability, 3% • Rural, 26%
Spatial transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	<ul style="list-style-type: none"> • Unemployed – 1,300 • Worker – 2,800
Indicator responsibility	Executive Manager: Core Business

COMPONENTS	DESCRIPTIONS
Indicator title	3.3.9. Number of learners completed Skills Programmes
Definition	<p>The indicator refers to workers and unemployed learners successfully completing skills programmes funded by the Services SETA through the Discretionary Grants</p> <p>“Worker” Refers to a learner who works for an employer and receives or is entitled to receive remuneration for conducting the employer’s business at the time of enrolling on the Learning Programme.</p> <p>“Unemployed learners” Refers to a learner who was not employed at the time of enrolling on the Learning Programme.</p> <p>“Skills programmes” refer to an occupationally based, short-term learning programme. When successfully completed, it constitutes credits towards a qualification registered on the NQF. The Skills Programme comprises a cluster of unit standards where the total number of credits can range between 25 and 60.</p> <p>Completion means successfully achieving all desired results/passed all -unit standards for which the learner enrolled through the quality assurance process.</p> <p>Completion Date means the issue date printed on the Statement of Results (SoR).</p>
Data source	Compiled list of skills programme completions funded by Services SETA following The Sector Education and Training Management Information System (SETMIS) requirements.
Method of calculation	<ul style="list-style-type: none"> • The sum of employed Services SETA-funded skills programme completions within the applicable reporting period; and • The sum of unemployed Services SETA-funded skills programme completions within the applicable reporting period.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Copy of Statements of Results (issued by Services SETA); • Copy of Statements of Results (issued by an external entity) and evidence of the date of receipt; and • Certified ID copy.
Assumptions	<ul style="list-style-type: none"> • For workers, 10% of Services SETA-funded learners enrolled will terminate during the course and scope of implementation, and 75% will successfully complete; and • For unemployed learners, 20% of Services SETA-funded learners enrolled will terminate during the course and scope of implementation, and 65% will have successfully completed it.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation Type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	<ul style="list-style-type: none"> • Unemployed – 1,075 • Worker – 692
Indicator responsibility	Executive Manager: Core Business

COMPONENTS	DESCRIPTIONS
Indicator title	3.3.10. Number of unemployed learners enrolled for Candidacy Programmes.
Definition	<p>The indicator refers to learners enrolled into a Candidacy programme funded by the Services SETA through the Discretionary Grants.</p> <p>“Candidacy programmes” refers to compulsory learning and training undertaken by graduates through structured workplace training, which culminates in professional designation with a Professional Body.</p> <p>“Enrolled” means the enrolment of learners on a learning programme post verifying requisite employer and learner documentation.</p>
Data source	Compiled list of Candidacies funded by Services SETA in accordance and entered with The Sector Education and Training Management Information System (SETMIS) requirements.
Method of calculation	The sum of Services SETA funded Candidacy learner enrollments within the applicable reporting period.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Workplace-Based Learning Programme Agreement; • Certified ID copy; • Certified copies of the highest qualifications attained; • Learner employment contract; • Signed POPI declaration; and • Commencement letters.
Assumptions	Services SETA receives adequate applications in response to Discretionary Grant advertisements, and applicants have the necessary capacity to recruit and implement the learning programmes.
Disaggregation of beneficiaries	<ul style="list-style-type: none"> • Women, 70% • Youth, 50% • Rural, 26% • For people with disability, 3%
Spatial transformation	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly
Desired performance	200
Indicator responsibility	Executive Manager: Core Business

COMPONENTS	DESCRIPTIONS
Indicator title	3.3.11. Number of unemployed learners completed Candidacy Programmes.
Definition	<p>The indicator refers to learners successfully completing a Candidacy programme funded by the Services SETA through the Discretionary Grants.</p> <p>“Candidacy programmes” refers to compulsory learning and training undertaken by graduates through structured workplace training, which culminates in professional designation with a Professional Body.</p> <p>“Completion” means successfully achieving the professional designation.</p> <p>“Completion Date” means the date that the Services SETA received the Professional Designation confirmation/certificate issued by the Professional Body.</p>
Data source	Compiled list of candidacy completions funded by Services SETA in accordance with The Sector Education and Training Management Information System (SETMIS) requirements.
Method of calculation	The sum of unemployed Services SETA funded Candidacy completions within the applicable reporting period.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Copy of Confirmation/Certificate of Professional Designation (issued by Professional Body) and evidence of the date of receipt; and • Certified ID Copy.
Assumptions	For Candidacy, 10% of Services SETA-funded learners entered will terminate during the course and scope of implementation, and 75% will successfully complete.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation Type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	61
Indicator responsibility	Executive Manager: Core Business

