

STRATEGIC PLAN

2015/16-2019/20



**higher education
& training**

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA



OFFICIAL SIGN-OFF

It is hereby certified that this Strategic Plan:

- was developed by the management of the Services SETA in consultation with the Department of Higher Education and Training
- was informed by the revised Services SETA Sector Skills Plan submitted 01 August 2017
- accurately reflects the strategic outcome oriented goals and strategic objectives which the Services SETA will endeavour to achieve over the period 2015/16 – 2019/20

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FOREWORD

The Minister of Higher Education and Training, following consultation with the National Skills Authority, on 15 December 2016 extended the National Skills Development Strategy (NSDS) III and re-established the Sector Education and Training Authority (SETA) landscape until 31 March 2020. In 2015, the Minister had published the proposal for “The New National Skills Development Strategy (NSDS) and Sector Education and Training Authorities (SETAs) Landscape within the Context of an Integrated and Differentiated Post School Education and Training System” in Government Gazette No. 39386 calling for public comment by 20 January 2016; further extended to March 2016. The review process has been concluded, and the Minister provided feedback to the Portfolio Committee on Higher Education and Training in March 2017. Following further consultation on the revised NSDS, the Department of Higher Education and Training (DHET) is expected to adopt a phased approach in implementing the new landscape beyond 2020.

Notwithstanding some uncertainty due to the above, continuity of the Services SETA leadership in the form of the Accounting Authority has provided the necessary stability to ensure continued improvement in service delivery. Upon recommendation from the DHET, this Strategic Plan has been re-aligned to the current electoral term and therefore covers the period 2015/16 to 2019/20. NSDS III remains the overarching national strategy. This Strategic Plan update was also informed by the Sector Skills Plan 2017/18 submitted on 01 August 2016 including the revised Pivotal List submitted indicating planning priorities for the forthcoming financial year, that is 2017/18.

Endeavours were made to further strengthen compliance with the National Treasury's Framework for Strategic Plans and Annual Performance Plans (2011) and to address the Ministerial review panel's feedback. The Services SETA has also adopted the DHET's recommended Annual Performance Plan programme structure.

A Monitoring and Evaluation framework for the organisational performance dimensions was developed aimed at improving the alignment between inputs, activities, outputs, outcomes and impact and enabling relevant filtering and sorting.

Continued investments in skills development infrastructure and more targeted efforts in rural development and enterprise development will further support developmental and transformation imperatives.



ANDILE NONGOGO

CHIEF EXECUTIVE OFFICER

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LIST OF ACRONYMS

AET	Adult Education and Training
ASGISA	Accelerated Shared Growth Initiative of South Africa
ATR	Annual Training Report
DHET	Department of Higher Education and Training
DTI	Department of Trade and Industry
GATS	General Agreement on Trade and Services
GRAP	Generally Recognised Accounting Practice
HET	Higher Education and Training
HRD	Human Resources Development
HRDS	Human Resources Development Strategy
IPAP	Industrial Policy Action Plan
ICT	Information and Communication Technology
IT	Information Technology
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
NEET	Not in Employment, Education or Training
NGO	Non-Governmental Organisation
NGP	New Growth Path
NIPF	National Industrial Policy Framework
NLPE	Non Levy Paying Employer
NPC	National Planning Commission
NQF	National Qualifications Framework
NSA	National Skills Authority
NSDS	National Skills Development Strategy
NSF	National Skills Fund
OFO	Organising Framework for Occupations
OHS	Occupational Health and Safety Act
PFMA	Public Finance Management Act
PIVOTAL	Professional Vocational Technical and Academic Learning
QCTO	Quality Council for Trades and Occupations
SCM	Supply Chain Management
SDA	Skills Development Act
SDLA	Skills Development Levies Act
SETA	Sector Education and Training Authority
SIC	Standard Industrial Classification

SME	Small and Micro Enterprises
SMME	Small, Medium and Micro Enterprises
SSP	Sector Skills Plan
TVET	Technical and Vocational Education and Training
WPPSET	White Paper on Post-School Education and Training
WSP	Workplace Skills Plan

PART A: STRATEGIC OVERVIEW

1. VISION

To Serve, to Deliver, for Renewal, for Prosperity.

2. MISSION

Facilitation of quality skills development for employment and entrepreneurship in the services sector for national economic growth.

3. VALUES

The Services SETA will be guided by the following values:

- Accountability
- Innovation
- Integrity
- Professionalism
- Responsiveness.

4. LEGISLATIVE AND OTHER MANDATES

4.1. Constitutional Mandate

The Constitution of the Republic of South Africa, 1996 (Act No.108 of 1996) stipulates that public administration should adhere to a number of principles, including that:

- a high standard of professional ethics be promoted and maintained;
- services be provided impartially, fairly, equitably and without bias;
- resources be utilised efficiently, economically and effectively;
- peoples' needs be responded to; the public be encouraged to participate in policy-making; and
- it be accountable, transparent and development-oriented.

Government officials must follow the “Batho Pele” principles which require public servants to be polite, open and transparent and to deliver good service to the public. Eight Batho Pele principles were developed to serve as acceptable policy and legislative framework regarding service delivery in the public service.

Table 1. Batho Pele Principles

Principle	Interpretation
Consultation	Citizens should be consulted about the level and quality of the public services they receive and, wherever possible, should be given a choice about the services that are offered
Service standards	Citizens should be told what level and quality of public service they will receive so that they are aware of what to expect
Access	All citizens should have equal access to the services to which they are entitled
Courtesy	Citizens should be treated with courtesy and consideration
Information	Citizens should be given full accurate information about the public services they are entitled to receive
Openness and transparency	Citizens should be told how national and provincial departments are run, how much they cost and who is in charge
Redress	If the promised standard of service is not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made, citizens should receive a sympathetic, positive response
Value for money	Public services should be provided economically and efficiently in order to give citizens the best possible value for money

The aim is to progressively raise standards of service, especially for those whose access to public services have been limited in the past and whose needs are greatest.

4.2. Legislative Mandates

4.2.1. Skills Development Act

Section 9 (1) of the Skills Development Act (SDA) (1998) empowers “the Minister of Higher Education and Training to establish Sector Education and Training Authorities for any national sector economy”. In the terms of the SDA, key functions of SETAs are: to develop and implement sector skills plan within the framework of the national skills development strategy; and to promote and register learning programmes. Key programmes for SETAs comprise: on the job-training, learnerships, internships and bursaries, with a particular focus on the unemployed and youth.

To strengthen accountability on SETAs performance, the SDA mandates the national Department of Higher Education and Training (DHET) to enter into a Service Level Agreement (SLA) with all SETAs. The copy of the Service Level Agreement between Services SETA and the Ministry for Higher Education and Training is attached in Annexure B of the APP 2018/19.

4.2.2. Skills Development Levies Act

The Skills Development Levies Act (1999) makes provision for the funding of SETAs through levies collected from employers. In terms of the Act, employers are required to pay 1% of payroll cost to the National Treasury through the South African Revenue Services (SARS). SETAs receive 80% of the funds to facilitate training of employees and prospective employees. SETAs distribute a portion of the funds back to employers upon receipt of workplace training plans and reports. The levy system was intended to create an incentive for employers to train employees, and to support training in order to drive the skills development programme of the government.

The skills levy is not the only source of funding for skills development in the sector. Many employers spend resources on training that they do not report on; learners themselves often pay for their own studies; and public providers such as TVET colleges and Higher Education Institutions are funded independently. These resources do not fall under the managerial control of Services SETA, but are the basis for leveraging further investments in education and training, and partnerships. Also, the Services SETA influences the expenditure of these resources through sector skills planning.

4.2.3. Public Finance Management Act

The Services SETA is established as a national public entity in terms of Schedule 3 (Part A) of the Public Finance Management Act (PFMA) (Act 1 of 1991). Therefore, the Services SETA must conduct its financial affairs in line with the PFMA. The current audit findings by the Auditor-General of South Africa points towards sustained improvement in the manner in which the Services SETA conducts its financial affairs. The reports note that no matters were reported that indicate any material deficiencies in the system of internal controls or any deviations therefrom.

4.3. Policy Mandates

4.3.1. The National Development Plan

This Strategic Plan and the Annual Performance Plan place emphasis on the priorities identified in the National Development Plan (NDP). In the immediate, there is a need to support Operation Phakisa which seeks to fast track the delivery of priorities outlined in the NDP with regard to the oceans economy. In supporting the education agenda linked to this mandate the Services SETA supports DHET's skills development and capacity-building initiatives which prioritise Workplace Based Learning (WBL) through facilitating placement of Technical and Vocational Education and Training (TVET) College graduates. Additionally, through the Skills Development Centres initiative, the Services SETA aims to address artisanal skills shortages identified by Occupational Teams that have been established for the Strategic Infrastructure Projects (SIPs) being utilised for Operation Phakisa.

Overall, the Services SETA Sector Skills Plan (SSP) (2018/19) has identified the following interventions to support the implementation of the NDP in the Services Sector:

- **Unemployment** - the Services SETA will provide workplace placement for unemployed graduates as well as internships for students
- **Rural Development** – funding will be made available for programmes that are targeted for rural development
- **SMME Support** – programmes are in place to support the development of Small, Micro, Macro Enterprises (SMMEs)
- **Career Guidance** – career guidance in schools will continue to be supported upon request
- **Bursaries** – the Services SETA will provide full bursaries covering tuition, books, accommodation and living allowances to students from poor families
- **Collaboration with TVET colleges and HETs** – Services SETA has put in place initiatives to strengthen the capacity of TVET colleges to deliver services sector specific programmes
- **Artisan Development** – the Services SETA has extensive initiatives to support artisan development.

4.3.2. Medium-Term Strategic Framework

The Medium Term Strategic Framework (MTSF) (2014 – 2019) has been extensively used to guide the formulation of the Services SETA's strategic outcome oriented goals discussed in Part B of this Plan. Focus areas of relevance to the Strategic Plan as informed by the MTSF include:

- strengthening competitiveness and promotion of Small and Medium Enterprises (SMEs) and co-operatives;
- developing rural TVET Colleges;
- ensuring that training and skills development initiatives in the country to respond to the requirements of the economy, rural development challenges and social integration; and
- identifying knowledge-intensive activities that build South Africa's strengths as the basis for long-run prosperity.

4.3.3. Human Resources Development Strategy

The Human Resource Development Council (HRDC) released a revised Human Resources Development Strategy (HRDS) in April 2017. The revisions identify and reinforce the relevance of skills development and the importance of human resource development to achieving our national objectives. The revisions also identify the key stakeholders and the importance of the workplace as the site of development.

The Services SETA plays an intermediary role in facilitating the programmatic interventions of the strategy. The responsibility is to ensure a coordinated and continuous dialogue with stakeholders to lay the foundation for collaboration to address scarce, critical and priority skills needed for the services sector. More specifically, the Services SETA is busy developing new qualifications aligned to the objectives of the HRD-SA. The process of strengthening partnerships with (TVET) Colleges and Higher Education and Training (HET) institutions is ongoing. The Services SETA is continuously researching the training needs of the services sector as presented in its SSP.

4.3.4. National Skills Development Strategy III

The National Skills Development Strategy (NSDS) III directly drives the skills development agenda of South Africa which aims to realise equitable economic growth that promotes employment and eradicates poverty. SETAs are the primary vehicles through which the NSDS III goals and objectives are being implemented.

Through its programmatic interventions – informed by the SSP – the Services SETA will continue to balance both PIVOTAL programmes and entry level skills for which there is social demand within the services sector. Efforts are currently in place to ensure that Discretionary Grant funding addresses at least 80% of the scarce and critical skills within the services sector.

4.3.5. National Accords

The Services SETA's contribution to National Youth Accord is primarily through investment in artisanal training related to Strategic Infrastructure Projects (SIPs) and additionally through the placement of TVET learners on work-integrated learning in the public and private sector; and the significant allocation of resources to artisan development.

4.3.6. White Paper on Post-School Education and Training

The White Paper on Post-School Education and Training (WPPSET) focuses on improving the quality of the TVET colleges which entails the development of appropriate programmes; upgrading of lecturer qualifications; capacity building for management and governance; improved learner support; utilising appropriate information technology systems for learning and management, and building strong partnerships between colleges and employers in the public and private sectors. The Services SETA has established strategic partnerships with TVET Colleges and Universities aimed at ensuring improved access to quality learning programmes, increased relevance of skills development interventions and building strong partnerships between stakeholders and social partners. Particular focus is on TVET colleges based in rural areas.

4.3.7. New Growth Path

The New Growth Path (NGP) sets out the overarching government strategy for achieving inclusive growth through large-scale employment creation. The policy's principal target is to create five million jobs over the next 10 years. The Strategic Integrated Projects (SIPs) are the primary vehicles for achieving the NGP. The NGP envisages that SETAs should identify, in each industry, where employment creation is possible – including along the value chains in the services sector. In particular, it requires the identification of small business expansion, and rural development opportunities. Services SETA participates actively in SIPs forums, and has assumed the role of coordinator for the service and clerical workers. The priorities agreed through the national SIPs skills planning processes have been factored into the strategic thrust of the Services SETA's Strategic Plan (SP) and Annual Performance Plan (APP). The Services SETA has identified small business expansion and rural development opportunities as areas where the services sector can contribute.

