ANNUAL PERFORMANCE PLAN
2019/20

higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

SERVICES
SETA

OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

- was developed by the management of the Services SETA in consultation with the Department of Higher Education and Training

- was informed by the Services SETA Strategic Plan for the period 2015/16-2019/20, extended as per NSDS III extension

- accurately reflects the performance targets which the Services SETA will endeavour to achieve within available funding for the 2019/20 financial year

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Signature: ....

Executive Manager: Planning

Date: ....14/11/2018...............

Ms Amada Buzo-Gqoboka

Signature: ....

Acting Chief Executive Officer

Date: ....14/11/2018...............

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Date: ....14/11/2018...............

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FOREWORD

This Annual Performance Plan is aligned to the updated Services SETAs Strategic Plan submitted for 2018/19, which as per the extension of NSDS III, has been updated to five years from 2015/16 to 2019/20. This update has restructured the four programmes in accordance to the standardised programme structure proposed by the Department of Higher Education and Training. There are now 12 final Strategic Objectives. A zero-based strategic risk approach was adopted, and a rigorous risk assessment for the 2018/19 financial year foregrounds these strategic objectives.

Management has concluded the development of a Monitoring and Evaluation Framework for the organisation's performance dimensions; aimed at improving alignment between inputs, activities, outputs, outcomes and impact measures. Consultation across functions and levels was taken as a necessity in order to enhance support and ownership in implementation. Additionally, the framework has been used to inform the prioritisation and reduction of performance indicators. It should be noted that the Department of Higher Education and Training's Service Level Agreement performance indicators form the majority of indicators contained in the APP, and largely comprise of quantitative processes and output measures.

The Services SETA obtained an unqualified audit with no material findings (clean) for the 2017/18 financial year. This indicates that the measures that were put in place to relook the process of reporting performance information and preparation of supporting documents were successful.

This Annual Performance Plan, in line with the identified strategic goals, strives to strengthen the

Services SETA capability through policies, processes, systems and competencies; improving the services sector's capability through partnerships and collaboration; improving the flow of skills through provider and workplace capacity; and improving the stock of skills within the services sector through enrolling, training and certificating learners. These goals contribute directly to Government's Strategic Outcome 5: A skilled and capable workforce to support inclusive growth; and Outcome 12: An efficient, effective and development oriented public service, and an empowered, fair and inclusive citizenship.

Ms AMANDA BUZO-GQOBOKA

ACTING CHIEF EXECUTIVE OFFICER

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LIST OF ACRONYMS

AET	Adult Education and Training
AFS	Annual Financial Statements
APP	Annual Performance Plan
APR	Annual Performance Report
ATR	Annual Training Report
BBBEE	Broad-Based Black Economic Empowerment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CPD	Continuing Professional Development
DG	Discretionary Grants
DHET	Department of Higher Education and Training
ENE	Estimates of National Expenditure
ETQA	Education and Training Quality Assurance
HET	Higher Education and Training
HR	Human Resources
HRD	Human Resource Development
ICT	Information and Communications Technologies
LPE	Levy Paying Employer
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NCV	National Certificate (Vocational)
NEET	Not in Education Employment or Training
NGP	New Growth Path
NLPE	Non Levy Paying Employer
NQF	National Qualifications Framework
NSA	National Skills Authority
NSDS	National Skills Development Strategy
PAIA	Promotion of Access to Information Act 2 of 2000
PAJA	Promotion of Administration Justice Act 3 of 2000
PFMA	Public Finance Management Act 1 of 1999
PIVOTAL	Professional, Vocational, Technical and Academic Learning Programmes
QCTO	Quality Council for Trade and Occupations
RPL	Recognition of Prior Learning
SARS	The South African Revenue Services
SDA	Skills Development Act

SDLA	Skills Development Levies Act
SETA	Sector Education and Training Authority
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
SP	Strategic Plan
SSP	Sector Skills Plan
TVET	Technical Vocational Education and Training (Formerly FET Colleges)
WIL	Work Integrated Learning
WSP	Workplace Skills Plan

Part A: Strategic Overview
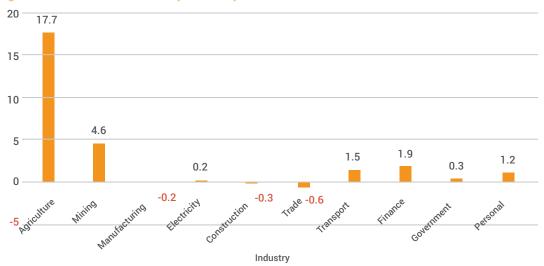
1. UPDATED SITUATIONAL ANALYSIS

1.1 Performance delivery environment

The Services SETA is one of the largest SETAs in terms of the number of employers falling within its scope. Approximately 176 793 employers fall within its demarcation (as of May 2018). About 131 105 employers were actively trading around the same time. About 93% of these employers are small and micro sized – that is, they employ less than 50 employees. A total of 27% are levy paying employers. The 70 standard industrial classification codes (SIC Codes) falling within the scope of the Services Sector, as per the Ministerial demarcation, are clustered into 16 sub-sectors and further into 6 chambers. As reflected in the table below, a majority of employers fall under the Management and Business Services chamber. Sector employers are concentrated in three provinces: 65% in Gauteng, 14% in Western Cape and 9% in KwaZulu-Natal. The remaining 12% is spread across the other six provinces.

Proportion of Employers by Chamber	Total	LPE	NLPE
Cleaning and Hiring Services	2%	2%	2%
Communication and Marketing Services	2%	2%	2%
Labour and Collective Services	2%	3%	2%
Management and Business Services	83%	84%	81%
Personal Care Services	5%	2%	6%
Real Estate and Related Services	7%	6%	7%

Latest GDP figures released by the official statistics bureau, Statistics South Africa (Stats SA, 2018a), indicates that over the last two years the GDP growth rate more than doubled from 0.6% to 1.3% in 2016 and 2017, respectively. The main drive behind this growth has been the Services sector alongside Agriculture, Forestry and Fishing sector (Ibid). The next figure indicates that the two sectors contributed about 0.4% to the GDP growth over the fourth quarter of 2017. On the contrary, the Trade, Catering and Accommodation sector grew by -1%. As the bedrock of the South African economy, the Services sector needs to be accorded the necessary support to help it grow the economy and ultimately, jobs.

Figure 1. GDP contribution by industry

Source: Stats SA (2018a)

Based on the categorisation described above, data from Statistics South Africa indicate that the Services SETA-related sectors combined contributed approximately 17.9% to the economy of South Africa in 2017, in terms of gross value added (GVA). Of these sectors, the Professional Business Services sector contributed more than two thirds to the GVA generated in the three Service SETA related sectors, with the Business Activities and Other Community, Social and Personal Services sectors contributing 15% and 17%, respectively. The situation remained similar in the preceding year, that is, 2016. The services sector is the largest industry in the South African economy. The figure below demonstrates that the services sector is also the largest employer.
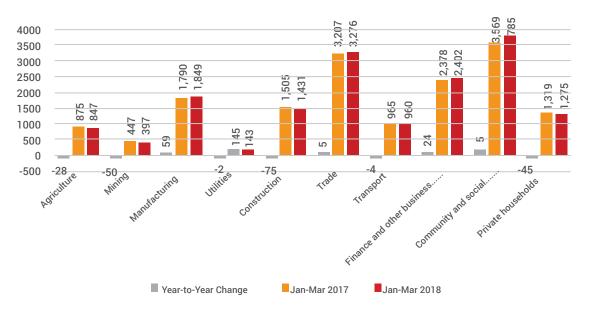
Figure 2. Employment by industry

Source: Statistics South Africa, 2018b

According to the Figure above, the highest employment numbers proportionately were recorded in the Community and Social Services industry (3,785 million people), followed by Trade (3,276 million people), and Finance and Other Business Services (2,402 million people). The Figure further indicates that the services sector has been resilient over the last two years, with the related industries registering growth in employment rate; the Community and Social Services, and Finance and Other Businesses sector creating 216,000 and 24,000 jobs, respectively; year-to-year. On the other hand, industries such as Construction, Mining, Private Households and Agriculture registered a negative employment growth for the same period.

The Services SETA, through the SSP, identified four critical areas of interventions to promote skills development in the sector in the short-to-medium term. These include:

- Alignment and review of Services SETA qualifications

- Promoting access to skills development

- Entrepreneurship and cooperative development

- Mobilisation of industry to participate in work-based learning programmes

In addition, the SSP research identified and prioritised 10 scarce skills for which degrees, diplomas and skills programmes are most applicable, as such, 10 PIVOTAL programmes have been identified as a vehicle for addressing scarce skills, see Annexure C.

This Annual Performance Plan (APP) provides learner enrolment targets across all learning interventions. The prioritisation and representivity of service delivery should consider the performance delivery environment. The criteria for awarding Services SETA funded discretionary grants (DG) to employers considers alignment to identified scarce skills.

1.2 Organisational environment

The 2017/18 financial year was characterised by strong financial management and improvement in performance against set targets. The Services SETA received a clean audit outcome from the Auditor-General of South Africa. Continuity in the Accounting Authority and management team provided the necessary synergy and stability to further improve on business processes and manage skills transfer.

To strengthen provider capacity as envisaged in the SSP 2019/20, a realignment of processes in the Quality Management Division was initiated, the intention being to improve specialist capacity and processes to speed-up the finalisation of pending and new applications for registration and accreditation. In addition, the Services SETA has also established an Enterprise Development Institute that aims to involve the assistance of ecosystem experts, post-school education and training stakeholders, government departments and public entities.

Investment in overall Human Resources Development include an arrangement with the Central University of Technology, Free State, to provide training in BTec: Project Management and BTech: Business Administration

to a total of 93 Services SETA staff members. This, in addition to a number of bursaries offered to staff members studying at various institutions of higher education.

The recently developed and launched Learner Management Information System is contributing to the enhancement of learner data reliability and quality. This will assist the planning, implementation, monitoring and evaluation of learning interventions. This intervention will further assist with internal and external audit processes by presenting reliable data in good time.

2. REVISIONS TO LEGISLATIVE AND OTHER MANDATES

The Sector Skills Plan and Strategic Plan discusses the policy and regulatory frameworks that govern the mandate of the Services SETA and their implications for planning. The Sector Skills Plan further identifies subsector legislative changes that affect the business of employers falling within the scope of the services sector. The purpose of this section is not to replicate details provided in the SSP and SP, but only to highlight the policy and regulatory imperatives that hold implications for the forthcoming year, and hence the APP.

The SP divides the regulatory and policy frameworks into 3 sets:

2.1 Legislation, regulations and policies constituting the national development framework

Here, the National Development Plan and associated strategies define the "impact" level of measurement for skills development. Recent changes here include:

- The effect of the Employment Tax Incentive, commonly known as the youth wage subsidy, has been higher than projected, with time running out if the incentive is to continue in 2017. The Act reduces the cost to employers for hiring young people through a reduction in the pay-as-you-earn employee tax, and aims to give youth crucial work experience, to try alleviate high unemployment rates. Given that employers could also claim a tax allowance for workers who are trained through a recognised learnership or apprenticeship programme, the expiration of this scheme may discentivise the industry uptake of SETA learnerships and apprenticeships. The government has proposed the continuation of this incentive, but limited it to a cap of R 20 million which an employer can claim.

- The New National Youth Policy was published in April 2015. This makes a specific commitment to youth development, and is reflected in the youth development priorities and targets in the APP.

- The amended BBBEE scorecard, gazetted in October 2013, came into effect in 2015. This affects all companies who are being measured and verified based on financial periods ending after 30 April 2015. Skills development is now a priority element, with a subminimum achievement of 40% required. The spend target has doubled to 6% of salary/wages bill and can include people other than employees. Training of black employees and learners in priority skills, identified by SETAs, could effectivly result in a boost for discretinary grant applications made by the industry.

- There has been substantial progress in planning the Strategic Integrated Projects (SIPs) key to the New

Growth Path. The Services SETA supports this presidential initiative and the APP continues to make provision for measuring funded learners enrolled in SIPs aligned scarce occupations.

2.2 Skills development legislation and policy

The National Skills Development Strategy III was extended by a further two-year period ending 31 March 2020. This has been done to firstly allow time for further consultations on the SETA landscape and, secondly, to align the NSDS III to the Medium-Term-Strategic Framework.

NSDS III proposed "a credible institutional mechanism for skills planning". The Labour Market Intelligence Program has effectively centralised many aspects of skills planning. This APP reflects skills planning interventions that collaborate with national skills planning.

The review of the SETA system under the Human Resources Development Council has also proposed a regionalisation of skills planning and a localisation of skills development. This APP reflects the importance of expanding stakeholder engagement and participation at national, provincial and sub-sector levels. Many of the skills development interventions are implemented in a way that promotes localisation.

The review processes also point to an increased collaboration between SETAs; between SETAs and public providers; and between providers and employers. All these trends are accordingly reflected in the interventions and targets proposed in this APP. Progress on interSETA collaboration has been achieved, as reflected in the SSP and SP and will be proceeded in the forthcoming financial year.

A centralisation of the quality assurance system under the QCTO has been underway for some time. The Services SETA Quality Management Division has been restructured to reflect the delegation of functions by the QCTO.

2.3 Other laws and regulations

These are laws and regulations affecting the state more widely (including SETAs), such as the PFMA, PAIA and PAJA. These fall within organisational compliance and legal services and, as such, measures are provided in the APP.

The Services SETA Sector Skills Plan, Strategic Plan, Annual Performance Plan and Service Level Agreement seek to operationalise the priorities contained in all national policy, legislation and regulations as determined by the Executive Authority.

3. OVERVIEW OF THE 2018/19 BUDGET AND MTEF ESTIMATES

3.1 Legislative Mandate

The Services SETA is a statutory body established in terms of the Skills Development Act of 1998 (as amended) with the aim of enabling its stakeholders to advance skills levels in the sector in accordance with government's growth initiatives. The Services SETA initiates skills development projects and learning interventions aimed at the improvement and development of South African human resources. The Services SETA has an obligation in respect of its stakeholders to ensure that skills in the Services Sector are developed.

As per Government Gazette number 39260 which was published on 6 October 2015, the Minister of Higher Education and Training extended the SETAs licence period for an additional two years until 31 March 2018. Subsequently, the Honourable Minister extended the lifespan of SETAs by a further two years to 31 March 2020, in terms of Government Gazette number 40505, which was issued on 15 December 2016.

The Estimates of National Expenditure Budget, which forms an integral part of the Annual Performance Plan, after approval by the Accounting Authority is then submitted to the Executive Authority, which is the Minister of Higher Education and Training.

3.2 FY2018/19-FY2019/20 MTEF budget overview

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 streams limits. It is important to note that there is a legal process which is currently underway regarding the applicability of the new grant regulations which came into effect on 01 April 2013. As per directive from the Executive Authority, SETAs are required to prepare budgets based on the disputed (New) limits:

Levy Income/Expenditure	Grant Regulations Limits (New)	Contingent Grant Regulations Limits (Old)
Administration	10.5%	10%
Mandatory	20%	50%
Discretionary	49.5%	20%
Allocation to SETAs	80%	80%
National Skills Funds	20%	20%
Total	**100%**	**100%**

A) REVISED BUDGET 2018/19 vs ORGINAL BUDGET 2018/19

3.2.1 Levies

Budget Revision FY2018/19

The South African economy is in a technical recession. This is according to the Medium Term Budget Policy Speech delivered on the 24 October 2018 by the Minister of Finance. GDP grew by 0.6 per cent in the first half of 2018 compared with the same period in 2017. On a quarter-on-quarter basis, however, GDP fell during the first half of 2018, leading to a technical recession. Salary increases in the next financial year are expected to be relatively modest. In addition, the Services SETA has been experiencing an increase in Inter-SETA Transfers requests. Given the foregoing projections, it is anticipated that the Levy Income for the FY2018/19 will amount to R1.636 billion, resulting in an adverse variance of R48.294 million relative to the original budget for FY2018/19.

	Original Budget 18/19 R'000	Revised Budget 18/19 R'000	Original vs Revised Budget 18/19	% Increase (Decrease)
Administration income	R221,133	R214,794	(R6,339)	-3%
Mandatory Grants income	421,205	R409,131	(R12,074)	-3%
Discretionary Grants income	R1,042,482	R1,012,600	(R29,882)	-3%
Total Skills Levies	**R1,684,820**	**R1,636,526**	**(R48,294)**	**-3%**

3.2.2 Investment Income

Budget revision FY2018/19

The SETA's cash and cash equivalents amount to R775.8 million as at 30 September 2018, which is invested with major financial institutions, compared to the closing balance as at 31 March 2018 of R1.424 billion. The decrease in cash and cash equivalents is due to a higher level of disbursements related to learning interventions, skills development centres and mandatory grants. Due to the decrease in cash balances it is projected that investment income will amount to R73.685 million for the year, resulting in an adverse variance of R75.124 million.

3.2.3 Administration Expenditure

Skills Development Grant Regulations limit the administration costs of SETAs to 10.5% of levies actually received. The administration costs of the Services SETA are therefore limited to the projected levy income of R214.8 million for FY2018/19. The projected administration expenditure is estimated to be FY2018/19

R222.2 million, resulting in administration deficit of R7.4 million. The administration deficit is mainly due to the recessionary state of the economy leading to lower levy income, higher information, communication and Technology, advertising and promotional costs, depreciation and filling of vacancies.

In terms of the Grant Regulations the test for compliance with the 10.5% limitation of administration expenditure should be determined as follows:

	YTD FY18/19 R'	Budget FY18/19 R'	Revised Budget FY18/19 R'
REVENUE			
Admin Levy Income	104 109 667	221 133 000	214 794 038
Adjusted Administrative expenditure	**(155,743,880)**	**(339 901 604)**	**(285 497 542)**
Administrative expenditure	(107,980,426)	(273 333 740)	(222 233 742)
Add Back Depreciation	5 420 546	13 998 803	11 925 201
Add Additions	(53 184 000)	(80 216 667)	(75 184 000)
Adjusted Net Surplus/(Deficit)	**(54 634 213)**	**(118 768 904)**	**(70 703 504)**

The request to exceed the 10.5% limitation as per the Grant Regulations will be submitted to the Minister of Higher Education and Training with this budget and the Annual Performance Plan for FY2019/20 on 15 November 2018.

3.2.3.1 Revised Administration Budget (FY2018/19)

The analysis below provides explanations for the variances in the revised budget for FY2018/19 compared to the original budget for FY2018/19. In aggregate, there has been a 19% (R51.1 million) decrease in the revised administration budget for FY2018/19 compared to the original budget. This is contrary to the 6% (R5.0 million) decrease in administration capital expenditure to R75.2 million.

Only variances which are more than R1.0 million and 10% are considered material and therefore explained. The notes refer to the comparative per cost item analysis.

Note 1: Governance Fees (R2.2 million - decrease)

The decrease in Governance Fees to R9.6 million is mainly attributable to the delayed finalisation of the appointment of the full complement of the Accounting Authority. The full complement of the board has now been appointed and governance fees will start increasing as a result of an increase in governance activities which includes providing guidance to management, attending functions including launches of new skills development centres, community development centres, stakeholder engagements and activities emanating from the Entrepreneurship and Co-Operative Development Institute Initiative, inter alia.