COMPONENTS	DESCRIPTIONS
Indicator title	3.3.12. Number of artisan learners enrolled.
Definition	<p>The indicator refers to candidates who are enrolled on a related artisan learning programme and do not have a qualification as per the listed trade and who have been registered with the Services SETA for obtaining a trade test certificate.</p> <p>“Artisan” refers to a person certified as competent, via a trade test, to undertake a listed trade following relevant legislation.</p> <p>“Apprenticeship entered”: refers to a learner who has entered a structured artisan learning programme in terms of occupations listed as a trade-in Gazette 35625.</p> <p>“Trade test” refers to a final integrated summative assessment for an artisan qualification for a listed trade conducted at an accredited Trade Test Centre by a moderator and assessor registered with NAMB.</p> <p>“Enrolled” means the enrolment of learners on an apprenticeship or trade test programme post verifying requisite employer and learner documentation.</p>
Data source	Compiled list of artisans enrolled funded by Services SETA following The Sector Education and Training Management Information System (SETMIS) requirements.
Method of calculation	The sum of Services SETA funded Artisans enrolled within the applicable reporting period.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Workplace Based Learning Programme Agreement (LP03 Apprenticeship); or Trade test application (LP04 Trade test); • Certified copy of learner ID; • Certified copy of highest qualification; • Employment contract; and • Signed POPI declaration.
Assumptions	Services SETA receives adequate applications in response to Discretionary Grant advertisements, and applicants have the necessary capacity to recruit and implement the learning programmes.
Disaggregation of beneficiaries	<ul style="list-style-type: none"> • Women, 40% • Youth, 80% • Rural, 26%
Spatial transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	1,000
Indicator responsibility	Executive Manager: Core Business

COMPONENTS	DESCRIPTIONS
Indicator title	3.3.13. Number of artisan learners completed.
Definition	<p>The indicator refers to learners who have completed a trade test funded by the Services SETA through a Discretionary Grant.</p> <p>“Artisan”: A person certified as competent, via a trade test, to undertake a listed trade following relevant legislation.</p> <p>“Trade Test”: means a final integrated summative assessment for artisan qualification on a listed trade conducted at an accredited Trade Test Centre by an assessor registered with NAMB.</p> <p>“Completed”: the date that the person has successfully undertaken a trade test and is deemed competent.</p> <p>“Completion Date”: for Apprenticeships for which the Services SETA facilitate certification, means the date on which the Services SETA submits the trade test results for certification to NAMB.</p>
Data source	Compiled list of artisan completions funded by Services SETA following The Sector Education and Training Management Information System (SETMIS) requirements.
Method of calculation	The sum of Services SETA-funded artisan learners who have successfully completed an external integrated summative assessment (Trade Test) within the applicable reporting period.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Trade Test Results; • Evidence of submission of trade test results for certification to NAMB; and • Certified ID Copy.
Assumptions	<p>For Artisan learners, 25% of Services SETA-funded learners enrolled will terminate during the course and scope of implementation, and 55% will successfully complete</p> <p>For Trade Test learners, 10% of Services SETA funded learners enrolled will terminate during the course and scope of implementation, and 65% will successfully complete</p>
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly
Desired performance	290
Indicator responsibility	Executive Manager: Core Business

COMPONENTS	DESCRIPTIONS
Indicator title	3.3.14. Number of learners enrolled in RPL/ARPL.
Definition	<p>The indicator refers to learners entered into a Recognition of Prior Learning programme funded by the Services SETA through the Discretionary Grants.</p> <p>“RPL” Refers to the principles and processes through which a person's prior knowledge and skills are identified, mediated, and assessed for admission to a formal course of study or recognition and certification to a formal qualification.</p> <p>“ARPL” Refers to assessing & recognising prior knowledge or skills of people who did Artisanal trades for admission to a formal course of study or recognition and trade test certification.</p> <p>“Trade test” refers to a final integrated summative assessment for an artisan qualification for a listed trade conducted at an accredited Trade Test Centre by a moderator and/or assessor registered with NAMB.</p> <p>“Enrolled” means the enrolment of learners on a learning programme post verifying requisite employer and learner documentation.</p>
Data source	Compiled list of RPL/ARPL entered funded by Services SETA following The Sector Education and Training Management Information System (SETMIS) requirements
Method of calculation	The sum of workers Services SETA-funded Recognition of Prior Learning learners enrolled within the applicable reporting period.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Learner Enrolment Form; • Certified ID copy; • Certified copies of highest qualifications attained (if applicable); • Proof of employment – Workers; • Affidavit/proof of experience or prior year learning – Unemployed; • Signed POPI Declaration; and • Commencement Letter.
Assumptions	Services SETA receives adequate applications in response to Discretionary Grant advertisements and applicants have the necessary capacity to recruit and implement the learning programmes.
Disaggregation of beneficiaries	<ul style="list-style-type: none"> • Women, 60% • Youth, 50%
Spatial transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	500
Indicator responsibility	Executive Manager: Core Business

