



Welcome to the
**SERVICES SETA Annual
General Meeting**

The Session Will Begin Shortly



DEVELOP AND GROW



SERVICES SETA Annual General Meeting

DEVELOP AND GROW

Welcome & Opening Remarks



Wiseman Dinwa
Chairperson: Services SETA



DEVELOP AND GROW

Chairperson's Address



Stephen De Vries
Chairperson: Services SETA



DEVELOP AND GROW

Annual Report of the Accounting Authority's Affairs 2022/23



Andile Sipengane
Acting Chief Executive Officer

DEVELOP AND GROW

AGENDA



PART A

Context

PART B

Organisational Performance
2022/23

PART C

The Future



PART A

CONTEXT



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A.1 OUR VISION



Vision

A flourishing services sector that creates economic growth and inclusive opportunities for all South Africans.



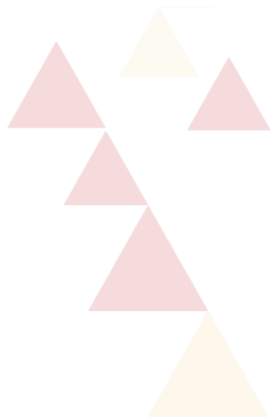
Mission

Facilitation of quality skills development for employment and entrepreneurship in the Services Sector for national economic growth.



Values

- ✓ Accountability
- ✓ Innovation
- ✓ Integrity
- ✓ Professionalism
- ✓ Responsiveness





A.2 SERVICE DELIVERY ENVIRONMENT: EXTERNAL FACTORS

Non-performing entities

- Availability of workplaces
- Unpaid stipends
- Failed projects (recovery and rescue)

Economy

- Stagnant economy
- High cost of living
- High petrol
- Interest rate hike

Sustainability

- Climate Change
- Globalisation



Policy

- NSDP 2030
- Occupational Qualifications
- BUSA Case

Social issues

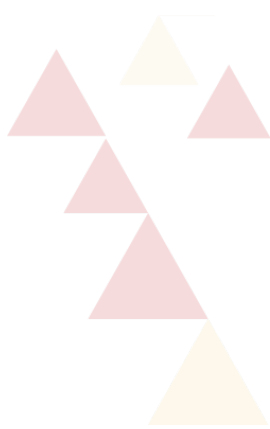
- Unemployment
- Inequality
- Poverty

Skills Demand

- Hard-to-fill vacancies
- Skills mismatch
- Balance between Need / Employer / Labour / PSET & Government priorities.



A.3 SERVICE DELIVERY ENVIRONMENT: INTERNAL FACTORS





PART B

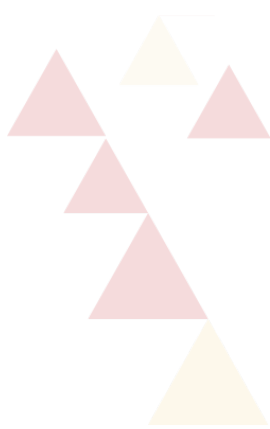
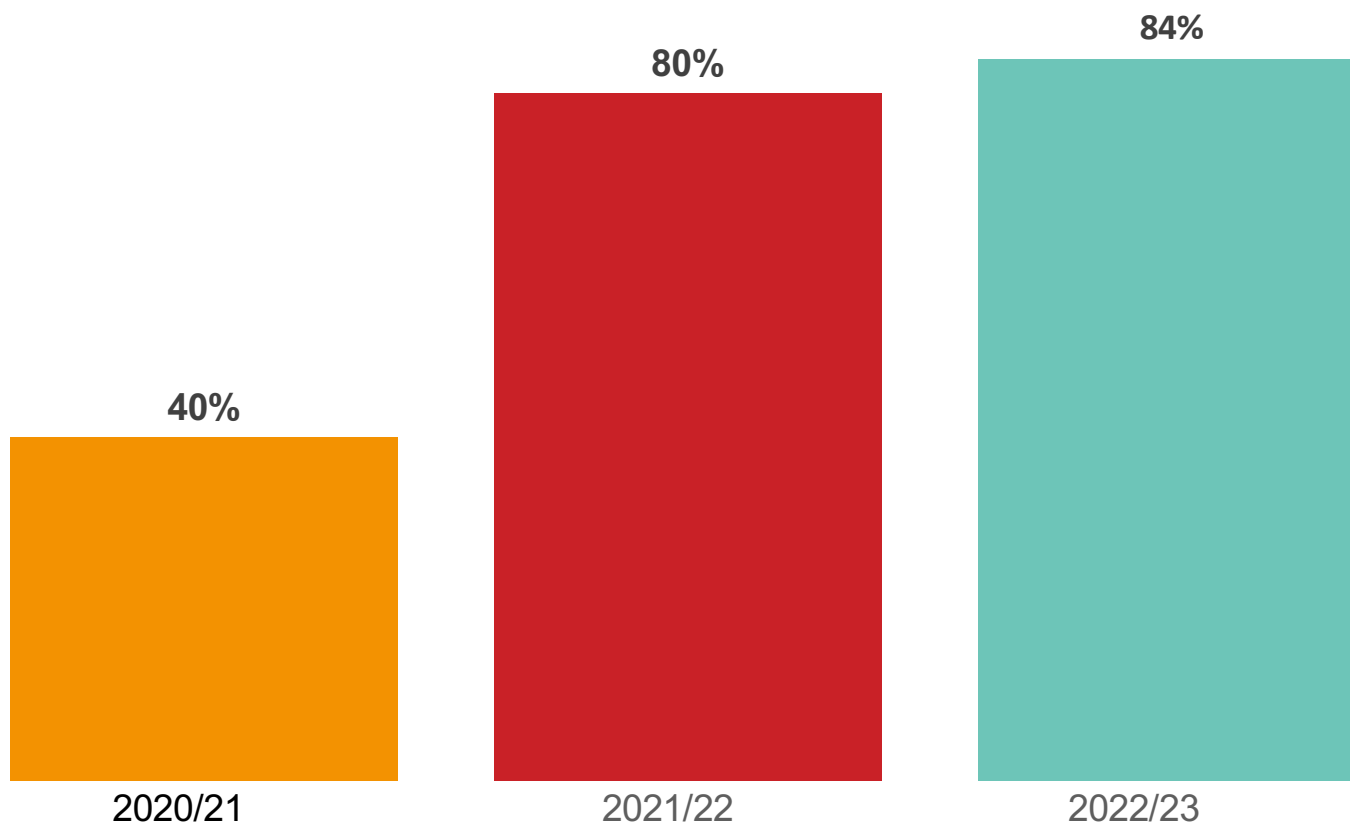
ORGANISATIONAL PERFORMANCE 2022/23

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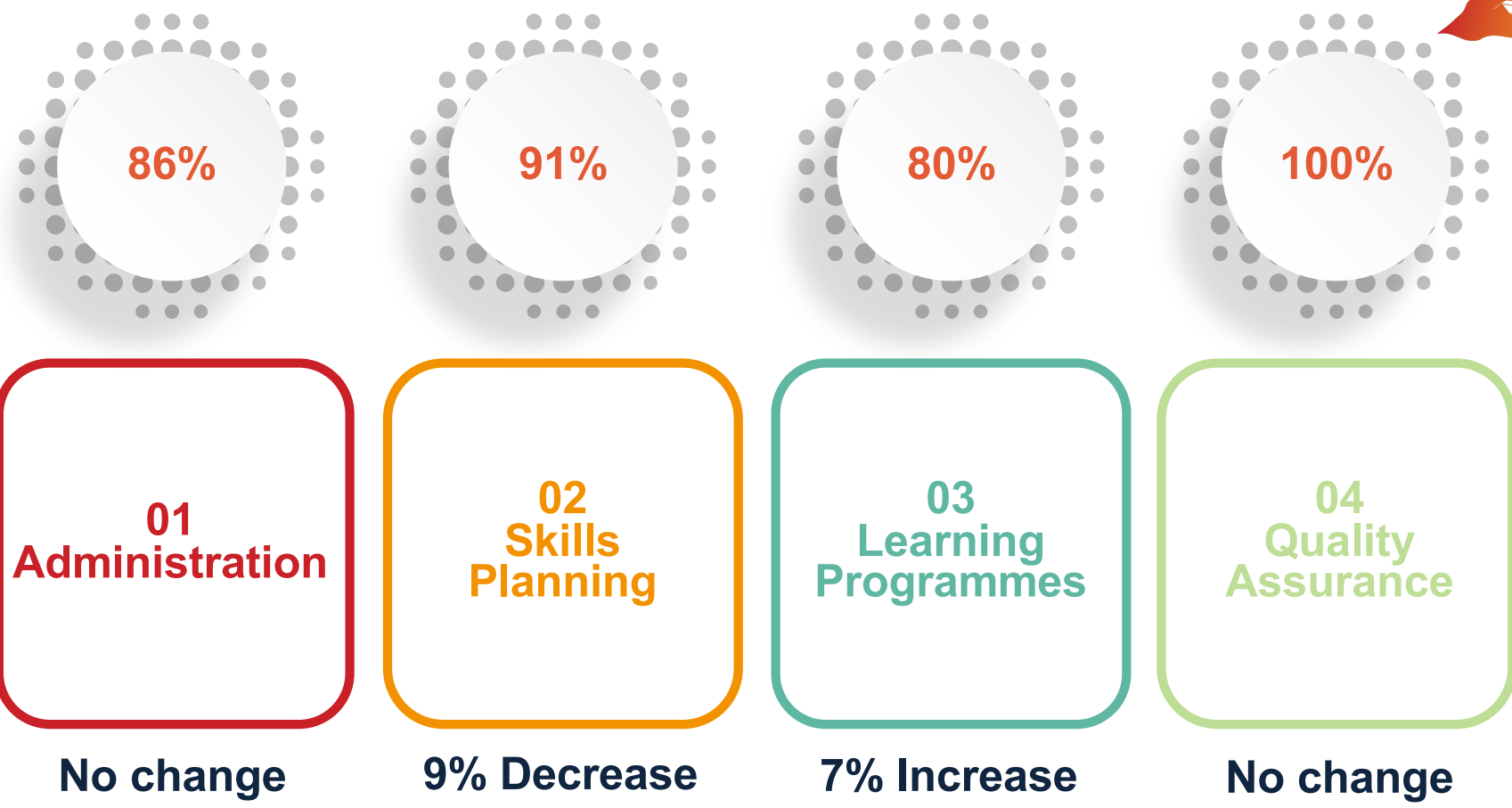
B.1 3-YEAR PERFORMANCE REVIEW

