

**Briefing to Portfolio  
Committee on Women,  
Youth and Persons  
with Disabilities.**

**Annual Report  
2021 / 2022**



**nyda**

NATIONAL YOUTH DEVELOPMENT AGENCY  
**OUR YOUTH. OUR FUTURE.**

# Annual Report 2021 / 2022

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# HIGHLIGHTS OF THE ANNUAL REPORT

# Annual Report 2021 / 2022

## Highlights of the Annual Report

- The NYDA has tabled its Annual Report in Parliament as per the legislated deadline of 30 September 2022.
- The Agency achieved 100% of its approved targets for the year under review, including the adjusted Annual Performance Plan targets which were increased for the corresponding increase in budget of the Agency.
- The entity received an eighth consecutive clean audit outcome from the Auditor General of South Africa with zero unauthorized, irregular or fruitless and wasteful expenditure reported or detected.
- In the year under review, the NYDA Board of Directors was appointed as the Accounting Authority from 1 December 2021 with the Chief Executive Officer having served as the interim Accounting Authority prior to that.
- The Presidential Youth Employment Intervention, announced by President Ramaphosa in the State of the Nation 2022 was in full implementation mode.

# Annual Report 2021 / 2022

## Highlights of the Annual Report

- The NYDA's budget was increased by the National Treasury from R368 million to R900 million and it was also able to raise additional donor funds from partners to the value of R50 million
- In the year under review, the Agency's fully fledged ERP portal went live in July 2021, allowing young people to apply for products and services of the Agency from any place and at any time. This coupled with the National Pathway Management Network, SAYouth.Mobi and Mpowa is providing digital solutions to economic participation by young people.
- The Agency retains a stable Human Resources environment and has not had a staff strike for over eight years. The Agency has a continued focus on being a learning and development organisation and a customer centric agency for youth.
- Cabinet has approved the first Integrated Youth Development Strategy aligned to the National Development Plan and the National Youth Policy. This will guide the implementation and the accountability framework for youth development in South Africa.
- The Board has flagged that the Agency needs a much improved communications strategy and that communications is falling short of expectations.

# Annual Report 2021 / 2022

## Highlights of the Annual Report

Secured funding for 35 000 young people for the revitalized NYS

Secured funding for stretching our grant funding to 2000 enterprises

Brought the ERP system online

Appointed to run the CWP program for Mpumalanga

Committed to the National Pathway Management Network

Brought two new SETA financial partnerships on board.

Publish the IYDS and first progress report

Reduced the vacancy rate to under 20% on the structure

Maintained a stable Human Resources environment

# Annual Report 2021 / 2022

## Highlights of the Annual Report

Many ongoing internal audit findings at operational level

Targets in spite of increases still considered small

Teething challenges with adjustment to a new system

Staff motivation with pressure on public sector remuneration

Issues with Customer Service

# STRATEGIC OVERVIEW

# Annual Report 2021 / 2022

## Strategic overview

### **Vision:**

A credible, capable, inclusive and activist development agency that is responsive to the plight of South Africa's youth

### **Mission:**

To mainstream youth issues into society through stakeholder coordination  
To facilitate and champion youth development with all sectors of society