COMPONENTS	DESCRIPTIONS
Indicator title	3.3.15. Number of learners completed RPL/ARPL.
Definition	<p>The total number of learners who are certificated on Services SETA-funded processes for the Recognition of Prior Learning.</p> <p>“RPL” Refers to the principles and processes through which a person's prior knowledge and skills are identified, mediated, and assessed for admission to a formal course of study or recognition and certification to a formal qualification.</p> <p>“ARPL” Refers to assessing & recognising prior knowledge or skills of people that did Artisanal trades.</p> <p>“Workers” refers to a learner who works for an employer and receives or is entitled to receive remuneration for conducting the employer's business at the time of enrolling on the Learning Programme.</p> <p>“Completion” means successfully reaching all desired results/passed all unit standards. Learner regarded as competent exit with a full qualification certificate.</p> <p>“Completion Date”: for RPL means the issue date printed on the Certificates/ Statement of Results (SoR).</p> <p>“Completion Date”: for ARPL, for which the Services SETA facilitate certification, means the date on which the Services SETA submits the trade test results for certification to NAMB.</p>
Data source	List of learners supported.
Method of calculation	A simple count of learners who have been assessed and issued with an RPL certificate, as reported on SETMIS, and a simple count of learners who have been assessed and submitted trade test results for certification to NAMB for ARPL.
Means of verification/ Assessment	<ul style="list-style-type: none"> • RPL: Copy of Certificates/Statements of Results; • ARPL: Trade test results and Evidence of submission of trade test results for certification to NAMB; and • Certified ID Copy.
Assumptions	Learners complete their RPL/ARPL programmes,
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation Type	Cumulative,
Reporting cycle	Quarterly,
Desired performance	76
Indicator responsibility	Executive Manager: Core Business

COMPONENTS	DESCRIPTIONS
Indicator title	3.3.16. Number of workers enrolled AET programmes,
Definition	<p>The indicator refers to workers enrolled on an AET programme funded by the Services SETA through the Discretionary Grants.</p> <p>“Worker” Refers to a learner who works for an employer and receives or is entitled to receive remuneration for conducting the employer’s business at the time of enrolling on the Learning Programme.</p> <p>“AET programmes” refers to learning and training undertaken by adults, including formal and non-formal learning, for improving knowledge and skills, for personal development, further learning and/or employment.</p> <p>“Enrolled” means the enrolment of learners on a learning programme post the verification of requisite employer and learner documentation.</p>
Data source	Compiled list of AET workers funded by Services SETA following The Sector Education and Training Management Information System (SETMIS) requirements.
Method of calculation	The sum of Services SETA funded AET workers enrolled within the applicable reporting period.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Learner Enrolment Form; • Certified ID copy; • Signed POPI Declaration; and • Commencement Letter.
Assumptions	Services SETA receives adequate applications in response to Discretionary Grant advertisements, and applicants have the necessary capacity to recruit and implement the learning programmes.
Disaggregation of beneficiaries	<ul style="list-style-type: none"> • Women, 70% • Youth, 50% • Rural, 26%
Spatial transformation	N/A
Calculation Type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	150
Indicator responsibility	Executive Manager: Core Business

COMPONENTS	DESCRIPTIONS
Indicator title	3.3.17. Number of workers completed AET programmes.
Definition	<p>The indicator refers to the total number of AET workers who completed Services SETA-funded AET programmes within the financial year.</p> <p>“Worker” Refers to a learner who works for an employer and receives or is entitled to receive remuneration for conducting the employer’s business at the time of enrolling on the Learning Programme.</p> <p>“AET programmes” refers to learning and training undertaken by adults, including formal and non-formal learning, for improving knowledge and skills, for personal development, further learning and/or employment.</p> <p>“Completion” means successfully reaching all desired results/passed all unit standards; learner regarded as competent exit with a certificate.</p> <p>“Completion Date” means the date that the Services SETA received the certificate/s issued by IEB.</p>
Data source	Compiled list of AET workers funded by Services SETA following The Sector Education and Training Management Information System (SETMIS) requirements.
Method of calculation	The sum of Services SETA funded AET workers completions within the applicable reporting period.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Copy of Certificate(s)/Statement of Results (issued by an accredited institution) and evidence of the date of receipt; and • Certified ID copy.
Assumptions	For AET workers, 30% of Services SETA-funded workers enrolled will terminate during the course and scope of implementation, and 60% will successfully complete.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly
Desired performance	29
Indicator responsibility	Executive Manager: Core Business