Note 2: Communication Expenses (R1.9 million - increase)

The increase in communication expenses is mainly due to the growth in the number of employees, introduction of a new telephony system to improve responsiveness as well as improved and stable network as well as the courier costs of moving into the recently acquired provincial offices.

Note 3: Professional Fees and Consultancy (R5.3 million - decrease)

The Services SETA endeavours to always reduce reliance on the use of administration consultants and only consults when there are no sufficiently qualified and experienced internal resources capable of rendering the required service or where it's not feasible to maintain internal resources.

Included in the revised budget for operational professional fees and consultancy costs of R31.9 million are, inter alia, the following interventions:

• Human Resources: Appointment of a service provider in the HR department to assist with Change Management since there is a new Accounting Authority and the need for management to now take the lead in decision making at the SETA. In addition a service provider has also been appointed to assess the need for additional resources and job grading (R6.7 million).

• Planning: Appointment of a service provider to conduct research for input into the forthcoming SSP, APP and SP (R1.6 million).

• Finance: Appointment of a service provider to provide support for AX Dynamics and VIP (R0.9 million).

• Information Technology: Appointment of a service provider to provide IT support and other applications support i.e LMIS, Stakeholder Database, HEAT (R7.3 million)

Note 4: Depreciation (R3.9 million - decrease)

The decrease in depreciation of R3.9 million to R11.9 million is mainly resulted from the delay in the occupation of administration property, plant and equipment amounting to R75.2 million. Assets to be acquired include provincial buildings which will then necessitate the acquisition of office furniture, computer equipment.

Note 5: IT Expenses (R7.7 million - decrease)

The decrease in IT expenses to R8.9 million is due to streamlined ICT support. IT expenses include licences for AX Dynamics, Firewall, telephone system, intrusion detection, Caseware, Virtual boardroom, laptops support, warranties and repairs and maintenance of IT infrastructure and backups.

Note 6: Cleaning, Repairs and Maintenance (R7.8 million - decrease)

Repairs and maintenance budget is anticipated to decrease to R2.7 million due to the delays in the occupation of the new provincial offices.

Note 7: Advertising and promotional costs (R4.6 million - decrease)

Advertising and promotional administration costs projection has decreased to R23.4 million due to the cost saving drive implemented by the Services SETA and budgeted costs for the branding of the new provincial offices being higher. Advertising and promotional costs includes costs for organising the Annual General Meeting and other operational events including the launch of the Gymnasium Facility, Employee Wellness Program, branding of offices and busses.

Note 8: Whistle-blower – Hotline (R3.9 million - decrease)

The budget for 2018/19 included provision for an integrated hotline service provider which would have included both hotline service and investigation services. However due to the difficulty in securing a turnkey solution, investigation services are budgeted for by Legal Services.

Note 9: Staff Costs (R8.5 million - decrease)

The decrease in staff costs is due to the exclusion of the performance bonus, filling-up of vacancies both in support departments which are administrative in nature as well as filling-up vacancies in core functions, which are discretionary in nature which are lesser than initially budgeted for. Total staff costs have decreased from R251.3 million to R180.8 million. Included in the staff costs is the provision for 32 prioritised vacancies to be filled before the end of the financial year. Included in the vacancies to be filled is the position of the CEO, three senior manager positions in ICT, Internal Audit and ECDI, five manager positions in Provincial Operations, Accreditation, Monitoring and Training and Document Management with the remaining 23 being below manager level.

Staff Costs Breakdown

Expenditure Category	%	New Budget	Revised Budget	Variance
Admin	37%	75 408 274	66 908 771	(8 499 503)
DG	63%	175 952 641	113 855 115	(62 097 526)
Total	**100%**	**251 360 915**	**180 763 886**	**(70 597 029)**

Note 10: Training & Development Costs (R6.7 million - decrease)

The decrease in training and development costs to R3.8 million is mainly due to the less than previously anticipated uptake on the initiative by the Accounting Authority to encourage employees to apply for bursaries in order to improve their qualifications as per the outcome of performance appraisals. The Services SETA continues to encourage employees to improve their qualifications. The collaboration with Construction SETA has contributed to the savings.

Note 11: Travel and Accommodation (R1.5 million – decrease)

The decrease in travel and accommodation costs is due to the SETA purchasing motor vehicles and kombis for usage by employees as part of its cost reduction initiatives. Employees are encouraged to utilise SETA cars instead of leased cars.

3.3 Discretionary Grants

3.3.1 Revised budget 2018/19 vs Original Budget 2018/19

The Services SETA committed R3.590 billion as at 31 March 2018. During the current financial year it is projected that direct discretionary grant expenditure will amount to R1.386 billion, which includes infrastructure development costs of R169.6 million. The direct discretionary grant expenditure translate to an average of translates to an average of 27,720 learners at R50, 000 per learner that will be supported. Infrastructure development costs of R169.6 million is expected to be expended on the development of skills development centres and community development colleges.

In addition to the R1.386 billion for DG Direct costs, there is a R524 million for DG Support costs to be incurred in the FY2018/19 and comprises of the following movements:

3.3.1.1 Labour costs (R62.0 million - Decrease)

The decrease in staff costs is due to the filling-up of vacancies both in support departments which are administrative in nature as well as filling-up vacancies in core functions, which are discretionary in nature which are lesser than initially budgeted for. Total staff costs have decreased from R251.3 million to R180.8 million due to a decrease in the number of positions to be filled. Included in the staff costs is the provision for prioritised vacancies to be filled before the end of the financial year, which comprises of CEO, three senior manager positions in ICT, Internal Audit and ECDI, five manager positions in Provincial Operations, Accreditation, Monitoring inter alia.

The Bonus Provision was not included in the projection due to financial constraints and guidance from the Governance Structures is sought.

Staff Costs Breakdown

Expenditure Category	%	New Budget	Revised Budget	Variance
Admin	37%	75 408 274	66 908 771	(8 499 503)
DG	63%	175 952 641	113 925 745	(62 097 526)
Total	**100%**	**251 360 915**	**180 834 515**	**(70 597 029)**

3.3.1.2 Advertising and Promotional Materials

The costs for advertising and promotional material is increased to R119.3 million and it is due to bulk buying for usage during skills development launches, exhibitions, stakeholder engagements.

3.3.1.3 Subsistence and travelling (R4.5 million - increase)

Site visits, external moderation, on-site verification and stakeholder engagements related to discretionary grants.

3.3.1.4 Professional & Consultancy (R16.3 million - decrease)

Professional and Consultancy covers the following:

• Development of 7 occupational qualifications

• Future Jobs Study, Research Chairs, Learner Tracer Study

• Professionals(Architects, Civil and quantity surveyors)

• Manage core business backlog, project manage contracts awarded between Feb & March 2015, reviving of cancelled contracts, Promotion of participation in the Funeral Industry

• Enterprise Development

• Development of learner material

• Promotion of additional participants in the auctioneering industry

3.3.1.5 Venue Hire, Catering & Refreshments (R8.6 million - decrease)

Venue hire, catering and refreshments relating to DG events, launches, stakeholder engagements and general DG core activities.

3.3.1.6 Insurance (R5 million – increase)

Provision for workplace related injuries of learners.

3.4 Mandatory Grants

3.4.1   Budget FY2018/19 vs Revised budget FY2018/19

In terms of the Grant Regulations, 20% of grants allocated to SETAs may be disbursed to companies that comply with certain conditions, including submission of WSPs and ATRs by the deadline. There were 2,911 approved companies that submitted WSPs for the 2019 scheme year compared to 3959 in the prior year.

The actual claim rate for the first six months of the FY2017/18 amounted to 40% and this is anticipated to improve in the second half of the financial year as submitted WSPs and ATRs are finalised. The average claim rate for the FY18/19 is projected to be 41% due to dedicated stakeholder engagements that are planned for the remainder of the financial year to deal with remediation. It is therefore anticipated that the mandatory grants disbursements for the year will amount to R165.9 million for the year compared to the original budget of R142.2 million.

B) ORIGINAL BUDGET FY2019/20 vs REVISED BUDGET FY2018/19

3.4.2 Levies

The levy income for FY2019/20 is expected to increase to R1.685 billion which represents a 3% (R49.095 million) increase when compared to the revised budget for FY2018/19. The increase of 3% is less than the anticipated general price increase rate of 5.3%. The decrease (5.3% vs 3%) takes into account inter-seta transfers-out as well as the slowdown in economic growth of the country.

Revenue	Revised Budget FY18/19	New Budget FY18/19	Revised Budget (Decrease)	% Increase-Decrease
Administration Income	214 794 038	221 237 859	6 443 821	3%
Mandatory Grants Income (WSP/ATR)	409 131 500	421 405 445	12 273 945	3%
Discretionary Grants Income, Interest & Penalties	1 012 600 463	1 042 978 476	30 378 014	3%
Total Skills Levies	**1 636 526 000**	**1 685 621 780**	**49 095 780**	**3%**

3.4.3 Investment Income

Budget FY2019/20

The investment income for 2019/20 is estimated to decrease by 10% (R7.368 million) compared to the revised budget for FY2018/19. This is as a result of anticipated higher rate of spending mainly due to various projects of the Services SETA which includes the construction of skills development centres and disbursements for learning interventions.

3.4.4 Administration Budget (FY2018/19 vs FY2019/20)

Skills Development Grant Regulations limit the administration costs of SETAs to 10.5% of levies actually received. The administration costs of the Services SETA are therefore limited to the budgeted levy income of R221.237 million for FY2019/20. The budgeted administration expenditure is estimated to be R230.507 million for FY2019/20, resulting in administration deficit of R9.269 million. The administration deficit is mainly due to the recessionary state of the economy leading to lower levy income.

In terms of the Grant Regulations the test for compliance with the 10.5% limitation of administration expenditure should be determined as follows:

	Revised Budget FY18/19 R'000	Budget FY18/19 R'000
REVENUE		
Admin Levy Income	214 794 033	221 237 359
Adjusted Administrative expenditure	**(286 497 542)**	**(217 303 745)**
Administrative expenditure	(222 233 742)	(230 507 545)
Add Back Depreciation	11 926 201	13 693 303
Add Additions	76 184 000)	(1 000 000)
Adjusted Net Surplus/(Deficit)	**(70 703 504)**	**3 429 114**

The analysis below provides reasons for the variances in the FY2018/19 Revised Budget relative to the Budget for FY2019/20. Only variances which are more than R1.0 million and more than 10% are considered material and therefore explained. The notes refer to the comparative per cost item analysis.

Note 1: Governance Fees (R1.5 million - increase)

The increase in Governance Fees to R11.1 million is mainly attributable to having the full complement of the Accounting Authority for the entire financial year, which is contrary to the previous financial year.

Note 2: Communication Expenses (R6.5 million - increase)

The increase in communication expenses is mainly due to the growth in the number of employees, introduction of a new telephony system to improve responsiveness, improved and stable network in all the SETA offices.

Note 3: Professional Fees and Consultancy (R3.2 million - decrease)

The Services SETA endeavours to always reduce reliance on the use of administration consultants and only consults when there are no sufficiently qualified and experienced internal resources capable of rendering the required service or where it is not feasible or practical to maintain internal resources.

Included in the budget for operational professional fees and consultancy costs of R28.6 million are, inter alia, the following interventions:

- Planning: Appointment of a service provider to conduct research for input into the forthcoming SSP, APP and SP (R1.7 million).

- Finance: Appointment of a service provider to provide support for AX Dynamics and VIP (R2.4 million).

- Information Technology: Appointment of a service provider to provide IT support and other applications support i.e LMIS, Stakeholder Database, HEAT, Monitoring system (R21.2 million)

- Organisational Brand Management

- Appointment of a service provider to assist with media coaching, website and intranet, cCorporate Identity Manual Review. (R3.4 million)

Note 4: Depreciation (R1.8 million - increase)

The increase in depreciation of R1.8 million to R13.7 million is mainly due to the planned acquisition of administration property, plant and equipment amounting to R75.2 million. Assets to be acquired include development of systems to improve on integration, office furniture, computers for additional employees and servers for new systems.

Note 5: Office Tools (R1.4 million – decrease)

The decrease in office tools is as a result of the completion of the acquisition and refurbishment of the provincial offices.

Note 6: Advertising and promotional costs (R4.4 million - decrease)

Advertising and promotional projection has decreased to R18.9 million due to the cost saving drive implemented by the Services SETA and the completion of the branding of the provincial offices. Advertising and promotional costs include costs for participating in exhibitions, launches, events and AGM.

Note 7: Staff Costs (R6.8 million - increase)

The increase in staff costs is due to the provision for one senior manager, three managers inter alia as well as salary increase percentage of 5.5%.

Guidance is sought from Governance Structures regarding the provision for bonus as it was excluded from the budget due to projected deficit.

Expenditure Category	%	New Budget	Revised Budget	Variance
Admin	37%	66 908 771	73 712 095	6 803 324
DG	63%	113 855 115	121 509 783	7 654 668
Total	100%	180 763 886	195 221 878	14 457 992

Mandatory Grants

Budget FY2019/20 vs Revised budget FY2018/19

The budget for mandatory grants disbursements has increased by R6.8 million to R172.7 million. The increase is based on the revenue and planned stakeholder activities that will result in a projected claim rate of 41%.

3.5 Discretionary Grants

Budget 2019/20 vs Revised budget 2018/19

In terms of the Grant Regulations, 49.5% of levy income allocated to SETAs plus any unclaimed mandatory grants, maybe disbursed as discretionary grants. The budget for total discretionary grants has decreased by R326.3 million to R1.577 billion. This comprises of Direct Discretionary grants of R1.167 billion, which includes infrastructure development costs of R133.0 million. The latter translates to an average of 23,340 learners at R50, 000 per learner that will be supported. Infrastructure development costs of R133.0 million expected to be expended on the development of skills development centres and community development colleges.

In addition to the R1.167 billion for DG Direct costs there is a R415.6 million for DG Support costs to be incurred in the FY2019/20 and comprises of the following:

3.5.1.1 Labour costs (R7.6 million - increase)

Included in the budget for FY2019/20 is a provision for the appointment of one senior manager, three managers and 23 employees at below manager level.

Guidance is sought from Governance Structures regarding the provision for bonus as it was excluded from the budget.

Expenditure Category	%	New Budget	Revised Budget	Variance
Admin	37%	66 908 771	73 712 095	6 803 324
DG	63%	113 855 115	121 509 783	7 654 668
Total	**100%**	**180 763 886**	**195 221 878**	**14 457 992**

3.5.1.2 Advertising and Promotional Materials (R49.4 million - decrease)

Advertising and Promotional materials for events/launches

3.5.1.2. Professional & Consultancy (R66.5 million - decrease)

Professional and Consultancy costs cover the following:

• Development of occupational qualifications

• Future Jobs Study, Research Chairs, Learner Tracer Study

• Professionals(Architects, Civil)

• Manage core business backlog, project manage contracts awarded between Feb & March 2015, reviving of cancelled contracts, Promotion of participation in the Funeral Industry

- Enterprise Development

- SMME Support

3.5.1.3 Venue Hire, Catering & Refreshments (R2.4 million - increase)

Venue hire, catering and refreshments relating to DG events, launches, stakeholder engagements, exhibitions and Expo.

3.5.1.4 Subsistence and travelling (R2.6 million - decrease)

Site visits, external moderation on-site verification and stakeholder engagements related to discretionary grants.

Capital expenditure budget

	2018/19	2019/20	Motivation
Computer Equipment	2000,000	1,000,000	Acquisition of new laptops and replacements
Disaster Recovery	12,000,000	0	Disaster recovery both On-Site and Off-Site
Computer Software	5,200,000	0	Laptops upgrade to Microsoft 360
Motor Vehicles	1,800,000	0	Acquisition of H1 and Vito to save on car hire.
Lifts	500,000	0	The current lifts are ten years old and continuously require maintenance
Office Equipment and furniture	10,500,000		Additional furniture required for new offices
Computer Software	42,750,000	47,500,000	Systems development to ensure effective and efficient intergration(LMIS, PRLT, Invoice Management System, Contract Management System, Bursary Management System, E-Learning, Remote Project monitoring system
Computer Software	6,250,000	53,500,000	Online ecosystem software development
Year to date acquisitions	102,260,000	0	
TOTAL	183,260,000	102,000,000	

3.6 Conclusion

We look forward for the approval of the budget which will enable us to fulfil our mandate of skilling and up-skilling the services sector.

3.7 Income and Expenditure estimates

Services SETA

Income by economic classification	Income outcome				Budget (Original)	Adjusted Appropriation	Medium-term income estimate		
R thousand	2015/16	2016/17	2017/18	2018/19	2018/19	2019/20	2020/21	2021/22
Levies Received	1,410,589	1,438,528	1,504,855	1,684,820	1,636,526	1,685,622	1,774,960	1,869,033
Levies Received: Administration 10.5%	184,789	188,724	197,363	221,133	214,794	221,238	232,963	245,311
Levies Received: Employer Grants 20%	367,484	359,047	378,595	421,205	409,132	421,405	443,740	467,258
Levies Received: Discretionary Grants 49.5%	858,316	890,757	928,897	1,042,482	1,012,600	1,042,978	1,098,256	1,156,464
Other Income	173,857	337,715	193,414	148,809	73,685	66,317	53,053	42,443
Penalties and Interest on Levies	49,153	48,419	56,140					
Investment Income	124,397	165,088	131,361	148,809	73,685	66,317	53,053	42,443
Other Income	307	124,208	5,913					
TOTAL INCOME	1,584,446	1,776,243	1,698,269	1,833,629	1,710,211	1,751,938	1,828,013	1,911,475

All programmes by economic classification	Expenditure outcome			Budget (Original)	Adjusted Appropriation	Medium-term expenditure estimate		
R thousand	2015/16	2016/17	2017/18	2018/19	2018/19	2019/20	2020/21	2021/22
Administrative expenses	195,280	276,336	309,502	337,746	285,498	217,809	205,548	211,387
Compensation of employees	19,191	44,103	67,764	75,408	66,867	73,712	77,619	81,733
Goods and services of which:	176,089	232,233	241,738	262,338	218,630	144,097	127,929	129,654
Advertising	6,611	45,482	30,168	27,905	23,354	18,954	19,959	21,016
Audit Fees	5,507	4,247	6,748	7,495	7,495	7,415	7,808	8,222
Communication	2,005	2,614	3,070	1,731	3,711	10,204	10,744	11,314
Computer services	8,546	8,773	7,953	16,695	8,993	8,797	9,263	9,754
Consultants, contractors and special services	50,992	85,723	46,443	57,619	48,210	45,112	23,752	20,008
Governance Fees	7,778	6,370	10,094	11,922	9,633	11,120	11,709	12,330
Maintenance repair and running cost	16,227	12,571	18,608	24,022	16,346	15,333	16,146	17,002
Depreciation & Impairment	16,490	12,554	63,760	15,854	11,925	13,699	14,425	15,189
Less: Depreciation & Impairment	-16,490	-12,554	-63,760	-15,854	-11,925	-13,699	-14,425	-15,189
Less Capital Expenditure	53,752	39,116	95,557	80,216	75,184	1,000	1,000	1,000
Travel and subsistence	5,361	5,732	6,869	6,277	4,272	5,117	5,388	5,674
Staff training, recruitment, assistance and welfare	7,481	10,064	6,333	14,561	7,819	7,266	7,651	8,056
QCTO	5,119	7,890	8,149	10,590	10,590	10,964	11,545	12,157
Office Accommodation	6,710	3,651	1,746	3,304	3,025	2,815	2,964	3,121

	Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8
Mandatory Grants - Transfers and subsidies to:	191,576	181,933	172,776	165,956	142,205	166,652	185,685	150,724
Provinces								
Agencies and accounts								
Universities and technikons								
Public corporations and private enterprises	191,576	181,933	172,776	165,956	142,205	166,652	185,685	150,724
Foreign governments and international organisations								
Non-profit institutions								
Households								
Discretionary Grants - Transfers and subsidies to:	1,617,812	1,543,397	1,577,979	1,904,398	2,006,761	2,073,303	1,502,625	714,337
Provinces								
Agencies and accounts								
Universities and technikons								
Public corporations and private enterprises	1,617,812	1,543,397	1,582,979	1,909,398	2,006,761	2,073,303	1,502,625	714,337
Foreign governments and international organisations								
Non-profit institutions								
Households								
Total expenditure (Excluding CAPEX)	2,020,775	1,930,879	1,968,564	2,355,852	2,486,712	2,549,457	1,964,646	1,060,341
Adjusted Net surplus (deficit) - Cash Basis	-109,300	-102,866	-221,626	-650,641	-653,083	-851,188	-188,403	524,105
Adjusted Net surplus (deficit) - Accrual	-123,489	-116,291	-234,324	-587,382	-588,721	-819,391	-161,841	561,367

Note1: National Treasury approved the Services SETA application to accumulate surpluses. The deficit arises as a result of disbursements of prior year's commitments to utilise the accumulated surpluses

Payments for capital assets:	Expenditure outcome			Budget (Original)	Adjusted Appropriation	Medium-term expenditure estimate		
R thousand	2015/16	2016/17	2017/18	2018/19	2018/19	2019/20	2020/21	2021/22
Buildings and other fixed structures	6,009	17,418	48,455	25,000	68,349	-	-	-
Machinery and equipment	-	812	2,050	14,300	10,173	-	-	-
Computer equipment	19,122	4,443	4,599	57,666	21,822	1,000	1,000	1,000
Software and other intangible assets	23,685	16,443	9,826	12,750	64,117	101,250	2,000	2,000
Motor vehicle	4,936	-	5,153	5,000	9,799	-	-	-
Total Capital expenditure	**53,752**	**39,116**	**70,083**	**114,716**	**174,260**	**102,250**	**3,000**	**3,000**

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		
R thousand	2015/16	2016/17	2017/18	2017/18	2017/18	2018/19	2019/20	2020/21
1. Administration	128,486	464,828	582,206	517,966	707,865	580,777	599,942	619,741
2. Planning	155,255	206,853	176,163	160,860	184,342	189,713	195,973	202,440
3. Skills Development	738,393	1,262,294	1,756,961	1,758,899	1,401,203	1,211,261	1,143,727	1,207,969
4. Quality Management	945	1,889	2,217	1,294	5,128	4,513	4,661	4,815
TOTAL	**1,023,079**	**1,935,864**	**2,517,547**	**2,439,018**	**2,298,538**	**1,986,263**	**1,944,304**	**2,034,965**

Part B: Programmes

The Services SETA has 4 programmes each comprising of strategic objectives, programme performance indicators and corresponding targets. The table below shows the alignment between the strategic goals and strategic objectives:

Programme	Strategic Objective Title	Strategic Objective Statement	Related Strategic Goal Titles	Links to SSP Priorities (Critical Areas of Intervention)	Link to NSDS III
1: Administration	1.1.1. Maintain sound reporting	Financial and performance reporting of the Services SETA are managed in a transparent, efficient and effective manner to maintain clean audit.	Goal 4: Strengthen the Services SETA's capabilities	Promoting access to skills development.	4.1. Establishing a credible institutional mechanism for skills planning.
1: Administration	1.1.2. Strengthen Human Resources	People competencies retained to enable operational efficiency.	Goal 4: Strengthen the Services SETA's capabilities	Promoting access to skills development.	4.1. Establishing a credible institutional mechanism for skills planning.
1: Administration	1.1.3. Ensure accountable governance	Accountable governance and oversight leadership focussed on high performance, compliance, internal controls and enterprise-wide risk mitigation.	Goal 4: Strengthen the Services SETA's capabilities	Promoting access to skills development.	4.1. Establishing a credible institutional mechanism for skills planning.
2: Skills Planning	2.1.1. Conduct credible research to inform planning	Expand research capabilities and credibility to inform relevant and evidence-based planning.	Goal 4. Strengthen the Services SETA's capabilities	Alignment of Services SETA qualifications.	4.1. Establishing a credible institutional mechanism for skills planning.

Programme	Strategic Objective Title	Strategic Objective Statement	Related Strategic Goal Titles	Links to SSP Priorities (Critical Areas of intervention)	Link to NSDS III
2: Skills Planning	2.1.2. Promote industry investment and strengthen workplace mentorship	Promote industry investment in workplace skills development and occupational qualifications strengthening work-integrated learning.	Goal 1: Improve the stock of skills	Work-based training and mentorship Promote work-based training and mentorship	4.1 Establishing a credible institutional mechanism for skills planning 4.2 Increasing access to occupationally-directed programmes 4.5 Encouraging better use of workplace-based skills development
3: Learning Programmes	3.1.1. Promote transformation through partnerships	National priorities promoted through supply- and demand-side partnership development.	Goal 1: Improve the stock of skills	Promoting access to skills development	4.1 – 4.8
3: Learning Programmes	3.1.2. Promote supply and demand partnerships	Identify infrastructure requirements and facilitate partnerships to expand access to skills development in rural areas.	Goal 1: Improve the stock of skills	Promoting access to skills development Alignment of Services SETA qualifications Work-based training and mentorship Promote work-based training and mentorship	4.4 Addressing the low level of youth and adult language and numeracy skills to enable additional training 4.5 Encouraging better use of workplace-based skills development

Programme	Strategic Objective Title	Strategic Objective Statement	Related Strategic Goal Titles	Links to SSP Priorities (Critical Areas of intervention)	Link to NSDS III
3: Learning Programmes	3.1.3. Promote enterprise development	Transformation and sustainability promoted through targeted enterprise development.	Goal 3: Improve the Services Sector's capabilities	Promoting access to skills development.	4.3. Promoting the growth of a public FET college system that is responsive to sector, local, regional and national skills needs and priorities. 4.6. Encouraging and supporting cooperatives, small enterprises, worker-initiated, NGO and community training initiatives. 4.7. Increasing public sector capacity for improved service delivery and supporting the building of a developmental state. 4.8. Building career and vocational guidance.
	3.1.4. Prioritise Services SETA investment	Enrol funded learners to achieve targets, strengthening alignment to scarce and critical demand, and priority skills.	Goal 1: Improve the stock of skills	Promoting access to skills development.	4.1. – 4.8.

Programme	Strategic Objective Title	Strategic Objective Statement	Related Strategic Goal Titles	Links to SSP Priorities (Critical Areas of intervention)	Link to NSDS III
3: Learning Programmes	3.1.5 Promote partnership and engagement	Promote stakeholder participation and information exchange to strengthen relevance and access to services.	Goal 3: Improve the Services Sector's capabilities	Promoting access to skills development. Promote work-based training and mentorship.	4.3. Promoting the growth of a public FET college system that is responsive to sector, local, regional and national skills needs and priorities. 4.6. Encouraging and supporting cooperatives, small enterprises, worker-initiated, NGO and community training initiatives. 4.7. Increasing public sector capacity for improved service delivery and supporting the building of a developmental state. 4.8. Building career and vocational guidance.
4: Quality Assurance	4.1.1. Improve efficiency in certification	Capacitate and support skills development providers to strengthen relevant skills supply.	Goal 2: Improve the flow of skills	Promoting access to skills development.	4.1. – 4.8.
4: Quality Assurance	4.1.2. Strengthen and assure quality of supply	Improve efficiency in quality assurance of learner achievement for certification.	Goal 1: Improve the stock of skills	Promoting access to skills development.	4.1. – 4.8.

4. PROGRAMME 1: ADMINISTRATION

4.1 Purpose

The purpose of the administration programme is to enable the delivery of the Services SETA Mandate through the delivery of support services. This programme is aligned to Strategic Goals 4: Strengthen the Services SETA capability to lead the sector through policies, processes, systems and competencies.

4.2 Description of the programme

The programme comprises of the following functions: Finance, Human Resources, Information Communication and Technology and Organisational Governance.

4.3 Strategic Objectives

#	Strategic Objective Title	Strategic Objective Statement
1.1	Maintain Sound Reporting	Financial and performance reporting of the Services SETA are managed in a transparent, efficient and effective manner to maintain clean audit.
1.2	Strengthen Human Resources	People competencies retained, and systems developed to leverage technology enabling operational efficiency.
1.3	Promote Accountable Governance	Accountable governance and leadership oversight focussed on high performance, compliance, internal controls and enterprise-wide risk mitigation.

4.4 Programme performance indicators and annual targets for 2019/20

STRATEGIC OBJECTIVE TITLE	#	Maintain sound reporting						
STRATEGIC OBJECTIVE STATEMENT		Financial and performance reporting of the Services SETA are managed in a transparent, efficient and effective manner to maintain clean audit.						
DESCRIPTION	1.1	To ensure that all accounting processes align to the requirements of the PFMA; that the organisation meets all Treasury requirements for cost saving; that there is no wasteful and irregular expenditure; and that the organisation is fully compliant with treasury and accounting practices and principles.						
PERFORMANCE INDICATORS		ACTUAL PERFORMANCE			ESTIMATED	TARGETS	MEDIUM TERM	
STRATEGIC ACTIVITY		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Improve management of the Services SETA financial affairs	1.1.1	Outcome of Annual Audit						
		Clean Audit	Unqualified Audit	Clean	Clean	Clean	Clean	Clean

STRATEGIC OBJECTIVE TITLE	#	Strengthen Human Resources						
STRATEGIC OBJECTIVE STATEMENT		People competencies retained, and systems developed to leverage technology enabling operational efficiency.						
DESCRIPTION	1.2	To ensure that the organisation has the appropriate human resources skills to deliver on the activities required to achieve its mandate.						
PERFORMANCE INDICATORS		ACTUAL PERFORMANCE			ESTIMATED	TARGETS	MEDIUM TERM	
STRATEGIC ACTIVITY		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Human resources effectively managed to ensure adequate and sufficiently skilled people retained and performance monitored.	1.2.1	Percentage of staff complement maintained						
		72%	86%	75%	85%	85%	85%	85%

STRATEGIC OBJECTIVE TITLE	#	Promote Accountable Governance							
STRATEGIC OBJECTIVE STATEMENT	1.3	Accountable governance and leadership oversight focussed on high performance, compliance, internal controls and enterprise-wide risk mitigation.							
DESCRIPTION		To ensure that the organisation complies with all regulatory and governance requirements as laid down by the various authorities. To ensure that the organisation aligns its governance protocols to statutory regulations.							
PERFORMANCE INDICATORS			ACTUAL PERFORMANCE			ESTIMATED	MEDIUM TERM TARGETS		
STRATEGIC ACTIVITY			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Facilitate compliance and strengthen internal control though assessment, development and monitoring action plans.	1.3.1	Percentage of audit action plans actioned	-	-	-	100%	100%	100%	100%
Mitigate the negative impact of identified strategic risks.	1.3.2	Percentage of risk action plans actioned	83%	100%	100%	100%	100%	100%	100%

4.5 Programme performance indicators and quarterly targets for 2019/20

STRATEGIC OBJECTIVE TITLE	#	Maintaining sound Reporting
STRATEGIC OBJECTIVE STATEMENT		Financial affairs of the Services SETA are managed in a transparent, efficient and effective manner to maintain clean audit.
DESCRIPTION	1.1	To ensure that all accounting processes align to the requirements of the PFMA; that the organisation meets all Treasury requirements for cost saving; that there is no wasteful and irregular expenditure; and that the organisation is fully compliant with treasury and accounting practices and principles.

STRATEGIC ACTIVITY	#	PERFORMANCE INDICATORS	INDICATOR STATUS	INDICATOR TYPE	REPORTING PERIOD	ANNUAL TARGET 2019/20	QUARTERLY TARGETS Q1	Q2	Q3	Q4	BUDGET R thousand
Improve management of the Services SETA financial affairs.	1.1.1	Outcome of Annual Audit	Continued	Non-Cumulative	Annually	Clean	-	Clean	-	-	45,963

STRATEGIC OBJECTIVE TITLE	#	Strengthen Human Resources and systems adequacy
STRATEGIC OBJECTIVE STATEMENT		People competencies retained, and systems developed to leverage technology enabling operational efficiency.
DESCRIPTION	1.2	To ensure that the organisation has the appropriate human resources skills to deliver on the activities required to achieve its mandate.

STRATEGIC ACTIVITY	#	PERFORMANCE INDICATORS	INDICATOR STATUS	INDICATOR TYPE	REPORTING PERIOD	ANNUAL TARGET 2019/20	QUARTERLY TARGETS Q1	Q2	Q3	Q4	BUDGET R thousand
Human resources effectively managed to ensure adequate and sufficiently skilled people retained and performance monitored.	1.2.1	Percentage of staff complement maintained	Continued	Non-Cumulative	Quarterly	85%	85%	85%	85%	85%	203,177

STRATEGIC OBJECTIVE TITLE	#	Promote Accountable governance
STRATEGIC OBJECTIVE STATEMENT	1.3	Accountable governance and leadership oversight focussed on high performance, compliance, internal controls and enterprise-wide risk mitigation.
DESCRIPTION		To ensure that the organisation complies with all regulatory and governance requirements as laid down by the various authorities. To ensure that the organisation aligns its governance protocols to statutory regulations.

To ensure that the organisation aligns its governance protocols to statutory regulations. PERFORMANCE INDICATORS	#	INDICATOR STATUS	INDICATOR TYPE	REPORTING PERIOD	ANNUAL TARGET 2019/20	QUARTERLY TARGETS				BUDGET R thousand
						Q1	Q2	Q3	Q4	
Facilitate compliance and strengthen internal control though assessment, development and monitoring action plans. Percentage of audit action plans actioned	1.3.1	Continued	Non-Cumulative	Quarterly	100%	100%	100%	100%	100%	11
Mitigate the negative impact of identified strategic risks. Percentage of risk action plans actioned	1.3.2	Continued	Non-Cumulative	Quarterly	100%	100%	100%	100%	100%	86

Administration

Expenditure by Programmes	Income outcome			Budget (Original)	Adjusted Appropriation	Medium-term expenditure estimate		
R thousand	2015/16	2016/17	2017/18	2018/19	2018/19	2019/20	2020/21	2021/22
Communication Marketing	9,514	91,475	97,294	53,816	149,342	92,471	95,522.56	98,675
Finance	24,655	15,353	105,191	25,115	68,661	45,963	47,480	49,046
Information Technology	35,271	20,434	32,428	22,703	23,835	39,328	40,626	41,966
Board Secretariat Services	9,205	5,854	6,049	9,064	10,885	12,537	12,951	13,378
Compliance	-	1,027	2,556	545	838	11	11	11
CEO	626	132,933	240,526	104,262	202,484	147,424	152,289	157,315
Legal Service	6,912	35,325	42,191	20,524	39,831	35,646	36,823	38,038
Risk Management	737	24	61	2,691	73	86	89	92
Internal Audit	-	-	-	-	3,905	4,134	4,270	4,411
Human Resources	41,566	162,403	55,910	279,245	208,011	203,177	209,882	216,808
TOTAL	**128,486**	**464,828**	**582,206**	**517,966**	**707,865**	**580,777**	**599,942**	**619,741**

5. PROGRAMME 2: SKILLS PLANNING

5.1 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. This programme is aligned to all Strategic Goals in that it informs the Services SETA and Sector Priorities and capabilities, and directs needs and supply in terms of the flow and stock of skills within the Services Sector.

5.2 Description of the programme

Functions of this programme encompass research and planning, performance information monitoring and reporting, and evaluations, including impact assessments.

5.3 Strategic Objectives

#	Strategic Objective Title	Strategic Objective Statement
2.1	Conduct credible research to inform planning	Expand research capabilities and credibility to inform relevant and evidence-based planning.
2.2	Promote industry investment and strengthen workplace mentorship	Promote industry investment in workplace skills development and occupational qualifications strengthening work-integrated learning

5.4 Programme performance indicators and annual targets for 2019/20

STRATEGIC OBJECTIVE TITLE	#	Conduct credible research to inform planning						
STRATEGIC OBJECTIVE STATEMENT	2.1	Expand research capabilities and credibility to inform relevant and evidence-based planning.						
DESCRIPTION		This programme aims to ensure that credible research and research findings are used to develop the SSP, SP and APP.						
STRATEGIC ACTIVITY	PERFORMANCE INDICATORS	ACTUAL PERFORMANCE			ESTIMATED	TARGET	MEDIUM TERM	
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Improve the research capabilities of the Services SETA.	2.1.1 Number of research studies conducted	-	2	-	5	2	2	2
	2.1.2 Number of impact assessment studies conducted	-	-	2	-	2	2	2

STRATEGIC OBJECTIVE TITLE	#	Promote industry investment and strengthen workplace mentorship						
STRATEGIC OBJECTIVE STATEMENT	2.2	Promote industry investment in workplace skills development and occupational qualifications, strengthening work-integrated learning.						
DESCRIPTION		This programmes aims to promote participation of employers in skills development by through technical support and training inmitiatives						
STRATEGIC ACTIVITY	PERFORMANCE INDICATORS	ACTUAL PERFORMANCE			ESTIMATED	TARGET	MEDIUM TERM	
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Provide technical assistance and support to employers to submit WSP/ATR.	2.2.1 Number of employers provided with technical assistance support to submit WSP/ATR	-	500	500	500	500	500	500

5.5 Programme performance indicators and quarterly targets for 2019/20

STRATEGIC OBJECTIVE TITLE	#	Conduct credible research to inform planning
STRATEGIC OBJECTIVE STATEMENT	2.1	Expand research capabilities and credibility to inform relevant and evidence-based planning.
DESCRIPTION		This programme aims to ensure development of the SSP, SP and APP of high quality with strong alignment.

STRATEGIC ACTIVITY	PERFORMANCE INDICATORS		INDICATOR STATUS	INDICATOR TYPE	REPORTING PERIOD	ANNUAL TARGET 2019/20	QUARTERLY TARGETS				BUDGET R thousand
							Q1	Q2	Q3	Q4	
Improve the research capabilities of the Services SETA.	Number of research studies conducted	2.1.1	Continued	Cumulative	Quarterly	2	-	-	1	2	16,681
	Number of impact assessment studies conducted	2.1.2	New	Cumulative	Quarterly	2	-	-	1	1	

STRATEGIC OBJECTIVE TITLE	#	Promote industry investment and strengthen workplace mentorship								
STRATEGIC OBJECTIVE STATEMENT	2.2	Promote industry investment in workplace skills development and occupational qualifications, strengthening work-integrated learning.								
DESCRIPTION		This programme aims to promote participation of employers in skills development by through technical support and training innitiatives								

STRATEGIC ACTIVITY	PERFORMANCE INDICATORS		INDICATOR STATUS	INDICATOR TYPE	REPORTING PERIOD	ANNUAL TARGET	QUARTERLY TARGETS				BUDGET
						2019/20	Q1	Q2	Q3	Q4	R thousand
Provide technical assistance and support to employers to submit WSP/ATR.	2.2.1	Number of employers provided with technical assistance support to submit WSP/ATR	Continued	Non-cumulative	Annually	500	500	-	-	-	173,032

5.6 Reconciling performance targets with the Budget and MTEF

Planning

Expenditure by Programmes	Actual Expenditure			Budget (previous)	Adjusted Appropriation	Medium-term expenditure estimate		
R thousand	**2015/16**	**2016/17**	**2017/18**	**2018/19**	**2018/19**	**2019/20**	**2020/21**	**2021/22**
Mandatory Grants	151,134	185,685	166,653	142,205	166,116	173,032	178,742	184,640
Planning	4,121	21,168	9,510	18,655	18,226	16,681	17,231	17,800
TOTAL	**155,255**	**206,853**	**176,163**	**160,860**	**184,342**	**189,713**	**195,973**	**202,440**

6. PROGRAMME 3: LEARNING PROGRAMMES

6.1 Purpose

The purpose of this programme is to disburse SETA discretionary grants through special and regular projects for infrastructure development, expanding access to skills development in rural and underserviced areas and pivotal learning interventions. Special projects are targeted interventions that meet national and transformational imperatives, whereas regular projects are granted on application in response to advertised opportunities.