4.3.8. IPAP II: IPAP 2016/17 – 2017/18

The current version of Industrial Policy Action Plan (IPAP) relates to the services sector in three main focus areas. First, the targeted growth in manufacturing aims also to have a downstream impact on growth in the services provided to manufacturing. Second, the restructuring of public procurement has major implications – the services sector is a major supplier to government. Third, Special Economic Zones and Cluster Programmes aim to create integrated value chains across sectors – the services sector is thus becoming a core support node, and the labour market on which the sector draws needs to be understood in this context. The Services SETA will continue to seek to align training programmes to these initiatives through on-going research and partnership with other state entities, including SETAs and institutions of higher learning.

4.3.9. Rural Development and Land Reform Strategy

As part of the rural development strategy, the Services SETA has entered into strategic partnerships with various Municipalities and TVETs in line with the NSDS III principle of supporting economic growth for employment creation and poverty eradication. These are elaborated in the APP (2018/19). The role of Services SETA in rural development is through a multi-faceted strategy providing opportunities for the support and development of SME and Cooperatives whose scope falls within the services sector, the development and empowerment of persons with disabilities, youth and women empowerment as well as driving the strategy of engagements and building capacity within local public TVETs.

4.4. Relevant Rulings

There is no applicable relevant court rulings affecting the Services SETA.

5. SITUATIONAL ANALYSIS

5.1. The Performance Environment

5.1.1. Sector Overview

The Services SETA is established in terms of Section 9(1) of the Skills Development Act of 1998 (as Amended). It is one of 21 SETAs re-licensed by the Minister of Higher Education and Training in 2010 for the period 2011 to 2016. The license period has since been extended to 31 March 2020. The Services SETA is responsible for skills development in the services sector. The scope of the Services SETA consists of 70 SIC codes, which have been grouped into six Chambers and 16 sub-sectors – see the SSP for details.

The Services SETA is one of the biggest SETAs in terms of scope and coverage with nearly 164 000 employers (SARS database, March 2017). Of these 138 939 employers were actively trading while almost 24 500 were no longer trading as at March 2016. Of the 138 939 employers, 35 594 were paying the skills development levy as at March 2016. In terms of geographic spread, employers are found in all nine provinces of South Africa but with high concentration in three developed and industrialised regions of Gauteng, KwaZulu-Natal and Western Cape provinces.

Proportionately, the majority of employers were in the Management and Business Services Chamber with 133 500 employers followed by Real Estate and Related Services Chamber with 11 652 employers. The lowest numbers were recorded in the Marketing and Communication Services Chamber, with 3 115. As the largest sector by membership size, the services sector is also the biggest industry in terms of size of employers, jobs and contribution to Growth Domestic Product (GDP). Based on the Statistics South Africa's Standard Industrial Classification (SIC), Finance; Real Estate and Business Services contributed about 22% to GDP in the fourth quarter of 2015 (Stats SA, 2016a). Together with Personal Care, the services sector constitutes more than a third of the South Africa's GDP, 28%. During this time, the Finance, Real Estate and Business Services sectors were the highest contributor to GDP followed by the Government Services sector and Wholesale, Retail, and Motor Trade; Catering and Accommodation at 17% each.

According to the results for Q4: 2015 the largest employer by industry is Community and Social Services at 3.64 million people employed in the industry. Finance and other Business Services, and Private Household employ 3.56 million. After government, the services sector is the largest employer.

The services sector labour force is predominantly female (56% versus 44% of males), and Black (79%, Whites (11%), Coloureds (8%) and Indians (2%)). In terms of age the majority of employees in the services sector are between the ages of 35 and 44, with the 25-34 age cohort being the second largest age group (Stats SA, 2016b). Furthermore, the majority of the workforce in this sector are employed at the level of domestic worker (31.2%) followed by sales persons (23.1%). On the other hand, the majority of the workforce have not completed secondary education (41.4%) with some having completed secondary education (27.0%). Only 12% of the workforce had tertiary education (Stats SA, 2016b). This state of affairs has implications for skills development. There is a need for the Services SETA to maintain a proper balance between developing the skills of the lower levels of the workforce who are in majority and up-skilling those who are at the managerial levels.

5.1.2. Sector Skills Plan Priorities and Implications for Planning

Planning skills is also influenced by predominant drivers of change. The Sector Skills Plan (2017/18) identified five key drivers of change:

a) Technology

The rate of technological change has profound impact on a number of services sector subsectors. The rate of use of technology in the services sector suggest the constant need to upgrade skills of the labour force. In the real estate industry, technology has had an impact on the design, form and nature of interaction between sellers and buyers of property and/or between rental agent and lessor. More people turn to various websites and apps to access, compare and utilise information. Equally, marketing services have increasingly adopted social media and multi-channel solutions for customer service, and getting closer to consumers (Buchner, 2013), that is, the shift to digital marketing with increased use and integration of social media into traditional marketing activities. The Contact Centre industry is likely to see higher levels of automation of certain tasks and with customers becoming more technologically savvy. There would also be a growing trend in the reduction of the number of contact centre call agents. This might require staff to be trained in other skills.

b) Population growth and urbanisation

South Africa's population continues to grow with the figure rising from about 51.8m in 2011 to about 55.7m in 2016 (Statistics South Africa, 2016c) and is expected to exceed 80 million by the year 2035 (Blom, 2013). While urbanisation brings with it some challenges such as pressure on resources, infrastructure, unemployment; it also has the potential to provide a new source of demand and offer new opportunities for innovation to meet the needs and expectations of the population for a better quality of life in various service-related industries. The hiring services industry has the potential to record employment growth through the government's Strategic Integrated Projects, and continued implementation of the Human Settlement development plan, thus meet the job demands of the rising urban populations. A further implication is that technological advancement would soon result in new skills and qualifications for employees to be effective in their work.

c) Globalisation

Globalisation brings about higher levels of integration with businesses in the most sectors experiencing higher levels of competition. Emerging and developing economies are seen as new engines of growth as companies continue to look for new locations for business investment. South Africa remains a competitive destination for business process services. Call centres industry in particular, provide an invaluable opportunity for the youth to become economically active. Importantly, the South African Contact Centre industry typically recruits first-time agents from the matriculant and non-degree sections of the labour force (Nelson Hall, 2016). However, for the sector to remain competitive, the local Contact Centre industry would need to deliver more efficient, cost-effective services through the use of technology as well as invest in the development of multi-lingual contact centre call agents. This suggests the need to ensure skills development in these two areas.

d) Policy and Legislation

South Africa, whilst is regarded a strong emerging market with growth in some industries, legislation and policy aimed at addressing legacy of apartheid is considered a hindrance against foreign investment, especially the BEE policy. Uncertainty around labour recruitment services due to challenges by the largest labour federation, Cosatu, is also worrying factor for the sector. These uncertainties affect both the growth of the sector and planning for skills development. Alternatively, these developments may force employers to develop new ways of doing business which reduce reliance on labour force. As more industries move towards technological substitutes, loss of jobs could be realised, but that this presented the opportunity for the development of higher skilled workers to meet this new demand.

e) Responsible resource use

The move in South Africa towards green economy will have far-reaching implications as well opportunities for most of the services sector industries. Challenges for the sector include the need to absorb the initially higher costs of doing business to meet regulatory requirements; aligning to the needs of customers and clients' expectations. However, opportunities to develop products and services that cater for environmentally sensitive users is steadily increasing. As more people become more environmentally conscious, their consumption patterns change as they look to contribute to a more sustainable world. Affected industries include: the beauty treatment, hairdressing, funeral services, fashion, and cleaning industries. The implications for skills planning is the need to develop appropriate green skills education and training programmes for employees.

5.1.3. Skills Priorities

The Sector Skills Plan 2018/19 identified four critical areas of interventions to promote skills development in the sector in the short-to-medium term. These include:

- Promoting access to skills development
- Entrepreneurship and enterprise development
- Aligning Services SETA qualifications
- Promoting workplace learning

5.1.4. Services SETA PIVOTAL List

The NSDS III puts great emphasis on Professional, vocational, technical and academic learning (PIVOTAL) programmes. PIVOTAL programmes are programmes which provide full occupationally-directed qualifications. PIVOTAL courses would require practical learning in workplace as part of their requirement. The NSDS III notes that fundamental to the successful implementation of PIVOTAL programmes will be the model of a cooperation between SETA, a higher education and training institution and an employer in order to ensure responsive curricula and courses. The Services SETA has identified the following PIVOTAL programmes for implementation for the 2018/19 financial year – see Table 2.

Table 2. Services SETA PIVOTAL Skills List

#	SETA NAME	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED	QUANTITY NEEDED	QUANTITY TO BE SUPPORTED BY SETA
1	Services SETA	2018/19	2015-811201	Commercial Cleaner	Hotel / Motel Cleaner, Building Exterior / Interior Cleaner	National Certificate: Specialist Hygiene and Cleaning Services	5	Yes	343 432	17 172
						National Certificate: Hygiene and Cleaning Supervision	5	Yes		
						General Education and Training Certificate: Hygiene and Cleaning	5	Yes		
						General Education and Training Certificate: Hygiene and Cleaning	1	Yes		
2	Services SETA	2018/19	2015-333402	Real Estate Agent	Real Estate Consultant, Leasing Consultant, Real Estate Referral Coordinator, Rental Agent, Leasing Agent (Buildings), Rental Property Consultant, Property Analyst / Consultant / Dealer / Developer / Planner	National Certificate: Real Estate	6	Yes	190 346	9 517
						National Certificate: Real Estate, Further Education and Training	5	Yes		
						Certificate: Real Estate, National Certificate: Real Estate	4	Yes		
						National Certificate: Generic Management: Real Estate	5	Yes		

#	SETA NAME	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED	QUANTITY NEEDED	QUANTITY TO BE SUPPORTED BY SETA
3	Services SETA	2018/19	2015-411101	General Clerk	Advisory Officer Clerical, Survey Information Officer, Administration Clerk / Officer, Client Services Administrator, Operation Services / Support Officer, Tender Evaluation Coordinator, Planning Support Officer, Administrative	Further Education and Training Certificate: Payroll Administration Services	4	Yes	154 775	7 739
						General Education and Training Certificate: Business Practice	1	Yes		
						National Certificate: Business Administration Services	2	Yes		
4	Services SETA	2018/19	2015-422206	Call or Contact Centre Agent	Assistant, Office / Field Assistant, Clerical Assistant / Officer, Buying Clerk None	National Diploma: Contact Centre Management	5	Yes	138 504	6 925
						National Certificate: Contact Centre Support	2	Yes		

#	SETA NAME	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED	QUANTITY NEEDED	QUANTITY TO BE SUPPORTED BY SETA
5	Services SETA	2018/19	2015-333401	Property Manager	Property Leasing Manager, Property Clearance / Contracts / Development Manager, Building Manager, Property Administrator, Property Manager (Services / Standards)	Further Education and Training Certificate: Real Estate	4	Yes	15 453	773
						Certificate: Real Estate, National Certificate: Real Estate	4	Yes		
						National Certificate: Generic Management: Real Estate	5	Yes		
6	Services SETA	2018/19	2015-332203	Sales Representative (Business Services)	Product Demonstrator, Beauty Sales Consultant, Sales Representative (Cosmetics and Skincare Products), Sales Representative (Detergents), Sales Representative (Jewellery and Watches)	Further Education and Training Certificate: Marketing	4	Yes	8 267	413

#	SETA NAME	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED	QUANTITY NEEDED	QUANTITY TO BE SUPPORTED BY SETA
7	Services SETA	2018/19	2015-514101	Hairdresser	Afro Hairdresser, Hair Stylist, Barber, Hair Dressing Technician	Ladies Hairdresser - Hairdressing	Trade	Yes	7 661	383
						Gentlemens' Hairdresser - Hairdressing	Trade	Yes		
						Further Education and Training Certificate: Hairdressing	4	Yes		
						National Certificate: Hairdressing	3	Yes		
						National Certificate: Hairdressing	2	Yes		
8	Services SETA	2018/19	2015-431101	Accounts Clerk	Assets Clerk / Coordinator, Debt- ors Clerk, Accounts Payable or Receivable Clerk, Billing Adminis- trator / Representative / Officer, Audit Clerk, Ledger Clerk, Account Coordinator / Controller, Ac- counting Clerk, Settlement Clerk / Officer, Creditors Clerk	Further Education and Training Certificate: Payroll Administration Services	4	Yes	7,000	350
						General Education and Training Certificate: Business Practice	1	Yes		

#	SETA NAME	PERIOD	OCCUPATION CODE	OCCUPATION	SPECIALISATION/ ALTERNATIVE TITLE	INTERVENTION PLANNED BY THE SETA	NQF LEVEL	NQF ALIGNED	QUANTITY NEEDED	QUANTITY TO BE SUPPORTED BY SETA
9	Services SETA	2018/19	2015-242101	Management Consultant	Business Turnaround Management Consultant, Resource Development Analyst, Business Analyst, Business Support Project Manager, Service Solutions Project Manager, Corporate Planner, Operations Analyst, Business Coach, E-commerce Programme Manager, 24Man-agement Consulting Specialist, Business Co25nsultant, Small Business Consultant /	Further Education and Training Certificate: Generic Management	4	Yes	6,197	310
						Further Education and Training Certificate: Business Administration Services	4	Yes		
						National Certificate: Generic Management	5	Yes		
						Further Education and Training Certificate: Generic Management	4	Yes		
10	Services SETA	2018/19	2015-516301	Funeral Director	Undertaker, Funeral Practitioner	Further Education and Training Certificate: Business Administration Services	4	Yes	2,458	123
						National Certificate: Generic Management	5	Yes		

5.2. Organisational Environment

5.2.1. Services SETA operating model and Implications for planning

An operating model describes how the Services SETA creates, delivers, and captures value for its intended beneficiaries in line with its value proposition. The model further informs the Services SETA strategy and operations.