Organisational Performance





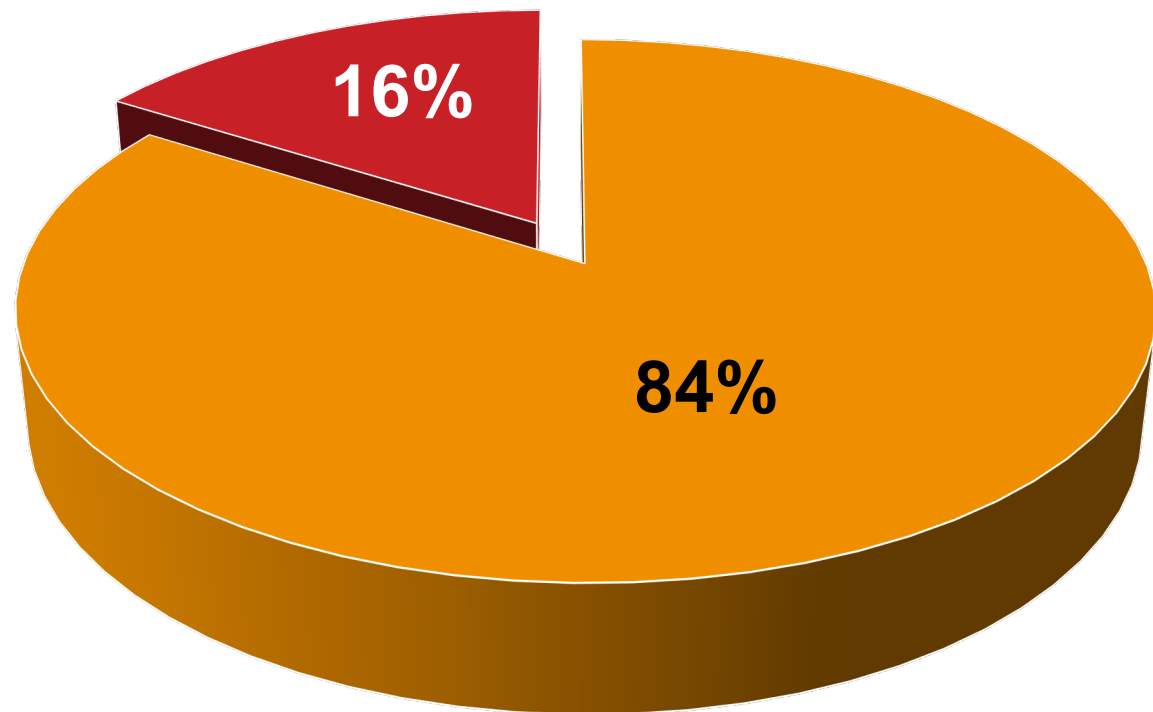
B.2 OVERALL PERFORMANCE_84% ACHIEVEMENT





B.3 OVERALL PERFORMANCE_84% ACHIEVEMENT

- Qualified Audit
- Percentage of discretionary grants allocation and spending fell short by **13%** and **9%** on high and elementary level skills.
- Low pipeline for learning programmes completions



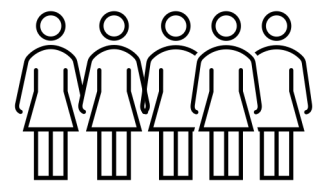
■ Achieved ■ Not achieved



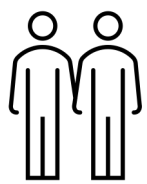


B.4 OVERALL PERFORMANCE_84% ACHIEVEMENT

1.Youth - Males 4558 & Female 10273
2.Rural- 2409 versus Urban 16703

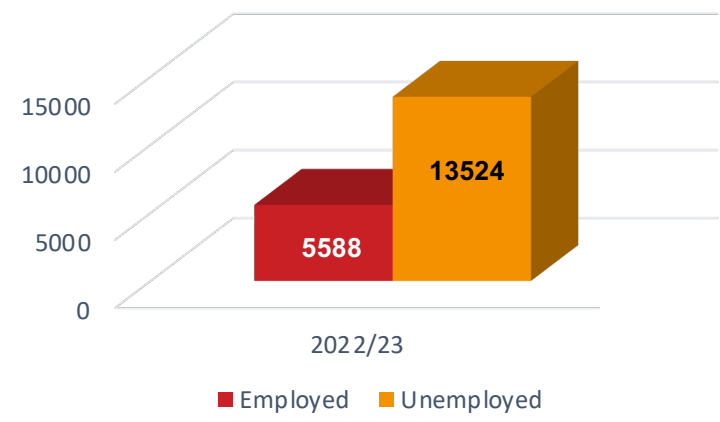


13 196 (69%)

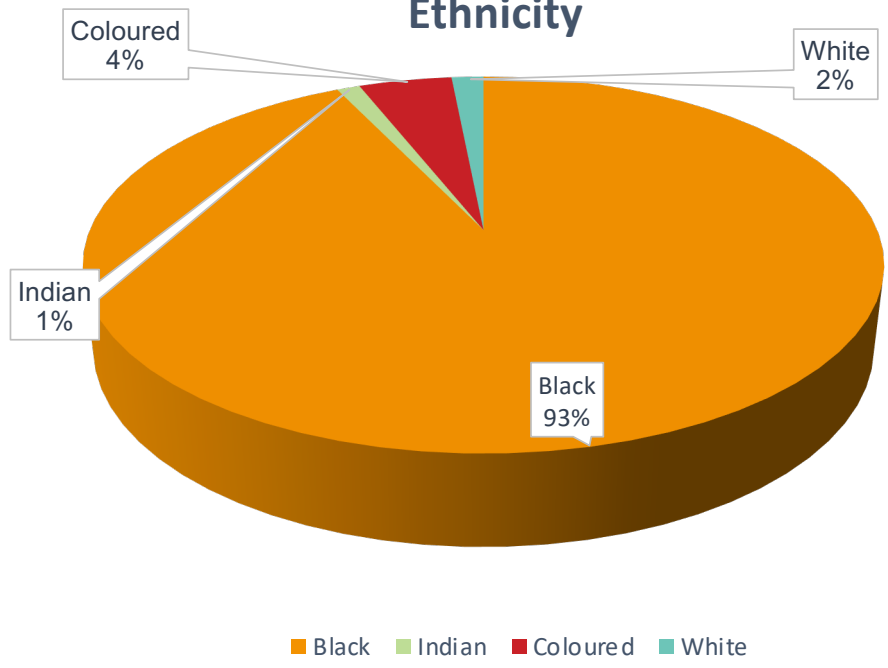


5 916 (31%)