6.2 Description of the programme

This programme consists of four primary functions namely: Special Projects; Learning Intervention Facilitation; Chambers Operations; and Provincial Operations.

This programme is aligned to Strategic Goal 1: Improve the stock of skills through the coordination of learner enrolment training and certification and Strategic Goal 3: Improve the Services Sector capabilities through partnerships and collaboration.

It is through the seven learning interventions targeted in this programme, namely: Learnerships, Bursaries, Skills Programmes, Internships, Apprenticeships, RPL and AET, that scarce and critical skills will be addressed. The Services SETA, in its Sector Skills Plan for 2019/20 submitted on 01 August 2018, identified a list of 49 hard-to-fill vacancies, and 23 skills gaps. Further in-depth analysis, and the mandate to balance supply across high, intermediary and entry level qualifications, resulted in the PIVOTAL list comprising a total of 10 occupations which is drawn from the list of hard-to-fill vacancies, skills gaps and trades. A higher correlation between enrolments and the PIVOTAL list can be expected as opposed to scarce and critical skills lists. The PIVOTAL list is provided below

OCCUPATION CODE	OCCUPATION	CHAMBER	INTERVENTION PLANNED BY THE SETA	NQF
2017-811201	Commercial Cleaner	Cleaning and Hiring Services Chamber	National Certificate: Specialist Hygiene and Cleaning Services - Bursary	5
			National Certificate: Hygiene and Cleaning Supervision - Learnership	5
			General Education and Training Certificate: Hygiene and Cleaning - Learnership	5
			General Education and Training Certificate: Hygiene and Cleaning - Learnership	1

OCCUPATION CODE	OCCUPATION	CHAMBER	INTERVENTION PLANNED BY THE SETA	NQF
2017-333402	Real Estate Agent	Real Estate Services Chamber	National Certificate: Real Estate - Bursary	6
			National Certificate: Real Estate, Further Education and Training - Bursary	5
			Certificate: Real Estate, National Certificate: Real Estate - Learnership	4
			National Certificate: Generic Management: Real Estate - Bursary	5
2017-411101	General Clerk	Business and Management Services Chamber	Further Education and Training Certificate: Payroll Administration Services - Learnership	4
			General Education and Training Certificate: Business Practice - Learnership	1
			National Certificate: Business Administration Services - Learnership	2
2017-422206	Call or Contact Centre Agent	Communication and Marketing Services Chamber	National Diploma: Contact Centre Management - Bursary	5
			National Certificate: Contact Centre Support - Learnership	2
2017-333401	Property Manager	Real Estate Services Chamber	Further Education and Training Certificate: Real Estate - Learnership	4
			Certificate: Real Estate, National Certificate: Real Estate - Learnership	4
			National Certificate: Generic Management: Real Estate - Bursary	5
2017-332203	Sales Representative	Communication and Marketing Services Chamber	Further Education and Training Certificate: Marketing - Bursary	4
2017-514101	Hairdresser	Personal Care Services Chamber	Ladies Hairdresser - Hairdressing - Learnership	Trade
			Gentlemen's' Hairdresser - Hairdressing - Learnership	Trade
			Further Education and Training Certificate: Hairdressing - Learnership	4
			National Certificate: Hairdressing - Learnership	3
			National Certificate: Hairdressing - Learnership	2
2017-431101	Accounts Clerk	Business and Management Services Chamber	Further Education and Training Certificate: Payroll Administration Services - Learnership	4
			General Education and Training Certificate: Business Practice - Learnership	1

OCCUPATION CODE	OCCUPATION	CHAMBER	INTERVENTION PLANNED BY THE SETA	NQF
2017-242101	Management Consultant	Business and Management Services Chamber	Further Education and Training Certificate: Generic Management - Learnership	4
			Further Education and Training Certificate: Business Administration Services - Learnership	4
			National Certificate: Generic Management - Bursary	5
2017-516301	Funeral Director	Personal Care Services Chamber	Further Education and Training Certificate: Generic Management - Learnership	4
			Further Education and Training Certificate: Business Administration Services - Learnership	4
			National Certificate: Generic Management - Bursary	5

6.3 Strategic Objectives

#	Strategic Objective Title	Strategic Objective Statement
3.1	Grow infrastructure and rural development	Expand infrastructure for skills and enterprise development and target rural development.
3.2	Promote supply and demand partnerships	National priorities promoted through supply- and demand-side partnership development.
3.3	Promote enterprise development	Transformation and sustainability promoted through targeted enterprise development.
3.4	Prioritise Services SETA investment	Enrol funded learners to achieve targets, strengthening alignment to hard-to-fill vacancies, skills gaps, PIVOTAL and priority skills.
3.5	Promote stakeholder participation	Promote stakeholder participation and information exchange to strengthen relevance and access to services.

6.4 Programme performance indicators and annual targets for 2019/20

STRATEGIC OBJECTIVE TITLE	#	Grow infrastructure and rural development						
STRATEGIC OBJECTIVE STATEMENT	3.1	Expand infrastructure for skills and enterprise development and target rural development.						
DESCRIPTION		The aim is to support 5 projects in rural areas and develop 10 infrastructure projects aligned to skills and enterprise development.						

STRATEGIC ACTIVITY		PERFORMANCE INDICATORS	ACTUAL PERFORMANCE			ESTIMATED	TARGETS	MEDIUM TERM	
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Special Projects implemented to support transformation agenda.	3.1.1	Number of active rural development projects	-	-	5	5	5	5	5
	3.1.2	Number of active infrastructure development projects	-	11	15	15	10	10	10

STRATEGIC OBJECTIVE TITLE	#	Promote supply and demand partnerships						
STRATEGIC OBJECTIVE STATEMENT	3.2	National priorities promoted through supply- and demand-side partnership development.						
DESCRIPTION		The aim is to increase access to skills development opportunities by partnering with 5 TVET Colleges, 3 Universities and 200 public and private partnerships, to promote workplace-based learning.						

STRATEGIC ACTIVITY		PERFORMANCE INDICATORS	ACTUAL PERFORMANCE			ESTIMATED	TARGETS	MEDIUM TERM	
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Special Projects implemented to support transformation agenda.	3.2.1	Number of new partnerships with institutions of higher learning	-	26	16	8	8	8	8
	3.2.2	Number of partnerships developed with public and private entities	-	-	192	500	200	200	200

STRATEGIC OBJECTIVE TITLE: Promote enterprise development

#

STRATEGIC OBJECTIVE STATEMENT: Transformation and sustainability promoted through targeted enterprise development.

3.3

DESCRIPTION: The aim is growth of local economies through business support targeting 300 co-operatives, 300 SMEs, 100 NGOs and 4 trade unions.

STRATEGIC ACTIVITY		PERFORMANCE INDICATORS	ACTUAL PERFORMANCE			ESTIMATED	MEDIUM TERM TARGETS		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	3.3.1	Number of small businesses supported	220	415	684	600	600	600	600
	3.3.2	Number of non-governmental and community-based organisations supported	70	124	104	100	100	50	50
	3.3.3	Number of Trade Unions supported	-	6	11	4	4	4	4

STRATEGIC OBJECTIVE TITLE: Prioritise Services SETA investment

#

STRATEGIC OBJECTIVE STATEMENT: Enrol unfunded learners to enhance industry's investment in skills development.

3.4

DESCRIPTION: The aim is to enrol 500 unemployed unfunded learners, through sector funded learnerships.

STRATEGIC ACTIVITY		PERFORMANCE INDICATORS	ACTUAL PERFORMANCE			ESTIMATED	TARGETS	MEDIUM TERM	
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Process learner enrolments in accordance with commitments.	3.4.1	Number of unfunded learners entered	-	-	-	500	500	1 000	1500

STRATEGIC OBJECTIVE TITLE # : **Prioritise Services SETA investment**

STRATEGIC OBJECTIVE STATEMENT 3.4 : **Enrol funded learners to achieve targets, strengthening alignment to hard-to-fill vacancies, skills gaps, PIVOTAL and priority skills.**

STRATEGIC ACTIVITY	PERFORMANCE INDICATORS	ACTUAL PERFORMANCE			ESTIMATED	TARGETS	MEDIUM TERM	
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
DESCRIPTION	**The aim is to enrol 3 000 employed and 15 000 unemployed learners and certify 1 163 employed and 10 306 unemployed funded learners.**							
3.4.2	Number of Learnerships Entered	20 029	14 542	23 227	13 500	18 000	18 900	19 845
3.4.3	Number of Learnerships Completed	2 751	1 732	5 514	11 469	11 469	12 042	12 645
DESCRIPTION	**The aim is to enrol 500 employed and 3 000 unemployed bursaries, and to certify 600 employed and 1 200 unemployed unfunded learners.**							
3.4.4	Number of Bursaries Entered	1 409	3 283	4 017	3 500	3 500	4 000	4 500
3.4.5	Number of Bursaries Completed	455	671	2 106	1 033	1 800	1 890	1 984

STRATEGIC OBJECTIVE TITLE: # | Prioritise Services SETA investment

STRATEGIC OBJECTIVE STATEMENT: 3.4 | Enrol funded learners to achieve targets, strengthening alignment to scarce and critical demand, and priority skills.

DESCRIPTION: The aim is to enrol 3 500 employed and 500 unemployed learners, and to certify 800 employed and 1 500 unemployed funded learners in skills programmes.

STRATEGIC ACTIVITY	PERFORMANCE INDICATORS	ACTUAL PERFORMANCE			ESTIMATED	TARGETS	MEDIUM TERM	
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Process learner enrolments in accordance with commitments.	3.4.6 Number of Skills Programmes Entered	3 871	1 680	5 945	2 900	4 000	4 200	4 410
	3.4.7 Number of Skills Programmes Completed	-	2 858	1 953	2 104	2 300	2 415	2 536

STRATEGIC OBJECTIVE TITLE: # | Prioritise Services SETA investment

STRATEGIC OBJECTIVE STATEMENT: 3.4 | Enrol funded learners to achieve targets, strengthening alignment to scarce and critical demand, and priority skills.

DESCRIPTION: The aim is to enrol 4 090 unemployed interns, 2 000 TVET student interns and 1 500 university student interns; and complete 1 085 interns, 2 545 TVET student interns and 2 423 university student interns.

STRATEGIC ACTIVITY	PERFORMANCE INDICATORS	ACTUAL PERFORMANCE			ESTIMATED	TARGETS	MEDIUM TERM	
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	3.4.8 Number of Internships Entered	2 815	9 212	9 114	4 600	7 590	8 349	9 183
	3.4.9 Number of Internships Completed	166	2 009	1 598	2 465	6 053	6 356	6 674

STRATEGIC OBJECTIVE TITLE		Prioritise Services SETA investment					
STRATEGIC OBJECTIVE STATEMENT	#	Enrol funded learners to achieve targets, strengthening alignment to scarce and critical demand, and priority skills.					
	3.4						
DESCRIPTION		The aim is to enrol 4 090 unemployed interns, 2 000 TVET student interns and 1 500 university student interns; and complete 1 085 interns, 2 545 TVET student interns and 2 423 university student interns.					

PERFORMANCE INDICATORS		ACTUAL PERFORMANCE			ESTIMATED	TARGETS	MEDIUM TERM	
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
3.4.12	Number of Recognition of Prior Learning Learners Entered	174	353	1 021	500	500	525	551
3.4.13	Number of Recognition of Prior Learning Learners Completed	46	-	237	122	297	311	327
3.4.14	Number of AET Learners Entered	1 279	309	1 064	500	1 000	1 050	1 102
3.4.15	Number of AET Learners Completed	19	518	64	898	237	247	261
DESCRIPTION	The aim is to enrol 100 candidates and exit 42 candidates							
3.4.16	Number of Candidacies Entered	-	-	50	150	100	185	110
3.4.17	Number of Candidacies Completed	-	-	-	20	42	44	46

STRATEGIC OBJECTIVE TITLE	#	Promote Stakeholder Participation								
STRATEGIC OBJECTIVE STATEMENT	3.5	Promote stakeholder participation and information exchange to strengthen relevance and access to services.								
DESCRIPTION		The aim is to conduct 120 structured subsector stakeholder engagements, 120 structured provincial stakeholder engagements, 10 Accounting Authority Stakeholder Engagements and host 9 career guidance events								
PERFORMANCE INDICATORS		ACTUAL PERFORMANCE			ESTIMATED	TARGETS		MEDIUM TERM		
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22		
STRATEGIC ACTIVITY										
Ensure functional chambers supporting sub-sector growth and capability.	3.5.1	Number of structured stakeholders engagement conducted	10	190	282	250	250	250	250	
	3.5.2	Number of career guidance events hosted	-	33	12	18	18	18	18	

6.5 Programme performance indicators and quarterly targets for 2019/20

STRATEGIC OBJECTIVE TITLE	#	Grow infrastructure and rural development								
STRATEGIC OBJECTIVE STATEMENT	3.1	Expand infrastructure for skills and enterprise development and target rural development								
DESCRIPTION		The aim is to support 5 projects in rural areas and develop 15 infrastructure projects aligned to skills and enterprise development								

STRATEGIC ACTIVITY		PERFORMANCE INDICATORS	INDICATOR STATUS	INDICATOR TYPE	REPORTING PERIOD	ANNUAL TARGET 2019/20	QUARTERLY TARGETS				BUDGET R thousand
							Q1	Q2	Q3	Q4	
Special Projects	3.1.1	Number of active rural development projects	Continued	Cumulative	Quarterly	5	-	1	3	5	151,714
Implemented to support transformation agenda	3.1.2	Number of active infrastructure development projects	Continued	Cumulative	Quarterly	15	5	8	10	15	

STRATEGIC OBJECTIVE TITLE	#	Promote supply and demand partnerships										
STRATEGIC OBJECTIVE STATEMENT	3.2	National priorities promoted through supply- and demand-side partnership development.										
DESCRIPTION		The aim is to increase access to skills development opportunities by partnering with 5 TVET Colleges, 3 Universities and 500 public and private partnerships, to promote workplace-based learning.										
STRATEGIC ACTIVITY		PERFORMANCE INDICATORS	INDICATOR STATUS	INDICATOR TYPE	REPORTING PERIOD	ANNUAL TARGET 2019/20	QUARTERLY TARGETS				BUDGET R thousand
							Q1	Q2	Q3	Q4	
Special Projects implemented to support the transformation agenda.	3.2.1	Number of partnerships with institutions of higher learning	Continued	Cumulative	Quarterly	8	1	2	5	8	129,175
	3.2.2	Number of partnerships developed with public and private entities	Continued	Cumulative	Quarterly	500	-	100	300	500	

STRATEGIC OBJECTIVE TITLE		Promote enterprise development										
STRATEGIC OBJECTIVE STATEMENT	**3.3**	Transformation and sustainability promoted through targeted enterprise development.										
DESCRIPTION		The aim is ensure growth of local economies through business support targeting 300 co-operatives 300 SME and 100 NGOs and 4 trade unions										
STRATEGIC ACTIVITY	PERFORMANCE INDICATORS		INDICATOR STATUS	INDICATOR TYPE	REPORTING PERIOD	ANNUAL TARGET 2019/20	QUARTERLY TARGETS				BUDGET	
							Q1	Q2	Q3	Q4	R thousand	
3.3.1	Number of small businesses supported		Continued	Cumulative	Quarterly	600	100	300	400	600		
3.3.2	Number of non-governmental and community-based organisations supported		Continued	Cumulative	Quarterly	100	-	-	-	100	129,557	
3.3.3	Number of Trade Unions supported		Continued	Cumulative	Quarterly	4	-	-	-	4		

STRATEGIC OBJECTIVE TITLE

Prioritise Services SETA investment

STRATEGIC OBJECTIVE #	

STRATEGIC OBJECTIVE STATEMENT	3.4	Enrol funded learners to achieve targets, strengthening alignment to scarce and critical demand, and priority skills.

PERFORMANCE INDICATORS / STRATEGIC ACTIVITY		INDICATOR STATUS	INDICATOR TYPE	REPORTING PERIOD	ANNUAL TARGET 2019/20	QUARTERLY TARGETS				BUDGET R thousand
						Q1	Q2	Q3	Q4	
DESCRIPTION	The aim is to enrol The aim is to enrol 500 unemployed unfunded learners, through sector funded learnerships									
3.4.1	Number of Unfunded Learners entered	New	Cumulative	Quarterly	500	-	-	-	500	

Strategic Activity: Process learner enrolments in accordance with commitments.