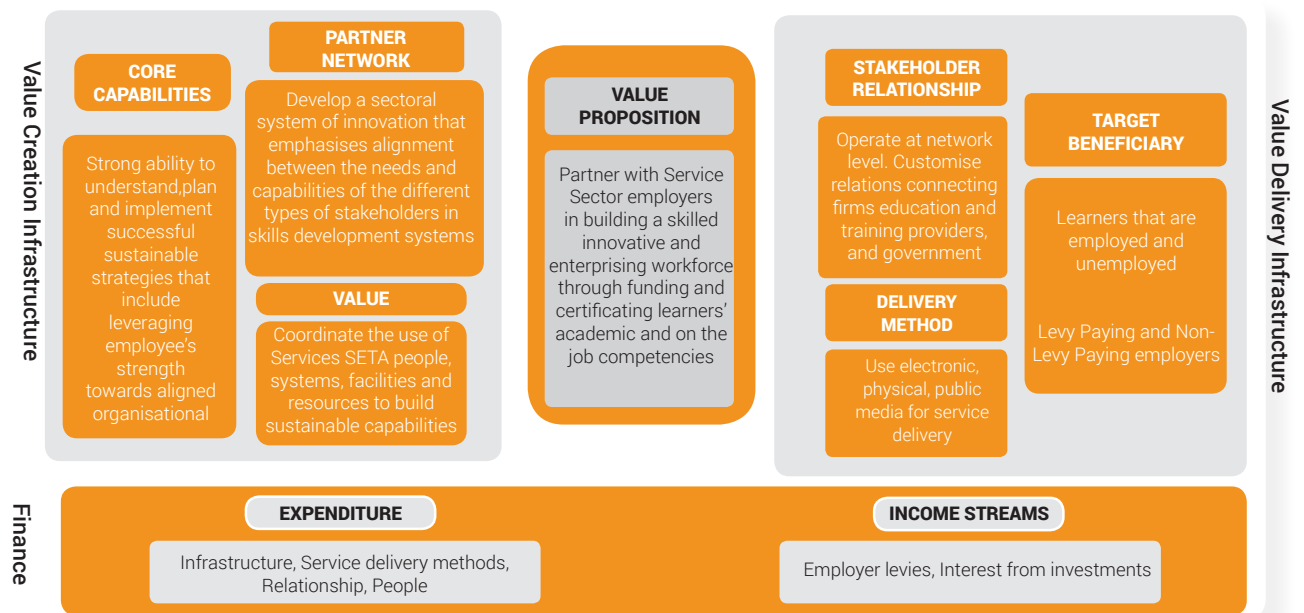
The Services SETA value proposition articulates the net benefit a customer derives from using the organisation's service offerings. The Services SETA value proposition is to partner with services sector employers in building a skilled, innovative and enterprising workforce through funding and certificating learners' academic and on the job competencies. This is delivered in the form of a service offering made up of the following - Learnerships; Bursaries; Internships; Skills programmes; Recognition of Prior Learning; Candidacy; Artisans; and Advisory / Support / Information.

The Services SETA beneficiary is an employed or unemployed learner and an employer in the services sector who is or is not contributing levies. The Services SETA plays an intermediary role in the skills development, including, (1) connecting firms, education and training providers, government and other stakeholders; (2) facilitating information flows among stakeholders; and (3) offering essential services that are not readily available in the system (e.g. training, accreditation for short courses, etc.). It then delivers value by facilitating learning interventions and administering grants. Value is delivered by contracting with different stakeholders i.e. learners, employers, and service delivery providers.

The capabilities are enabled through governance, planning, employees, culture, systems, and the different physical resources of Services SETA. The Services SETA works with service delivery partners in creating and delivering value for its stakeholders. The value creation and delivery is funded through levies collected from employers and interest accrued from investments. The consequences of this value-add lead to sustainable social impact of self-sustaining learners in the form of employment or entrepreneurship.

The model is depicted in the Figure below:

Figure 1. Services SETA Operating Model



The operating model is intended to be realised through the effective implementation of the Services SETA strategy as outline in subsequent sections. It can be further clarified through the Services SETA value chain described below.

5.2.2. The Services SETA Value Chain

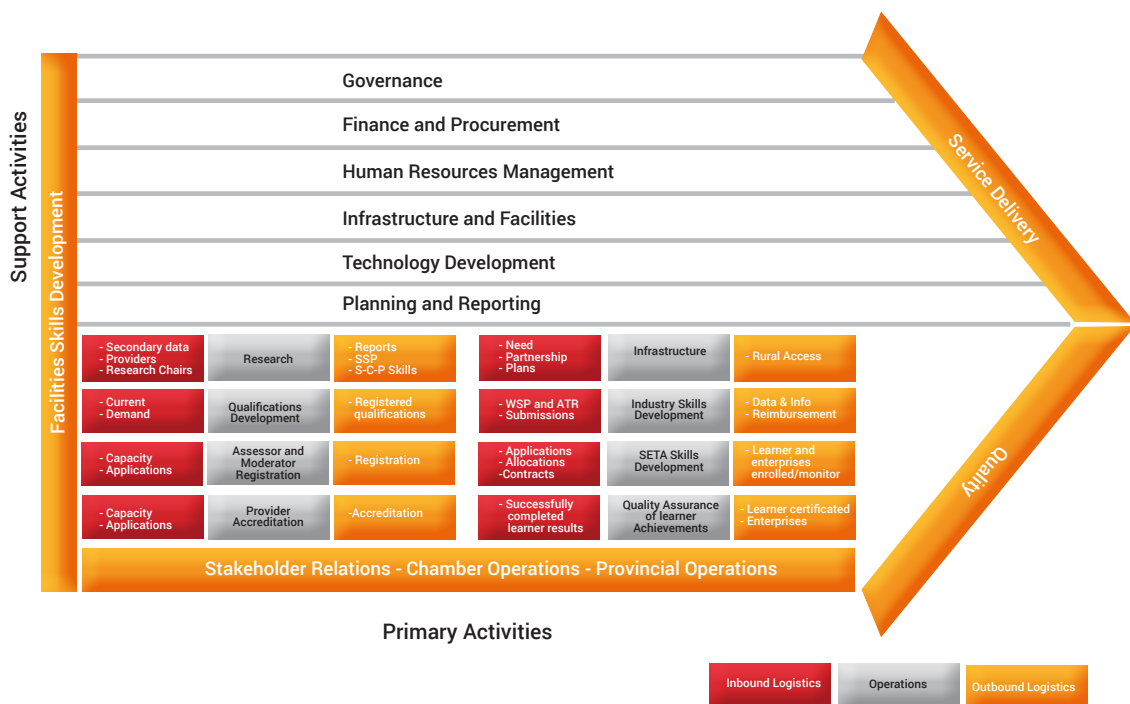
Implicit to the value chain rational, is the recognition that organisations are best served by operating in sectors where they have relative efficiency advantage. Given the Services SETA regulatory foundations, this efficiency can be presumed. The value chain depicts the process through which the Services SETA creates and delivers a value-add to its stakeholders.

The value chain clarifies the linkages between the different core Services SETA capabilities in realising its value proposition. Although it is not possible to attribute with a high level of certainty, the Services SETA's value chain reflects a logic model that embodies a plausible theory about the pathways through which the organisation's core functions produce the value envisaged for beneficiaries. The change is enabled by effectively implementing support systems such as, human resources, finance, and information technology.

The figure below depicts the different components of the Services SETA value chain. The value chain is adapted to the programmatic structure recommended by DHET.

The value chain is premised on a strong instructional foundation that informs the Sector Skills, Strategic and Annual Performance Plans. The imperatives resulting from this planning process are subsequently translated through qualification design and learning interventions to address sectoral scarce and critical skills. Through the accreditation and quality assurance of service delivery providers, capacity is built to ensure that delivery of training takes place. Thereafter Discretionary Grant funding process enables the facilitation of these learning interventions by ensuring the adequacy of financial and human resources.

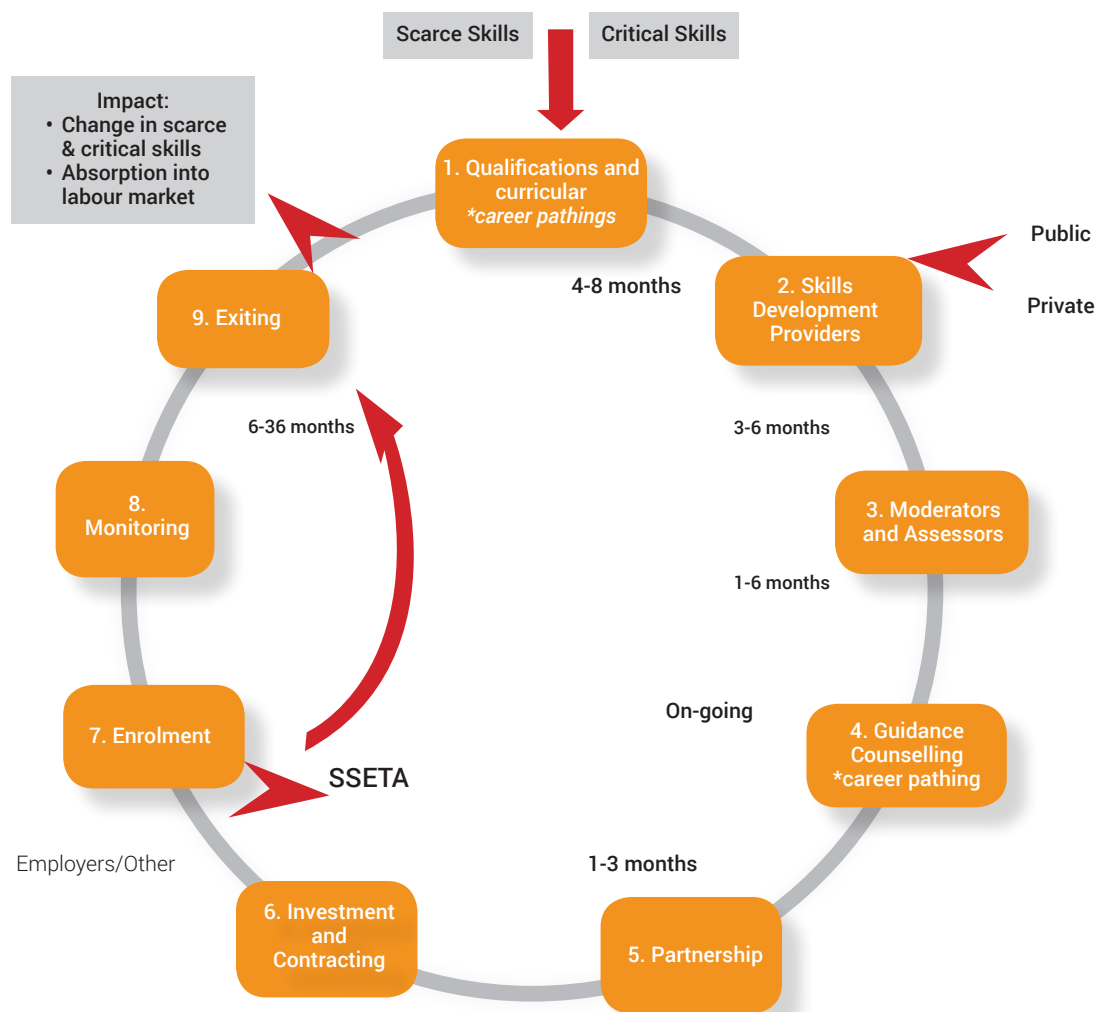
Figure 2. Services SETA Value Chain



Throughout implementation and at closeout, quality assurance is carried out to ascertain value and guarantee that learners exit the system with qualifications. Throughout the process, stakeholder relations remain an anchor by ensuring the transmission of key operational information as information about these activities and the understanding and revelation this creates is as equally important as the activities themselves. This chain acknowledges that the activities in the value chain blend into, and through various forms of integration or association, the organisation's operating model.