Employment Status

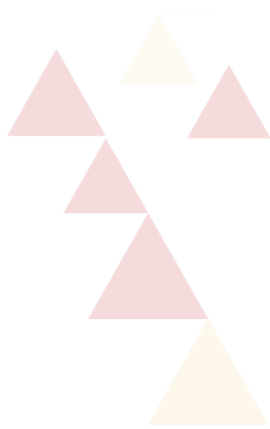
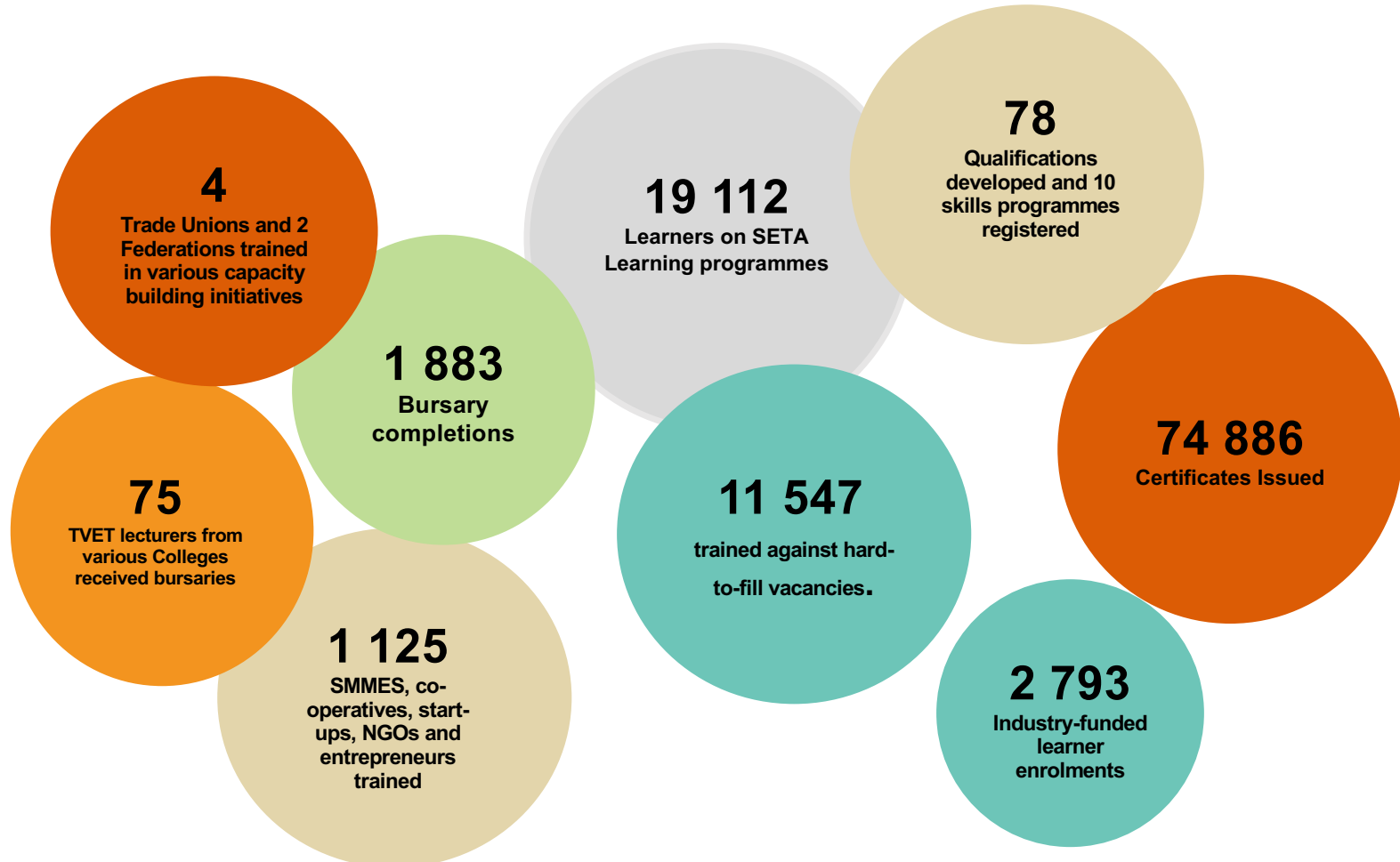


Ethnicity





B.5 PERFORMANCE HIGHLIGHTS



PART C

THE FUTURE



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C.1 REFLECTION - THE AA'S JOURNEY



AA Appointment:

- 1 Apr 2020 to 31 March 2025
- **CEO Appointment**
- End of NSDIII and Start of NSDP 2030 (Occupational qualifications)
- Covid 19 & Levy holiday

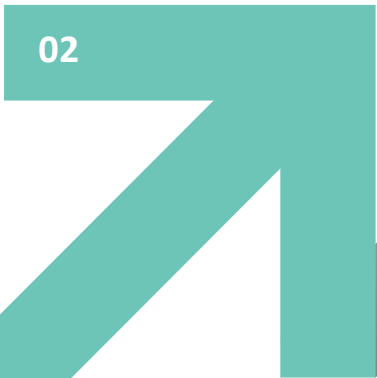


01

Commitments (31 March 2020 - R 4,622 Billion) & (30 Sep 2023 R 2,650 billion)

DG Reserve 31 March 2020 - R 218 Million) & (30 Sep 2023 R 2,495 billion)

Bank Balance 31 March 2020 - R 421 Million) & (30 Sep 2023 R 2,697 billion)



02



Performance

(40%FY 21) - 237 Learners
(80% FY22) - 14 269 Learners
(84% FY 23) - 18799 Learners

Targeting (90% FY24)

Audit Outcome

Remains qualified



03



04



- 36 Developed Occupational qualifications registered QCTO & SAQA
- First EISA Assessment

Commenced Projects

FY 22 – 392 = R566M

FY 23 – 380 = R569M

FY 24 – 52 = R82M*

**as at July 2023*



C.2 NATIONAL AGENDA



National Skills Development Plan Outcomes

Identification and production of occupations in high demand

Linking education and the workplace

Increase access to occupationally directed programmes

Improve level of skills in the SA's workforce

Encourage and support worker-initiated training

Support the growth of public colleges system

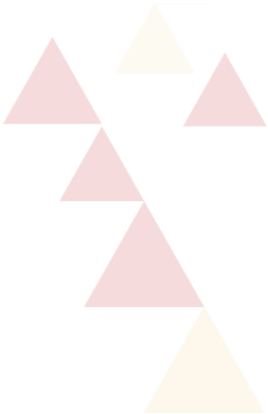
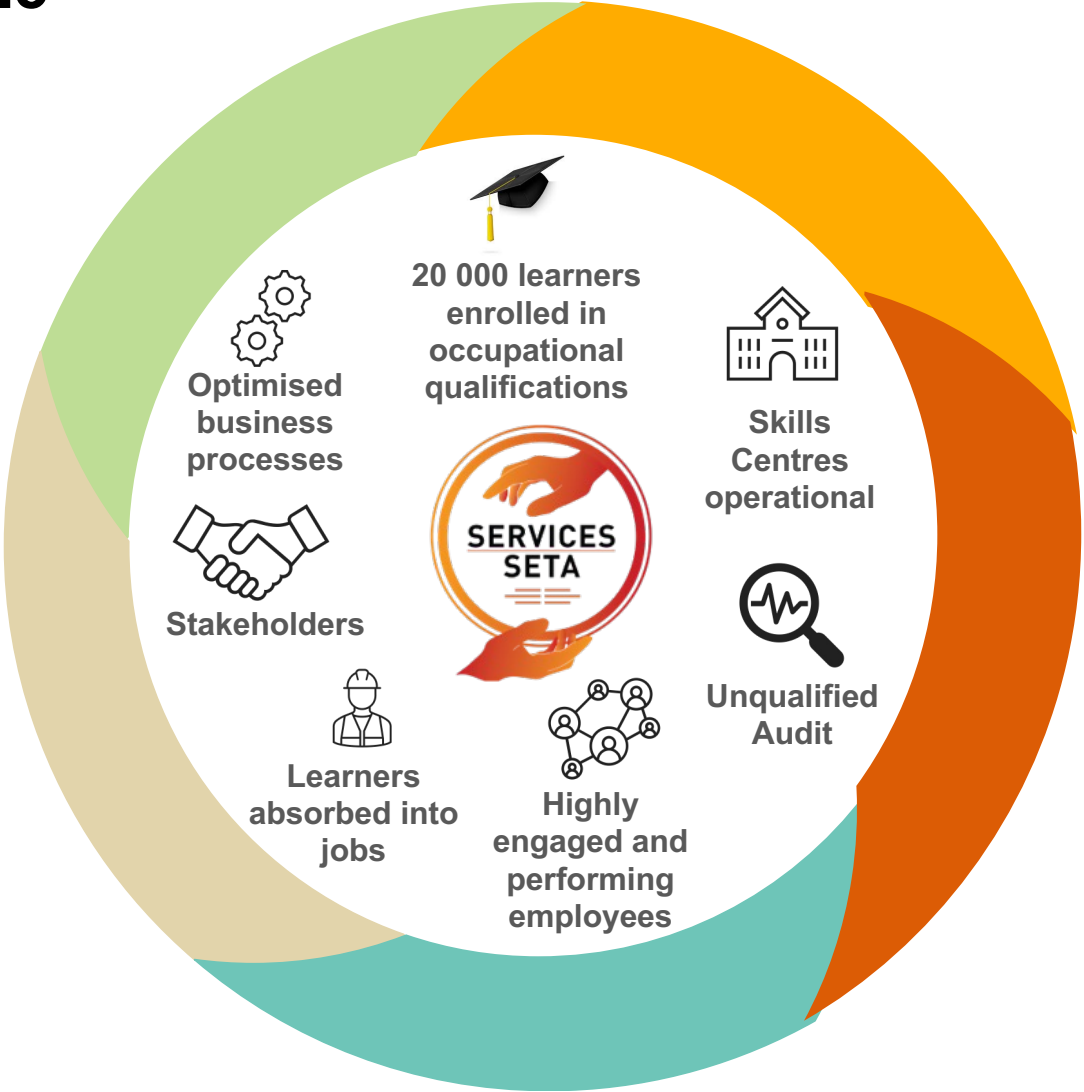
Skills development for entrepreneurship and CoOps

Support career development services

Services SETA is part of the Delivery Mechanism



C.3 Vision 2025

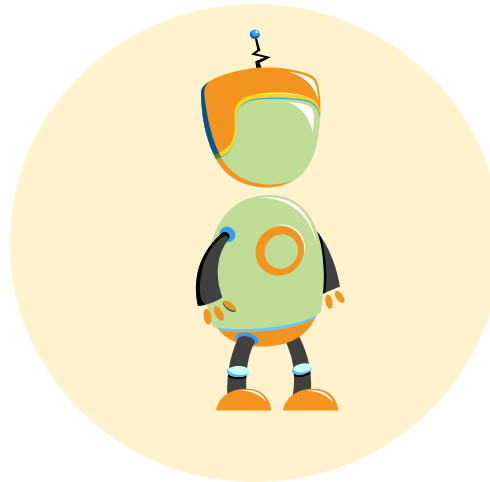




C.4 Occupational Qualifications

Development Quality Partner

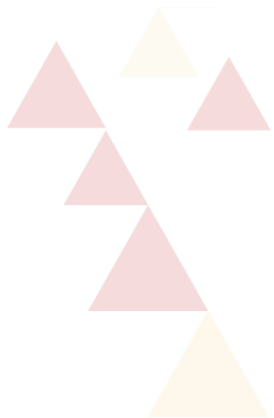
- Qualifications Development Facilitators (QDFs)
- Communities of Expert Practitioners (CEPs)