STRATEGIC OBJECTIVE TITLE

Prioritise Services SETA investment

STRATEGIC OBJECTIVE #	

STRATEGIC OBJECTIVE STATEMENT	3.4	Enrol funded learners to achieve targets, strengthening alignment to scarce and critical demand, and priority skills

PERFORMANCE INDICATORS / STRATEGIC ACTIVITY		INDICATOR STATUS	INDICATOR TYPE	REPORTING PERIOD	ANNUAL TARGET 2019/20	QUARTERLY TARGETS				BUDGET R thousand
						Q1	Q2	Q3	Q4	
DESCRIPTION	The aim is to enrol 3 000 employed and 15 000 unemployed learners and certify 1 163 employed and 10 306 unemployed funded learners									292,963
3.4.2	Number of Learnerships Entered	Continued	Cumulative	Quarterly	18 000	4 000	9 000	13 000	18 000	
3.4.3	Number of Learnerships Completed	Continued	Cumulative	Quarterly	11 459	2 867	5 735	8 602	11 459	

STRATEGIC OBJECTIVE TITLE		Prioritise Services SETA investment							
STRATEGIC OBJECTIVE STATEMENT	3.4	Enrol funded learners to achieve targets, strengthening alignment to scarce and critical demand, and priority skills							

STRATEGIC ACTIVITY / PERFORMANCE INDICATORS		INDICATOR STATUS	INDICATOR TYPE	REPORTING PERIOD	ANNUAL TARGET 2019/20	QUARTERLY TARGETS				BUDGET R thousand
						Q1	Q2	Q3	Q4	
DESCRIPTION	The aim is to enrol 3 500 employed and 500 unemployed learners and certify 800 employed and 1 500 unemployed funded learners in skills programmes									
3.4.6	Number of Skills Programmes Entered	Continued	Cumulative	Quarterly	4 000	1 000	2 000	3 000	4 000	
3.4.7	Number of Skills Programmes Completed	Continued	Cumulative	Quarterly	2 300	575	1 150	1 725	2 300	
DESCRIPTION	The aim is to enrol 4 090 unemployed interns, 2 000 TVET student interns and 1 500 university student interns and complete 1 085 interns 2 545 complete TVET students and 2 423 university students									
3.4.8	Number of Internships Entered	Continued	Cumulative	Quarterly	7 590	1 898	3 795	5 693	7 590	
3.4.9	Number of Internships Completed	Continued	Cumulative	Quarterly	6 053	1 513	3 276	4 540	6 053	
DESCRIPTION	The aim is to enrol 2 900 Artisans candidates and complete 720 Artisans									
3.4.10	Number of Artisans Entered	Continued	Cumulative	Quarterly	2 900	725	1 450	2 175	2 900	
3.4.11	Number of Artisans Completed	Continued	Cumulative	Quarterly	720	180	360	540	720	

DESCRIPTION									
The aim is to enrol 500 RPL and 1 000 AET and complete 297 RPL and 237 AET									
3.4.12	Number of Recognition of Prior Learning Learners Entered	Continued	Cumulative	Quarterly	500	125	250	375	500
3.4.13	Number of Recognition of Prior Learning Learners Completed	Continued	Cumulative	Quarterly	297	74	149	222	297
3.4.14	Number of AET Learners Entered	Continued	Cumulative	Quarterly	1 000	250	500	750	1000
3.4.15	Number of AET Learners Completed	Continued	Cumulative	Quarterly	237	59	118	178	237
DESCRIPTION									
The aim is to enrol 100 candidates and exit 42 candidates									
3.4.16	Number of Candidacies Entered	Continued	Cumulative	Quarterly	100	-	-	50	50
3.4.17	Number of Candidacies Completed	Continued	Cumulative	Quarterly	42	-	-	21	42

STRATEGIC OBJECTIVE TITLE	#	Promote Stakeholder Participation
STRATEGIC OBJECTIVE STATEMENT	3.5	Promote stakeholder participation and information exchange to strengthen relevance and access to services
DESCRIPTION		The aim is to conduct 120 structured subsector stakeholder engagements, 120 structured provincial stakeholder engagements, 10 organisational stakeholder engagements and host 9 career guidance events

STRATEGIC ACTIVITY	PERFORMANCE INDICATORS		INDICATOR STATUS	INDICATOR TYPE	REPORTING PERIOD	ANNUAL TARGET 2019/20	QUARTERLY TARGETS				BUDGET R thousand
							Q1	Q2	Q3	Q4	
Render quality support service to key stakeholders	Number of structured stakeholders engagement conducted	3.5.1	Continued	Cumulative	Quarterly	250	65	130	190	250	12,121
Building career and vocational guidance.	Number of career guidance events hosted	3.5.2	Continued	Non-Cumulative	Quarterly	18	-	6	12	18	

6.6 Reconciling performance targets with the Budget and MTEF

Skills Development

Expenditure by Programmes	Actual Expenditure			Budget (previous)	Adjusted Appropriation	Medium-term expenditure estimate		
R thousand	2015/16	2016/17	2017/18	2018/19	2018/19	2019/20	2020/21	2021/22
Enterprise development	-	-	1,316	581,061	8,328	10,491	10,837	11,195
Special Projects	55,860	715,453	293,477	520,579	129,862	129,175	133,437	137,841
Provinces	2,233	1,306	4,527	11,172	5,049	3,201	3,307	3,416
Infrastructure Development & Facilities Management	13,338	31,473	384,324	166,189	191,064	151,714	156,720	161,892
Chambers	253	5,737	2,355	13,563	14,609	8,388	8,665	8,951
Stakeholder Relations	-	15	1,569	874	1,783	532	549	567
Learning Intervention	666,708	506,264	1,063,150	464,530	665,307	614,416	527,186	571,082
Artisan Development	-	33	3,640	-	122,544	96,119	99,291	102,568
Joint Project Management Team	-	-	-	-	579	382	394	407
Bursary Management	-	-	-	-	261,336	196,014	202,482	209,164
Core Operations	-	-	-	-	159	177	182	188
Learning Intervention Project Coordination	-	2,013	2,603	931	583	653	674	696
TOTAL	**738,393**	**1,262,294**	**1,756,961**	**1,758,899**	**1,401,203**	**1,211,261**	**1,143,727**	**1,207,969**

7. PROGRAMME 4: QUALITY ASSURANCE

7.1 Purpose

The purpose of this programme is to accredit skills development providers and fulfil the QCTO delegated quality assurance of learner achievements function.

7.2 Description of the programme

Registered moderators and assessors are a requirement for skills development provider accreditation. Processing applications for accreditation is a primary function falling under this programme. Adequacy of supply, in terms of constituent qualifications and spatial demand, sometimes require strategic intervention. Once a need is determined, this is often referred and addressed through a special project, the output of which is embedded in learning intervention targets and results. This function monitors quality of provisioning through external moderation of learner achievements for all Services SETA qualifications, not limited to those funded by the Services SETA. Learners entering for a full qualification may exit with a full or part qualification depending on outcomes of success.

7.3 Strategic Objectives

This programme is aligned to Strategic Goal 1: Improve stock of skills through certification and Strategic Goal 2: Improve the flow of skills through provider capacity.

#	Strategic Objective Title	Strategic Objective Statement
4.1	Strengthen and assure quality of supply	Capacitate and support skills development providers to strengthen relevant skills supply.
4.2	Improve efficiency in certification	Improve efficiency in quality assurance of learner achievement for certification.

7.4 Programme performance indicators and annual targets for 2019/20

STRATEGIC OBJECTIVE TITLE	#	Strengthen and assure quality of supply							
STRATEGIC OBJECTIVE STATEMENT	4.1	Capacitate and support skills development providers to strengthen relevant skills supply.							
DESCRIPTION		The aim is to increase the pool of accredited service providers to improve the stock of skills.							

STRATEGIC ACTIVITY	PERFORMANCE INDICATORS		ACTUAL PERFORMANCE				ESTIMATED	TARGET	MEDIUM TERM	
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Facilitate growth and adequacy of provisioning.	4.1.1	Percentage of SDP applications accredited	-	-	-	-	80%	80%	80%	80%
	4.1.2	Percentage of unsuccessful SDP accreditation remediated	-	-	-	20%	40%	40%	40%	40%
	4.1.3	Number of qualifications reviewed and realigned to occupational qualifications	-	-	-	-	-	5	5	5

STRATEGIC OBJECTIVE TITLE	#	Improve efficiency in certification							
STRATEGIC OBJECTIVE STATEMENT	4.2	Improve efficiency in quality assurance of learner achievement for certification.							
DESCRIPTION		The aim is to improve the capacity of the Services SETA to certify learners and improve the stock of skills.							

STRATEGIC ACTIVITY	PERFORMANCE INDICATORS		ACTUAL PERFORMANCE				ESTIMATED	TARGET	MEDIUM TERM	
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Facilitate growth and adequacy of provisioning.	4.2.1	Percentage of external moderations successfully conducted	-	-	-	-	-	80%	80%	80%

7.5 Programme performance indicators and quarterly targets for 2019/20

STRATEGIC OBJECTIVE TITLE		Strengthen and assure quality of supply									
STRATEGIC OBJECTIVE STATEMENT	**4.1**	Capacitate and support skills development providers to strengthen relevant skills supply.									
DESCRIPTION		The aim is to increase the pool of accredited service providers to improve the stock of skills.									

STRATEGIC ACTIVITY		PERFORMANCE INDICATORS	INDICATOR STATUS	INDICATOR TYPE	REPORTING PERIOD	ANNUAL TARGET 2019/20	QUARTERLY TARGETS				BUDGET R thousand
							Q1	Q2	Q3	Q4	
Facilitate growth and adequacy of provisioning	4.1.1	Percentage of SDP applications accredited	Continued	Non-cumulative	Quarterly	80%	80%	80%	80%	80%	
	4.1.2	Percentage of unsuccessful SDP accreditations remediated	Continued	Non-cumulative	Quarterly	40%	40%	40%	40%	40%	
	4.1.3	Number of qualifications reviewed and realigned to occupational qualifications	New	Cumulative	Quarterly	5	-	-	-	5	

STRATEGIC OBJECTIVE TITLE		Improve efficiency in certification
STRATEGIC OBJECTIVE STATEMENT	4.2	Improve efficiency in quality assurance of learner achievement for certification
DESCRIPTION		The aim is improve the capacity of the Services SETA to certify learners to improve the stock of skills

PERFORMANCE INDICATORS	STRATEGIC ACTIVITY	INDICATOR STATUS	INDICATOR TYPE	REPORTING PERIOD	ANNUAL TARGET 2019/20	QUARTERLY TARGETS				BUDGET R thousand
						Q1	Q2	Q3	Q4	
4.2.1	Quality assessment of provisioning and learner achievements. Percentage of external moderations successfully conducted	Continued	Non-cumulative	Quarterly	80%	80%	80%	80%	80%	4,513

7.6 Reconciling performance targets with the Budget and MTEF

Quality Management

Expenditure by Programmes	Actual Expenditure			Budget (previous)	Adjusted Appropriation	Medium-term expenditure estimate		
R thousand	2015/16	2016/17	2017/18	2018/19	2018/19	2019/20	2020/21	2021/22
Quality Management	945	1,889	2,217	1,294	5,128	4,513	4,661	4,815
TOTAL	945	1,889	2,217	1,294	5,128	4,513	4,661	4,815

ANNEXURE A: 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):

Section 50(1)	(1) The Accounting Authority for a public entity must -	The Accounting Authority must implement effective and efficient internal controls for governance and risk management processes through its committees and as a collective.
	(a) Exercise the duty of utmost care to ensure reasonable protection of the assets and records of the public entity;	
	b) Act with fidelity, honesty, integrity and in the best interest of the public entity in managing the financial affairs of the public entity;	Good governance, professional conduct and ethical behaviour is encouraged across all organisational levels.
	(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	Through frequent engagements with stakeholders (internally and externally), important and relevant information is shared, and transparency is achieved.
	(d) Seek within the sphere of influence of that accounting authority to prevent any prejudice to the financial interests of the state.	Services SETA implements an on-going risk management assessment and review processes to mitigate and prevent any prejudice to the financial interest of Services SETA.
Section 55(2)	(2) The annual report and financial statements referred to by PFMA Subsection 55 (1)(d) must –	As a collective, the Accounting Authority with its committees and management, are involved in the compilation and review processes of the Annual Financials.

	(a) Fairly present the state of affairs of the public entity, its business, its financial results, its performance against pre-determined objectives, and its financial position as at the end of the financial year;	Statements and the Annual Report need to present and disclose results of the Services SETA.
	(b) include particulars of – (i) Any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year;	All losses are disclosed in the AFS.
	(ii) Any criminal or disciplinary steps taken as 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.
Section 54 (2)	(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 of 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 venture or similar arrangement.	Not applicable
Section 61 (1) (c)		The report of an auditor appointed in terms of section 58(1)	The level of material loss is assessed at 0.5% of gross revenue limited to R3 6 million.
		(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 –	Revenue includes levy income interest and penalties and any other income.
		(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.	
		(1) An institution to which this Act applies may not borrow money or issue a guarantee indemnity or security or enter into any other transaction that binds or may bind that institution or the Revenue Fund to any future financial commitment unless such borrowing guarantee indemnity security or other transaction – (a) Is authorised by this Act; and (b) In the case of public entities is also authorised by other legislation not in conflict with this Act; and	Services SETA operates within the ambit as set by this clause and its related Acts.

	(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 as set in terms of the Borrowing Powers of Provincial Governments Act 1996 (Act No 48 of 1996).	

ANNEXURE B: SERVICE LEVEL AGREEMENT

SERVICE LEVEL AGREEMENT

entered into by and between

DEPARTMENT OF HIGHER EDUCATION AND TRAINING

(hereinafter referred to as the "DHET" represented by Mr GF Qonde, duly authorized thereto by virtue of his capacity as the Director-General),

and

SERVICES SECTOR EDUCATION AND TRAINING AUTHORITY (SSETA)

(hereinafter referred to as "SETA" represented by Dr MM Madiope duly authorised thereto in his/her capacity as Chairperson of the Accounting Authority/Administrator)

Initials

1. PURPOSE OF THE SERVICE LEVEL AGREEMENT

This service level agreement is entered into between the above mentioned parties to agree on the minimum service levels required by the SETA in performing its statutory functions, meeting the National Skills Development Strategy targets and implementing its strategic plan and annual performance plan.

2. DURATION OF THE SERVICE LEVEL AGREEMENT

The service level agreement is entered into for the period of 1 April 2019 to 31 March 2020

3. OBLIGATIONS OF THE SETA

3.1   The SETA undertakes to :

    3.1.1   perform its functions as required by the Skills Development Act;

    3.1.2   meet the targets in the National Skills Development Strategy;

    3.1.3   implement the approved Strategic Plan and Annual Performance Plan;

    3.1.4   submit all documentation and reports as may be required by the Department on the times specified; and

    3.1.5   adhere to the requirements of the Public Finance Management Act and Treasury Regulations.

    3.1.6   address all findings raised by the Auditor-General in the previous financial year.

    3.1.7   Submit comprehensive plan of action to the department.

3.2   Perform and provide the information and/or reports on the activities listed below:

    3.2.1   assessment of the skills required for each sector and to identify scarce skills;

    3.2.2   how the levels of education will be improved in the sector;

    3.2.3   partnerships between SETAs and public Technical and Vocational Education and Training (TVET) colleges, Universities, training providers and industry;

    3.2.4   the number of bursaries awarded/to be awarded to deserving South African citizens in critical skills at 25 Universities and 50 TVET colleges;

    3.2.5   scarce and critical skills needs in the sector, how it will be addressed and reflected in the number of learners that will be trained and placed, as well as the companies involved;

    3.2.6   number of agreements signed with public TVET colleges , Universities and other training providers as well as the amount approved per agreement which should also reflect the

Initials

number of learners that will be trained, types of training programmes and programmes that are in place;

3.2.7   targets as reflected in the Annual Performance Plan must be credible and linked to a "Baseline";

3.2.8   placement of lecturers in industry as part of the Service Level Agreement;

3.2.9   rural development programmes and how it will be implemented;

3.2.10 support the revitalization of rural and township economy;

3.2.11 progress in the implementation of Recognition of Prior Learning;

3.2.12 establish working relationships with TVET colleges, Universities and industry for the purpose of placement of students and graduates;

3.2.13 ensure the placement of TVET students, University of Technology students and University graduates requiring Work Integrated Learning (WIL) in the relevant sector and provide report on quarterly basis;

3.2.14 maintain and operationalize SETA offices in (name of colleges where offices are/is):

- Tshwane South TVET College (Pretoria, Tshwane – Gauteng)

- Capricorn College for TVET (Polokwane – Limpopo)

- False Bay TVET College (Cape Town – Western Cape)

3.2.15 support offices opened by other SETAs in TVET colleges;

3.2.16 conclude work from previous performance years commitments and submit reports as required by the Department;

3.2.17 sector funded training identified and reported on quarterly basis.

3.2.18 annual targets for registered and completed artisan learners by listed trade as agreed with the Chief Directorate: INDLELA to address HRDC ATD-TTT Bottleneck 1;

3.2.19 monthly reports in a format determined by the Chief Directorate: INDLELA of the actual number of registered and completed artisan learners to address HRDC ATD-TTT Bottleneck 1;

3.2.20 implementation of the Policy on Generic National Artisan Learner Grant Funding and Administration System to address HRDC ATD-TTT Bottleneck 2;

3.2.21 the number of persons supported to become qualified artisans within the national

Initials

artisan learner Recognition of Prior Learning system determined by the Chief Directorate: INDLELA to address HRDC ATD-TTT Bottleneck 3;

3.2.22   provide financial support to world skills South Africa through the DHET approved structure (the Accounting Authority of the Services SETA has resolved not to support this initiative) ;

3.2.23   submit an implementation plan of the commitments made in this SLA within the first quarter of the financial year;

3.2.24   In relations to the 13 priority trade needed for the construction and maintenance of the government's Strategic Integrated Projects (SIPs) and well as for other strategic projects (such as Phakisa and War on Leaks) the SETA should:

3.2.24.1 Conditionally allocate the number of apprenticeship / learnership grants indicated in Annexure X to employers that meet the following three criteria, noting that these grants, if issued, will contribute to the SETA targets for Artisans entered': the employers

1. Are within a commutable distance (about 25 kms) form the TVET College campus selected as a Centre of Specialization for the specified trade;

2. Commit to working with the specified Centre of Specialization for the trade;

3. Undertake to partner with a college to pilot the rollout of the QCTO trade qualification using the dual system methodology.

DHET appreciates that achievement of this conditional commitment is dependent on appropriate employer applications and it will therefore be evaluated in this light.

3.2.24.2 Open the application window for the employers for the employers for these grants between January and August annually.

3.2.24.3 Finalize the allocation of these grants and report to DHET on the results no later than 30 September annually.

3.2.24.4 Sympathetically consider applications from the Centre of Specialization colleges for contributions to their DHET- approved improvement plans for the delivery of these trades, noting that such contributions will be counted towards the achievement of relevant targets under 'Promoting the growth of a public TVET college system that is responsive to sector, local, regional and national skills needs and priorities'.

3.2.25   meet minimum targets as reflected in the table below:

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NSDS III GOAL	PERFORMANCE INDICATORS	BASELINE (2017/18)	SETA FUNDED TARGETS	SECTOR FUNDED TARGETS
Establishing a credible institu-tional mecha-nism for skills planning	Large Firms	137	140	-
	Medium Firms	200	200	-
	Small Levy Paying Firms	3 621	3 500	-
Increase access to occupationally directed programmes	Unemployed Entered Learner-ships	19 651	15 000	-
	Unemployed Entered Bursaries	2 715	3 000	-
	Unemployed Entered Internships	3 267	4 090	-
	Unemployed Entered Skills Pro-grammes	859	500	-
	Unemployed Completed Learner-ships	417	10 306	-
	Unemployed Completed Bursaries	1 671	1 200	-
	Unemployed Completed Intern-ships	383	1 085	-
	Unemployed Completed Skills Programmes	322	1 500	-
	Artisans Entered	2 540	2 900	-
	Artisans Completed	576	720	-
	Priority Trades Entered	-	-	-
Encouraging better use of workplace-based-skills programmes	Workers Entered Learnerships	3 576	3 000	500
	Workers Entered Bursaries	1 302	500	-
	Workers Entered Skills Pro-grammes	5 086	3 500	-
	Workers Completed Learnerships	417	1 163	-
	Workers Completed Bursaries	435	600	-
	Workers Completed Skills Pro-grammes	1 631	800	-
	Candidacy Programme Entered	50	100	-
	Candidacy Programme Completed	-	42	-
	Entered Recognition of prior Learn-ing (RPL)	1 021	500	-
	Completed Recognition of prior Learning (RPL)	237	297	-

Initials

NSDS III GOAL	PERFORMANCE INDICATORS	BASELINE (2016/17)	SETA FUNDED TARGETS	SECTOR FUNDED TARGETS
Promoting the growth of a public TVET college system that is responsive to sector, local, regional and national skills needs and priorities	TVET Student Placement En-tered	1 980	2 000	-
	TVET Student Placement Com-pleted	609	2 545	-
	Universities Student Placement Entered	3 867	1 500	-
	Universities Student Placement Completed	606	2 423	-
	SETA/TVET College Partner-ships	12	5	-
	SETA/Universities Partnerships	4	3	-
	SETA/Employer Partnerships	192	200	-
	Lecturer Development Pro-grammes Entered	-	-	-
	Lecturer Development Pro-grammes Completed	-	-	-
	Number of SETA Offices opened in TVET Colleges (List the names of the VET Colleges opened)	7	3	
Addressing the low level of youth and adult language and numeracy skills to enable additional training	AET Programmes Entered	1 065	1 000	-
	AET Programmes Completed	64	237	-
Encouraging and supporting the co-operatives, small enterprises, worker initiatives, NGO and community training Initiatives	Cooperatives Supported	333	300	-
	Small Business Supported	351	300	-
	NGOs	104	100	-
	NLPE	902	-	-
	CBO	-	-	-
	Trade Unions	11	4	-
Building Career Guidance and Vocational guidance	Career Guidance Events	12	18	-
NSDS III Projects	Number of Provincial and Rural Projects Planned	5	5	-
Governance	Number of Governance Charter Reports submitted	4	4	-

Initials

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 provide the SETA with guidance on sector skills plans, strategic plans and any matter that may be requested by the SETA in relation to its functions; and

4.1.3 assist the SETA where applicable in performing its functions and responsibilities.