### **Values:**

- Integrity
- Accountable
- Accessible
- Respectful
- Collaborative
- Agile

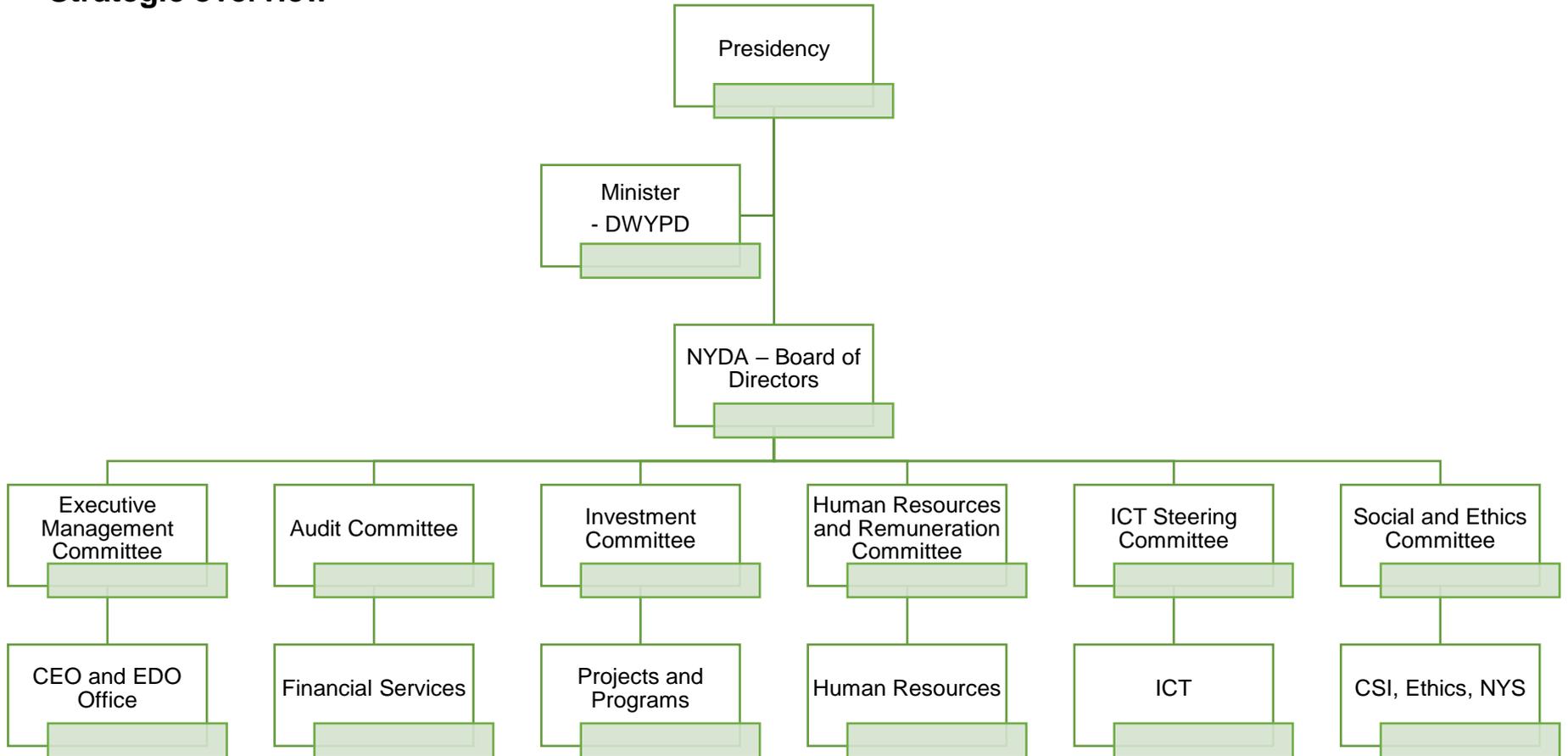
# Annual Report 2021 / 2022

## Strategic overview



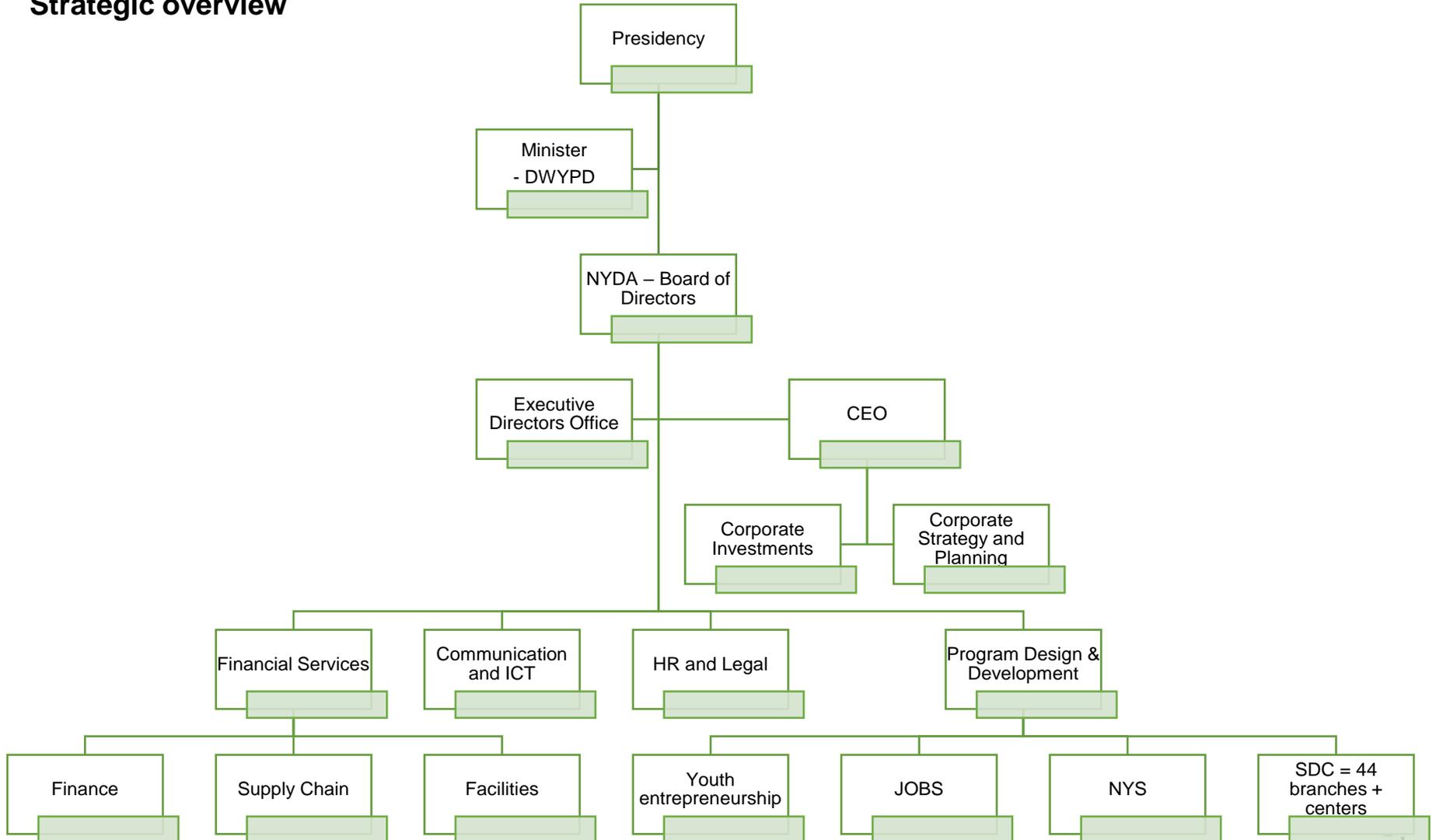
# Annual Report 2021 / 2022

## Strategic overview



# Annual Report 2021 / 2022

## Strategic overview



# CONTEXT TO THE PRESENTATION

# Annual Report 2021 / 2022

## Context to the presentation

- South Africa continues to face multiple overlapping challenges: the economic fallout associated with COVID-19, persistent electricity outages, high inflation, food insecurity, high oil prices and growing inequality. Throughout all of these crises, young women continue to be hardest hit—triple exposed by being in jobs that are most exposed to financial shocks, being least covered by social protections such as the Unemployment Insurance Fund, and facing additional burdens of household duties and unpaid care work that exacerbate economic poverty with time-poverty. These factors compound, severely impacting their ability to look for work.
- The latest Quarterly Labour Force Survey results suggest that the number of employed young people has increased for a second quarter in a row. While this is the highest this has been in the past two years, this slight bounce-back is cause for very cautious optimism, as employment remains considerably lower than pre-lockdown (Statistics South Africa, Quarterly Labour Force Survey, Q2:2022).
- The employment journeys of young people have been characterised by resilience—a word that has come under recent scrutiny. While it is true, resilience alone in the face of crisis is not what will get us through. Resilience needs to be coupled with intentional investment and support to address our country's multiple overlapping crises which demand 'resilience' in the first place.

# Annual Report 2021 / 2022

## Context to the Presentation

- So how do we move beyond using resilience to speak about merely enduring these crises, and towards using resilience to get ourselves out of the crises? By finding where resilience occurs and supporting those initiatives, ideas and communities.
- Our analysis reveals that very few sectors, if any, have been able to return to pre-pandemic levels of employment, and certainly not to levels before the 2008 economic crisis.
- Furthermore, the economic recovery continues to favour contract jobs over permanent employment as companies hedge against further uncertainty. Now, more than ever, we need to focus on resilience—not just celebrating the endurance of crises alone. But rather, focusing on those aspects of the labour market that will enable us to collectively bounce back to the road to recovery.

# PROGRESS ON THE PRESIDENTIAL YOUTH EMPLOYMENT INTERVENTION

# Presidential Youth Employment Intervention

## Introduction

The PYEI is South Africa's most comprehensive effort to address youth unemployment to date. Its goal is to enable more young people to move from learning to earning. It seeks to coordinate, accelerate and enhance existing programmes and unblock pathways to employment, training and youth enterprise. Additional resources drive the development of innovative approaches.

The PYEI is coordinated by a Project Management Office (PMO) in the Presidency and combines the know-how of leading experts, government departments, the private sector, social partners and young people themselves.