The associated skills development cycle mapped below depicts a systematised process through which each priority scarce or critical skill identified in the SSP is delivered. Establishing the status of qualifications, learning programmes and provisioning capacity for each scarce and critical skill will provide an indication in terms of planned enrolment and duration of impact. The total cycle is estimated to take between 1½ and 5 years. The significance of the cycle timeframe is that achievements for many targets cannot be within a single financial year, and the performance measurement therefore needs to reflect this appropriately.

Figure 3. Skills Development Cycle



5.2.3. Organisational capabilities underpinning performance improvements

Since its establishment, the Accounting Authority has provided consistent oversight over the affairs of the Services SETA, in addition to providing guidance on its strategic direction as highlighted above. The Accounting Authority is fully functional as demonstrated by the frequency of the scheduled meetings, and the meetings attendance rate by members, 100% and more than 70%, respectively.

Six sub-committees have been duly established to compliment the work of the Board: Audit Committee; Financial Committee; Governance, Risk and Strategy Committee; Human Resources and Remuneration Committee; Transformation Committee and Accounting Authority Executive Committee. In addition, six chamber committees have been established. Similarly, functionality of these committees is very good as illustrated by frequency of meetings and attendance rates.

The Services SETA recorded a positive performance in critical areas such as financial control and learner enrolments. Performance against predetermined objectives also showed notable improvement in usefulness and reliability. Learner enrolments are increasing accordingly. Last year's growth in enrolment figures grew massively. This is correlated with a growth in expenditure by the SETA, and pointed to an urgent need to build the organisational capacity to handle the increased learner numbers and increased stakeholder participation.

5.2.4. The Services SETA Organisational Structure and Staffing

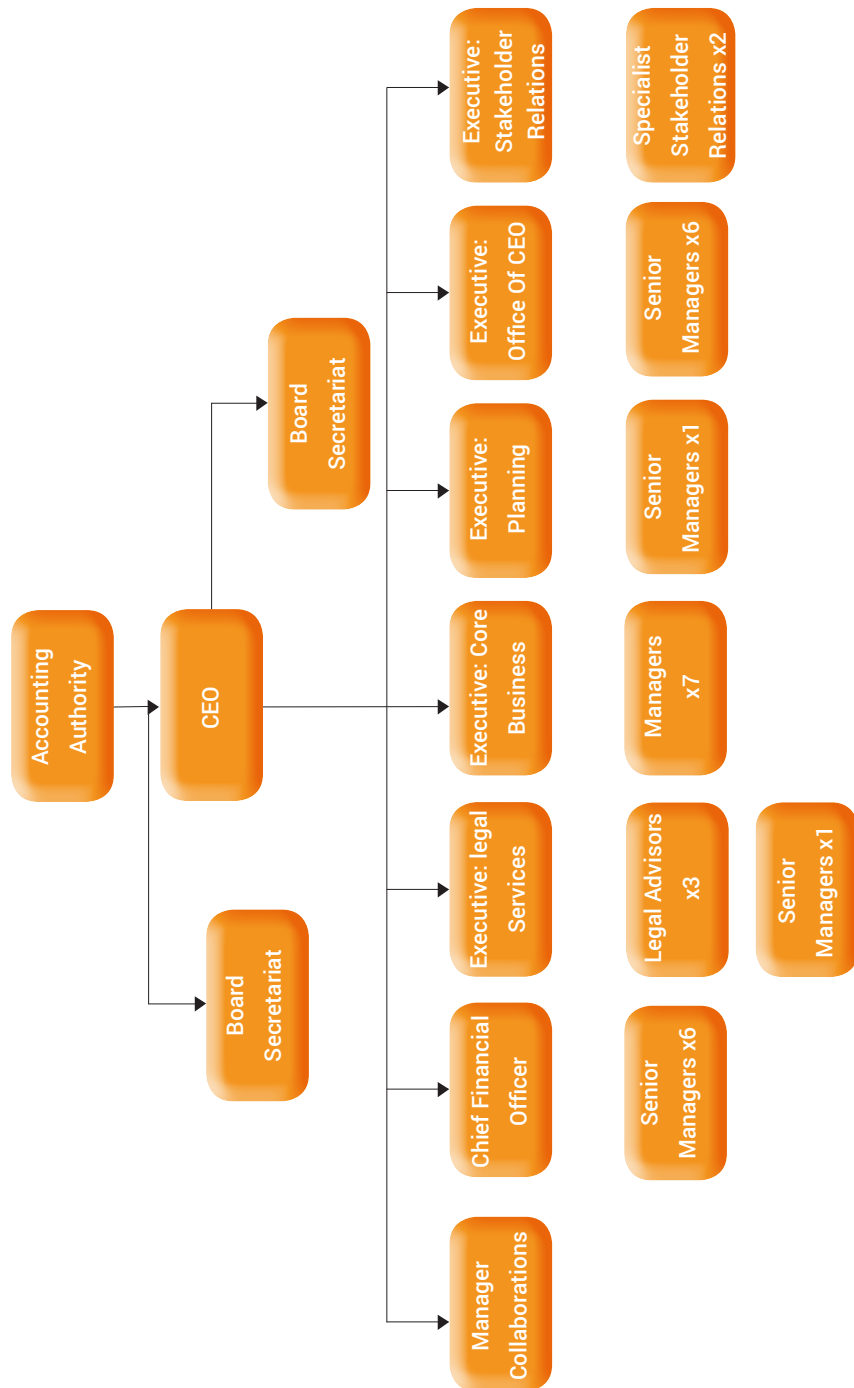
Table 3. Services SETA Filled and Approved posts

Filled posts per Job level by Department or Function	Programme 1: Administration	Programme 2: Skills Planning	Programme 3: Learning Programmes	Programme 4: Quality Assurance	TOTALS
Executive Management	4	1	1	0	6
Senior Management	6	3	3	0	12
Management	13	8	18	2	41
Senior Officers	11	6	16	21	54
Officers	12	12	36	6	66
Administrators	14	8	26	14	62
General	0	0	20	0	20
TOTALS	60	38	120	43	261

Approved posts per Job level by Department or Function	Programme 1: Administration	Programme 2: Skills Planning	Programme 3: Learning Programmes	Programme 4: Quality Assurance	TOTALS
Executive Management	4	1	2	0	7
Senior Management	9	3	3	1	16
Management	29	12	24	4	69
Senior Officers	19	8	28	39	94
Officers	24	28	83	11	146
Approved posts per Job level by Department or Function	Programme 1: Administration	Programme 2: Skills Planning	Programme 3: Learning Programmes	Programme 4: Quality Assurance	TOTALS
Administrators	22	9	35	19	85
General	1	0	21	0	22
TOTALS	108	61	196	74	439
% Occupancy per Job level by Department or Function	Programme 1: Administration	Programme 2: Skills Planning	Programme 3: Learning Programmes	Programme 4: Quality Assurance	TOTALS
Executive Management	100%	100%	50%	N/A	86%
Senior Management	67%	100%	100%	0%	75%
Management	45%	67%	75%	50%	59%
Senior Officers	58%	75%	57%	54%	57%
Officers	50%	43%	43%	55%	45%
Administrators	64%	89%	74%	74%	73%
General	0%	N/A	95%	N/A	91%
TOTALS	56%	62%	61%	58%	59%

The Organogram below reflects the Governance Structures and Management Committee which comprises of Executive and Senior Management. Management is well constituted with only four current vacancies. Senior Management positions across core business functions are fully occupied. There are two vacancies at a Senior Management level, one in the Office of the CEO, and one in Supply Chain Management.

Figure 4. Governance and Executive Structure



5.3. Strategic Planning Process

The process of compiling the Services SETA Strategic Plan 2018/19 update has been thoroughly participatory. All key internal and external stakeholders were consulted and their inputs taken into account during the compilation of the Plan.

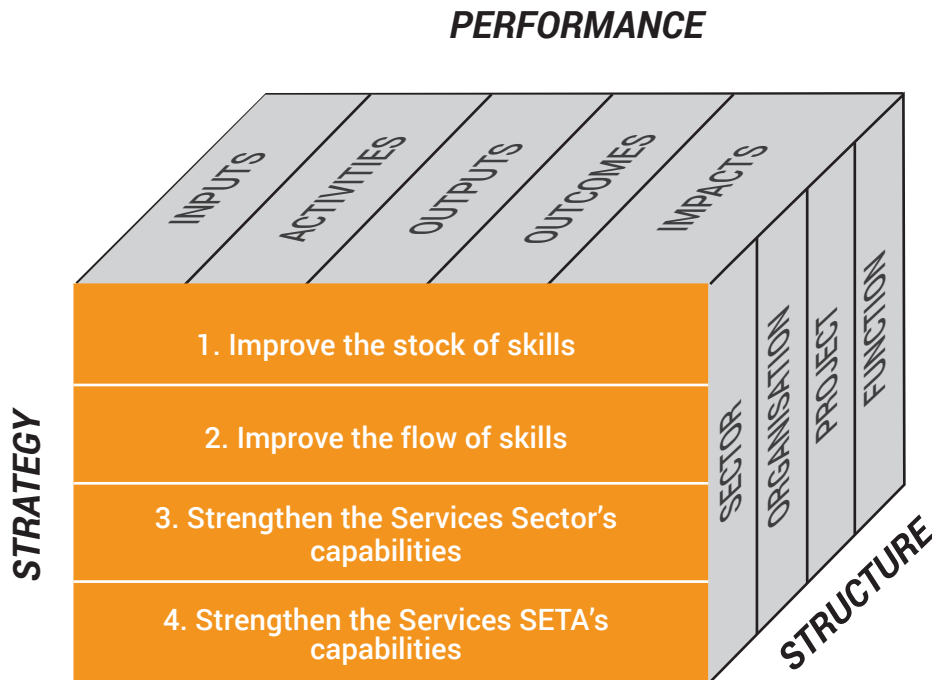
6. STRATEGIC OUTCOME ORIENTED GOALS

Strategic outcome oriented goals identify areas of performance that are critical to achieving the Services SETA's mission statement. The key impacts contained in the mission statement include employment, entrepreneurship and economic growth. These impacts are to be achieved and enabled through quality skills development. As such the outcome statements, indicators and targets address the intention of performance achievement towards these ends. Considerable work has been done to strengthen alignment between the Vision, Mission, Values, Outcomes and Outputs. The Strategic Objectives and Outputs were mapped to each Strategic Goal and Outcomes. These were further mapped to the priorities identified in the Sector Skills Plan enabling gap closure through the identification of new services and outputs. Technical Indicators Descriptions for each of the outcome indicators further enhance compliance with SMART principles. Where outcome indicators could not be monitored directly, relevant proxy measures have been determined.

6.1. Performance Dimensions and the Performance Cube

The strategy mapping process referred to above has been instrumental in developing a performance information framework also informed by the Services SETA's operating model and value chain. The performance dimensions of the Performance Cube were mapped at a programme level enabling sorting and filtering. As far as possible process or activity measures were eliminated from the output level. Certain qualitative efficiency measures were retained. The Performance Cube was amended to illustrate the alignment between Performance, Structure and Strategic Goals instead of organisational values. The latter underpins the behaviour that the organisation is seeking to influence in everything that it does and seeks to achieve. It is understood that one output indicator can satisfy multiple goals however in the mapping process these were linked to predominant goals and outcomes – Figure 5.

Figure 5. Services SETA Performance Dimension



6.2. Services SETA's strategic outcome oriented goals

In summary, the Services SETA has four strategic goals which collectively seek to impact employment, entrepreneurship and economic growth.

Goal 1	Improve the stock of skills
Goal Statement	Increase transformation, level and capacity of skills available within the services sector labour market through successful certification of learners in occupational qualifications by 2019/20
Goal 2	Improve the flow of skills
Goal Statement	Improve access to and quality of relevant occupational qualifications through skills development infrastructure and capacitation of providers and workplaces as learning spaces by 2019/20
Goal 3	Strengthen the Services Sector's capabilities
Goal Statement	Strengthen partnerships and collaboration with public and private intermediaries to harness sector capabilities and extend public value
Goal 4	Strengthen the Services SETA's capabilities
Goal Statement	Optimise the Services SETA's service delivery through strengthening policies, processes, systems, knowledge and competencies

The logical sequencing can be applied bottom-up in that none of these goals would be achievable without the Services SETA having the requisite capabilities to support the Sector's capabilities. In turn, these internal and external stakeholders improve provisioning of skills development which in turn generates the available skills within the labour market and economy needed for growth.

Table 4 provides outcome indicators for each strategic goal and targets over the five-year period. In summary, there are 14 outcome indicators. The actual achievement for 2015/16 and 2016/17 serve as a baseline for subsequent years. Technical Indicator Descriptors have been completed for each of the 14 outcome indicators to strengthen measurability and consistency in application (Annexure B).