Programme 4: Quality Assurance

OUTPUT 4: ENHANCED QUALITY ASSURANCE EFFICIENCIES TO EXECUTE QCTO DELEGATED FUNCTIONS

SUB-PROGRAMME 4.1: EXTERNAL MODERATION AND CERTIFICATION

COMPONENTS	DESCRIPTIONS
Indicator title	4.1.1. Percentage of learners receiving certificates/SOR.
Definition	<p>This indicator refers to the number of certificates or statements of results (SoR) printed by the Services SETA.</p> <p>“Learner” refers to learners registered for a qualification or Skills programme.</p> <p>“Certificated” refers to printing certificates or statements of results for learners who have successfully completed all required outcomes of the qualification deemed competent through external moderation.</p>
Data source	Compiled list of certificates and statements printed.
Method of calculation	Number of certificates or statements of results printed within the reporting period / Total number of certificates or statements of results due for printing in the reporting period as per approved external moderation reports.
Means of verification/ Assessment	<ul style="list-style-type: none"> • Certificates and/or • Statement of results
Assumptions	Service providers provide supporting documentation in time.
Disaggregation of beneficiaries	N/A
Spatial transformation	N/A
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	85%
Indicator responsibility	Executive Manager: Core Business

SUB-PROGRAMME 4.2: QUALIFICATIONS DEVELOPMENT

COMPONENTS	DESCRIPTIONS
Indicator title	4.2.1. Number of qualifications developed or aligned to the priority skills.
Definition	<p>This indicator refers to the services sector-related qualifications: Full Qualifications, Part Qualifications, and Skills Programmes that have been developed in line with or aligned with the QCTO occupational qualifications framework.</p> <p>“Priority skills” refer to the list of Hard-to-Fill Vacancies and Skills gaps for the services sector.</p> <p>“Full Qualification” Means a qualification associated with a trade, occupation or profession, resulting from work-based learning and consisting of knowledge, practical and work experience components as defined in the Skills Development Act and has an external summative assessment.</p> <p>“Part Qualification” Means an assessed unit of learning with a defined outcome that is, or will be registered as part of a qualification on the NQF.</p> <p>“Skills Programme” Means a skills programme that is occupationally based and, when completed, will constitute/contribute a credit towards a qualification registered on the NQF.</p>
Data source	List generated by Qualifications Development.
Method of calculation	A simple count of qualifications: Full Qualifications, Part Qualifications, and Skills Programmes that have been aligned to the QCTO occupational framework.
Means of verification/ Assessment	<ul style="list-style-type: none"> • A list of Qualifications: Full Qualifications, Part Qualifications, Skills Programmes that have been aligned to QCTO occupational framework or have been developed in line with QCTO occupational framework; and • Proof of receipt/acknowledgement letter/s from QCTO.
Assumptions	There is sufficient capacity within the services sector to develop or align qualifications in line with QCTO occupational qualifications Framework
Disaggregation of beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly
Desired performance	10
Indicator responsibility	Executive Manager: Strategy & Planning



ANNEXURE B
SERVICE LEVEL
AGREEMENT



higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

SERVICE LEVEL AGREEMENT

entered into by and between

DEPARTMENT OF HIGHER EDUCATION AND TRAINING

(hereinafter referred to as the "DHET" represented by Dr N Sishi, duly authorised thereto by virtue of his capacity as the Director-General,

and

SETA NAME: SERVICES SETA

(hereinafter referred to as "SETA" represented by Mr. Stephen De Vries duly authorised thereto in his/her capacity as Accounting Authority Chairperson)

1. PURPOSE OF THE SERVICE LEVEL AGREEMENT

This Service Level Agreement (SLA) is entered into between the above-mentioned parties to agree on the targets required by the SETA in performing its statutory functions, meeting the National Skills Development Plan (NSDP) principles, outcomes and output indicators in implementing its Strategic Plan (SP) and Annual Performance Plan (APP).

2. DURATION OF THE SERVICE LEVEL AGREEMENT

The SLA is entered into for the period of 01 April 2023 to 31 March 2024.