The PMO's direct reporting line to the President adds convening power. Implementation is led by national departments and entities best positioned to ensure rapid and effective delivery. The PMO provides oversight, strategic direction and support to implementing departments. This includes unblocking administrative bottlenecks, co-creating interventions, securing funding and sourcing technical support. The PMO also facilitates and strengthens linkages with stakeholders outside government.

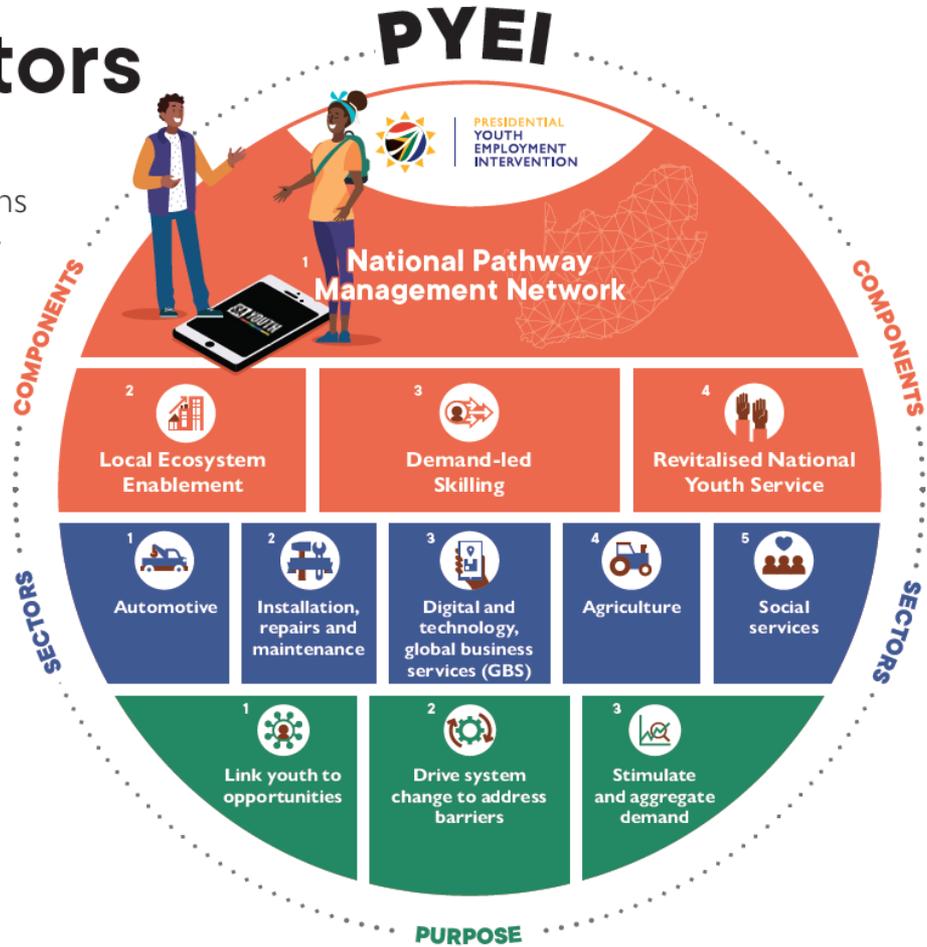
# Presidential Youth Employment Intervention

A National Network

**One national network,  
four components,  
five priority sectors**

The PYEI is implementing priority actions to link young people to opportunities for learning, workplace experience and earning a sustainable living.

It also implements interventions to address barriers young people faces and supports the creation of opportunities in the formal and informal economies. These actions are focused on sectors with identified potential for sustained growth that can translate into employment opportunities for young people. These sectors are digital and technology, global business services, agriculture, installation repairs and maintenance, social services, and automotive.



# Presidential Youth Employment Intervention

## Core principles

### PRESIDENTIAL YOUTH EMPLOYMENT INTERVENTION CORE PRINCIPLES

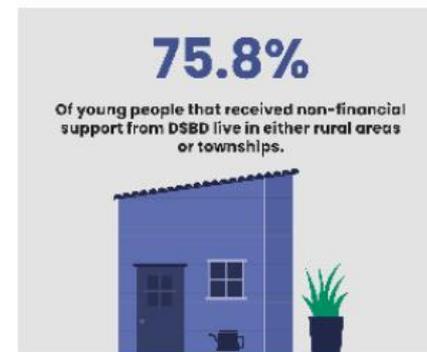
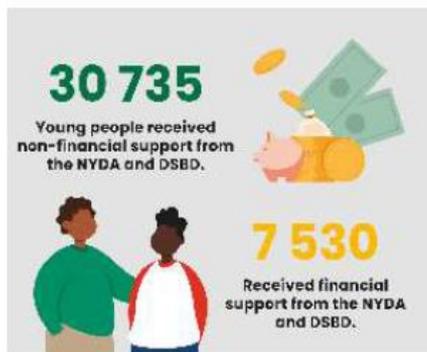
To drive implementation, the PYEI has adopted the following key principles:

- ▶ Place young people at the heart of the intervention; design around and respond to their needs, challenges and lived experiences.
  - ▶ Provide accountability for implementation.
  - ▶ Leverage existing policies, plans and agreements and focus on addressing gaps in policies.
  - ▶ Create space for innovation that accelerates delivery and catalyses further action.
- 
- ▶ Strengthen and build effective partnerships across all spheres of government, with the private sector and social and development partners.
  - ▶ Address constraints to job creation both on the supply and demand side by maximising the allocation of resources within and outside of government to jointly identified priorities.

# Presidential Youth Employment Intervention

Achievements of the PYEI

## PYEI achievements to date: At the end of 2021/22



## Q1 2022/23

The National Pathway Management Network has facilitated the placement of **36 440 young people into earning opportunities on SA Youth** in the formal, informal economy and through public employment.

The Department of Higher Education placed **3373 TVET graduates and learners into opportunities for workplace experience**

The National Youth Service programme, supported by the employment stimulus, has been launched and to date has **created paid service opportunities for 35 000 young people.**

Detailed breakdown available on the PYEI dashboard : <https://www.stateofthenation.gov.za/presidential-youth-employment-intervention/tracking-progress-and-facilitate-learning>

# Presidential Youth Employment Intervention

## Introduction

# What the Presidential Youth Employment Intervention plans to achieve

The PYEI is contributing to the President's stated goal of creating 2 million new jobs for young people in this decade. It is pursuing results in the following outcome areas over the medium term:

- ▶ New demand is generated, and opportunities are aggregated and made visible for young people.
- ▶ An increasing number of young people are employed in the formal and informal economy, including through youth entrepreneurship.
- ▶ An increasing number of young people access opportunities for workplace experience, service and training. Young people seamlessly transition and navigate different pathways (within and beyond the PYEI, and across learning and work areas).
- ▶ An increasing number of enterprises are owned and managed by young people.
- ▶ An improved system (across government/non-government/private sector) enables opportunities for young people.

The PMO in the Presidency continuously monitors progress with implementation. Quarterly updates are published on the PYEI dashboard available here: [www.stateofnation.gov.za](http://www.stateofnation.gov.za)



# MTSF OUTCOMES

# MTSF Outcomes

**Priority 1:** A Capable, Ethical and Developmental State

**Priority 2:** Economic Transformation & Job Creation

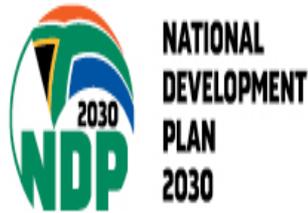
**Priority 3:** Education, Skills and Health

**Priority 4:** Consolidating the Social Wage through Reliable & Quality Basic Services

**Priority 5:** Spatial Integration, Human Settlements & Local Government

**Priority 6:** Social Cohesion & Safe Communities

**Priority 7:** A better Africa & World



- **Eradicate absolute poverty** – from 39% of people living below the poverty line of R419 (2009 prices) to zero.
- **Reduce unemployment rate to 6%** – by creating 11 million more jobs by 2030.
- **Significantly reduce inequality** from 0.69 to 0.60 gini coefficient through a range of policy interventions.

## AFRICA AGENDA 2063

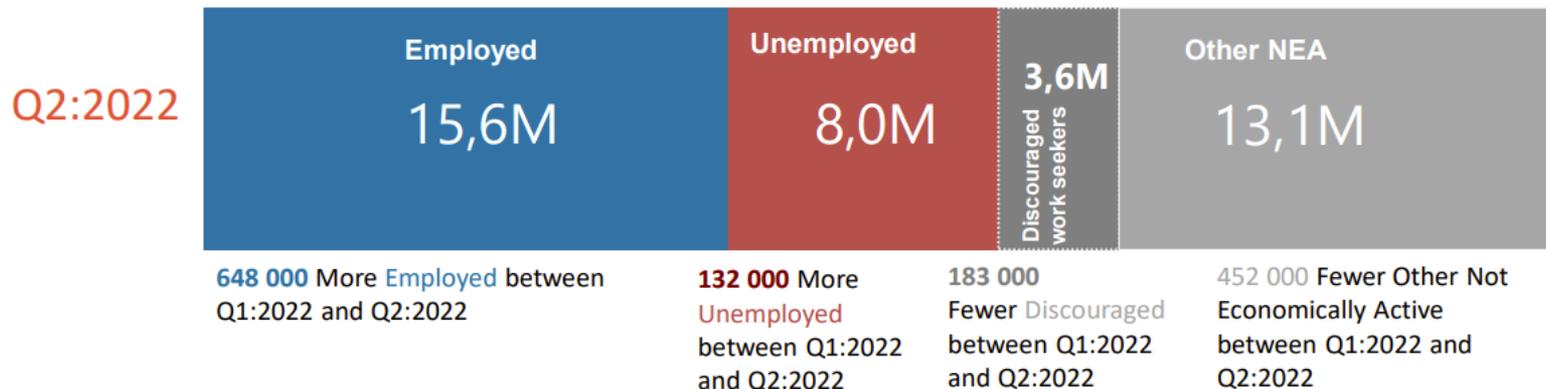
A prosperous Africa based on inclusive growth and sustainable development