Table 4. Services SETA Strategic Outcome Oriented Goals, Outcome Indicators and Targets

STRATEGIC OUTCOME ORIENTED GOALS	#	OUTCOME INDICATOR	PERFORMANCE TARGETS					
			ACTUAL		ESTIMATED		PLANNED	
			YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	
			2015/16	2016/17	2017/18	2018/19	2019/20	
Improve the stock of skills	1.1	Percentage increase in unemployed learners successfully completing learning programmes per annum	- 88% ¹	1950%	62%	40%	40%	
	1.2	Percentage increase in employed learners successfully completing learning programmes per annum	- 96% ²	290%	35%	20%	20%	
	1.3	Weighted average throughput rate of learning programmes per annum	343%	300%	250%	200%	150%	
	1.4	Average achievement of transformational imperatives per annum	64%	60%	65%	65%	65%	
Improve the flow of skills	2.1	Percentage correlation between learner enrolments and priority skills per annum	41%	86%	65%	70%	75%	
	2.2	Percentage priority skills with accredited skills development providers per annum	98%	100%	98%	98%	98%	
	2.3	Percentage increase in employers mentoring learners in the workplace	Baseline (173)	391%	20%	30%	40%	
	2.4	Percentage investment in skills development infrastructure per annum	42%	10%	15%	15%	15%	
Improve the Services Sector's capabilities	3.1	Number of entities supported with entrepreneurial education or enterprise development per annum	390	584	798	850	900	
	3.2	Number of private intermediaries engaged per annum	-	3	25	30	35	
	3.3	Number of public intermediaries engaged per annum	-	4	30	40	50	
Strengthen the Services SETA's capabilities	4.1	Percentage improvement in economy of service delivery per annum	- 62%	-100%	10%	15%	20%	
	4.2	Percentage improvement in efficiency of service delivery per annum	-5%	14%	15%	20%	25%	
	4.3	Percentage improvement in effectiveness of service delivery per annum	18%	27%	5%	5%	5%	

PART B: STRATEGIC OBJECTIVES

7. PROGRAMMES

The Annual Performance Plan programmes have been restructured in accordance with the four programmes proposed by the Department of Higher Education and Training. There are a total of 14 strategic objectives and 59 performance indicators that are structured across the four programmes. The sections below are structured by programme and provide a purpose, strategic objectives, resources considerations and risk management. There are a total of 9 strategic risks that have been identified by the Accounting Authority. These risks are mapped to relevant strategic objectives, some of which fall into more than one. Operational risks are not presented herein. Section 7.5 below shows the alignment between the strategic outcome oriented goals contained in this Strategic Plan and the Programmes and Strategic Objectives further detailed in the Annual Performance Plan. A narrative explanation is also provided linking the Sector Skills Plan priorities.

7.1. Programme 1: Administration

7.1.1. Purpose

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

7.1.2. Strategic Objectives

1.1. Strategic Objective Title	Maintain sound financial management
Strategic Objective Statement	Financial affairs of the Services SETA are managed in a transparent, efficient and effective manner to maintain a clean audit
Baseline	Clean audit for 2014/15 and 2015/16
Justification	As public entity the Services SETA should handle public funds in line with the PFMA and related regulations
Links to NSDS III	4.1 Establishing a credible institutional mechanism for skills planning
Link to Strategic Goal	Goal 4. Strengthen the Services SETA's capabilities
1.2 Strategic Objective Title	Strengthen Human Resources and System Adequacy
Strategic Objective Statement	People competencies retained and systems developed to leverage technology enabling operational efficiency
Baseline	Vacancy rate: 28% 2015/16 ICT Governance Framework Maturity: Level 2, 2015/16
1.2 Strategic Objective Title	Strengthen Human Resources and System Adequacy
Justification	Improved capabilities for enhanced performance and improved efficiency for faster service delivery and data management
Links to NSDS III	4.1 Establishing a credible institutional mechanism for skills planning
Link to Strategic Goal	Goal 4. Strengthen the Services SETA's capabilities
1.3 Strategic Objective Title	Ensure Accountable Governance
Strategic Objective Statement	Accountable governance and leadership oversight focussed on high performance, compliance, internal controls and enterprise-wide risk mitigation
Baseline	Rate of attendance to scheduled AA meetings: 70%, 2015/16
Justification	Organisational compliance and performance for services delivery with accountable leadership
Links to NSDS III	4.1 Establishing a credible institutional mechanism for skills planning
Link to Strategic Goal	Goal 4. Strengthen the Services SETA's capabilities

7.1.3. Resource Considerations

a) Human Resources

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

All functions report to the CEO through an Executive. In addition, Special Projects, Enterprise Development, the Bursary Unit and Events Management also report directly to the CEO. The Office of the CEO comprises customer care and related functions. Vacancies in Finance are being prioritised for recruitment. External capacity in Human Resources and Information Communication and Technology is being utilised to establish systems and review policies. Most of the governance vacancies fall within the Board Secretariat.

Table 5. Programme 1: Administration – Filled and Approved posts

Filled posts per Job level by Department or Function	OCEO	Finance	Human Resources Management and Development	Information Communication and Technology	Governance	TOTALS
Executive Management	2	1	0	0	1	4
Senior Management	0	2	1	1	2	6
Management	0	7	1	1	4	13
Senior Officers	2	5	1	2	1	11
Officers	1	9	1	0	1	12
Administrators	6	4	1	0	3	14
General	0	0	0	0	0	0
TOTALS	11	28	5	4	12	60

Approved posts per Job level by Department or Function	OCEO	Finance	Human Resources Management and Development	Information Communication and Technology	Governance	TOTALS
Executive Management	2	1	0	0	1	4
Senior Management	0	4	1	1	3	9
Management	1	8	2	9	9	29
Senior Officers	4	8	1	4	2	19
Officers	3	16	3	0	2	24
Administrators	13	5	1	0	3	22
General	0	0	0	0	1	1
TOTALS	23	42	8	14	21	108
% Occupancy per Job level by Department or Function	OCEO	Finance	Human Resources Management and Development	Information Communication and Technology	Governance	TOTALS
Executive Management	100%	100%	N/A	N/A	100%	100%
Senior Management	N/A	50%	100%	100%	67%	67%
Management	0%	88%	50%	11%	44%	45%
Senior Officers	50%	63%	100%	50%	50%	58%
Officers	33%	56%	33%	N/A	50%	50%
Administrators	46%	80%	100%	N/A	100%	64%
General	N/A	N/A	N/A	N/A	0%	0%
TOTALS	48%	67%	63%	29%	57%	56%

b) Financial Resources

The increase in the administration programme is mainly due to the 40% increase in the cost of human resources due to the employment of additional staff in the admin programme, the promotion of a healthy living lifestyle, and the acquisition of new provincial offices which will require extensive set-up and connectivity costs

Table 6. Expenditure for Programme 1: Administration

Expenditure by Programmes	Income outcome		Budget (Original)	Adjusted Appropriation	Medium-term expenditure estimate		
	2015/16	2016/17			2018/19	2019/20	2020/21
R thousand			2017/18	2017/18			
Communication Marketing	9 514	91 475	12 570	93 049	53 816	51 827	51 655
Finance	24 655	15 353	23 994	29 097	22 328	22 252	25 893
Information Technology	35 271	20 434	26 796	37 381	22 703	20 486	16 703
Board Secretariat Services	9 205	5 854	8 821	12 957	9 064	8 729	8 700
Compliance	-	1 027	3 128	4 211	545	525	524
CEO	626	132 933	42 939	156 520	104 262	82 151	81 879
Legal Service	6 912	35 325	9 552	36 252	20 524	19 765	19 700
Risk Management	737	24	3 874	982	2 691	2 591	2 583
Transformation				4 100	2 787	2 684	2 675
Human Resources	41 566	162 403	68 738	207 657	279 245	268 920	268 030
TOTAL	128 486	464 828	200 411	582 206	517 966	479 930	478 341

7.1.4. Risk Mitigation

Strategic Objective Title	Strategic Objective Statement	Strategic Risk Description	Mitigation
1.1 Maintain sound financial management	Financial affairs of the Services SETA are managed in a transparent, efficient and effective manner to maintain clean audit	Non-compliance with governance imperatives, Leading to fruitless, wasteful and irregular expenditure. Non achievement of clean administration. Penalties and fines. Litigation. Financial impact, Reputational damage	Monthly reporting to the EXCO and quarterly to Board oversight committees. Combined assurance plan in place
1.2 Strengthen Human Resources and systems adequacy	People competencies retained and systems developed to leverage technology enabling operational efficiency	Lack of integration between business and ICT leading to misalignment between ICT solutions and business needs.	Approved ICT Governance framework and policies. Project scoped for development and integration of IT systems Implemented ICT Governance framework and policies Implemented integrated procedures to procure and enhance ICT systems
1.3 Ensure accountable governance	Accountable governance and leadership oversight focussed on high performance, compliance, internal controls and enterprise-wide risk mitigation	Non-compliance with governance imperatives, Leading to fruitless, wasteful and irregular expenditure. Non achievement of clean administration. Penalties and fines. Litigation. Financial impact, Reputational damage	Legislative universe in place. Compliance Framework and plan in place Quarterly compliance monitoring and implementation of remedial plans and reporting to governance structure and executive authority Monthly reporting to the EXCO and quarterly to Board oversight committees. Continuous training and awareness Continuous review of the contingent asset/ surpluses

7.2. Programme 2: Skills Planning

7.2.1. Purpose

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

7.2.2. Strategic Objectives

2.1. Strategic Objective Title	Conduct credible research to inform planning
Strategic Objective Statement	Expand research capabilities and credibility to inform relevant and evidence-based planning
Baseline	SSP, SP and APP submitted on time: 100% Research chairs established: no baseline
Justification	Well research demand and planned supply ensures skills development and PSET aligned to achieve greater impact
Links to NSDS III	4.1 Establishing a credible institutional mechanism for skills planning
Links to Strategic Goals	Goal 4. Strengthen the Services SETA's capabilities
2.2. Strategic Objective Title	Promote industry investment and strengthen workplace mentorship
Strategic Objective Statement	Promote industry investment in workplace skills development and occupational qualifications strengthening work-integrated learning
Baseline	Mandatory Grant submissions: large: 591, Medium: 735, Small: 2156
Justification	Increase participation by employers to promote better use of workplace-based skills development
Links to NSDS III	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
Links to Strategic Goals	Goal 1. Improve stock of skills Goal 2. Improve of skills

7.2.3. Resource Considerations

a) Human Resources

The Mandatory Grants function reports to the Senior Manager: Learning Interventions. This unit is responsible for checking compliance of Mandatory Grant submissions and providing technical assistance and systems training. Finance processes reimbursements for complaint Mandatory Grant submissions. Revised programmatic approaches may not require as many positions in this unit in future as some services may be rendered through other units or departments. The Planning Department is reasonably well represented. Critical needs have been identified and prioritised.

Table 7. Programme 2: Skills Planning – Filled and Approved posts

Filled posts per Job level by Department or Function	Sector Skills and Strategic Planning	Mandatory Grants	Monitoring and Reporting and Impact Evaluations	TOTALS
Executive Management	1	0	0	1
Senior Management	2	1	0	3
Management	7	0	1	8
Senior Officers	2	1	3	6
Officers	2	0	10	12
Administrators	4	3	1	8
General	0	0	0	0
TOTALS	18	5	15	38
Approved posts per Job level by Department or Function	Sector Skills and Strategic Planning	Mandatory Grants	Monitoring and Reporting and Impact Evaluations	TOTALS
Executive Management	1	0	0	1
Senior Management	2	1	0	3
Management	9	1	2	12
Senior Officers	3	1	4	8
Officers	6	3	19	28
Administrators	4	3	2	9
General	0	0	0	0
TOTALS	25	9	27	61

% Occupancy per Job level by Department or Function	Sector Skills and Strategic Planning	Mandatory Grants	Monitoring and Reporting and Impact Evaluations	TOTALS
Executive Management	100%	N/A	N/A	100%
Senior Management	100%	100%	N/A	100%
Management	78%	0%	50%	67%
Senior Officers	67%	100%	75%	75%
Officers	33%	0%	53%	43%
Administrators	100%	100%	50%	89%
General	N/A	N/A	N/A	N/A
TOTALS	72%	56%	56%	62%

b) Financial Resources

The increase in the Skills Planning is due to the increase in research projects commissioned by the planning department to enhance the SETA's understanding of its sector's needs and capabilities, which will be used to prioritise programmes for skills development and further provide a better yield on the SETA's investment in skills development.