3. OBLIGATIONS OF THE SETA

3.1. The SETA undertakes to:

- 3.1.1. perform its functions as required by the Skills Development Act No. 97 of 1998 as amended (SDA), Skills Development Levy Act No.9 of 1999 (SDL), Public Finance Management Act No. 1 of 1999 (PFMA), and all Related Regulations (RR), notices and guidelines promulgated currently and in the future and other related legislation;
- 3.1.2. implement the approved SP, APP, and budget;
- 3.1.3. provide adhoc reports that may from time to time be required by the Minister, Cabinet and Parliament within specified timelines;
- 3.1.4. address all findings raised by the Auditor-General South Africa (AGSA) in the previous financial year;
- 3.1.5. achieve all NSDP SLA targets, as failure to do so may result in the Department of Higher Education and Training (DHET) recommending to

the Minister, implementation section 14 of the SDA, subsequently section 15;

- 3.1.6. advance economic growth, job creation and labour market development drivers through skills in current and future skills needed for development in technological advancement and digitalisation (4th Industrial Revolution);
- 3.1.7. submit Quarterly Skills Education and Training Management Information System (SETMIS) Reports and Annual Reports (AR) in accordance with National Treasury (NT), Department of Planning, Monitoring and Evaluation (DPME) and DHET requirements, including reporting on Sector funded interventions;
- 3.1.8. establish policies, processes and systems for credible research, monitoring, reporting and evaluation to support evidence based planning decisions (including the development of Sector Skills Plan (SSP), SP, APP) and operational decisions;
- 3.1.9. conduct tracer and impact evaluation studies inclusive of but not limited to determining employment (including self-employment) absorption rates of unemployed learners completing the SETA's priority occupations;
- 3.1.10. integrate in its interventions targets for women, differently-abled persons, youth, rural and other economically excluded beneficiaries;
- 3.1.11. establish a functional operational structure and staff establishment appropriate to the size of the sector, levy income and the administration budget limit thereof;

- 3.1.12. establish collaborations to implement the approved SP and APP including but not limited to partnerships with departments and public entities at all three spheres of government, inter SETA partnerships, public – private partnerships, and other organisations as permitted by the SDL Acts, RRs and the SETA Grants Policy;
- 3.1.13. support the imperatives contained within Job Summit Agreements and the temporary employee and employer relief scheme through delivery of flexible programmes that ensure that young people are suitably prepared and skilled to fill every entry level roles, particularly where companies need to scale their operations, these may include inter alia work readiness programme, short courses (accredited or non-accredited) that allow candidates to respond to changing economy;
- 3.1.14. support the collaboration in the establishment of public college Centres of Specialisation in partnership with employers and labour organisation.
 - 3.1.14.1. ring-fence grants annually and allocate as employers become available to take apprentices for Centres of Specialisation (CoS).
 - 3.1.14.2. prioritise the allocation of grants and report to DHET on the results annually.
- 3.1.15. support the implementation of rural development programmes for women, youth and people with disability;
- 3.1.16. support the revitalisation of rural and townships to uplift local economy through skills development;
- 3.1.17. provide financial support to World Skills South Africa;
- 3.1.18. the SETA Discretionary Grant (DG) Policy to include a provision for unsolicited proposals to enable flexibility and responsiveness to emerging needs of the Economic Reconstruction and Recovery Plan (ERRP), the Presidential Youth Employment Intervention (PYEI), and other government related priority projects. These projects will be guided by any of the interventions listed in the ERRP Skills Strategy which outlines a set of core interventions that allow for responsiveness to current and emerging opportunities in ways that build the system.
- 3.1.19. the SETA will meet one hundred percent (100%) of its TVET Graduate Placement targets by 31 December 2023.
- 3.1.20. the SETA will endeavor to meet at least twenty-five percent (25%) of its targets in every quarter and quarterly reports will be submitted to the Department to track progress on the implementation of set targets.
- 3.2. 3.2. achieve all targets for the planning period as reflected in the table below:



NSDP OUTCOMES	NSDP SUB-OUTCOMES	OUTPUT INDICATORS	BASELINE 2022/23	SETA FUNDED TARGETS	SECTOR FUNDED
1. Identify and increase production of occupations in high demand	1.1 National enrolment and resource ratios for the high, intermediate and elementary skills level.	• Percentage of discretionary grant budget allocated at developing high level skills	30%	20%	
		• Percentage of discretionary grant budget allocated at developing intermediate skills	30%	30%	
		• Percentage of discretionary grant budget allocated at developing elementary skills	40%	50%	
	1.4 Identification of interventions required to improve enrolment and completion of priority occupations:	• Number of WSPs and ATRs approved for Small firms	2,513	2,563	
		• Number of WSPs and ATRs approved for Medium firms	776	792	
		• Number of WSPs and ATRs approved for Large firms	563	574	
		• Number of sector research agreements signed for TVET growth occupationally directed programmes	2	3	
		• Number of learners who completed workplace based learning programmes absorbed into employment or self-employment	2,000	500	
		• Number of established or emergent cooperatives trained on sector and national priority occupations or skills.	30	30	
		• Number of small and emerging enterprises trained on sector and national identified priority occupations or skills.	30	30	
		• Number of people trained on entrepreneurship supported to start their business.	200	200	