## SDGs 2030

End poverty, protect the planet and ensure prosperity for all

# MTSF Outcomes

## Unemployment



# MTSF Outcomes

## Priority 2: Economic Transformation and Job Creation

Less than half of the targets on track	50%-74% of targets on track	75% or more of targets on track
<ul style="list-style-type: none"> <li>• More decent jobs sustained and created</li> <li>• Improved competitiveness through ICT adoption, research and innovation</li> <li>• Increased economic participation and access for women, youth and PWD</li> </ul>	<ul style="list-style-type: none"> <li>• Investing for accelerated inclusive growth</li> <li>• Reduced concentration and monopolies and expanded small business sector</li> </ul>	<ul style="list-style-type: none"> <li>• Industrialisation, localisation and export</li> </ul>

### CHALLENGES

- **sub-optimal performance** with 29 of the 55 interventions (52.7%) lagging behind on targets and less than half on track
- **GDP contraction** - After growing by less than 1% on average, GDP contracted by 6.4% in 2020 due to the COVID-19 pandemic
- **low business confidence since 2008** - poor implementation is impeding recovery and confidence. The lack luster approach to structural reforms continue to erode business confidence resulting in sustained low levels of investment and economic growth.
- **Failure to conclude enabling strategic programmes-** Broadband Connectivity, SA Connect, the Broadcasting Digital Migration auctioning of High Demand Spectrum.
- **decline in infrastructure investment;** contraction in real gross fixed capital formation (GFCF); delays in implementing government infrastructure projects & long-term stagnation in the construction industry.
- **inefficient & reliable transport** - Single Transport Economic Regulator (STER) Bill & funding model not finalized; poor state of road networks; rail modernization and upgrade programme affected by ongoing sabotage of the rail network.
- Slow progress registered on economic structural reforms

### REMEDIAL ACTIONS

- **Accelerate implementation of structural reforms** and ensure policy consistency with quick follow-throughs after policy announcements.
- **Reviewing collective bargaining framework** to accommodate SMMEs.
- Increase state capacity to address administrative inefficiencies and ensure rule of law as this underpins business and investor confidence.
- **Public Procurement Bill** should be expedited, as it expected to provide the Minister of Finance with enabling provisions to develop preferential procurement targets for previously disadvantaged groups.
- **Focus on gross capital fixed formation (GFCF).** Scale up infrastructure investment & create conducive environment for public & private investment.
- **Increase role of renewable energy (RE)** & independent power producers (IPPs) participation in energy generation
- investment in the road network & rail network; & safeguard public infrastructure from theft, vandalism & abuse of public infrastructure.
- **Finalization of key interventions:** Single Transport Economic Regulator Bill, auctioning of high demand spectrum (including the 5G policy direction), finalizing the digital migration programme, & GFIP funding model.
- **Continue implementation of the PYEI:** National Pathway Management Network, Demand Led Skills, Local Ecosystems Enablement, Revitalized National Youth Service

# MTSF Outcomes

## Priority 3: Basic Education, Skills and Health

Less than half of the targets on track	50%-74% of targets on track	75% or more of targets on track
<ul style="list-style-type: none"> <li>School physical infrastructure and environment that inspires learners to learn and teachers to teach.</li> </ul>	<ul style="list-style-type: none"> <li>Youths better prepared for further studies and the world of work beyond Grade 9</li> <li>Youths leaving the schooling system more prepared to contribute towards a prosperous and equitable South Africa.</li> </ul>	<ul style="list-style-type: none"> <li>Improved school-readiness of children</li> </ul>