Table 8. Expenditure for Programme 2: Skills Planning Planning

Expenditure by Programmes	Income outcome		Budget (Original)	Adjusted Appropriation	2018/19	Medium-term expenditure estimate	
	2015/16	2016/17				2019/20	2020/21
R thousand			2017/18	2017/18			
Mandatory Grants	151 134	185 685	159 992	134 491	142 205	136 947	132 740
Enterprise development	-	-	-	341 636	581 061	141 767	281 436
Special Projects	55 860	715 453	300 191	635 849	520 579	501 331	460 598
Planning	4 121	21 168	6 482	7 754	18 655	17 965	17 413
TOTAL	211 115	922 306	466 666	1 119 730	1 262 500	798 010	892 188

7.2.4. Risk Management

Strategic Objective Title	Strategic Objective Statement	Strategic Risk Description	Mitigation
2.1 Conduct credible research to inform planning	Expand research capabilities and credibility to inform relevant and evidence-based planning	Inadequate and/or misaligned qualifications to meet the skills needs of the sector leading to low uptake of Services SETA offerings	Development of relevant occupational qualifications and review and realign current qualifications Researched SSP in place Gathering intelligence through structured stakeholder engagements - Chamber Committees meet quarterly Stakeholders are made aware of active qualifications during the Integrated Stakeholder engagement workshops conducted annually
2.2 Promote industry investment and strengthen workplace mentorship	Promote industry investment in workplace skills development and occupational qualifications strengthening work-integrated learning	Delay in rolling out training in some of the sectors leading to inability to develop the sector to improve productivity and thereby preventing their contribution to economic growth.	1. Stakeholder engagement to strengthen capacity for supply 2. Dedicated DG funding window 3. Training and accreditation of SDPs, Assessors and Moderators 4. Qualifications development 5. Monthly report to CEO on targeted approach 6. Stakeholder engagement plan in place to be reviewed annually

7.3. Programme 3: Learning Programmes

7.3.1. Purpose

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

This programme consists of four primary functions namely: Special Projects, Learning Interventions Project Coordination, Chamber 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 2017/18 submitted on 01 August 2016 identified a list of 63 scarce skills and 51 critical skills. 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 28 occupations which includes 10 scarce skills, 6 critical skills and 12 trades. A higher correlation between enrolments and the pivotal list can be expected as opposed to scarce and critical skills lists.

7.3.2. Strategic Objectives

3.1 Strategic Objective Title	Grow infrastructure and rural development
Strategic Objective Statement	Expand infrastructure for skills and enterprise development and target rural development
Baseline	Active Skills Development centres: 4
Justification	Both the NSDS III and MTSF address the objective of equitable development. Special Projects enables targeted investment in support of national and sectoral transformation imperatives
Links to NSDS III	NSDS III Strategic Goals 4.1 to 4.8
Links to Strategic Goals	Goal 1. Improve stock of skills Goal 2. Improve skills

3.2 Strategic Objective Title	Promote supply and demand partnerships
Strategic Objective Statement	National priorities promoted through supply- and demand-side partnership development
Baseline	<p>Number of TVET college partnerships: baseline</p> <p>Number of University partnerships: baseline</p> <p>Number of employer partnerships: baseline</p> <p>Number of cooperatives supported: 181</p> <p>Number of SMEs supported: 139</p> <p>Number of non-governmental and community-based organisations supported: 70</p> <p>Number of non-levy paying employers supported: baseline</p> <p>Number of Trade Unions supported: baseline</p> <p>Number of rural development projects: 4</p>
Justification	Both the NSDS III and MTSF address the objectives of equitable development. Special Projects enables targeted investment in support of national and sectoral transformation imperatives
Links to NSDS III	NSDS III Strategic Goals 4.1 to 4.8
Links to Strategic Goals	<p>Goal 1. Improve stock of skills</p> <p>Goal 2. Improve skills</p> <p>Goal 3. Strengthen the services sector's capabilities</p>
3.3 Strategic Objective Title	Promote enterprise development
Strategic Objective Statement	Transformation and sustainability promoted through targeted enterprise development
Baseline	Number of Skills Development Centres established: 8 (2015/16)
Justification	Both the NSDS III and MTSF address the objective of equitable development. Special Projects enables targeted investment in support of national and sectoral transformation imperatives
Links to NSDS III	NSDS III Strategic Goals 4.1 to 4.8
	<p>Goal 2. Improve of skills</p> <p>Goal 3. Strengthen the services sector's capabilities</p>

3.4 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
Baseline	Total learner enrolments: 30 780 (2015/16)
Justification	Ensure proper tracking and monitoring of projects to enable timely redirection of funds enhance organisational performance against targets
Links to NSDS III	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
Links to Strategic Goal	Goal 1. Improve stock of skills Goal 2. Improve flow of skills
3.5 Strategic Objective Title	Promote stakeholder participation
Strategic Objective Statement	Promote stakeholder participation and information exchange to strengthen relevance and access to services
Baseline	Number of career events: Number of functional chamber committees: 6 Number of stakeholder engagements: 21 Number of functional provincial stakeholder forums: 6
Justification	Service delivery on demand as opposed to outreach based and structured
Links to NSDS III	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
Links to Strategic Goal	Goal 3. Strengthen services sector's capabilities

7.3.3. Resource Considerations

a) Human Resources

The two functions with the lowest level of representation reflect recent changes and additions to the organisational structure. These include Special Projects, Enterprise Development and the Bursary Unit currently reporting to the CEO and Stakeholder Relations Management. These functional requirements are being prioritised accordingly. All Chambers and all Provinces are reasonably well capacitated. The total number of filled and or funded and posts per Division is presented below.

Table 9. Programme 3: Learning Programmes – Filled and Approved posts

Filled posts per Job level by Department or Function	Infrastructure Development and Facilities Management	Special Projects, Enterprise Development and Bursary Unit	Operations Management	Learning Interventions	Chamber Operations	Provincial Operations	Stakeholder Relations Management	TOTALS
Executive Management	0	0	0	0	0	0	1	1
Senior Management	1	0	0	0	1	1	0	3
Management	1	3	0	3	5	4	2	18
Senior Officers	0	1	0	3	0	12	0	16
Officers	0	1	0	17	2	16	0	36
Administrators	2	3	0	6	3	12	0	26
General	20	0	0	0	0	0	0	20
TOTALS	24	8	0	29	11	45	3	120
Approved posts per Job level by Department or Function	Infrastructure Development and Facilities Management	Special Projects, Enterprise Development and Bursary Unit	Operations Management	Learning Interventions	Chamber Operations	Provincial Operations	Stakeholder Relations Management	TOTALS
Executive Management	0	0	1	0	0	0	1	2
Senior Management	1	0	0	0	1	1	0	3
Management	1	3	0	3	6	9	2	24
Senior Officers	1	2	0	5	0	20	0	28
Officers	0	5	0	39	6	31	2	83

Approved posts per Job level by Department or Function	Infrastructure Development and Facilities Management	Special Projects, Enterprise Development and Bursary Unit	Operations Management	Learning Interventions	Chamber Operations	Provincial Operations	Stakeholder Relations Management	TOTALS
Administrators	3	5	1	8	3	15	0	35
General	21	0	0	0	0	0	0	21
TOTALS	27	15	2	55	16	76	5	196
% Occupancy per Job level by Department or Function	Infrastructure Development and Facilities Management	Special Projects, Enterprise Development and Bursary Unit	Operations Management	Learning Interventions	Chamber Operations	Provincial Operations	Stakeholder Relations Management	TOTALS
Executive Management	N/A	N/A	0%	N/A	N/A	N/A	100%	50%
Senior Management	100%	N/A	N/A	N/A	100%	100%	N/A	100%
Management	100%	100%	N/A	100%	83%	44%	100%	75%
Senior Officers	0%	50%	N/A	60%	N/A	60%	N/A	57%
Officers	N/A	20%	N/A	44%	33%	52%	0%	43%
Administrators	67%	60%	0%	75%	100%	80%	N/A	74%
General	95%	N/A	N/A	N/A	N/A	N/A	N/A	95%
TOTALS	89%	53%	0%	53%	69%	59%	60%	61%

b) Financial Resources

The skills development programme focusses on learning interventions which also includes infrastructure development. The latter includes skills development centres, community colleges, learning institutes, Artisan Development Academies, Entrepreneurship centres and the refurbishment of Services SETA occupied colleges, which is a reflection of the Services SETA's commitment to long term investment in providing skills development infrastructure to increase access to learning interventions to the public.

Table 10. Expenditure for Programme 3: Learning Programmes

Expenditure by Programmes	Income outcome			Budget (Original)	Adjusted Appropriation	Medium-term expenditure estimate		
	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
R thousand								
Provinces	2 233	1 306	1 386		7 327	11 172	11 786	12 435
Infrastructure Development & Facilities Management	13 338	31 473	29 348		461 666	166 189	184 122	194 249
Chambers	253	5 737	230		30 751	13 563	14 309	15 096
Stakeholder Relations	-	15	708		891	874	922	973
Learning Intervention	666 708	506 264	985 812		555 911	447 862	420 834	407 074
Artisan Development	-	33	-				-	-
Joint Project Management Team	-	-	-		33 663			
Learning Intervention Project Coordination	-	2 013	108		696	931	982	1 036
TOTAL	682 533	546 841	1 017 593		1 090 906	640 591	632 955	630 862

7.3.4. Risk Management

Strategic Objective Title	Strategic Objective Statement	Strategic Risk Description	Mitigation
3.1 Grow infrastructure and rural development	Expand infrastructure for skills and enterprise development and target rural development	No alignment to a specific strategic risk	Targeted approach through special projects
3.2 Promote supply and demand partnerships	National priorities promoted through supply- and demand-side partnership development	Not fully tried and tested processes and procedures for recovering from failures resulting in operational disruption and failure to achieve targets	Daily backups are being done in line with the approved backup policy Laptops issued to management with 3G cards Provincial offices belonging to the SSETA to be used as temporary recovery sites
3.3 Promote enterprise development	Transformation and sustainability promoted through targeted enterprise development	No alignment to a specific strategic risk	Targeted approach through special projects

Strategic Objective Title	Strategic Objective Statement	Strategic Risk Description	Mitigation
3.4 Prioritise Services SETA investment	Enrol funded learners to achieve targets, strengthening alignment to scarce and critical demand, and priority skills	Inadequate and/or misaligned qualifications to meet the skills needs of the sector leading to low uptake of SSETA offerings	<p>Development of relevant occupational qualifications and review and realign current qualifications</p> <p>Researched SSP in place</p> <p>Gathering intelligence through structured stakeholder engagements - Chamber Committees meet quarterly</p> <p>Stakeholders are made aware of active qualifications during the Integrated Stakeholder engagement workshops conducted annually</p>
3.5 Promote stakeholder participation	Promote stakeholder participation and information exchange to strengthen relevance and access to services	<p>Insufficient statistical data and partnerships established to harness sector capabilities and extend public value.</p> <p>Leading to data not representative of the full population, Supply side service not targeting the sector skills needs and rural areas not stimulated for growth</p>	<p>1. Annual awareness workshops conducted for submission of WSPs and ATRS</p> <p>2. Special targeted and joined projects that also focus on infrastructure development and rural development</p> <p>3. Primary research was conducted and informed the 2017/18 Sector Skills Plan (SSP)</p> <p>3 WSP and ATR data were analysed more comprehensively and supplemented with an Employer Survey</p> <p>4. Structured stakeholder engagements</p>

7.4. Programme 4: Quality Assurance

7.4.1. Purpose

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

Registered moderators and assessors is 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 requires 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 that funded by the Services SETA. Learners entering on a full qualification may exit on the full or part qualification depending on outcomes of success.

7.4.2. Strategic Objectives

4.1 Strategic Objective Title	Strengthen and assure quality of supply
Strategic Objective Statement	Capacitate and support skills development providers to strengthen relevant skills supply
Baseline	Percentage of SDPs applications processed within 90 days: 92% Percentage of learners issued with certificates or statement of results within 90 days: Certificates: 65%
Justification	Ensure increase in accredited SDPs and registered moderators and assessors to build supply-side capacity. Certification and work experience is regarded as a currency in the labour market in terms of access to employment, promotion and income generation
Links to the NSDS III	NSDS III Goal 4.1 to 4.8
Links to Strategic Goal	Goal 2. Improve flow of skills
4.2 Strategic Objective Title	Improve efficiency in certification
Strategic Objective Statement	Improve efficiency in quality assurance of learner achievement for certification
Baseline	Number of SDF trained: no baseline Percentage of processed SDP applications that have been remediated: no baseline
Justification	Improve stock of skills
Links to the NSDS III	4.1 to 4.8
Links to Strategic Goal	Goal 1. Improve stock of skills

7.4.3. Resource Considerations

a) Human Resources

Quality Management has the highest occupancy rate and reflects the critical importance of accrediting service providers and certificating competent learners. The majority of vacancies are at an officer level. External expertise have been contracted to assist in critical areas for development. The total number of filled and or funded and posts per Division is presented below.

Table 11. Programme 4: Quality Assurance – Filled and Approved posts

Filled posts per Job level by Department or Function	Quality Management	Programme Development and Accreditation	Quality Assurance of Learner Achievements	TOTALS
Executive Management	0	0	0	0
Senior Management	0	0	0	0
Management	1	1	0	2
Senior Officers	11	9	1	21
Officers	3	3	0	6
Administrators	8	5	1	14
General	0	0	0	0
TOTALS	23	18	2	43
Approved posts per Job level by Department or Function	Quality Management	Programme Development and Accreditation	Quality Assurance of Learner Achievements	TOTALS
Executive Management	0	0	0	0
Senior Management	0	1	0	1
Management	1	2	1	4
Senior Officers	25	13	1	39
Officers	4	6	1	11
Administrators	12	5	2	19
General	0	0	0	0
TOTALS	42	27	5	74

% Occupancy per Job level by Department or Function	Quality Management	Programme Development and Accreditation	Quality Assurance of Learner Achievements	TOTALS
Executive Management	N/A	N/A	N/A	N/A
Senior Management	N/A	0%	N/A	0%
Management	100%	50%	0%	50%
Senior Officers	44%	69%	100%	54%
Officers	75%	50%	0%	55%
Administrators	67%	100%	50%	74%
General	N/A	N/A	N/A	N/A
TOTALS	55%	67%	40%	58%

b) Financial Resources

The quality management programme of the SETA focuses on the SETA's investment in the flow of skills by ensuring that there are enough accredited skills development providers, to enhance the quality of the SETAs offering. The programme is also aimed at improving the time taken to issuing certificates and statement of results to deserving and competent learners.