36 Registered Occupational Qualifications

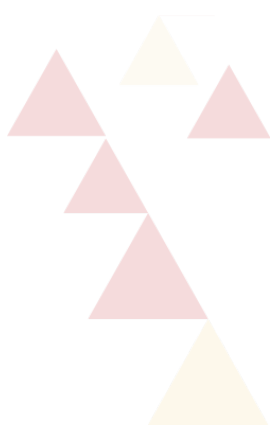
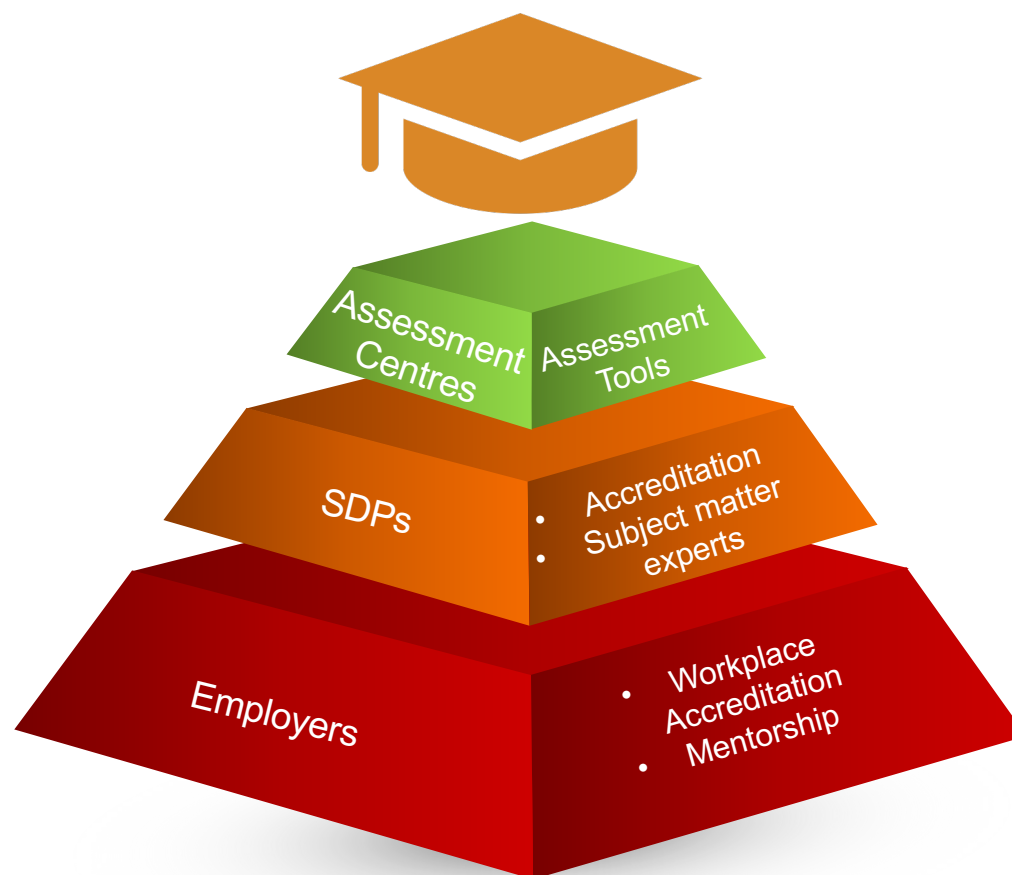
Assessment Quality Partner

- Assessment instruments and tools
- Assessment Practitioners
- Assessment Centres





C.5 Critical Success Factors



C.6 Action



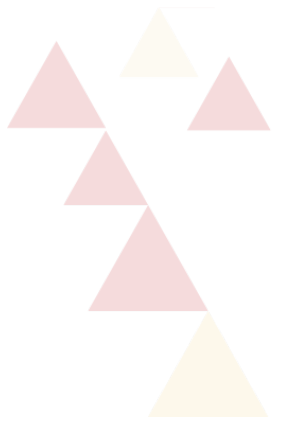
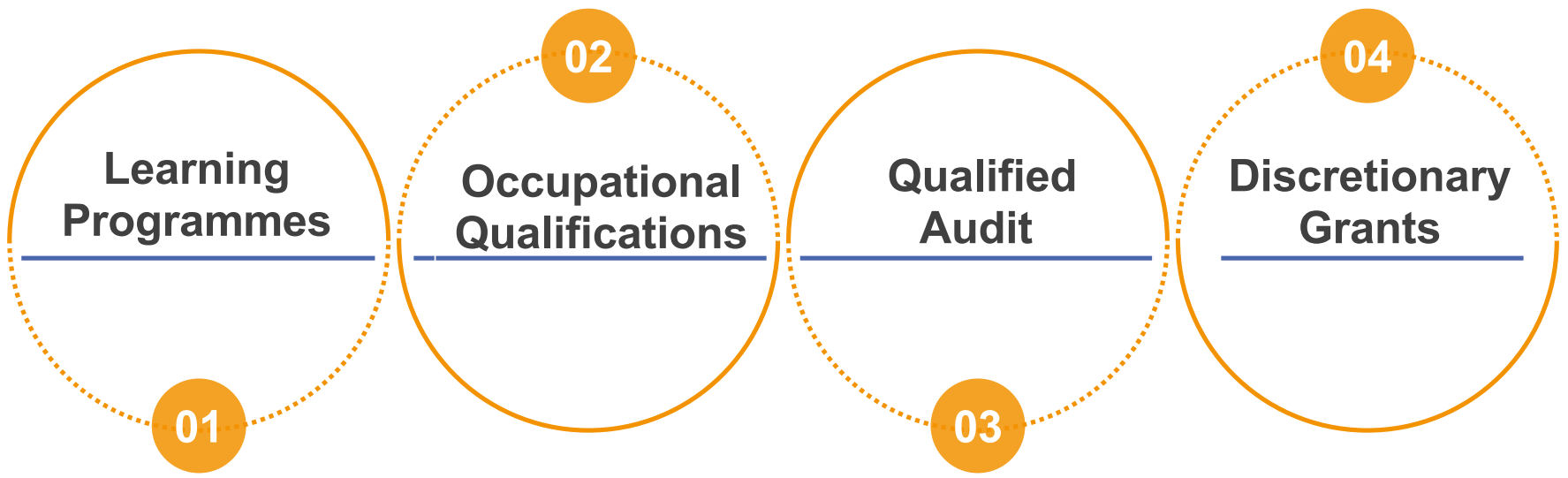
Annual Performance Plan Alignment (2024/25)

- **Targeted DG Spread:**
 - Employers (Chambers / NLPE)
 - Special Projects (CBO / Nat Priorities /SMMEs)
 - Board Directed Initiatives
 - CEO Directed Initiatives
 - Provincial spread (incl. demarcations / DDM)
- **Targeted Bursary Allocations & Completions** (student debt)
- **Proactive External Moderations → Certification**
- **Aggressive SME/SDF & Workplace Accreditations**

Sector Skills Plan Alignment:

- **Research Based Inputs** (emphasis on Chambers)
- **Skills needs analysis** (DGs)
- **Partnership** (Public / Private/ PSET / CBO)
- **Targeted Interventions** for THF, S C P Skills

C.7 Strategic Issues



C.8 Strategic Issues



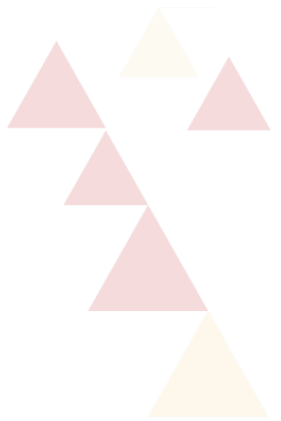
01 Youth Unemployment

- Internships
- Learnerships

02 Occupational Qualifications

03 Discretionary grants

04 Partnerships (Public, Private, PSET, CBO)





Thank You

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Presentation of the Annual Financial Statements of the Accounting Authority