4.1.4 validate and verify the accuracy and usefulness of reports submitted by SETAs and provide feedback quarterly.

5. GENERAL

In year amendments to the approved Service Level Agreement must not be encouraged.

SIGNED AT_____Pretoria_____ON THIS _17_ DAY OF_____February_____2019

_____

ACCOUNTING AUTHORITY/ADMINISTRATOR

(Represented by_____Dr MM Madiope_____who warrants that he/she is duly authorised to this agreement)

SIGNED AT_____ON THIS____DAY OF _____2018

_____

DIRECTOR-GENERAL

(Represented by GF Qonde, duly authorized thereto)

Initials

Acronyms and Abbreviations

APP   - Annual Performance Plans

DG   - Director General of Higher Education and Training

DHET   - Department of Higher Education and Training

HRDC ATDTTT   – Human Resource Development Council- Artisan Development Technical Task Team

Minister   - Minister of the Department of Higher Education and Training

M & R   - Sub-directorate: Monitoring and Reporting of the SPM

NC (V)   - National certificate (Vocational)

NSDS   - National Skills Development Strategy

RPL   - Recognition of Prior Learning

SETA   - Sector Education and Training Authority

SLA   - Service Level Agreement

SPM   - SETA Performance Management of the DHET

SP   - Strategic Plans

SSP   - Sector Skills Plans

TVET   - Technical and Vocational Education and Training (formerly FET)

WIL   - Work Integrated Learning

ANNEXURE C: APP TECHNICAL INDICATOR DESCRIPTIONS

PROGRAMME 1: ADMINISTRATION

FINANCIAL TRANSPARENCY

PI: 1.1.1 OUTCOME OF AUDIT OF ANNUAL FINANCIAL STATEMENTS

COMPONENTS	DESCRIPTIONS
Indicator title	Audit Outcome
Performance Indicator	1.1.1 Overall outcome of annual audit
Short definition	This indicator measures the Services SETA's compliance with its approved financial policies and practices; and its ability to continually improve and correct organisational implementation practices and reinforce compliance. This indicator refers to the SETA's statutory compliance, responsible management of public funds, sustainability and ability to achieve an unqualified audit and performance reporting. **"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. **"Misstatements"** refer to incorrect or omitted information in the financial statements and annual performance report
Purpose/ importance	A positive AGSA audit opinion validates the Services SETA's annual financial statements and annual performance report as a true and fair representation of its financial activities and position as well as its accounting practices including the effectiveness of the organisation's internal financial controls in compliance with key legislation. The Services SETA uses the data from this indicator to monitor compliance with the PFMA by implementing sound financial management policies and procedures and internal controls for performance reporting; as an input to measure the implementation of its financial policies and practices, and its ability to continually improve and apply corrective actions in a manner that would lead to an unqualified audit opinion This data is published annually in the annual report and presented to Parliament on an annual basis
Source/collection of data	Audit Report
Method of calculation	Clean Audit Opinion as per the AGSA's Audit Report
Data limitations	Human error
Type of indicator	Output and Efficiency, Economy, Compliance
Calculation type	Non-Cumulative

COMPONENTS	DESCRIPTIONS
Reporting cycle	Annually (Quarter 2)
indicator status	Continued
Desired performance	Actual
Indicator responsibility	Chief Financial Officer

PI: 1.2.1 PERCENTAGE OF STAFF COMPLEMENT MAINTAINED

COMPONENTS	DESCRIPTIONS
Indicator Title	Staff Complement
Performance Indicator	1.2.1 Percentage of staff complement maintained
Short Definition.	Percentage of staff complement in the organisation relative to the total number of ap-proved funded positions on the organisational organogram
Purpose/importance	The Services SETA uses the data from this indicator: • to measure the level of vacant positions against the approved funded organogram; • to measure retention rates • as an output measure in calculating the efficiency and effectiveness of the Services SETA
Source/collection of data	• The Services SETA Organogram serves as a base source for all approved and funded positions • Resignation letters received and approved are collected, recorded and filed • VIP reports
Method of calculation	Total Number of filled Funded Positions / Total Number of Funded Positions as per the Organogram x 100
Data limitations	• Unapproved organogram • Incomplete organogram
Type of Indicator	Output and Effectiveness
Calculation type	Cumulative
Reporting cycle	Quarterly
Indicator status	Amended
Desired performance	Higher
Indicator responsibility	Senior Manager: Human Resources

PI: 1.3.1 PERCENTAGE OF AUDIT ACTION PLANS ACTIONED

COMPONENTS	DESCRIPTIONS
Indicator title	Audit Action Plans
Performance Indicator	1.3.1 Percentage of audit action plans actioned
Short definition	This indicator refers to the extent to which the Services SETA complies with compliance action plans to ensure good governance, and clean audit ultimately **"Percentage of audit":** refers to the proportion of the number of audit action plans implemented by the Services SETA with applicable laws and regulations. **"Audit Action plans":** refers to remedial actions plans developed by management to systematically address findings by internal and or external auditors. Responsible must managers demonstrate that actions have been taken to resolve audit findings identified **"Status of Action"**: based on the activities that have been put in place to mitigate the audit findings and the progress thereof
Purpose/importance	The indicator is used to ensure compliance with the applicable laws and regulations.
Source/collection of data	Services SETA organizational compliance monitoring framework and audit tracker
Method of calculation	Number of audit action plans actioned/ Total number of compliance action plans developed x 100
Data limitations	Human error in collecting the data
Type of indicator	Effectiveness and efficiency
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Indicator status	Continued
Desired performance	Higher
Indicator responsibility	Senior Manager: Organisational Compliance

PI: 1.3.2 PERCENTAGE OF RISK ACTION PLANS ACTIONED

COMPONENTS	DESCRIPTIONS
Indicator title	Risk management.
Performance Indicator	1.3.2 Percentage of risk action plans actioned
Short definition	This indicator tests the ability of the Services SETA to proactively identify risks, develop and implement solutions to mitigate the impact of these risks. **Risk action plans:** refers to the Services SETA mitigation plan developed and interacted to manage risks **"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 risks, and evaluating risk process effectiveness throughout the organisation's programmes
Purpose/importance	The indicator measures the effectiveness of the enterprise-wide risk management strategy developed and implemented to strengthen organisational efficiency
Source/collection of data	Register of Services SETA action plans – the update of the tasks against the risk
Method of calculation	Risk action plans actioned/Total number of risk action plans developed x 100
Data limitations	Human error in collecting the data
Type of indicator	Effectiveness and efficiency
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Indicator status	Changed
Desired performance	Continuous improvement of organisational efficiency
Indicator responsibility	Senior Manager: Risk Management

PROGRAMME 2: SECTOR SKILLS PLANNING

PI: 2.1.1 NUMBER OF RESEARCH STUDIES CONDUCTED

COMPONENTS	DESCRIPTIONS
Indicator title	Research
Performance Indicator	2.1.1 Number of Research Studies Conducted
Short definition	This indicator measures the Services SETA's ability continuously monitor and conduct outcome/impact evaluations of its learning interventions, and forward recommendations to decisions-makers for quality improvements. **"Research Studies":** deliberate research that assesses the processes and consequences of innovations and social policy programmes linked to skills development and entrepreneurship" **"Conducted":** research projects initiated within the reporting period
Purpose/importance	To identify the input, process and output indicators, and monitor their implementation con-tinuously, with the aim of reporting on how learning interventions were implemented and the quality thereof.
Source/collection of data	Research plans, research protocols and study reports.
Method of calculation	Simple count (number of research projects initiated in current reporting period)
Data limitations	Timeliness, accuracy and completeness of information, and data received dependent on various divisions
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Annually
New indicator	New
Desired performance	Produce and submit reports or circulate them to relevant stakeholders timeously.
Indicator responsibility	Executive Manager: Planning

PI: 2.1.2 NUMBER OF IMPACT ASSESSMENT STUDIES CONDUCTED

COMPONENTS	DESCRIPTIONS
Indicator title	Impact Assessments
Performance Indicator	2.1.2 Number of Impact Assessments Studies Conducted
Short definition	This is a planning indicator that measures the Services SETA performance in terms of the number of impact studies done on the programmes rolled out for the current year. This indicator tests the ability of the Services SETA to improve Services SETAs impact. "Number of Impact assessment": National Treasury's NT) Framework for Managing Performance Information defines impact as: "the results of achieving specific outcomes, such as reducing poverty and creating jobs". This definition speaks directly to the type and number of programmes the Services SETA decides to prioritise in the current financial year, which is planned and budgeted for in the Services SETA APP. In other words: the return on investment: whether the Services SETA's planned goals are achieved. **"Conducted":** research projects initiated within the reporting period
Purpose/importance	The data from this indicator is used by Services SETA: as the starting point for the Services SETA to measure achievements within Services SETA; as an input to improve Services SETA capability to lead the sector and comply with governance imperatives; as an output into performance baseline outcomes and impact evaluations resulting in programme improvements, contributing towards continuous learning and knowledge creation.
Source/collection of data	Impact study ToRs; Signed impact study report; Signed APR
Method of calculation	A simple count of the number of impact studies conducted.
Data limitations	Delay in the approval of the Quarterly performance and financial reports; human error; delay in provider progress reports
Type of indicator	Input and process, efficiency and effectiveness
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
New indicator	New
Desired performance	Actual
Indicator responsibility	Executive Manager: Planning

PROMOTE INDUSTRY INVESTMENT AND STRENGTHEN WORKPLACE MENTORSHIP

PI: 2.2.1 NUMBER OF EMPLOYERS PROVIDED WITH TECHNICAL ASSISTANCE SUPPORT TO SUBMIT WSP/ATR

COMPONENTS	DESCRIPTIONS
Indicator title	Mandatory Grant Applications
Performance Indicator	2.2.1 Number of employers provided with technical assistance support to submit WSP/ATR
Short definition	This indicator refers to the total number of levy-paying Services SETA constituent employers that submit Workplace Skills Plans (WSPs) and Annual Training Reports (ATRs). The SETA Grant Regulations Regarding Money Received By SETAs And Related Matters published 3 December 2012 provided for a change in due date to mandatory grant application from 30 June 30 April effective 2014. The regulations further provide for an extension of up to a maximum of one month from the due date subject to written request and Accounting Authority approval

"**Levy paying employers**": Employers with 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

"**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

"**ATR**": in terms of the Grant Regulations (2012) employers are expected to submit the training report against the training plan of the previous years, along with the WSP |
Purpose / importance	The measure indicates the degree to which the mandatory grant incentivises employers to invest in skills development and submit an application for levy recovery to the Services SETA
Source/collection of data	Attendance register of company representatives who took part in capacitation workshops
Method of calculation	A simple count of levy-paying on the list of companies that have been provided with tech-nical assistance
Data limitations	Delays in approval of WSPs/ATRs; Requests for extensions in submission of WSPs and ATRs ; Contestation of non-approved WSPs and ATRs by employers
Type of indicator	Output and Efficiency
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	Continued
Desired performance	Higher

COMPONENTS	DESCRIPTIONS
Indicator responsibility	SM: Grant Services and Unfunded Programmes

PROGRAMME 3: LEARNING PROGRAMMES

GROW INFRASTRUCTURE AND RURAL DEVELOPMENT

PI: 3.1.1 NUMBER OF ACTIVE RURAL DEVELOPMENT PROJECTS

COMPONENTS	DESCRIPTIONS
Indicator title	Rural Development Projects
Performance Indicator	3.1.1 Number of active rural and provincial projects
Short definition	This indicator refers to projects aimed at addressing the backlog of services to remote areas of South Africa in order to meet the transformation imperatives of the Government **"Development projects"** these are various training interventions that are carried out at the discretion of the Accounting Authority of the Services SETA to address identified needs in specific provinces **"Active":** refers to a current commitment of the Accounting Authority where project inception has taken place and rollout is underway. **"Rural"** Stats SA in its definition as in Census 1996 definitions defines 'rural' as: "Village/settlement without local authority and which is not situated within a tribal area and with formal and semi-formal dwellings such as houses, huts, rondavels."; or "semi-town"
Purpose/importance	This indicator tests the ability of the Services SETA to improve performance in the services sector to respond to transformational imperatives
Source/collection of data	List of rural development projects currently active
Method of calculation	The performance score would be calculated by a simple count of the number of signed development plans
Data limitations	Human error
Type of indicator	Economy, equity, efficiency and effectiveness
Calculation type	Cumulative
Reporting cycle	Quarterly
Indicator status	Modified
Desired performance	Actual
Indicator responsibility	EM: OCEO Manager: Special Projects

PI: 3.1.2 NUMBER OF ACTIVE INFRASTRUCTURE DEVELOPMENT PROJECTS

COMPONENTS	DESCRIPTIONS
Indicator title	Infrastructure Development Projects
Performance Indicator	3.1.2 Number of active infrastructure development projects
Short definition	This indicator refers to projects aimed strengthening higher education infrastructure in order to bolster access to skills development **"Infrastructure Development projects:** Any facility established, built, renovated or bought as a Skills Development Centre, Community College, Learning Institute, Artisan Development Academy, Trade Test Centre, Entrepreneurship Centre and other applicable infrastructure projects **"Active":** refers to a current commitment of the Accounting Authority where project inception has taken place and actual work is underway as per the project plan
Purpose/importance	This indicator tests the ability of the Services SETA to respond to government's Strategic Integrated Projects (SIPs), in particular, SIP 14, which deals with the backlog in higher education infrastructure.
Source/collection of data	• List of infrastructure projects currently active • Project Plans • Progress Reports
Method of calculation	The performance score would be calculated by a simple count of the number of active infrastructure development project
Data limitations	Human error
Type of indicator	Economy, equity, efficiency and effectiveness
Calculation type	Cumulative
Reporting cycle	Quarterly
Indicator status	Continued
Desired performance	Actual
Indicator responsibility	EM: OCEO SM: IDFM

PROMOTE ENTERPRISE DEVELOPMENT

PI: 3.2.1 NUMBER OF NEW PARTNERSHIPS WITH INSTITUTIONS OF HIGHER LEARNING

COMPONENTS	DESCRIPTIONS
Indicator title	Higher learning institutions partnerships
Performance Indicator	3.2.1 Number of new partnerships with institutions of higher learning
Short definition	The indicator refers to the total number of University and TVET College partnerships established through formal agreements between Services SETA and the relevant colleges within a financial year NSDS III encourages strong partnerships between employers, public education institutions (TVET Colleges, Universities and Universities of Technology), private training providers and SETAs. **"Partnerships":** are regarded as formal written agreement between the Services SETA and institutions of higher learning to share and contribute financial and/or non-financial resources, including grant funding in order to facilitate post-school education and training interventions. **"TVET":** mean public Technical, Vocational, Education and Training colleges – previously referred to as public institutions of Further Education and Training (FET)
Purpose/importance	The data from this indicator is used by Services SETA: as a starting point to track progress toward its partnership targets; as an input measure in calculating the efficiency and effectiveness performance on Services SETA-funded programmes to such institutions
Source/collection of data	• Signed Offer Letter of Intention to the intended partner • Signed MOUs between the Services SETA and the TVET College
Method of calculation	• Simple count of all signed Offer Letters or; • Memorandum of Understandings or Agreements between the Services SETA and institutions of higher learning
Data limitations	Delays in processes (engagements, contracting, signing)
Type of indicator	Input, Efficiency, Effectiveness
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Continued
Desired performance	Actual
Indicator responsibility	EM: OCEO Manager: Special Projects

PI: 3.2.2 NUMBER OF PARTNERSHIPS DEVELOPED WITH PUBLIC ENTITIES

COMPONENTS	DESCRIPTIONS
Indicator title	Public entities' partnerships
Performance Indicator	3.2.2 Number of partnerships developed with public entities
Short definition	The indicator refers to the total number of partnerships entered between Services SETA and public entities within a financial year NSDS III encourages strong partnerships between employers, public education institutions (TVET Colleges, Universities and Universities of Technology), private training providers and SETAs. **"Partnerships":** are regarded as formal written agreement between the Services SETA and one or more University to share and contribute financial and/or non-financial resources, including grant funding in order to facilitate post-school education and training interventions. **"Public entities":** institution to which the PFMA applies **"University":** a high-level educational institution in which students study for degrees and academic research is done
Purpose/importance	The data from this indicator is used by Services SETA: as a starting point to track progress toward its public partnership targets; as an input measure in understanding the SETA's impact on skills development within the public sector
Source/collection of data	• Signed Offer Letter of Intention to the intended partner • Signed MOUs between the Services SETA and the Universities • MOUs between Services SETA and Universities
Method of calculation	Simple count of the number of : • Offer Letters or; • Memorandum of Understandings / Agreements between the Services SETA and the University institution partnerships
Data limitations	Delays in processes (engagements, contracting, signing)
Type of indicator	Input and Efficiency, Effectiveness
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Continued
Desired performance	Actual
Indicator responsibility	EM: OCEO Manager: Special Projects

PROMOTE ENTERPRISE DEVELOPMENT

PI: 3.3.1 NUMBER OF SMALL BUSINESSES SUPPORTED

COMPONENTS	DESCRIPTIONS
Indicator title	Small Business Support
Performance Indicator	3.3.1 Number of small businesses supported
Short definition	The indicator refers to the total number of small businesses supported by Services SETA, as prescribed by the DHET SLA requirements **"Small business"** a separate and distinct business entity, including co-operative enterprises and nongovernmental organisations, managed by one owner or more which, including its branches or subsidiaries, if any, is predominantly carried on in any sector or sub sector of the economy mentioned in Column I of the Schedule 14 of the National Small Business Amendment Acts 2003 and 2004 **"Supported"** means: Provided with capacity building interventions based on their specific needs, ranging from Training in Business Management, Mentoring and Coaching, Technical training, business advisory advice **"Quality of Support":** refer to the sustainable support provided that has an impact on the organisation for the foreseeable future, based on that enterprises developmental needs and would allow increased participation in SETA programmes Business advisory services": expert support offered through hands on, practical help, advice and support in specific business areas that help make a difference to business success. This is supported operationally by signed agreements (learner enrolment forms, attendance registers, physical agreements signed, etc.)
Purpose/importance	The data from this indicator is used by Services SETA: as a starting point to track progress toward its targets for supporting small businesses. It is also used to measure return on investment in skills development, and progress toward building a skilled and capable workforce
Source/collection of data	• Attendance registers; • Database of small businesses supported
Method of calculation	• By counting the number of small companies who received support from Services SETA