Table 12. Expenditure for Programme 4: Quality Assurance

Expenditure by Programmes R thousand	Income outcome		Budget (Original) 2017/18	Adjusted Appropriation 2017/18	Medium-term expenditure estimate		
	2015/16	2016/17			2018/19	2019/20	2020/21
Quality Management	945	1 889	421	4 094	1 294	1 247	1 075
TOTAL	945	1 889	421	4 094	1 294	1 247	1 075

7.4.4. Risk Management

Strategic Objective Title	Strategic Objective Statement	Strategic Risk Description	Mitigation
4.1 Strengthen and assure quality of supply	Capacitate and support skills development providers to strengthen relevant skills supply	Inability to rollout training in some of the subsectors. Due to low capacity of supply (Insufficient number of accredited training providers, assessors and moderators for subsectors including specialised sub-sectors (funeral services, beauty.) Leading to inability to develop the sector to improve productivity and thereby preventing their contribution to economic growth	Stakeholder engagement to strengthen capacity for supply. Specific approach (Special Projects) per sub-sector such as Beauty, Funeral and Hairdressing
4.2 Improve efficiency in certification	Improve efficiency in quality assurance of learner achievement for certification	Inability to exit learners (low certification rate and throughput) due to poor strategic planning and analysis around enrolments (misalignment input v/s output). leading to unemployable learners and a shortage of skills in the industry	Stakeholder engagement to strengthen capacity for supply. Specific approach (Special Projects) per sub-sector such as Beauty, Funeral and Hairdressing

7.5. Alignment between Goals, Programmes and Strategic Objectives

The table below illustrates the alignment between the strategic outcome oriented goals contained in the Strategic Plan and the Programmes and Strategic Objectives further detailed in the Annual Performance Plan.

Table 13. Alignment between Goals, Programmes and Strategic Objectives

GOAL	GOAL STATEMENT	PROGRAMME	STRATEGIC OBJECTIVE	STRATEGIC OBJECTIVE STATEMENT
Improve the stock of skills	Increase transformation, level and capacity of skills available within the Services Sector labour market through successful certification of learners in occupational qualifications by 2019/20	3. Learning Programmes	3.1.5 Improve skills development throughput	Improve monitoring and coordination of SETA-funded skills development to facilitate timely completion
		4. Quality Assurance	4.1.2 Improve efficiency in certification	Improve efficiency in quality assurance of learner achievement for certification
Improve the flow of skills	Improve access to and quality of relevant occupational qualifications through skills development infrastructure and capacitation of providers and workplaces as learning spaces by 2019/20	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
		3. Learning Programmes	3.1.1 Grow infrastructure and rural development	Expand infrastructure for skills and enterprise development and target rural development
		3. Learning Programmes	3.1.4 Prioritise Services SETA investment	Enrol funded learners to achieve targets, strengthening alignment to scarce and critical demand, and priority skills
		4. Quality Assurance	4.1.1 Strengthen and assure quality of supply	Capacitate and support skills development providers to strengthen relevant skills supply

GOAL	GOAL STATEMENT	PROGRAMME	STRATEGIC OBJECTIVE	STRATEGIC OBJECTIVE STATEMENT
Strengthen the Services Sector's capabilities	Strengthen partnerships and collaboration with public and private intermediaries to harness sector capabilities and extend public value	3. Learning Programmes	3.1.2 Promote supply and demand partnerships	National priorities promoted through supply- and demand-side partnership development
		3. Learning Programmes	3.1.3 Promote enterprise development	Transformation and sustainability promoted through targeted enterprise development
		3. Learning Programmes	3.1.6 Promote stakeholder participation	Promote stakeholder participation and information exchange to strengthen relevance and access to services
Strengthen the Services SETA's capabilities	Optimise the Services SETA's service delivery through strengthening policies, processes, systems, knowledge and competencies	1. Administration	1.1.1 Maintain sound financial management	Financial affairs of the Services SETA are managed in a transparent, efficient and effective manner to maintain clean audit
		1. Administration	1.1.2 Strengthen Human Resources and systems adequacy	People competencies retained and systems developed to leverage technology enabling operational efficiency
		1. Administration	1.1.3 Ensure accountable governance	Accountable governance and leadership oversight focussed on high performance, compliance, internal controls and enterprise-wide risk mitigation
		2. Skills Planning	2.1.1 Conduct credible research to inform planning	Expand research capabilities and credibility to inform relevant and evidence-based planning
		2. Skills Planning	2.1.3 Improve organisational performance	Measurable planning and accurate reporting of organisational performance, and utilisation of evaluation findings to inform services delivery

The Sector Skills Plan priorities predominantly fall in the following goals, programmes and strategic objectives:

- Promoting access to skills development: Goal 2, Programme 3, Strategic Objective 3.1.1 Grow infrastructure and rural development directly address this priority. Notwithstanding several other strategic objectives promote access including industry funding, discretionary grant funding, existence of qualifications and providers.
- Provider expansion and capacitation: Goal 2, Programme 4, Strategic Objective 4.1.1 Strengthen and assure quality of supply directly address this priority.
- Improving relevance of qualifications: Goal 4, Programme 2, Strategic Objective 2.1.1 Conduct credible research to inform planning would inform relevance and gaps to be supported through programme 4, Strategic Objective 4.1.1 Strengthen and assure quality of supply.
- Focus on vocational training: Goal 2, Programme 2, Strategic Objective 3.1.4 Prioritise Services SETA investment involves the enrolment of funded learners across all occupational qualifications and learning interventions
- Work-based training and mentorship: Goal 2, Programme 2, Strategic Objective 2.1.2 Promote industry investment and strengthen workplace mentorship directly seeks to expand workplaces as training spaces with qualified mentors able to support the monitoring and achievement of learning outcomes.

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Annexure A: Sector Skills Plan



Annexure B: Technical Indicator Descriptions for Outcome Indicators

Components	Descriptions
Indicator title	Unemployed successful completions
Performance Indicator	1.1 Percentage increase in unemployed learners successfully completing learning programmes per annum
Short definition	<p>Learners means those unemployed and funded by the Services SETA through Discretionary Grant funding across all learning programmes</p> <p>Successfully completing means that the learners have reached the end of the learning programme and where assessment is applicable, competent learner results have been externally moderated and confirmed through the issuing of a statement of results or certificate</p> <p>Annum means the financial year commencing 01 April and ending 31 March</p>
Purpose or importance	This is significant in that shows the growth in skills available and ready for employment or entrepreneurship. The structured workplace experience component of several occupational learning programmes enhances employability and opportunities for learners for unemployed learners to establish professional networks thereby promoting access
Source or collection of data	Audited SQMR reports listing unemployed learners that have successfully completed funded learning programmes and the published Annual Report
Method of calculation	$\left(\frac{\text{prior year unemployed successful completions} - \text{current year unemployed successful completions}}{\text{prior year unemployed successful completions}} \right) * 100$
Data limitations	The increase in completions presupposes continued or increased levels of enrolment, a reduction in terminations and an increase in success or pass rates
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	New
Desired performance	Maintained or higher that is the same or increased not decreased
Indicator Responsibility	Senior Manager: Planning

Components	Descriptions
Indicator title	Employed successful completions
Performance Indicator	1.2 Percentage increase in employed learners successfully completing learning programmes per annum
Short definition	<p>Learners means those employed and funded by the Services SETA through Discretionary Grant funding across all learning programmes</p> <p>Successfully completing means that the learners have reached the end of the learning programme and where assessment is applicable, competent learner results have been externally moderated and confirmed through the issuing of a statement of results or certificate</p> <p>Annum means the financial year commencing 01 April and ending 31 March</p>
Purpose or importance	This is significant in that shows the growth in skills and competencies enable upward mobility and career progression. This creates downstream opportunities for less experienced employees and new labour market entrants in lower job categories
Source or collection of data	Audited SQMR reports listing employed learners that have successfully completed funded learning programmes and the published Annual Report
Method of calculation	$\left(\frac{\text{prior year employed successful completions} - \text{current year employed successful completions}}{\text{prior year employed successful completions}} \right) * 100$
Data limitations	The increase in completions presupposes continued or increased levels of enrolment, a reduction in terminations and an increase in success or pass rates. Data on industry funded
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	New
Desired performance	Maintained or higher that is the same or increased not decreased
Indicator Responsibility	Senior Manager: Planning

Components	Descriptions
Indicator title	Throughput rate
Performance Indicator	1.3 Weighted average throughput rate of learning programmes per annum
Short definition	<p>Average or mean refers to the regular meaning of “average” calculated by adding a set of values together and then dividing the total by the number of values in the set</p> <p>Throughput is the rate at which a system achieves its ultimate goal which in this instance is the stock of skills. It therefore is the rate at which learners enter and complete a learning programme. The following formula is applied $R = I/T$ where:</p> <p>R is the rate at which the process is delivering throughput</p> <p>I is the number of learners that successfully complete</p> <p>T is the time it took for the learner to successfully complete</p> <p>Annum means the financial year commencing 01 April and ending 31 March</p>
Purpose or importance	The throughput rate shows the average speed at which the Services SETA is producing qualified learners despite the variable durations of learning programmes ranging from 3 months to multiple years
Source or collection of data	Audited SQMR reports listing funded learner completions across learning programmes. The start date and end date is captured for individual learners
Method of calculation	<p>((funded learners that successfully completed Learnerships / (end data – start date in months))*100)) repeated for bursaries, skills programmes, internships, artisans, AET averaged across these categories</p> <p>Weighted in subsequent years</p>
Data limitations	Accuracy and completeness in data capturing
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	New
Desired performance	Maintained or higher that is the same or increased not decreased
Indicator Responsibility	Senior Manager: Planning

Components	Descriptions
Indicator title	Transformational imperatives
Performance Indicator	1.4 Average achievement of transformational imperatives per annum
Short definition	<p>Average or mean refers to the regular meaning of “average” calculated by adding a set of values together and then dividing the total by the number of values in the set</p> <p>Transformational imperatives is informed by NSDS III which identifies (7) key developmental and transformation imperatives namely race, class, gender, geography, age, disability, HIV and AIDS. The Services SETA has translated these into the following categories black, unemployed, women, rural, youth and disabled</p> <p>Achievement means Services SETA funded learners enrolled measured against each category</p> <p>Annum means the financial year commencing 01 April and ending 31 March</p>
Purpose or importance	Shows the average achievement of learners enrolled above the minimum developmental and transformation targets
Source or collection of data	Audited SQMR reports listing funded learner enrolments across learning programmes. Each of the developmental and transformation categories is captured for individual learners
Method of calculation	$((\text{black funded learners enrolled} / \text{total funded learners enrolled}) * 100)$ repeated for unemployed, women, rural, youth and disabled funded learners averaged across these categories
Data limitations	Accuracy and completeness in data capturing. Limitations reduced through ID verification and auditing
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	New
Desired performance	Positive average shows exceeding targets
Indicator Responsibility	Senior Manager: Planning

Components	Descriptions
Indicator title	Priority skills correlation
Performance Indicator	2.1 Percentage correlation between learner enrolments and priority skills per annum
Short definition	<p>Correlation means a mutual relationship or connection between two or more things</p> <p>Learner enrolments means Services SETA funded enrolments across all learning programmes</p> <p>Priority skills means the consolidated list of scarce, critical or pivotal skills identified in the applicable Sector Skills Plan for the implementation period</p> <p>Annum means the financial year commencing 01 April and ending 31 March</p>
Purpose or importance	The higher the correlation the higher the relevance of the skills being produced and the greater the likelihood of absorption into the labour market. Scarce and critical skills are informed by researched demand. The pivotal skills list seeks to balance scarcity and social demand
Source or collection of data	Applicable Sector Skills Plan and Audited SQMR reports listing funded learner enrolments across learning programmes. The qualification including field of study and planned occupation in the form of an OFO code is captured for individual learners
Method of calculation	$\left(\frac{\text{current year funded learners enrolled in scarce, critical or pivotal skills qualifications}}{\text{current year funded learners enrolled}} \right) \times 100$
Data limitations	Accuracy and completeness in data capturing. The planned occupation cannot always be deduced from the qualification or field of study. Only learners can identify their planned occupation at any given time. Grant recipient capacitation and support required to enhance data accuracy and completeness at source
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	New
Desired performance	Improvement year-on-year up to 80%
Indicator Responsibility	Senior Manager: Planning