Tsheola Matsebe
Chief Financial Officer



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AGENDA



PART A

Statement of Financial Position



PART B

Statement of Financial Performance



PART C

Total Expenditure



PART D

Statutory Disclosure



PART E

Audit Action Plan



PART A

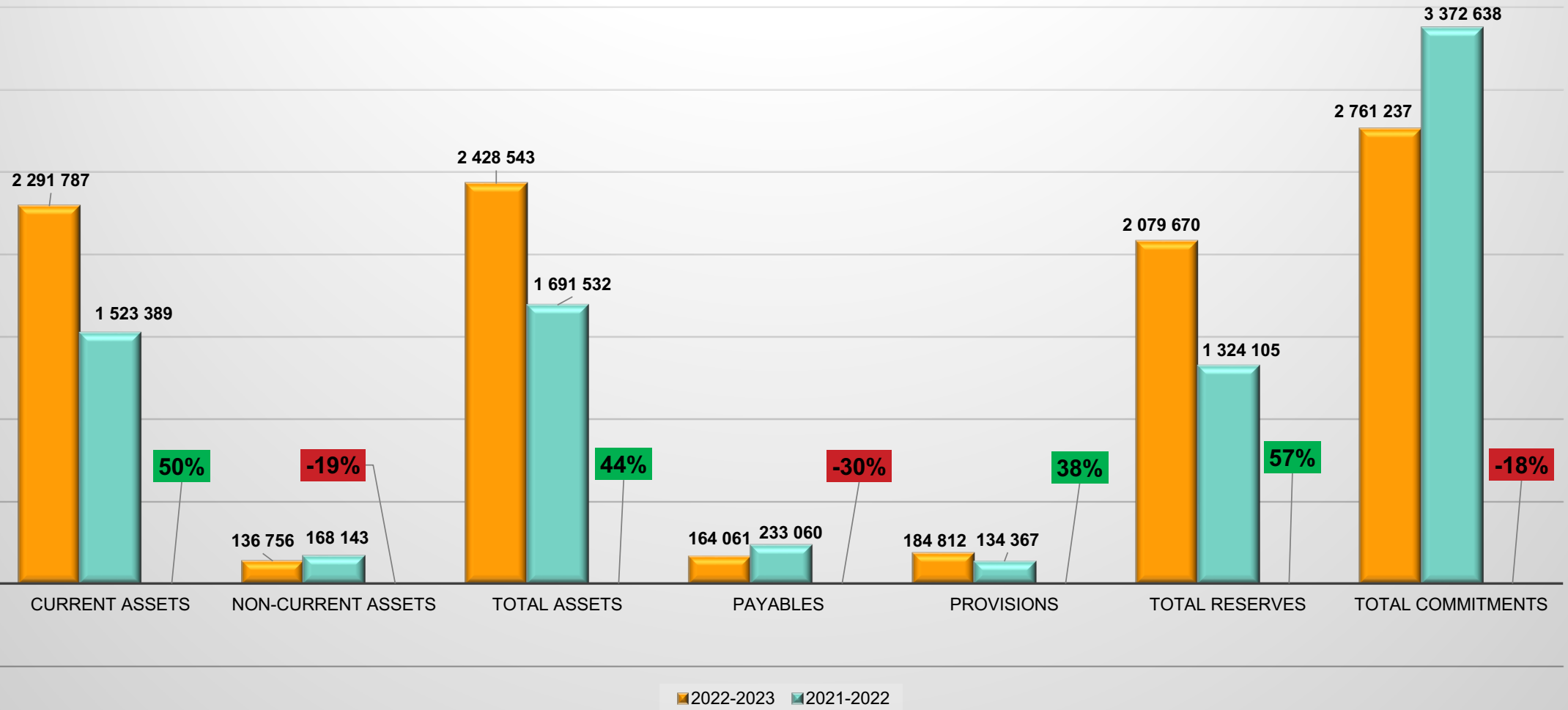
STATEMENT OF FINANCIAL POSITION



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STATEMENT OF FINANCIAL POSITION

R'000





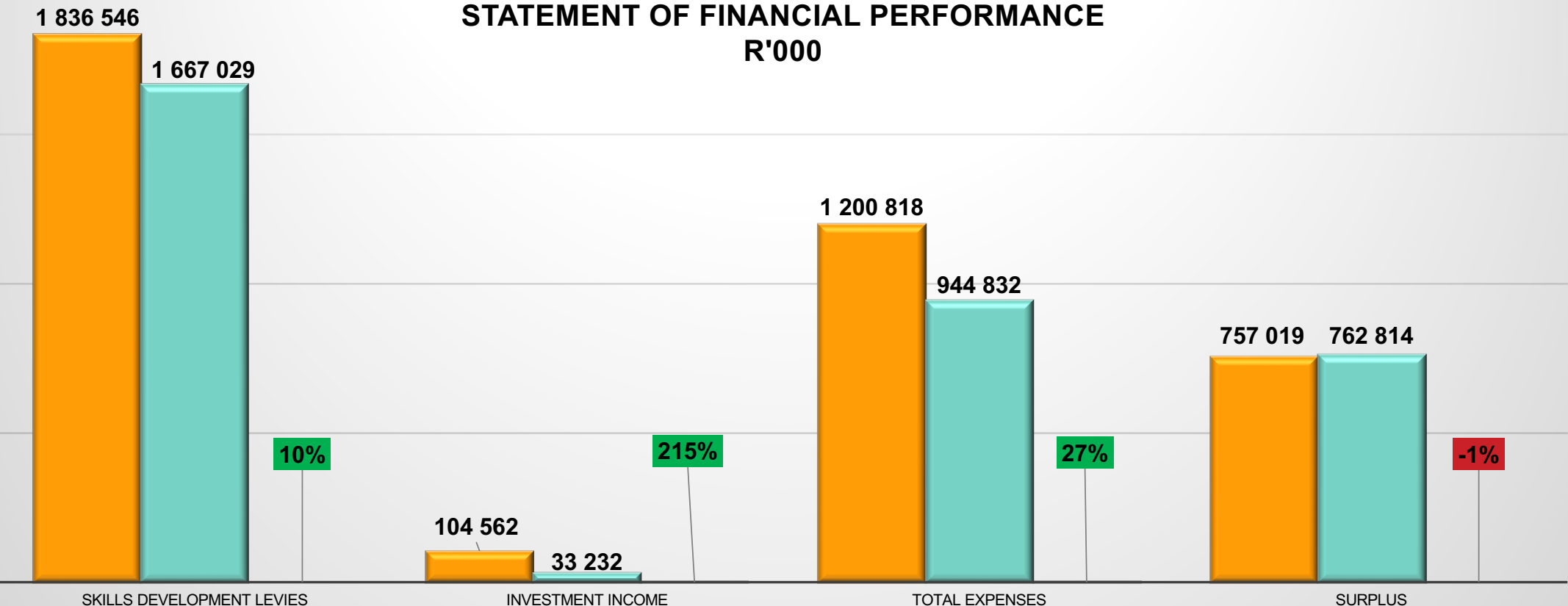
PART B

STATEMENT OF FINANCIAL PERFORMANCE

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STATEMENT OF FINANCIAL PERFORMANCE