NSDP OUTCOMES	NSDP SUB-OUTCOMES	OUTPUT INDICATORS	BASELINE 2022/23	SETA FUNDED TARGETS	SECTOR FUNDED
2. Linking education and the workplace	2.1: Opening of workplace based learning opportunities increased	• Number of TVET students requiring Work Integrated Learning to complete their qualifications placed in workplaces	1,000	1,000	
		• Number of TVET students completed their work integrated learning placements.	158	243	
		• Number of people enrolled in CET Internships	0	100	
		• Number of people completed CET Internships	0	0	
		• Number of universities students requiring work integrated learning to complete their qualifications placed in workplaces	500	200	
		• Number of university students completed their Work Integrated Learning placements	0	207	
		• Number of unemployed learners enrolled Internships	500	500	
		• Number of unemployed learners completed Internship	189	244	
		• Number of unemployed learners enrolled Skills programmes	2,500	1,000	
		• Number of unemployed learners completed Skills programmes	1,225	1,075	
		• Number of unemployed learners enrolled Learnerships programmes	7,000	6,600	
		• Number of unemployed learners completed Learnerships programmes	1,701	2,177	
		• Number of unemployed learners enrolled for Candidacy programmes	120	200	
		• Number of unemployed learners completed Candidacy programmes	42	61	



NSDP OUTCOMES	NSDP SUB-OUTCOMES	OUTPUT INDICATORS	BASELINE 2022/23	SETA FUNDED TARGETS	SECTOR FUNDED
3. Improving the level of skills in the South African workforce	3.1: To increase workers participating in various learning programmes to a minimum of 80% by 2030, to address, critical skills required by various sectors of the economy, to transform workplaces, improve productivity and to improve economic growth prospects in various sectors of the economy.	• Number of workers enrolled in Learnerships programmes	1,000	1,200	
		• Number of workers completed Learnerships programmes	350	550	
		• Number of workers granted Bursaries (new entries)	420	300	
		• Number of workers granted Bursaries (continuing)	0	0	
		• Number of workers granted Bursaries completed their studies	252	82	
		• Number of workers enrolled Skills programmes	4,000	2,500	
		• Number of workers completed Skills programmes	1,733	692	
		• Number of workers enrolled AET programmes	500	150	
		• Number of workers completed AET programmes	140	29	
4. Increase access to occupationally directed programmes	4.2: Increase access for Intermediate and high level skills	• Number of artisan learners enrolled	1,000	1,000	
		• Number of artisan learners completed	1,000	290	
		• Number of unemployed learners granted Bursaries (new enrollments)	800	800	
		• Number of unemployed learners granted Bursaries (continuing)	200	400	
		• Number of unemployed learners granted Bursaries completed their studies	400	82	
		• Number of learners enrolled RPL/ARPL	150	500	
		• Number of learners completed RPL/ARPL	56	76	
		• Number of TVET partnerships established	7	7	

NSDP OUTCOMES	NSDP SUB-OUTCOMES	OUTPUT INDICATORS	BASELINE 2022/23	SETA FUNDED TARGETS	SECTOR FUNDED
		<ul style="list-style-type: none"> Number of HEI partnerships established 	4	3	
		<ul style="list-style-type: none"> Number of CET partnerships established 	4	4	
		<ul style="list-style-type: none"> Number of SETA-Employer partnerships established 	150	570	
5. Support the growth of the public college system	5.1: Support the TVET Colleges	<ul style="list-style-type: none"> Number of SETA offices established and maintained in TVET colleges 	0	1	
		<ul style="list-style-type: none"> Number of Centres of Specialisation supported 	4	4	
		<ul style="list-style-type: none"> Number of TVET Lecturers exposed to the industry through Skills Programmes 	40	50	
		<ul style="list-style-type: none"> Number of Managers receiving training on curriculum related studies 	5	5	
		<ul style="list-style-type: none"> Number of TVET colleges Lecturers awarded Bursaries 	70	50	
		<ul style="list-style-type: none"> TVET colleges infrastructure development (equipment/ workshops) 	2	2	
	5.2 Support the CET Colleges	<ul style="list-style-type: none"> Number of CET colleges lecturers awarded skills development programmes 	10	20	
		<ul style="list-style-type: none"> CET colleges infrastructure development support (equipment/ workshops/ Connectivity/ ICT) 	1	1	
		<ul style="list-style-type: none"> Number of Managers receiving training on curriculum related studies 	5	5	
		<ul style="list-style-type: none"> Number of CET learners accessing AET programmes 	20	20	