COMPONENTS	DESCRIPTIONS
Data limitations	Delays in processes (engagements, contracting, signing)
Type of indicator	Output and Effectiveness
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	New
Desired performance	Actual
Indicator responsibility	EM: OCEO Manager: Special Projects

PI: 3.3.2 NUMBER OF NON-GOVERNMENTAL AND COMMUNITY-BASED ORGANISATIONS SUPPORTED

COMPONENTS	DESCRIPTIONS
Indicator title	NGOs and CBO's Supported
Performance Indicator	3.3.2 Number of non-governmental and community-based organisations supported
Short definition	The indicator refers to the total number of cooperatives supported by Services SETA, as prescribed by the DHET SLA requirements **"CBOs":** are non-profit groups that work at a local level to improve life for residents. The focus is to build equality across society in all streams - health care, environment, quality of education, access to technology, access to spaces and information for the disabled" **"Non-governmental organizations"** means organisations registered as non-profit in terms of the law under the Department of Social Development **"Supported":** Provided with capacity building interventions based on their specific needs, ranging from Business Management; Mentoring and Coaching and Technical training **"Quality of Support":** refer to the sustainable support provided that has an impact on the organisation for the foreseeable future, based on that enterprises developmental needs, and would allow increased participation in SETA programmes This is supported operationally by signed agreements (learner enrolment forms, attendance registers, physical agreements signed, etc.)
Purpose/importance	The data from this indicator is used by Services SETA: as a starting point to track progress toward its cooperatives support targets; as an input measure in calculating the efficiency and equity performance on Services SETA-funded programmes to such cooperatives This data is reported to DHET, who use it for reporting against national targets. It is also used to measure return on investment in skills development, and progress toward building a skilled and capable workforce
Source/collection of data	• Attendance registers • Database of co-operatives supported

COMPONENTS	DESCRIPTIONS
Method of calculation	• By counting the numbers of cooperatives that have obtained support from the Services SETA • By counting the numbers of NGOs that have obtained support from the Services SETA
Data limitations	Human error in collecting or capturing information
Type of indicator	Output and Effectiveness
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	New
Desired performance	Actual
Indicator responsibility	EM: OCEO Manager: Special Projects

PI: 3.3.3 NUMBER OF TRADE UNIONS SUPPORTED

COMPONENTS	DESCRIPTIONS
Indicator title	Trade Unions Support
Performance Indicator	3.3.3 Number of Trade Unions supported
Short definition	This indicator refers to the number of new trade unions supported by the Services SETA, as prescribed by the DHET SLA requirements **"Trade unions"** refers to an organised association of workers in a trade, group of trades, profession, or specific sectors formed to protect and further their rights and interests **"Supported"** means: Provided with capacity building interventions based on their specific needs, ranging from training in Business Management, Mentoring and Coaching, and technical training, to DG support **"Quality of Support":** refer to the sustainable support provided that has an impact on the organisation for the foreseeable future, based on that enterprises developmental needs and would allow increased participation in SETA programmes
Purpose/importance	Skilling the labour union sector to promote for representation
Source/collection of data	Database of trade unions supported
Method of calculation	By counting the number of trade unions supported
Data limitations	Human error
Type of indicator	Input, Process, Effectiveness
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	New
Desired performance	High
Indicator responsibility	EM: OCEO Manager: Special Projects

SERVICES SETA INVESTMENT IN SKILLS DEVELOPMENT

PI 3.4.1 NUMBER OF UNFUNDED EMPLOYED LEARNERSHIPS ENTERED

COMPONENTS	DESCRIPTIONS
Indicator title	Unfunded Learnerships Entered
Performance Indicator	3.4.1 Number of Unfunded Employed Learnerships Entered
Short definition	The indicator refers to the total number of employed learners entered for Learnerships not funded by the Services SETA- **"Unfunded":** refers to learnerships that are funded by industry **"Employed learners"** refers to learners who are employed by the employer party to the learnership at the time of contracting with the employer. **"Entered"** refers to learners who are successfully registered with the Services SETA as enrolled by employers **"Learnerships":** is a structured learning intervention which includes theoretical and practical workplace experiential learning over a period of at least 12 months and leads to an occupationally related qualification registered on the NQF
Purpose/importance	The data from this indicator is used by Services SETA to measure industry funding of skills development.
Source/collection of data	This is supported at operational level by : • Learner Registration Template on LMIS; • Electronic (scanned in on LMIS) Learnership Registration Forms and/or Learnership Agreement; • Electronic (scanned in on LMIS) Certified ID copies of learners; • Electronic (scanned in on LMIS) Certified copies of highest qualification; • Electronic (scanned in on LMIS) Proof of employment
Method of calculation	Simple count of learners entered in Learnerships not funded by the Services SETA, as reported in the SQMR.
Data limitations	Human error in inputting the information; Discrepancies in information submitted by employers- throughout the submission of the learner documentation; Attrition rate of learners at the time of reporting;
Type of indicator	Input
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Continued
Desired performance	Actual
Indicator responsibility	Senior Manager: Grant Services and Unfunded Programmes

PI 3.4.2 NUMBER OF LEARNERSHIPS ENTERED

COMPONENTS	DESCRIPTIONS
Indicator title	Learnerships Entered
Performance Indicator	3.4.2 Number of Learnerships Entered
Short definition	The indicator refers to the total number of employed and unemployed learners entered for Learnerships on Services SETA-funded programmes **"Employed learners"** refers to learners who are employed at the time of contracting with the employer. **"Unemployed learners"** refers to learners who are not in employment at the time of contracting. **"Entered"** refers to learners captured and verified by the Services SETA on the learner registration template, post verification processes. **"SETA-funded programmes"** refers to learning interventions funded by the Services SETA through the Discretionary Grants Funds. **"Learnerships"**: is a structured learning intervention which includes theoretical and practical workplace experiential learning over a period of at least 12 months and leads to an occupationally related qualification registered on the NQF up to level 5.
Purpose/importance	The data from this indicator is used by Services SETA to measure achievement of its targets.
Source/collection of data	This is supported at operational level by : • Learner Registration Template; • Learnership Registration Forms and/or Learnership Agreement; • Certified ID copies of learners; • Certified copies of highest qualification; • Proof of employment (employed learners); and/or affidavit • Discretionary grant contracts with entities.
Method of calculation	• Simple count of employed learners entered in the Services SETA-funded Learnerships, as reported in the SQMR. • Simple count of unemployed learners entered in all Services SETA -funded Learnerships, as reported in the SQMR
Data limitations	Human error in inputting the information; Discrepancies in information submitted by employers- throughout the submission of the learner documentation; Attrition rate of learners at the time of reporting; Delays in administrative processes may result in discrepancy between Services SETA commencement date and the start date entered on the learnerships agreement form.
Type of indicator	Input
Calculation type	Cumulative

COMPONENTS	DESCRIPTIONS
Reporting cycle	Quarterly
New indicator	Modified
Desired performance	Actual
Indicator responsibility	Manager: Learning Interventions and Project Coordination

PI 3.4.3 NUMBER OF LEARNERSHIPS COMPLETED

COMPONENTS	DESCRIPTIONS
Indicator title	Learnerships Completed
Performance Indicator	3.4.3 Number of Learnerships Completed
Short definition	The indicator refers to the total number of employed and unemployed learners completing learning interventions at the end of Services SETA-funded programmes within the project life cycle. **"Unemployed learners"** refers to learners who are not in employment at the time of contracting. **"Employed learners"** refers to learners who are employed at the time of contracting with the employer. **"Completed"** refers to learners who are issued with a formal outcome by the relevant Quality Assurance Body in recognition of their achievement of the learning outcomes, after the prescribed processes of assessment and moderation. **"Learnerships"** is a structured intervention which includes theoretical and practical workplace experiential learning over a period of at least 12 months and leads to an occupationally related qualification registered on the NQF up to level 5. **"SETA-funded programmes"** " refers to learning interventions funded by the Services SETA through the Discretionary Grants Funds.
Purpose/importance	The data from this indicator is used by Services SETA to measure achievement of its targets
Source/collection of data	This is supported at operational level by verification of learner achievements from QMD or other relevant quality assurance bodies: • Certificates and/or • Statements of results
Method of calculation	• Count of the total number of employed learners recorded as having completed their Learnership, as reported in the SQMR. • Count of the total number of unemployed learners recorded as having completed their Learnership, as reported in the SQMR.
Data limitations	There may be discrepancy between the numbers of learner certificates have been issued vs. those who entered on the SQMR due to attrition rates of learners at the time of reporting.
Type of indicator	Input
Calculation type	Cumulative
Reporting cycle	Quarterly

COMPONENTS	DESCRIPTIONS
New indicator	Modified
Desired performance	Actual
Indicator responsibility	Manager: Learning Interventions and Project Coordination

PI 3.4.4 TOTAL NUMBER OF BURSARIES ENTERED

COMPONENTS	DESCRIPTIONS
Indicator title	Bursaries Entered
Performance Indicator	3.4.4 Number of Bursaries Entered
Short definition	The indicator refers to the total number of employed and unemployed learners entered on Services SETA-funded bursary programmes within the financial year **"Employed learners"** refers to learners who are employed at the time of contracting with the employer. **"Unemployed learners"** refers to learners who are not in employment at the time of contracting. **"Bursaries"** This is a grant awarded to learners enrolled for part qualifications or full qualifications registered on the NQF . **"Entered"** refers to learners captured and verified by the Services SETA on the learner registration template, post verification processes. **"SETA-funded programmes"** refers to learning interventions funded by the Services SETA through the Discretionary Grants Funds.
Purpose/importance	The data from this indicator is used by Services SETA to measure achievement of its targets.
Source/collection of data	This is supported at operational level by: • Bursary Agreement Form; • Proof of registration; • Certified ID copies of all learners; • Certified copies of highest qualifications attained; • Proof of employment; and/or affidavit • Discretionary grant contracts with entities.
Method of calculation	• Simple count of employed learner entered in the Services SETA-funded learning intervention as a bursary recipient, as reported in the SQMR • Simple count of unemployed learner entered in the Services SETA-funded learning intervention as a bursary recipient, as reported in the SQMR
Data limitations	Human error in inputting the information; Discrepancies in information submitted by employers- throughout the submission of the learner documentation; Attrition rate of learners at the time of reporting; Delays in administrative processes may result in discrepancy between Services SETA commencement date and the start date entered on the learnerships agreement form.
Type of indicator	Input
Calculation type	Cumulative

COMPONENTS	DESCRIPTIONS
Reporting cycle	Quarterly
New indicator	Continued
Desired performance	Actual
Indicator responsibility	EM: OCEO Manager: Bursaries

PI 3.4.5 NUMBER OF BURSARIES COMPLETED

COMPONENTS	DESCRIPTIONS
Indicator title	Bursaries Completed
Performance Indicator	3.4.5 Number of Bursaries Completed
Short definition	The indicator refers to the total number of employed and unemployed learners completing the learning intervention at the end of Services SETA-funded programmes within the financial year **Bursary programmes"** refers to a grant awarded to employed learners entered for part qualifications or full qualifications registered on the NQF **"Employed learners"** refers to learners who are employed at the time of contracting with the employee. **"Unemployed learners"** refers to learners who are not in employment at the time of contracting. **"Completed"** refers to learners that have completed respective level of study **"SETA-funded programmes"** refers to learning interventions funded by the Services SETA through the Discretionary Grants Funds.
Purpose/importance	The data from this indicator is used by Services SETA to measure achievement of its targets
Source/collection of data	This is supported at operational level by verification of learner achievements from Bursary department or other relevant quality assurance bodies: • Certificates and/or • Statements of results
Method of calculation	• Count of total number of employed learners who have completed their bursary funded learning programmes, as reported in the SQMR. • Count of total number of unemployed learners who have completed their bursary funded learning programmes, as reported in the SQMR
Data limitations	There may be discrepancy between the numbers of learner certificates have been issued vs. those who entered on the SQMR due to attrition rates of learners at the time of reporting. Learners entered on a program in one year frequently only complete in a subsequent year, due to length of programs or remediation that is required.
Type of indicator	Output, Efficiency, Effectiveness and Equity
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Continued

COMPONENTS	DESCRIPTIONS
Desired performance	Actual
Indicator responsibility	EM: OCEO Manager: Bursaries

PI 3.4.6 NUMBER OF SKILLS PROGRAMMES ENTERED

COMPONENTS	DESCRIPTIONS
Indicator title	Skills Programmes Entered
Performance Indicator	3.4.6 Number of Skills Programmes Entered
Short definition	The indicator refers to the total number of employed and unemployed learners entered for skills programmes on Services SETA-funded programmes

"Employed learners" refers to learners who are employed at the time of contracting with the employer.

"Unemployed learners" refers to learners who are not in employment at the time of contracting.

"Entered" refers to learners captured and verified by the Services SETA on the learner registration template, post verification processes.

"Skills programmes" This learning intervention has been designed to be an occupationally based, short term learning programme. When successfully completed by the learner, it constitutes credits towards a qualification registered on the NQF. The Skills Programme comprises of a cluster of unit standards where the total number of credits, can range between 25 and 60.

"SETA-funded programmes" refers to learning interventions funded by the Services SETA through the Discretionary Grants Funds. |
| Purpose/importance | The data from this indicator is used by Services SETA to measure achievement of its targets. |
| Source/collection of data | This is supported at operational level by:
Learner Registration Template; Learner Registration Forms; Certified ID copies of all learners; Proof of employment; and/or affidavit Discretionary grant contracts with entities. |
| Method of calculation | Count of the total number of employed learners recorded as entered, and reported in the SQMR Count of the total number of unemployed learners recorded as entered, and reported in the SQMR |
| Data limitations | Human error in inputting the information; Discrepancies in information submitted by employers- throughout the submission of the learner documentation; Attrition rate of learners at the time of reporting; Delays in administrative processes may result in discrepancy between Services SETA commencement date and the start date entered on the learnerships agreement form. |

COMPONENTS	DESCRIPTIONS
Type of indicator	Input, Equity
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Continued
Desired performance	Actual
Indicator responsibility	Manager: LIPC

PI 3.4.7 NUMBER OF SKILLS PROGRAMMES COMPLETED

COMPONENTS	DESCRIPTIONS
Indicator title	Skills Programmes Completed
Performance Indicator	3.4.7 Number of Skills Programmes Completed
Short definition	The indicator refers to the total number of employed learners who receive a statement of results for skills programmes on Services SETA-funded programmes "**Employed learners**" refers to learners who are employed at the time of contracting. "**Unemployed learners**" refers to learners who are not in employment at the time of contracting. "**Skills programmes**" This learning intervention has been designed to be an occupationally based, short term learning programme. When successfully completed by the learner, it constitutes credits towards a qualification registered on the NQF. The Skills Programme comprises of a cluster of unit standards where the total number of credits, can range between 25 and 60. "**Completed**" refers to learners who are issued with formal statement of results by the relevant quality assurance body, in recognition of their achievement of the learning outcomes, after the prescribed processes of assessment and moderation "**SETA-funded programmes**" refers to learning interventions funded by the Services SETA through the Discretionary Grants Funds.
Purpose/importance	The data from this indicator is used by Services SETA to measure achievement of its targets.
Source/collection of data	This is supported at operational level by: • Statement of results
Method of calculation	• Count of total number of employed leaners who have completed a skills programme, as reported in the SQMR • Count of total number of unemployed leaners who have completed a skills programme, as reported in the SQMR
Data limitations	There may be discrepancies between the numbers of learner statement of results being issued vs. those enrolled on the SQMR, due to attrition rates of learners at the time of reporting.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Continued
Desired performance	Actual
Indicator responsibility	Manager: LIPC

PI 3.4.8 NUMBER OF INTERNSHIPS ENTERED

COMPONENTS	DESCRIPTIONS
Indicator title	Internships Entered
Performance Indicator	3.4.8 Number of Internships Entered
Short definition	The indicator refers to the total number of interns who requires workplace experience to achieve their Services SETA-funded programmes **"Entered"** refers to learners captured and verified by the Services SETA on the learner registration template, post verification processes. **"TVET Student Placements":** students who graduated from a Technical and Vocational Education Training college, who have been placed to work within a work environment to attain workplace experience for a period of 12 months. **"UNIVERSITIES Student Placements":** students who graduated from a Higher Education and Training Institution, who have been placed to work within a work environment to attain workplace experience for a period of 12 months. **"Internships entered (workplace experience)"** refers to an 18 month workplace experience programme designed for candidates who have already completed the N6 National Diploma that is relevant for N6 National Diploma. **"SETA-funded programmes"** refers to learning interventions funded by the Services SETA through the Discretionary Grants Funds.
Purpose/importance	The data from this indicator is used by Services SETA to measure achievement of its targets.
Source/collection of data	This is supported at operational level by: • Learner Registration Template; • Learner Registration Forms; • Certified ID copies of learners; • Certified copies of highest qualifications attained; • Proof of employment; and/or affidavit • Discretionary grant contracts with entities.
Method of calculation	Count of the total number of internship recorded as entered and reported in the SQMR
Data limitations	Human error in inputting the information; Discrepancies in information submitted by employers- throughout the submission of the learner documentation; Attrition rate of learners at the time of reporting; Delays in administrative processes may result in discrepancy between Services SETA commencement date and the start date entered on the learner registration form.
Type of indicator	Input

COMPONENTS	DESCRIPTIONS
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Continued
Desired performance	Actual
Indicator responsibility	Manager: LIPC

PI 3.4.9 NUMBER OF UNEMPLOYED INTERNSHIPS COMPLETED

COMPONENTS	DESCRIPTIONS
Indicator title	Internships Completed
Performance Indicator	3.4.9 Number of Internships Completed
Short definition	The indicator refers to the total number of interns who have achieved workplace experience to achieve their Services SETA-funded programmes **"Unemployed learners"** refers to learners who are not in employment at the time of contracting with the employer. **"Completed"** refers to interns who have completed 12 months of workplace experience. **"SETA-funded programmes"** refers to learning interventions funded by the Services SETA through the Discretionary Grants Funds. learner registration template, post verification processes. **"TVET Student Placements":** students who graduated from a Technical and Vocational Education Training college, who have been placed to work within a work environment to attain workplace experience for a period of 12 months. **"UNIVERSITIES Student Placements":** students who graduated from a Higher Education and Training Institution, who have been placed to work within a work environment to attain workplace experience for a period of 12 months **"Internships"** refers to an 18 month workplace experience programme designed for candidates who have already completed the N6 National Diploma that is relevant for N6 National Diploma.
Purpose/importance	The data from this indicator is used by Services SETA to measure achievement of its targets
Source/collection of data	This is supported at operational level by: • Project Close Out Report
Method of calculation	Count of total number of leaners who have completed an internship programme, as reported in the SQMR
Data limitations	Human error in collecting or reporting the data
Type of indicator	Output, Efficiency, Effectiveness and Equity
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Continued
Desired performance	Actual
Indicator responsibility	Manager: LIPC