R'000



2022-2023 2021-2022 Variance

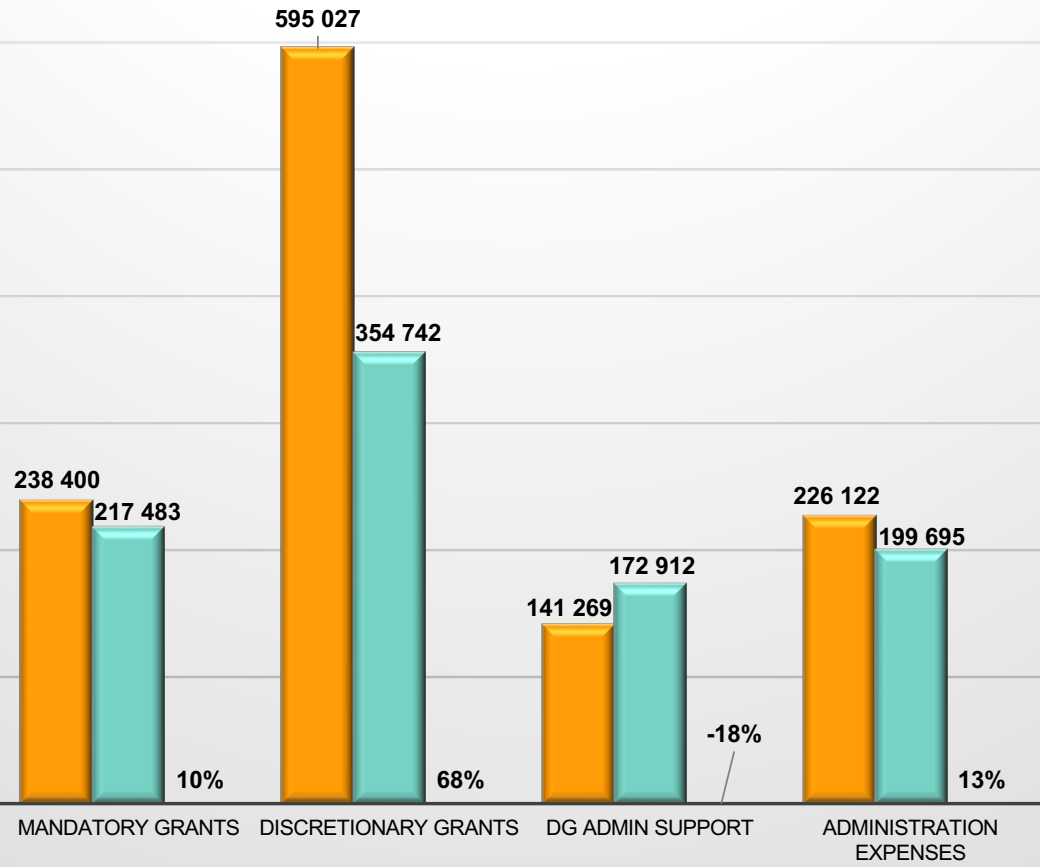
PART C

TOTAL EXPENDITURE



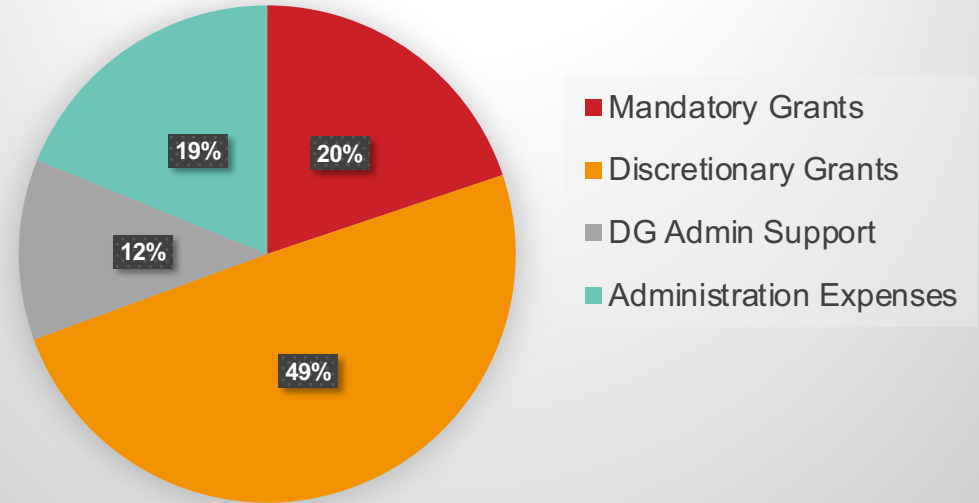
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TOTAL EXPENDITURE R'000

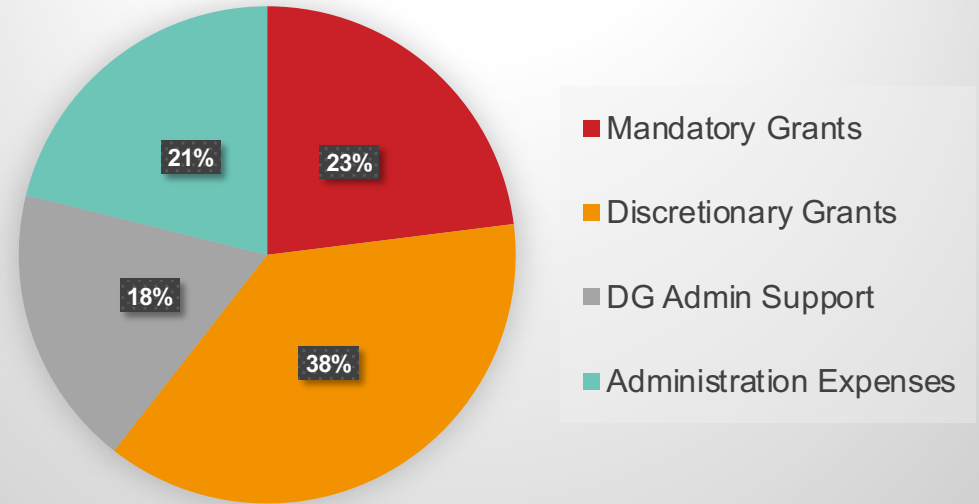


■ 2022-2023 ■ 2021-2022 ■ Variance

TOTAL EXPENDITURE 2022-2023



TOTAL EXPENDITURE 2021-2022





PART D

STATUTORY DISCLOSURE

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STATUTORY DISCLOSURE



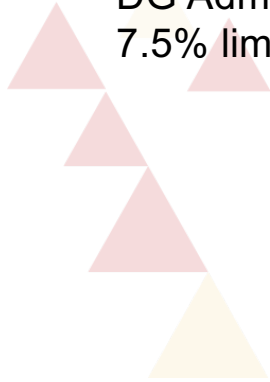
**Irregular Expenditure:
R178 Million (FY:22 R175 million)**

- Discretionary Grants payments outside contract terms
- Discretionary Grants allocation on special projects not in line with Grant Regulations
- Discretionary Grant allocation without adequate approvals
- DG Administration support above 7.5% limit



**Fruitless and Wasteful Expenditure:
R4.2 million (FY:22 R1,5 million)**

Relation settlement of litigations in favour of service providers





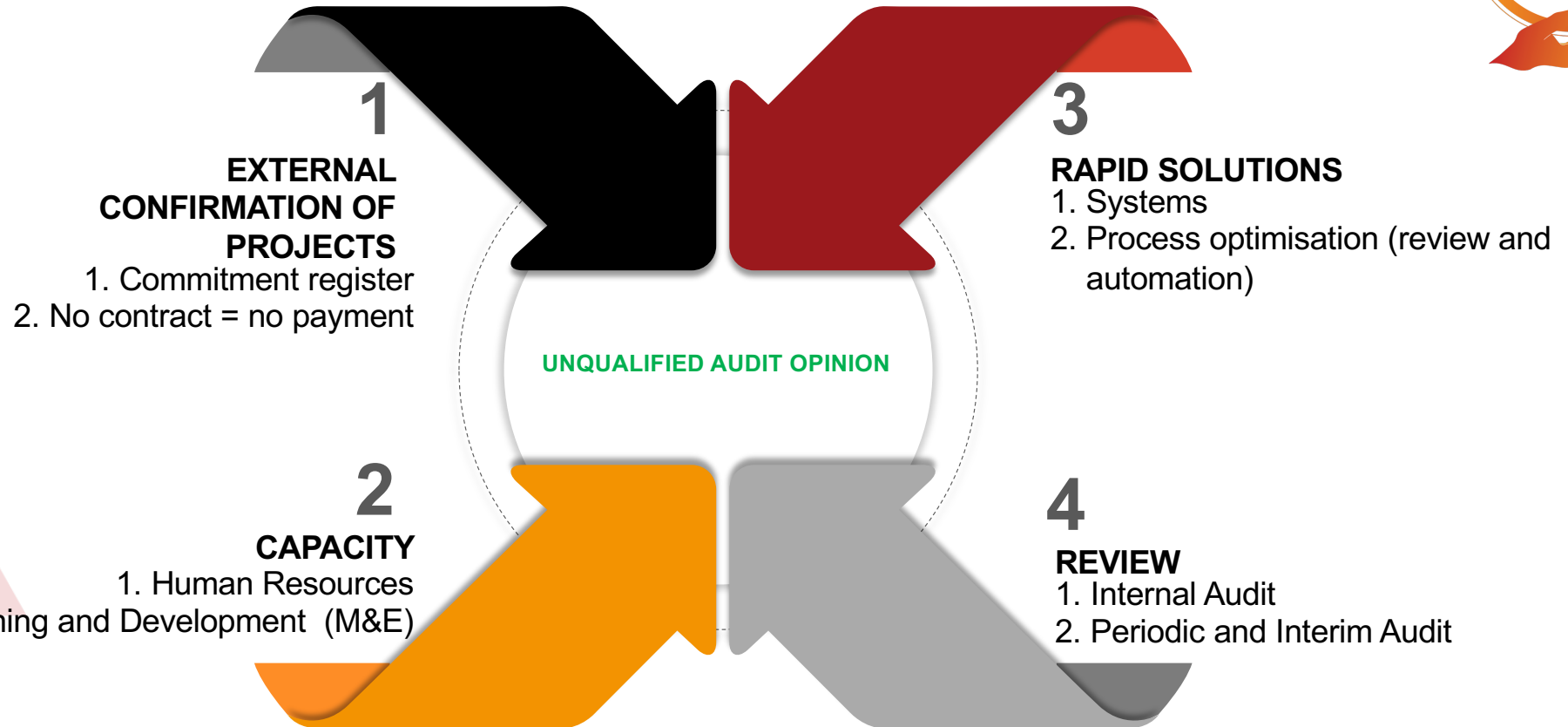
PART E

AUDIT ACTION PLAN

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AUDIT ACTION PLAN





Thank You

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Report of the Auditor-General on the Accounting Authority



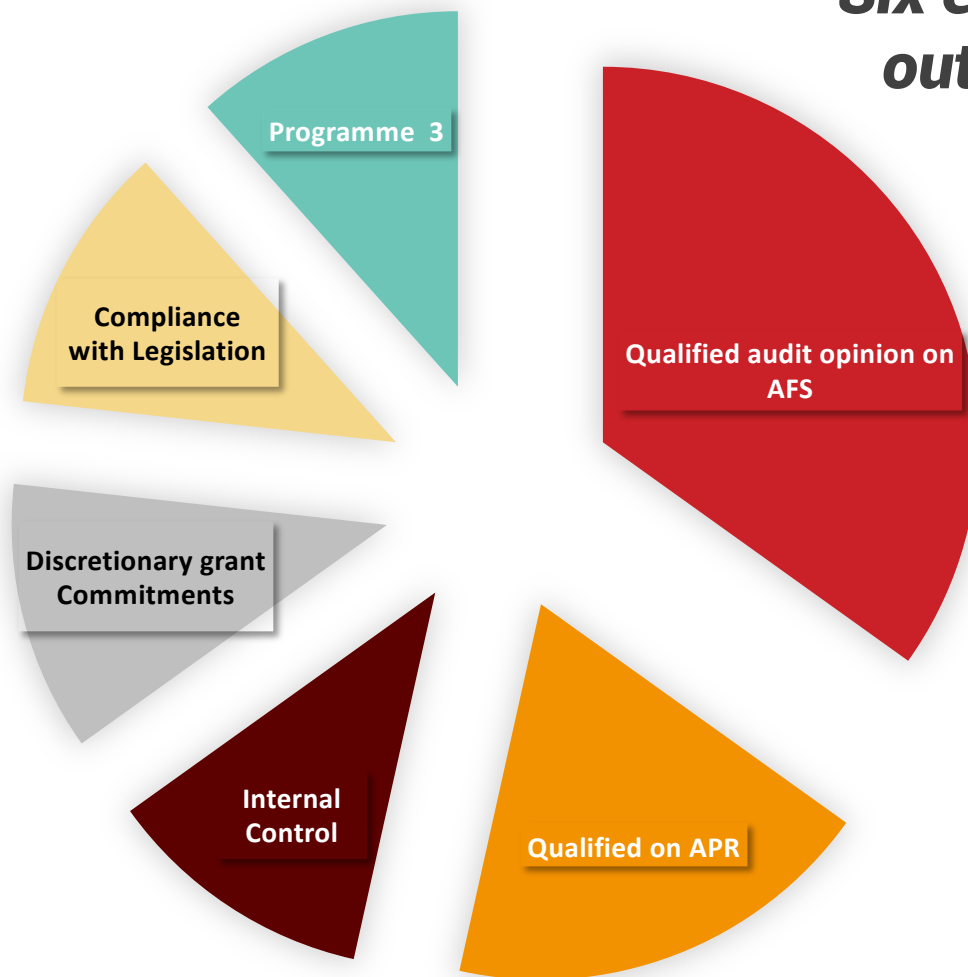
Kgotlo Rabothata
Audit Committee Chairperson: Services SETA