### CHALLENGES

- Due to Covid-19 - Shifting of the allocation of budgets, human and material resources in the basic education and Post Schools Education and Training (PSET). Underfunding of CET colleges makes it impossible for the country to tackle the NEET challenge
- Mismatch of TVET and CET programs with labour needs, leads to unattractiveness of TVET college graduates to employers and Certification backlog impacts on access to employment
- Infrastructure**
  - Poor performing contractors lead to delays in completion of projects
  - Poor contract management by Implementing Agents allows delays
  - Communities protest preventing construction if they are not contracted
  - Budget reprioritisation to cope with COVID-19 away from infrastructure
  - Smaller constructors often experience cash flow problem
- Limited budget for SAConnect** resulting in slower connectivity of schools and licensing of telcos not making it a requirement to connect schools
- Funding for students**
  - Students scoring above 60% in Physical Science and Mathematics, is still very low with Science declining from 19,9% in 2019 to 15,28% in 2020. Number of students taking both subjects is still low
  - Student funding is not sustainable and is not covering the 'missing – middle'
  - AG concerned that more than 20% of cash shortfall is funded by next year's operational budget in EC, FS and NC, with EC having R1,03 Billion in unauthorized expenditure

### REMEDIAL ACTIONS

- The DBE and DHET must **strengthen its oversight role and apply consequence management** on contractors that fail to perform according to plan in dealing with infrastructure
- A **sustainable student funding** that covers the 'missing middle' for public Universities and TVET college students needs to be in place by the end of 2022 academic year. The new students funding program should include income contingency loans and incentives for private sector to support production of graduates
- increasing school connectivity** including reviewing the licensing conditions for Telcoms to include school connectivity
- More training and support for teachers to make Maths and Science attractive to more students at Foundation phase
- All TVET College **courses needs to be revised** to reflect current industry needs,
- Funding model that supports a re-imagined** Community Education and Training Colleges, needs to be put in place to tackle the increasing number of young people who join the rank of NEET.