NSDP OUTCOMES	NSDP SUB-OUTCOMES	OUTPUT INDICATORS	BASELINE 2022/23	SETA FUNDED TARGETS	SECTOR FUNDED
6. Skills development support for entrepreneurship and cooperative development	6.1: To increase skills development support for entrepreneurial activities and the establishment of new enterprises and cooperatives	• Number of cooperatives funded for skills that enhance enterprise growth and development	300	300	
		• Number of small businesses funded for skills that enhance growth and development	300	300	
		• Number of CBOs/ NGOs/ NPOs funded for skills that enhance the development and sustainability of their organisation activities.	100	100	
7. Encourage and support worker initiated training		• Number of Federations /Trade Unions supported through the relevant skills training interventions	5	5	
8. Support career development services		• Number of Career Development Events in urban areas on occupations in high demand	8	8	
		• Number of Career Development Events in rural areas on occupations in high demand	10	10	
		• Number of Career Development Practitioners trained	40	40	
		• Number of capacity building workshops on Career Development Services initiated	18	20	
9. Governance		• Quarterly SETA Good Governance report	4	4	
10. Rural Development		• Number of Rural Development Projects initiated	5	10	

4. OBLIGATIONS OF DEPARTMENT OF HIGHER EDUCATION AND TRAINING

- 4.1. The Department undertakes to:
 - 4.1.1. consult the SETA on policy and strategic matters that may affect the functioning of the SETA;
 - 4.1.2. specify timelines for the submission of adhoc reports;
 - 4.1.3. continuously and timeously inform the SETA of any changes to legislation, regulations, policies and strategies that impact on the strategy and functions of the SETA and provide guidance for implementation;
 - 4.1.4. provide the SETA with guidance on strategic planning documents and any matter that may be requested by the SETA in relation to its functions;
 - 4.1.5. provide support to SETA where applicable in performing its functions and responsibilities; validate and verify the accuracy of reports submitted by SETA and provide feedback quarterly.

5. GENERAL

In-year amendments to the approved Service Level Agreement are not encouraged.

SIGNED AT Knysna ON THIS 29 DAY OF November 2022



CHAIRPERSON (Represented by Mr. Stephen De Vries who warrants that he is duly authorised to this agreement)


SIGNED AT _____ ON THIS ____ DAY OF _____ 20

DIRECTOR-GENERAL (Represented by Dr N Sishi, duly authorised thereto)



Acronyms and Abbreviations

AET	Adult Education Training	SDA	Skills Development Act No, 97 of 1998 and Skills Development Levy Act No.9 of 1999
AGSA	Auditor-General South Africa	SDLA	Skills Development Levy Act No.9 of 1999
APP	Annual Performance Plans	SETA	Sector Education and Training Authority
ARPL	Artisan Recognition of Prior Learning	SETMIS	Skills and Training Management Information System
ATRs	Annual Training Reports	SLA	Service Level Agreement
AR	Annual Report	SP	Strategic Plans
CBO	Community Based Organisations	SPM	SETA Performance Management of the DHET
CET	Community Education and Training Colleges	SSP	Sector Skills Plans
CoS	Centres of Specialisation	TR	Treasury Regulations
DG	Discretionary Grant	TVET	Technical and Vocational Education and Training (formerly FET)
DHET	Department of Higher Education and Training	WBLPAR	Workplace Based Learning Programme Agreement Regulation
DPME	Department of Planning, Monitoring and Evaluation	WIL	Work Integrated Learning
ERRP	Economic Reconstruction and Recovery Plan	WSPs	Workplace Skills Plans
ICT	Information Communication Technology		
INDLELA	National Development of Learnerships, Employment Skills and Labour Assessment		
IR	4th Industrial Revolution		
M & R	Sub-directorate: Monitoring and Reporting of the (SETA Performance Management)		
Minister	Minister of the Department of Higher Education and Training		
NC (V)	National Certificate (Vocational)		
NGO	Non-Government Organisation		
NPO	Non-Profit Organisation		
NSDP	National Skills Development Plan		
NT	National Treasury		
PFMA	Public Finance Management Act No. 1 of 1999		
PYEI	Presidential Youth Employment Intervention		
RPL	Recognition of Prior Learning		
RR	Related Regulations		



ANNEXURE C
**MATERIALITY AND
SIGNIFICANCE
FRAMEWORK**

TREASURY REGULATION 28.1.5 states that:

"For purposes of "material" [Sections 50(1), 55(2) and 61(1) (c) of the Act] and "significant" [Section 54(2) of the Act], the Accounting Authority must develop and agree to a framework of acceptable levels of materiality and significance with the relevant executive authority in consultation with the external auditors."