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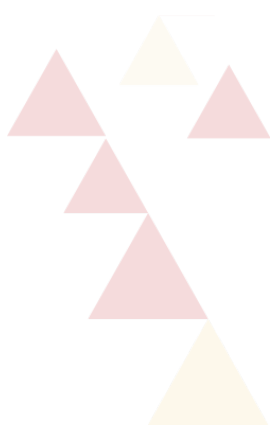


Audit Outcome 2022/23

Six elements of audit outcome 2022/23



- Annual Financial Statements
- Annual Performance Report
- Internal controls
- Discretionary grant commitments (2,7 bil (3,3 bil - 2022)) & IE - 178m
- Compliance with legislation (PFMA)
- Programme 3 targets





Thank You

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Recommendation of the Services SETA's Annual Budget and Business Plan



Mamabele Motla

Executive Manager: Strategy & Planning

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AGENDA



PART A

2024/25 Sector Skills Plan



PART B

2020/21 - 2024/25 Strategic Plan



PART C

2024/25 Annual Performance Plan



PART D

2024/25 Annual Budget



PART A



2024/25 Sector Skills Plan

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SECTOR OVERVIEW



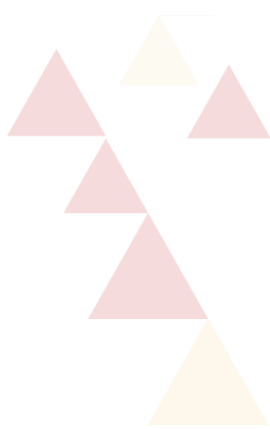
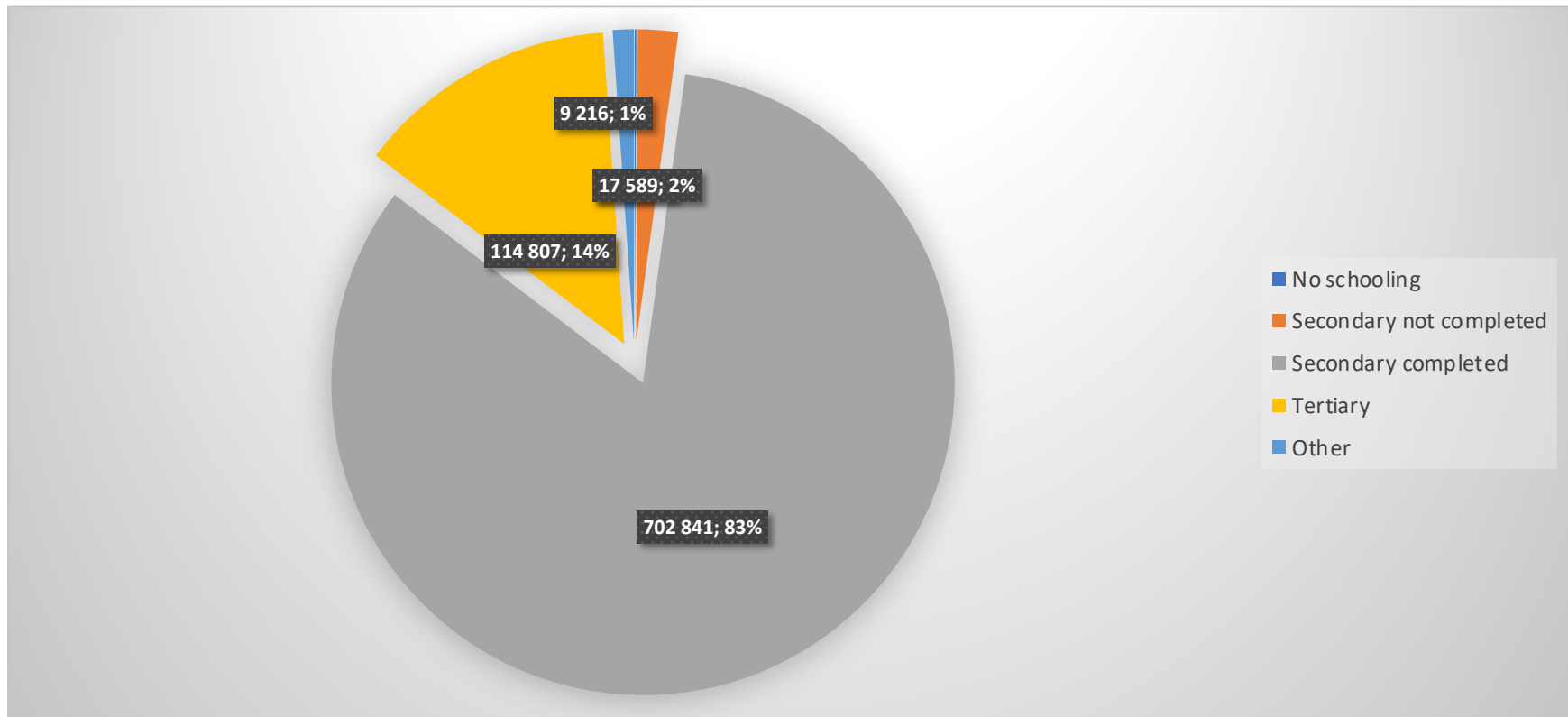
Employers : 191 170 employers belonging under the Services SETA

Row Labels	Grand Total	Levy Paying Total		Non- Levy Paying Total	
		Total	%	Total	%
Cleaning and Hiring Service Chamber	5,024	983	3%	4,041	3%
Communications and Marketing Services	4,395	697	2%	3,698	2%
Labour and Collective Services Chamber	4,323	726	2%	3,597	2%
Management and Business Services Chamber	153,452	27,039	75%	126,413	81%
Personal Care Services Chamber	8,795	3,106	9%	5,689	4%
Real Estate and Related Services Chamber	15,181	3,380	9%	11,801	8%
Grand Total	191,170	35,931 (19% of total employees)		155,239 (81% of total employees)	

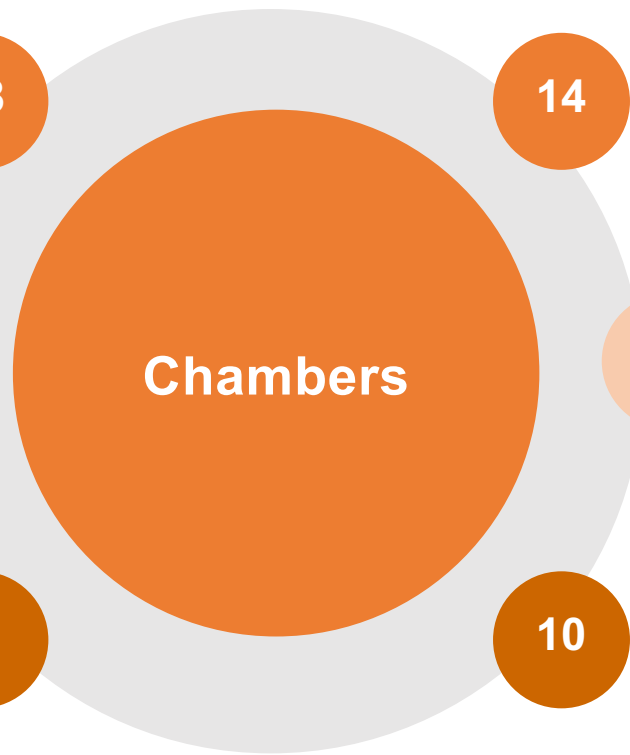
SECTOR OVERVIEW CONT...



Education: Workforce that has not completed secondary education (3%), with most having completed secondary education (83%). Only 13% of the workforce had tertiary education.