PI 3.4.10 NUMBER OF ARTISANS ENTERED

COMPONENTS	DESCRIPTIONS
Indicator title	Total Artisans Entered
Performance Indicator	3.4.10 Number of Artisans Entered
Short definition	The number of apprenticeships entered refers to candidates who are enrolled on a related artisan learning programme and do not have a qualification as per the listed trade, who have been registered with the Services SETA for the purpose of obtaining a trade test certificate "Artisan": A person certified as competent, via a trade test, to undertake a listed trade in accordance with relevant legislation "apprenticeship entered": a learner who have entered a structured artisan learning program in terms of a occupation listed as a trade in Gazette 35625 "trade test": means a final integrated summative assessment for an artisan qualification for a listed trade that is conducted at an accredited trade test centre by and assessor registered with NAMB
Purpose/importance	The Services SETA use this information as a key input measure against which the performance of Services SETA artisan programme is measured
Source/collection of data	Learner Registration Forms and relevant accompanying documents as per the application form: • LP04 Trade Test • Learner agreement • TT application • Certified copy of learner ID • Certified copy of learner ID • Certified copy of highest qualification • Certified copy of highest qualification – minimum grade 9 • Employment contract • Evidence of workplace experience or Statement of results from Trade Test Centre (ARPL)
Method of calculation	Simple count of apprenticeship learners entered and reported in the SQMR
Data limitations	Human error in inputting the information; Discrepancies in information submitted by employers/ providers
Type of indicator	Input
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Continued
Desired performance	Actual
Indicator responsibility	Manager: LIPC

PI 3.4.11 NUMBER OF APPRENTICESHIPS COMPLETED

COMPONENTS	DESCRIPTIONS
Indicator title	Total Artisans Completed
Performance Indicator	3.4.11 Number of Artisans Completed
Short definition	The number of artisans completed refers to learners who have completed the trade test / integrated summative assessment **"Artisan":** A person certified as competent, via a trade test, to undertake a listed trade in accordance with relevant legislation **"Trade Test**: "trade test" means a final integrated summative assessment for artisan qualification on a listed trade that is conducted at accredited Trade Test Centre by an assessor registered with NAMB **"Completed":** person shall be considered as "complete" as an artisan learner on a related artisan learning programme on the date that the person has successfully undertaken a summative assessment or trade test and a certificate is issued by the relevant quality assurance body. **"Apprenticeship completed":** a learner who have successfully completed an external integrated summative assessment (Trade Test) in terms of a occupation listed as a trade in Gazette 35625
Purpose/importance	The data from this indicator is used by Services SETA measure achievement of its targets
Source/collection of data	Trade test results / Trade test report / QCTO Certificate
Method of calculation	Simple count of the number of artisan learners who have successfully completed an external integrated summative assessment (Trade Test), as reported in the SQMR
Data limitations	Human error
Type of indicator	Qualifications falling outside the Services SETA scope of quality assurance
Reporting cycle	Quarterly
New indicator	Cumulative
New indicator	Continued
Desired performance	Actual
Indicator responsibility	Manager: LIPC

PI 3.4.12 NUMBER OF RECOGNITION OF PRIOR LEARNING LEARNERS ENTERED

COMPONENTS	DESCRIPTIONS
Indicator title	RPL Entered
Performance Indicator	3.4.12 Number of Recognition of Prior Learning Learners Entered
Short definition	The total number of learners who entered Services SETA-funded processes for the Recognition of Prior Learning. **"RPL"** Refers to the principles and processes through which the prior knowledge and skills acquired by a person are identified, mediated and assessed for purposes of admission to a formal course of study, or recognition and certification to a formal qualification **"Entered"** refers to learners captured and verified by the Services SETA on the learner registration template, post verification processes. **"SETA-funded programmes"** refers to learning interventions funded by the Services SETA through the Discretionary Grants Funds.
Purpose/importance	The data from this indicator is used by Services SETA to measure achievement of its targets
Source/collection of data	This is supported at operational level by: • Learner enrolment forms; • Learner application forms; • Certified ID copies of all learners; • Certified copies of highest qualifications attained; • Employment letter; and • Discretionary grant contracts with entities.
Method of calculation	Simple count of learners entered in the Services SETA-funded learning intervention processes for the Recognition of Prior Learning, as reported in the SQMR
Data limitations	Human error in inputting the information; Discrepancies in information submitted by employers- throughout the submission of the learner documentation; Attrition rate of learners at the time of reporting; Delays in administrative processes may result in discrepancy between Services SETA commencement date and the start date entered on the learner registration form.
Type of indicator	Input
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Continued
Desired performance	Actual
Indicator responsibility	Manager: LIPC

PI 3.4.13 NUMBER OF RPL LEARNERS COMPLETED

COMPONENTS	DESCRIPTIONS
Indicator title	RPL Completed
Performance Indicator	3.4.13 Number of RPL learners Completed
Short definition	The total number of learners who are certificated on Services SETA-funded processes for the Recognition of Prior Learning **"RPL"** Refers to the principles and processes through which the prior knowledge and skills acquired by a person are identified, mediated and assessed for purposes admission to a formal course of study, or recognition and certification to a formal qualification **"Employed learners"** refers to learners who are employed at the time of contracting with the employer. **"Completed"** refers to learners who are issued with a formal outcome by the relevant Quality Assurance Body in recognition of their achievement of the learning outcomes, after the prescribed processes of assessment and moderation. **"SETA-funded programmes"** refers to learning interventions funded by the Services SETA through the Discretionary Grants Funds.
Purpose/importance	The data from this indicator is used by Services SETA to measure achievement of its targets
Source/collection of data	This is supported at operational level by verification of learner achievements from QMD or other relevant quality assurance bodies: • Certificates and/or • Statements of results • Trade test results
Method of calculation	Simple count of learners who have been assessed and issued with an RPL certificate, as reported in the SQMR
Data limitations	There may be discrepancy between the numbers of learner certificates have been issued vs. those who entered on the SQMR due to attrition rates of learners at the time of reporting.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Continued
Desired performance	Actual
Indicator responsibility	Manager: LIPC

PI 3.4.14 NUMBER OF AET LEARNERS ENTERED

COMPONENTS	DESCRIPTIONS
Indicator title	AET Entered
Performance Indicator	3.4.14 Number of AET Learners Entered
Short definition	The indicator refers to the total number of learners entered on Services SETA-funded AET programmes within the financial year **"AET programmes"** refers to formal learning and training undertaken by adults for the improvement of their knowledge and skills for personal development, further learning and/or employment. This learning must result in a numeracy and literacy General Education and Training Certificate. **"Entered"** refers to learners captured and verified by the Services SETA on the learner registration template, post verification processes. **"SETA-funded programmes"** refers to learning interventions funded by the Services SETA through the Discretionary Grants Funds.
Purpose/importance	The data from this indicator is used by Services SETA to measure achievement of its targets.
Source/collection of data	This is supported at operational level by: • Learner Registration Forms; • Learner Registration Template; • Certified ID copies of all learners;
Method of calculation	Simple count of learners entered into AET learning interventions, as reported in the SQMR
Data limitations	Human error in inputting the information; Discrepancies in information submitted by employers- throughout the submission of the learner documentation; Attrition rate of learners at the time of reporting; Delays in administrative processes may result in discrepancy between Services SETA commencement date and the start date entered on the learner registration form.
Type of indicator	Input
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Continued
Desired performance	Actual
Indicator responsibility	Manager: LIPC

PI 3.4.15 NUMBER OF AET LEARNERS COMPLETED

COMPONENTS	DESCRIPTIONS
Indicator title	AET Completed
Performance Indicator	3.4.15 Number of AET Learners Completed
Short definition	The indicator refers to the total number of AET learners who completed Services SETA-funded AET programmes within the financial year

"AET programmes" refers to formal learning and training undertaken by adults for the improvement of their knowledge and skills for personal development, further learning and/or employment. This learning must result in a numeracy and literacy General Education and Training Certificate.

"Completed" refers to learners who have been assessed as competent after the completion of their AET programme, and have been awarded a formal statement of results or certificate to serve as proof of completion by the relevant quality assurance authority

"SETA-funded programmes" refers to learning interventions funded by the Services SETA through the Discretionary Grants Funds. |
Purpose/importance	The data from this indicator is used by Services SETA to measure achievement of its targets.
Source/collection of data	This is supported at operational level by verification of learner achievements from QMD or other relevant quality assurance bodies: • Certificates and/or • Statements of results
Method of calculation	Count of the total number of learners who have completed an AET programme, as reported in the SQMR
Data limitations	There may be discrepancy between the numbers of learner certificates have been issued vs. those who entered on the SQMR due to attrition rates of learners at the time of reporting.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Continued
Desired performance	Actual
Indicator responsibility	Manager: LIPC

PI 3.4.16 NUMBER OF CANDIDACIES ENTERED

COMPONENTS	DESCRIPTIONS
Indicator title	Candidacies Entered
Performance Indicator	3.4.16 Number of Candidacies Entered
Short definition	The indicator refers to the total number of candidates enrolled on a Services SETA-funded Candidacy programmes within the financial year **"Candidacy programmes"** refers to compulsory learning and training undertaken by graduates through structured workplace training which culminates in professional designation with a professional council or body. The candidate must be a full time or contract employee, whose company is a member of, or who is an individual member of a professional council/body **"Entered"** refers to learners captured and verified by the Services SETA on the learner registration template, post verification processes. **"SETA-funded programmes"** refers to learning interventions funded by the Services SETA through the Discretionary Grants Funds.
Purpose/importance	The data from this indicator is used by Services SETA to measure achievement of its targets.
Source/collection of data	Candidate Registration Forms and relevant accompanying documents as per the application form: • Candidacy agreement • Certified copy of ID • Certified copies of highest qualifications • Proof of employment • Medical Certificate required only for technical trades
Method of calculation	Simple count of graduates entered into Candidacy learning interventions, as reported in the SQMR
Data limitations	There may be discrepancy between the numbers of learner certificates have been issued vs. those who entered on the SQMR due to attrition rates of learners at the time of reporting.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Continued
Desired performance	Actual
Indicator responsibility	Manager: LIPC

PI 3.4.17 NUMBER OF CANDIDACIES COMPLETED

COMPONENTS	DESCRIPTIONS
Indicator title	Candidacies Completed
Performance Indicator	3.4.17 Number of Candidacies Completed
Short definition	The indicator refers to the total number of candidates who completed Services SETA-funded Candidacy programmes within the financial year **"Candidacy programmes"** refers to compulsory learning and training undertaken by graduates through structured workplace training which culminates in professional designation with a professional council or body. The candidate must be a full time or contract employee, whose company is a member of, or who is an individual member of a professional council/body in real estate. **"Completed"** refers to candidates who have been assessed as competent after the completion of their candidacy programme, and have been awarded a formal professional designation. **"SETA-funded programmes"** refers to learning interventions funded by the Services SETA through the Discretionary Grants Funds.
Purpose/importance	The data from this indicator is used by Services SETA to measure achievement of its targets.
Source/collection of data	This is supported at operational level by verification of candidate achievements by the relevant quality assurance bodies: • Certificates and/or • Statements of results
Method of calculation	Count of the total number of professionals who have completed a Candidacy programme, as reported in the SQMR
Data limitations	There may be discrepancy between the numbers of certificates have been issued by the relevant quality assurance body vs. those who entered on the SQMR due to attrition rates of learners at the time of reporting.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Continued
Desired performance	Actual
Indicator responsibility	Manager: LIPC

PROMOTE STAKEHOLDER PARTICIPATION

PI: 3.5.1 NUMBER OF STRUCTURED STAKEHOLDERS ENGAGEMENT

COMPONENTS	DESCRIPTIONS
Indicator title	Stakeholder Engagements
Performance Indicator	3.5.1 Number of structured Stakeholders Engagements
Short definition	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 key subsector stakeholders on any policy and process development that will improve the SETA's service delivery to its subsector stakeholders. **"Key Subsector 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 **"Structured":** In line with the organisational goals; departmental objectives and stakeholder engagement plans and aligned to identified risk controls. **"Engagements"**: Consultation meetings and workshops; information sharing sessions; guidance or technical support sessions; training and / or capacity building workshops held with key sub-sector stakeholders: national, and provincial where information about the Services SETA programmes, offerings, opportunities for partnerships is shared, leading to increased awareness by stakeholders and therefore enhance their participation and or input in the SETA's programmes, respond to the Services SETA requests for participation across the functions of the Services SETA
Purpose/importance	This indicator measures the Service SETA ability to ensure sector role players are engaged in sub-sectors. This data is reported to DHET in the QPR and APR.
Source/collection of data	• List/schedule of activities (workshops, roadshows, capacity building session) • Agenda and content of engagements • Attendance records • Reports
Method of calculation	The performance score would be a calculated by a simple count of the number of Key Subsector Stakeholders Engagements held by the Services SETA, within a financial year
Data limitations	Human error; stakeholders failing to complete attendance registers
Type of indicator	Effectiveness

COMPONENTS	DESCRIPTIONS
Calculation type	Cumulative
Reporting cycle	Quarterly
Indicator status	Previous
Desired performance	Actual
Indicator responsibility	SM: Chambers SM: Provincial Operations EM: Stakeholder Relations

PI 3.5.2 NUMBER OF CAREER GUIDANCE EVENTS

COMPONENTS	DESCRIPTIONS
Indicator title	Career Guidance
Performance Indicator	3.5.2 Number of career guidance events hosted
Short definition	This indicator measures the number of career guidance events supported by the Services SETA provincial offices in pursuit of promoting sector qualifications and provide career and vocational guidance. **"Number of career guidance events":** the number 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 same to learners. **"Career guidance"** 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.
Purpose/importance	The data from this indicator is used to measure whether the Services SETA is reaching potential learners with service sector career guidance. This data is reported to DHET in the QPR, and the APR
Source/collection of data	• List of career guidance events hosted • Attendance registers • Event evaluation reports
Method of calculation	A simple count of the number of career guidance events hosted
Data limitations	Human Error
Type of indicator	Effectiveness
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Continued
Desired performance	Increased learner access to opportunities on occupationally-directed learning programmes in the services sector
Indicator responsibility	Senior Manager: Provincial Operations

PROGRAMME 4: QUALITY ASSURANCE

QUALITY ASSURANCE

PI: 4.1.1 PERCENTAGE OF SDP APPLICANTS ACCREDITED

COMPONENTS	DESCRIPTIONS
Indicator title	SDP Applicants accredited
Performance Indicator	4.1.1 Percentage of SDP applicants accredited
Short definition	This indicator refers to the extent to which the Services SETA complies with its policies of processing SDP applications **"Percentage of SDP applicants":** the proportion of compliant applications processed and accredited measured against the full list of compliant applications processed **"SDPs":** skills development provider accredited by the Services SETA to provide training in the services sector **"Accredited":** a positive status of certification of competency, authority, or credibility against a qualification developed by the Services SETA
Purpose/importance	This indicator measures the Services SETA efficiency in the accreditation of SDP. This indicator contributes to the training of learners This data is reported to DHET in the QPR and APR
Source/collection of data	• A list of SDP applications • Accreditation reports
Method of calculation	The number of compliant SDP applicants accredited / Total number of compliant SDP applications x 100
Data limitations	Human error
Type of indicator	Output, process, efficiency and effectiveness
Calculation type	Cumulative
Reporting cycle	Quarterly
Indicator status	Continued
Desired performance	Actual
Indicator responsibility	Manager: Accreditation

PI 4.1.2 PERCENTAGE OF UNSUCCESFUL SDP ACCREDITATION APPLICANTS REMEDIATED

COMPONENTS	DESCRIPTIONS
Indicator title	Unsuccessful SDP accreditation applicants remediated
Performance Indicator	4.1.2 Percentage of unsuccessful SDP accreditation applicants remediated
Short definition	This indicator measures the quality of support provided to unsuccessful aspirant SDPs through capacity development; through structured information sharing; and technical support. **"SDPs":** skills development provider accredited by the Services SETA to provide training in the services sector **"Unsuccessful accreditation":** a decline status for an SDP application at the end of a quality assurance process **Remediated**: to enable capabilities through targeted interventions that build aspirant SDP capacity to meet minimum accreditation requirements. Achieved through workshops; information sharing sessions; guidance or technical support sessions; training and / or capacity building workshops.
Purpose/importance	This indicator measures the Services SETA output on stakeholder capacitation and provider development. This indicator contributes to the availability of supply side stakeholders. The data from this indicator used to report on the Services SETA performance against the approved APP 2018/19
Source/collection of data	• A list of SDP applications
Method of calculation	The number of remediated unsuccessful SDP applicants / Total number of unsuccessful SDP applicants x100
Data limitations	Human error and IT system challenges
Type of indicator	Efficiency
Calculation type	Cumulative
Reporting cycle	Quarterly
Indicator status	Continued
Desired performance	Actual
Indicator responsibility	Manager: Accreditation

PI 4.2.1. PERCENTAGE OF EXTERNAL MODERATIONS SUCCESSFULLY CONDUCTED

COMPONENTS	DESCRIPTIONS
Indicator title	Percentage of external moderations successfully conducted
Performance Indicator	4.2.1 Percentage of external moderations successfully conducted
Short definition	The indicator refers to the efficiency of the process of learners' certification and the compliance of Services SETA with its own policies in regard to this. External moderations are conducted as and when request are issued by providers. **"External moderation":** a means of ensuring providers delivering programmes on the same unit standards and/or qualification, are assessing learners in a well-designed and consistent manner to maintain a specific standard. **"Successfully conducted":** external moderation taking place within the scheduled timeframe and moderation report submitted.
Purpose/importance	This indicator measures the Services SETA output on stakeholder capacitation and provider development. This indicator contributes to the availability of supply side stakeholders. The data from this indicator used to report on the Services SETA performance against the approved APP 2018/19
Source/collection of data	• External moderation schedule lists • External moderation reports
Method of calculation	The number of external moderations successfully complemented/ The total number of external moderation request received x 100
Data limitations	Human error and IT system challenges
Type of indicator	Efficiency
Calculation type	Cumulative
Reporting cycle	Quarterly
Indicator status	New
Desired performance	Actual
Indicator responsibility	Manager: Qualifications

PI 4.2.2. NUMBER OF QUALIFICATIONS REVIEWED AND REALIGNED TO OCCUPATIONAL QUALIFICATIONS

COMPONENTS	DESCRIPTIONS
Indicator title	Review and alignment of qualifications
Performance Indicator	4.2.2 Number of qualifications reviewed and realigned to occupational qualifications
Short definition	This indicator is a skills development indicator that measures the Services SETA ability to ensure efficient and effective quality assurance and business processes for the certification of learners in response to skills needs within the services sector. **"Qualification review"**: a means of ensuring that qualifications have been updated to so that they address current industry challenges. This is done in consultation with industry experts. **"Qualification alignment":** means ensuring that qualifications meet the minimum criteria of QCTO which requires that a qualification has elements of theory, practice and workplace experience.
Purpose/importance	This indicator measures the relevance of Services SETA qualifications to the needs of the services sector
Source/collection of data	List of qualifications reviewed and aligned
Method of calculation	A simple count of the of qualifications reviewed and aligned
Data limitations	Human error and IT system challenges
Type of indicator	Efficiency
Calculation type	Cumulative
Reporting cycle	Quarterly
Indicator status	New
Desired performance	Actual
Indicator responsibility	Manager: Qualifications