Below is an outline of specific regulation articles to which the Services SETA should comply (We have provided an explanation of how each prescript has been addressed):

<p>Section 50(1)</p>	<p>(1) The Accounting Authority for a public entity must-</p> <p>(a) Exercise the duty of utmost care to ensure reasonable protection of the assets and records of the public entity;</p> <p>b) Act with fidelity, honesty, integrity and in the best interest of the public entity in managing the financial affairs of the public entity;</p> <p>(c) On request, disclose to the executive authority responsible for that public entity, or the legislature to which the public entity is accountable, all material facts (including those reasonably found) which in any way influences the decision or actions of the executive authority or that legislature; and</p> <p>(d) Seek within the sphere of influence of that accounting authority to prevent any prejudice to the state's financial interests.</p>	<p>The Accounting Authority must implement effective and efficient internal controls for governance and risk management processes through its committees and as a collective.</p> <p>Key policies and procedures have been approved.</p> <p>Good governance, professional conduct and ethical behaviour are encouraged across all organisational levels.</p> <p>Through frequent engagements with stakeholders (internally and externally), important and relevant information is shared, and transparency is achieved.</p> <p>Services SETA implements an on-going risk management assessment and reviews processes to mitigate and prevent any prejudice to the financial interest of Services SETA.</p>
<p>Section 55(2)</p>	<p>(2) The annual report and financial statements referred to by PFMA Subsection 55 (1)(d) must –</p> <p>(a) Fairly present the state of affairs of the public entity, its business, its financial results, and its performance against pre-determined objectives, and its financial position as at the end of the financial year;</p> <p>(b) include particulars of –</p> <p>(i) Any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year;</p>	<p>As a collective, the Accounting Authority, with its committees and management, are involved in the compilation and review processes of the Annual Financials.</p> <p>Statements and the Annual Report need to present and disclose results of the Services SETA.</p> <p>All losses are disclosed in the AFS.</p>

Section 54 (2)	(ii) Any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful expenditure;	All activities are disclosed in the AFS.
	(iii) Any losses recovered or written off;	All losses recovered or written off are disclosed in the AFS.
	(iv) Any financial assistance received from the state and commitments made by the state on its behalf; and	All financial assistance received or committed is disclosed.
	(v) Any other matters that may be prescribed; and	Services SETA will apply any other matters that become prescriptive.
	(c) Include the financial statements of any subsidiaries.	Not applicable.
	(1) Before a public entity concludes any of the following transactions, the Accounting Authority for the public entity must promptly, and in writing, inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its executive authority for approval of the transaction.	
	Establishment or participation in the establishment of a company;	Not applicable.
	Participation in a significant partnership trust, unincorporated joint venture, or similar arrangement.	Not applicable.
	Acquisition or disposal of a significant shareholding in a company.	Not applicable.
	Acquisition or disposal of a significant asset.	Not applicable to this reporting period.
Commencement or cessation of a significant business activity; and	Not applicable.	
A significant change in the nature or extent of its interest in a significant partnership trust, unincorporated joint ventures or similar arrangements.	Not applicable.	

<p>Section 61 (1) (c)</p>	<p>The report of an auditor appointed in terms of section 58(1)</p> <p>(b) must be addressed to the executive authority responsible for the public entity concerned, and must state separately in respect of each of the following matters whether in the auditor's opinion –</p> <p>(c) The transactions that had come to the auditor's attention during auditing were in all material respects in accordance with the mandatory functions of the public entity determined by law or otherwise.</p> <p>(1) An institution to which this Act applies may not borrow money or issue a guarantee, indemnity or security, or enter any other transaction that binds or may bind that institution or the Revenue Fund to any future financial commitment unless such borrowing guarantees, indemnity, security or other transaction –</p> <p>(a) Is authorised by this Act; and</p> <p>(b) In the case of public entities, is also authorised by other legislation, not in conflict with this Act; and</p> <p>(c) In the case of loans by a province or a provincial government business enterprise under the ownership control of a provincial executive is within the limits set in the Borrowing Powers of Provincial Governments Act 1996 (Act No. 48 of 1996).</p>	<p>The level of material loss is assessed at 0.5% of gross revenue and is limited to R3.6 million.</p> <p>Revenue includes levy income interest and penalties and any other income.</p> <p>Services SETA operates within the ambit as set by this clause and its related Acts.</p>
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