Components	Descriptions
Indicator title	Providers for priority skills
Performance Indicator	2.2 Percentage priority skills with accredited skills development providers per annum
Short definition	<p>Priority skills means the consolidated list of scarce, critical or pivotal skills identified in the applicable Sector Skills Plan for the implementation period</p> <p>Accredited skills development providers means skills development providers with valid Services SETA accreditation for any of the priority skills at as the end of the annum. Providers will only be counted once despite accreditation spanning multiple qualifications and unit standards</p> <p>Annum means the financial year commencing 01 April and ending 31 March</p>
Purpose or importance	Shows the alignment between supply and demand. The higher the percentage the greater the relevance and alignment. Adequacy of supply would require more in-depth analysis at the level of occupations and qualifications
Source or collection of data	Applicable Sector Skills Plan and list of accredited providers against qualifications and unit standards
Method of calculation	$(\text{consolidated number of scarce, critical and pivotal skills with accredited skills development providers} / \text{consolidated number of scarce, critical and pivotal skills}) \times 100$
Data limitations	Valid accreditation status does not confirm level of activity in supply. Mapping accreditation to pivotal skills is conducted through coding which may result in a margin of error
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	New
Desired performance	Above 90%
Indicator Responsibility	Senior Manager: Planning

Components	Descriptions
Indicator title	Workplaces mentoring learners
Performance Indicator	2.3. Percentage increase in employers mentoring learners in the workplace
Short definition	<p>Employers means an entity that hosts learners through Learnerships, Internships and Apprenticeships funded by the Services SETA. It is these learning programmes that provide for structured workplace-based learning that requires structured mentorship</p> <p>Mentoring involves structured supervising and coaching of learners to gain relevant practical workplace experience in a particular field or area of work either as part of or post a qualification</p>
Purpose or importance	Employers are encouraged to make workplaces training spaces creating exposure and practical experience for pre- and post-graduates strengthening work readiness and employability. Measuring growth will demonstrate the commitment of employers to this priority
Source or collection of data	Audited SQMR reports listing the employers of funded learners enrolled across Learnerships, internships and apprenticeships
Method of calculation	$(\text{number of current year host employers mentoring learners in Learnerships, internships and apprenticeships} / \text{number of prior year host employers mentoring learners in Learnerships, internships and apprenticeships}) \times 100$
Data limitations	Recording, capturing and reporting of host employers that is the actual entity hosting the learners in the workplace together with their registration number and SDL number if applicable. Currently only lead employers that is the recipient of the Discretionary Grant funding is captured despite applications and due diligence requiring information on host employers. This limitation will be addressed to enable reporting
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	New
Desired performance	Minimum of 10% improvement year-on-year
Indicator Responsibility	Senior Manager: Planning

Components	Descriptions
Indicator title	Infrastructure investment
Performance Indicator	2.4. Percentage investment in skills development infrastructure per annum
Short definition	<p>Investment means a resolution of the Accounting Authority to invest discretionary grant funding</p> <p>Skills development infrastructure means any facility established, built, renovated or bought as a Skills Development Centre, Community College, Learning Institute, Artisan Academy, Trade Test Centre, Entrepreneurship Centre for the purpose of teaching, training, testing and supporting learners in post school education and training</p> <p>Annum means the financial year commencing 01 April and ending 31 March</p>
Purpose or importance	Shows the Services SETA's contribution to expanding access through infrastructure development in partnership with public institutions and municipalities. These investments promote a multidimensional and integrated PSET system that incorporates occupational and vocational learning and can become instrumental in strengthening alignment between education and the workplace
Source or collection of data	Accounting Authority resolutions captured in minutes or extracts thereof, signed contracts and the commitment schedule
Method of calculation	$(\text{current year Rands committed for skills development infrastructure} / \text{current year Discretionary Grant budget}) \times 100$
Data limitations	Investments can span several financial years and budgets and as such need to be reflected in the correct year. Other income and reserve funds may be used to supplement these investments
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	New
Desired performance	Not more than 20% of the Discretionary Grant budget less project administration. 80% must be allocated to Pivotal learning programmes. 20% is available for non-pivotal programmes
Indicator Responsibility	Senior Manager: Planning

Components	Descriptions
Indicator title	Entrepreneurial education and enterprise development
Performance Indicator	3.1. Number of entities supported with entrepreneurial education or enterprise development per annum
Short definition	<p>Entrepreneurial education means part or full qualifications that seek to provide learners with the knowledge, skills and motivation to start, grow and sustain their own business. It promotes innovation, self-employment and new venture creation</p> <p>Enterprise development means the act of investing time and capital in helping people establish, expand or improve their businesses for growth, independence and sustainability. Activities can include financial investment, facilitating access to markets, building competencies for performance through training and or mentorship. In the context of broad-based black economic empowerment, enterprise development is investing in black business. Targeted interventions may include skills programmes in Marketing, IT, Accounting, Legal and Compliance, and BBBEE as predictors of entity performance subject to needs assessment</p>
Purpose or importance	Entrepreneurship and enterprise development is a key driver of socio-economic transformation and aims to create sustainable businesses which grow and lead to job creation, decent work, sustainable livelihoods which in turn contributes to economic growth
Source or collection of data	Audited SQMR reports listing funded learner enrolments across learning programmes filtered for entrepreneurial education commonly termed new venture creation and related qualifications by entity, and listings of enterprises directly targeted with enterprise development support
Method of calculation	simple count of the number of entities that received entrepreneurial education and enterprise development support in the current year
Data limitations	Funded learners enrolments for entrepreneurial education may not always accurately state the names, registration number and or SDL number of the entity which may result in a margin of error
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	New
Desired performance	Improvement year-on-year
Indicator Responsibility	Senior Manager: Planning

Components	Descriptions
Indicator title	Private intermediaries engaged
Performance Indicator	3.2. Number of private intermediaries engaged per annum
Short definition	<p>Private intermediaries means entities that facilitate interaction, translate and facilitate information flows and offer services that tend to focus more on industry- or firm-specific interests and issues and include industry associations, professional bodies, employer associations, labour federations, trade unions, research institutes</p> <p>Engaged means structured one-on-one interactions for a specific purpose related to the Services SETA's primary business activities with documented evidence maintained through the OCEO, Stakeholder Relations, Chamber Operations, Provincial Operations or other designated function/s</p> <p>Annum means the financial year commencing 01 April and ending 31 March</p>
Purpose or importance	Private intermediaries represent a broader interest and can influence stakeholders that they represent or service. Conveying accurate and reliable information can strengthen collective credibility and leverage participation and support amongst their constituencies. Structured engagements build relationships and enable partnership and collaboration
Source or collection of data	Consolidated and verified lists of stakeholder engagements from the OCEO, Stakeholder Relations, Chamber Operations, Provincial Operations or other designated functions providing the entity names, representatives, purpose and other relevant information required
Method of calculation	simple count of the number of private industry associations, professional bodies, employer associations, labour federations, trade unions, research institutes directly consulted in the current year
Data limitations	Double counting. Entities should only be counted once during the period despite multiple engagements. Entities with national and provincial levels can be counted separately
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	New
Desired performance	No less than 20
Indicator Responsibility	Senior Manager: Planning

Components	Descriptions
Indicator title	Public intermediaries engaged
Performance Indicator	3.3. Number of public intermediaries engaged per annum
Short definition	<p>Private intermediaries means entities that facilitate interaction, translate and facilitate information flows and offer services that that tend to focus on public-good objectives, especially those related to policy and include government departments, metropolitan municipalities, district municipalities, local municipalities, public entities, state owned entities, government agencies</p> <p>Engaged means structured one-on-one interactions for a specific purpose related to the Services SETA's primary business activities with documented evidence maintained through the OCEO, Stakeholder Relations, Chamber Operations, Provincial Operations or other designated function/s</p> <p>Annum means the financial year commencing 01 April and ending 31 March</p>
Purpose or importance	Public intermediaries direct the strategy and mandate of stakeholders falling under their jurisdiction. Conveying accurate and reliable information can strengthen collective credibility and leverage participation and support amongst their constituencies. Structured engagements build relationships and enable partnership and collaboration
Source or collection of data	Consolidated and verified lists of stakeholder engagements from the OCEO, Stakeholder Relations, Chamber Operations, Provincial Operations or other designated functions providing the entity names, representatives, purpose and other relevant information required
Method of calculation	simple count of the number of government departments, metropolitan municipalities, district municipalities, local municipalities, public entities including other SETAs, government agencies directly consulted in the current year
Data limitations	Double counting. Entities should only be counted once during the period despite multiple engagements. Entities with national and provincial levels can be counted separately
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	New
Desired performance	No less than 20
Indicator Responsibility	Senior Manager: Planning

Components	Descriptions
Indicator title	Economy of service delivery
Performance Indicator	4.1 Percentage improvement in economy of service delivery per annum
Short definition	<p>Economy explores whether the method of producing the requisite outputs is economical and therefore seeks to monitor revenue against primary outputs. In this instance revenue is limited to the organisation's administration budget which is 10.5% of revenue. Inflation is not adjusted for as unit cost should increase over time.</p> <p>Service delivery is limited in this instance to the total number of funded unique learners whether enrolled/completed/certificated.</p> <p>Annum means the financial year commencing 01 April and ending 31 March</p>
Purpose or importance	As business processes and skills development become more efficient through the use of technology economy is expected to increase. Showing that public funds are reaching more learners over time builds confidence in the organisation and government as a whole
Source or collection of data	Audited financial statements and audited SQMR reports filtered for unique learners by ID number
Method of calculation	$\frac{((\text{prior year administration expenditure} / \text{total number of prior year funded unique learners}) - (\text{current year administration expenditure} / \text{total number of current year funded unique learners}))}{(\text{prior year administration expenditure} / \text{total number of prior year funded unique learners})}$
Data limitations	Margin of error on ID numbers proven to be less than 5%. Mitigation strategies are being implemented to reduce this margin of error even further. Administration is not total expenditure as there is also a Discretionary Grant Project Administration budget and funded unique learners is not the only output measure from core business but does cut across learning programmes and quality management
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	New
Desired performance	Maintained or higher that is the same or increased not decreased
Indicator Responsibility	Senior Manager: Planning

Components	Descriptions
Indicator title	Efficiency of service delivery
Performance Indicator	4.2 Percentage improvement in efficiency of service delivery per annum
Short definition	<p>Efficiency explores how productively inputs are converted to outputs. An efficient operation maximises the level of output for a given set of inputs, or it minimises the inputs required to produce a given level of output. In this instance efficiency is the level of achievement across core business processes with set turnaround times as opposed to cost recognising the human resources inputs required to render services</p> <p>Service delivery means the primary business activities with set turnaround times as follows:</p> <p>Unfunded learning programme applications processed within 60 days</p> <p>Moderator and Assessor applications processed within 90 days</p> <p>SDP accreditation applications processed within 90 days</p> <p>Certificates and Statements of Results issued within 90 days</p> <p>As new turnaround times are established for primary business activities these may be included in the above-mentioned list and calculation</p> <p>Annum means the financial year commencing 01 April and ending 31 March</p>
Purpose or importance	This seeks to evaluate the timeliness of services delivery as a proxy measure for efficiency. Stakeholders are primarily concerned about having some indication of timeframe in order to manage expectations and enable their own planning
Source or collection of data	Audited annual performance reports available from the Planning Department for processes measured in the Annual Performance Plan. Alternatively obtain and verify results with process owner
Method of calculation	$\frac{((\text{prior year average \% achievement of core business processes within specified timeframes}) - (\text{current year average \% achievement of core business processes within specified timeframes}))}{\text{prior year average \% achievement of core business processes within specified timeframes}}$
Data limitations	Several primary business activities are no longer being monitored according to set turnaround times and can therefore not be included in the calculation. These include processing of reimbursements for mandatory grants, processing of InterSETA Transfer applications, processing of discretionary grant applications. Once internal procedures have been reviewed, efficiency targets should be considered and tracked at an operational level to strengthen the value of this measure

Components	Descriptions
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	New
Desired performance	Higher that is increased not decreased
Indicator Responsibility	Senior Manager: Planning

Components	Descriptions
Indicator title	Effectiveness of service delivery
Performance Indicator	4.3 Percentage improvement in effectiveness of service delivery per annum
Short definition	<p>Effectiveness is the degree to which the organisation is achieving its predetermined objectives and associated output targets without reference to cost. Effectiveness can extend to the conversion of outputs to outcomes but in this instance it is limited to what the organisation has direct control over that is outputs</p> <p>Service delivery is the support activities and primary business activities depicted in the Services SETA's value chain whether rendered to internal or external stakeholders in pursuit of the organisations predetermined objectives.</p> <p>Annum means the financial year commencing 01 April and ending 31 March</p>
Purpose or importance	Assuming that the predetermined objectives are found to be useful then monitoring changes in organisational performance from year to year is a good measure of success
Source or collection of data	Audited annual performance reports available from the Planning Department
Method of calculation	$\frac{(\text{prior year \% achievement of organisational targets} - \text{current year \% achievement of organisational targets})}{\text{prior year \% achievement of organisational targets}}$
Data limitations	In-year changes to strategic priorities affect the overall achievement of predetermined objectives
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	New
Desired performance	Maintained or higher that is the same or increased not decreased
Indicator Responsibility	Senior Manager: Planning