HARD TO FILL VACANCIES



Cleaning and Hiring services

- Lack of relevant qualifications
- Shortage of suitably qualified people

Management and Business services

- Shortage of suitably qualified people
- Equity Considerations

Communications and Marketing services

- Lack of relevant qualifications
- Lack of relevant skill

Personal Care services

- Shortage of suitably qualified people
- Lack of relevant skill

Labour and Collective services

- Shortage of suitably qualified people
- Lack of relevant skill

Real Estate and Related

- Shortage of suitably qualified people
- Equity Considerations



TOP 10 SECTOR PRIORITY OCCUPATIONS



1. Auctioneer
2. Real Estate Agent
3. Mortician
4. Health & Safety Officer
5. Cleaning Supervisor
6. Advertising & Public Relations Manager
7. Industrial relations Advisor
8. Software Developer
9. ICT Security Specialist
10. Project Manager

2020/21 = 40% Achievement, less than 300 entered

2021/22 = 7/10 top 10 occupations implemented
7 286/14 268 (51%) against H2FVs implemented.

2022/23 = 3/10 top 10 occupations implemented
11 547/19 112 (60%) H2FVs implemented

Risks Identified

- Capacity of Supply (SDP, Assessment Centres, SME, QAS & Tools).
- Implementation not aligned to the identified occupations.

Mitigation

- Effective monitoring of occupations and type of interventions implemented.
- Strengthen SSP performance monitoring monthly and quarterly reporting to Chambers Committees.
 - Inter-SETA collaboration on use of available qualifications.

2024/25 SECTOR SKILLS PLAN PRIORITIES



Priority 1

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

Priority 2

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

Priority 3

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

Priority 4

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

Priority 5

Implementation of organisational-wide Monitoring & Evaluation Framework to improve performance management

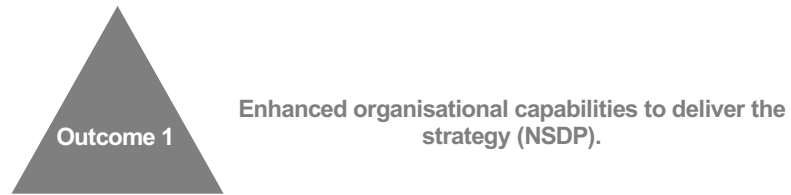
PART B



2020/21 - 2024/25 Strategic Plan

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STRATEGIC OUTCOMES AND 5 YEARS INDICATORS



Quality of financial statements and reliable performance information submitted	Clean Audit Outcome
Staff complement maintained	70%
Alignment between business needs and ICT implementation plan in place	80%
Stakeholder satisfaction score	75%
Effective governance and assurance monitoring system	Good Governance report

Credible and integrated strategic plans developed	Approved SSP, SP and APP
Number of partnerships to broaden access to development opportunities	80
Percentage increase in submissions of WSPs	5%

Number of entrepreneurship and cooperatives supported	3 500
Number of interventions embarked upon with employers to improve enrolment in and completion of priority occupations	150
Number of learners enrolled in priority occupations	65 000

Percentage of external moderation and evaluation conducted within specified timelines	85%
Percentage of developed occupationally directed qualifications aligned to priority skills	60%

PART C



2024/25

Annual Performance Plan

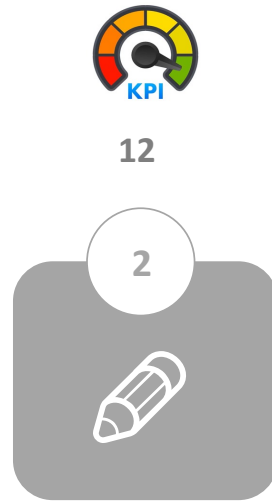
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APP PROGRAMMES



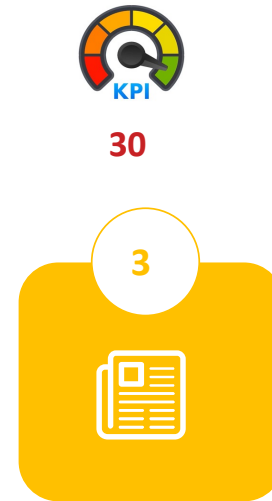
Administration

1. Finance
2. Human Resources Management and Development
3. Information and Communication Technology
4. Marketing and Communications
5. Risk Management & Compliance
6. Governance



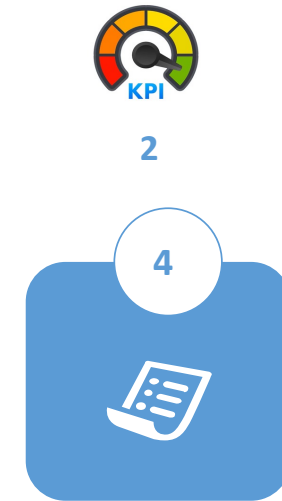
Skills Development & Planning

1. Strategy and Planning
2. Strategic Partnerships (capacity development)
3. Mandatory grants



Learning Programme

1. Entrepreneurship and Corporative Development
2. Strategic Partnerships (capacity development)
3. Learning Programmes Implementation



Quality Assurance

1. Quality Assurance
2. Qualifications Development

PART D



2024/25 Annual Budget

DEVELOP AND GROW

ENROLMENT TARGETS AND BUDGET BY LEARNING INTERVENTION



Learning Intervention	# of learners - 2023/24	# of learners - 2024/25	Budget
Learnerships	9 512	9 488	R 679,227,063.00
Workers – Traditional (April 2024 - June 2024)	1 450	256	
Unemployed – Traditional (April 2024 - June 2024)	8 062	2 116	
Workers - Occupational	-	767	
Unemployed - Occupational	-	6 349	
Skills Programmes	4 100	3 305	R 34,756,125.00
Workers – Traditional (April 2024 - June 2024)	2 800	485	
Unemployed – Traditional (April 2024 - June 2024)	1 300	341	
Workers - Occupational	-	1 455	
Unemployed - Occupational	-	1 024	
Artisan	1 000	1 000	R 206,290,000.00
RPL (General)	500	4 000	R 32,000,000.00
ARPL (Artisan)		1 000	R 55,000,000.00
AET (Workers)	150	200	R 1,600,000.00
Candidacy	214	225	R 18,200,700.00
Sub-Total Learning intervention (excl. Intern & Burs)	15 476	19 218	R 1,027,073,888.00

ENROLMENT TARGETS AND BUDGET BY LEARNING INTERVENTION END...



Learning Intervention	# of learners - 2023/24	# of learners - 2024/25	Budget
Bursaries	1 500	1 475	R110,870,000.00
Workers - NEW	300	315	
Unemployed - NEW	800	840	
Unemployed - CONT	400	320	
Internships	2 285	2 840	R 253,820,000.00
Unemployed entering internships - WBL	535	835	
TVET student placement – WIL	1 150	1 400	
University student placement – WIL	500	500	
Interns placements at CET	100	105	
Sub - Total Learning intervention (only Intern & Burs)	3 785	4 315	R 364,690,000.00

Total Learner Enrollments	# of learners - 2023/24	# of learners - 2024/25
	19 261	23 533 (22% increase)

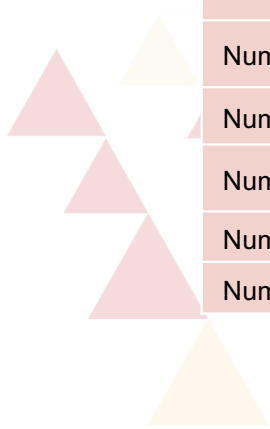


OTHER INTERVENTIONS SUPPORTING SSETA PERFORMANCE



Entrepreneurship and Cooperative Development	# of learners - 2023/24	# of learners - 2024/25
Cooperatives development	300	300
SMME development	300	300
CBOs/ NGOs/ NPOs development	100	100
Established or emergent cooperatives training	30	30
Small and emerging enterprises training	30	30
Training on entrepreneurship programmes	200	200
Total Entrepreneurship and Cooperative Development	960	960

Special Project and Strategic Interventions	2023/24	2024/25
CET & TVET supported with Infrastructure Development Projects	3	3
Number of Centres of Specialisation supported	4	4
Number of TVET Lecturers exposed to the industry through Skills Programmes	50	50
Number of Managers receiving training on curriculum-related studies – TVET	5	5
Number of TVET colleges Lecturers awarded Bursaries	50	50
Number of CET colleges lecturers awarded skills development programmes	20	20
Number of Managers receiving training on curriculum-related studies – CET	5	5
Number of Universities/TVET/CET Partnerships established	14	9



OTHER INTERVENTIONS SUPPORTING SETA PERFORMANCE END...



Initiative	Budget
Entrepreneurship and Cooperative Development	R 12,000,000.00
Special projects & Strategic initiatives (including. Qualifications development, Research, TVET & CET Colleges capacitation and infrastructure development projects)	R 148,590,112.00
Total other initiatives	R 160,590,112.00

Total Discretionary Grant Budget Allocation	R 1,552,354,000.00
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COMPLETIONS TARGETS BY LEARNING INTERVENTION



Learning Intervention	# of learners - 2023/24	# of learners - 2024/25
Learnerships	3 262	7 697
Skills Programmes	1 815	5 544
Internships	731	1 947
Bursaries	492	525
Artisan	1 070	1 200
RPL/ARPL	76	200
AET (Workers)	29	100
Candidacy	61	86

Total Learner Completions	# of learners - 2023/24	# of learners - 2024/25
	7 536	17 299





Thank You

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Adoption of the Services SETA Annual Budget and Plan

Stephen De Vries
Chairperson: Services SETA



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Address by the Deputy Director General: Skills Development



Zukile Mvalo
Deputy Director General: DHET



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Question & Answer



Wiseman Dinwa
AA Member: Services SETA



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Vote of Thanks

Shadrack Motloung
AA Member: Services SETA



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