# MTSF Outcomes

## Priority 3: Basic Education, Skills and Health

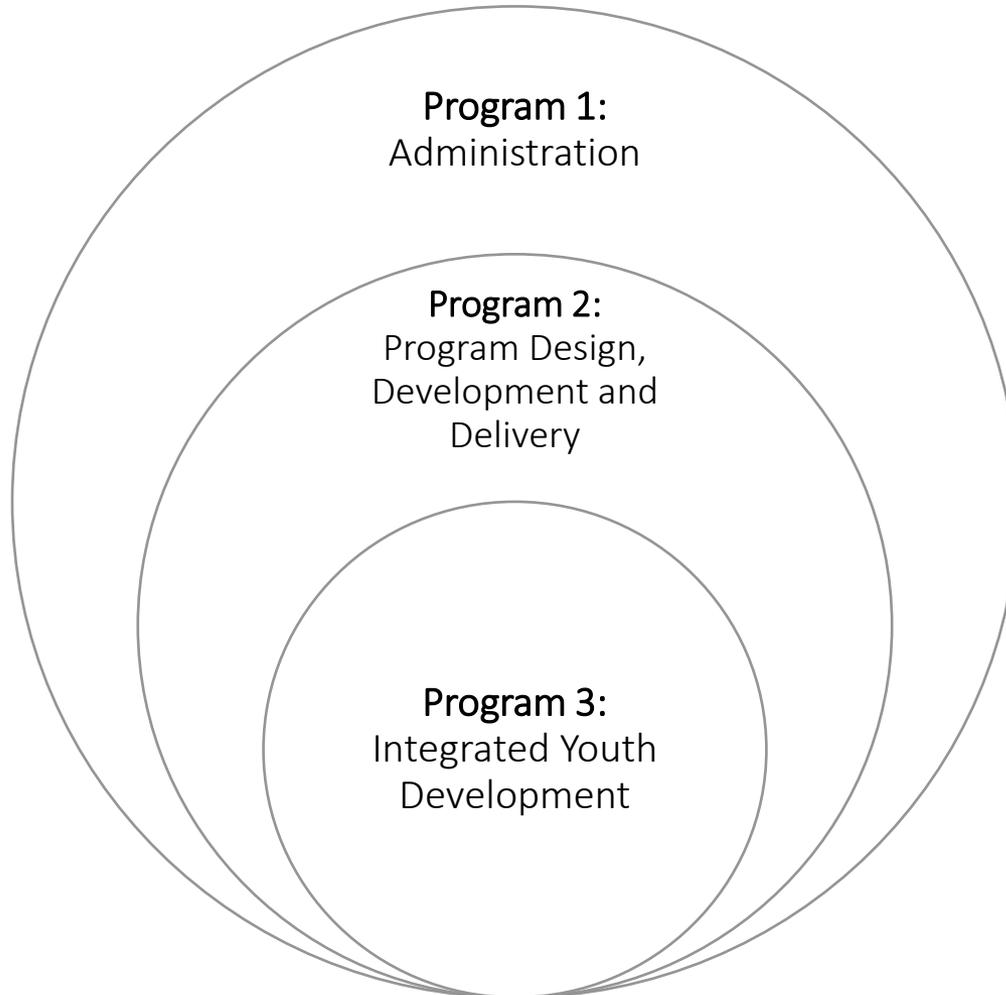
### Overview of performance

- Basic education indicators are moving in the positive direction, infrastructure remains a biggest challenge in the sector overshadowing progress the sector is making
- Skills development is moving in a positive direction, with efficiency a challenge especially in the throughput of TVET Colleges and stagnated enrolments, in addition to unsustainable student funding
- Evidence from both StatsSA and the South African Medical Research Council (MRC) illustrates that prior to the advent of Covid-19, health indicators such as life expectancy, the infant mortality rate, child-mortality rate and the maternal mortality ratio, were on a consistent trajectory of improvement. However, Milestones were also being attained towards the development of National Health Insurance, aimed at ushering universal health coverage. Covid-19 has impacted negatively on this progress.
- The MTSF 2019-2024 also entails a set of 12 interventions aimed at strengthening the health system and improving health outcomes by fortifying strategic health programmes, which carry 22 related targets.
- During the reporting period, the health sector achieved 8 of the set targets, whereas 8 were in progress and 6 were not attained within the specified period, or are unlikely to be achieved within the set time frames unless the current pace of delivery is accelerated.

# ANNUAL PERFORMANCE REPORT 2021 / 2022

# Annual Performance Report

## Program structure



# PROGRAM 1: ADMINISTRATION

# Annual Performance Report

## Program 1: Administration

Outcome	Output Indicator	2021/22 Target	2021/2022 Actual	Reasons for Variance
<b>An efficient and effective Agency characterised by good corporate governance and ethical leadership</b>	Number of NYDA Quarterly Management Reports produced	4	4	Annual target met
	Implemented Annual Workplace Skills Plan	Implement Annual Workplace Skills Plan	Implemented Annual Workplace Skills Plan	Annual target met
	Develop and implement Annual Procurement Plan and produce Quarterly Reports	Develop and implement Annual Procurement plan and produce Quarterly Reports	Developed and implemented Annual Procurement plan and produced quarterly reports	Annual target met

# Annual Performance Report

## Program 1: Administration

Outcome	Output Indicator	2021/22 Target	2021/2022 Actual	Reasons for Variance
<b>An efficient and effective Agency characterised by good corporate governance and ethical leadership</b>	Value of funds sourced from the public and private sectors to support the youth development programmes	R70 million	R683 million	Annual target met and exceeded due to stakeholders' willingness to partner with NYDA and the positive response to participate in the development of South Africa's youth. The Presidential Youth Employment Intervention allocation of R430 million contributed to the over-achievement.
	Number of SETA partnerships established	6 SETA partnerships established	6 SETA partnerships established	Annual target met
	Number of partnerships signed with technology companies.	2 partnerships signed with technology companies	2 partnerships signed with technology companies	Annual target met and exceeded due to stakeholders' willingness to partner with NYDA and the positive response to participate in the development of South Africa's youth

# Annual Performance Report

## Program 2: Program Design, Development and Delivery

Outcome	Output Indicator	2021/22 Target	2021/2022 Actual	Reasons for Variance
<b>An efficient and effective Agency characterised by good corporate governance and ethical leadership</b>	Review and implement ICT Strategic Plan	Review and implement ICT Strategic Plan indicating 50% achievement of ICT targets in the plan by end of the Financial Year	Reviewed and implemented ICT Strategic Plan indicating 50% achievement of ICT targets in the plan by end of the Financial Year.	Annual target met
	Review and implement Integrated Communication and Marketing Strategy	Review and implement Integrated Communication and Marketing Strategy	Reviewed and implemented Integrated Communication and Marketing Strategy	Annual target met
	Produce an NYDA Strategic Risk Register	Produce and approve the NYDA Strategic Risk Register by Ops Exco	Produced and approved the NYDA Strategic Risk Register by Ops Exco	Annual target met
	Annual report on partnerships established with Disability organizations to promote youth development	Produce annual report on partnerships established with disability organisations to promote youth development	Produced annual report on partnerships established with disability organisations to promote youth development	Annual target met
	Design and implement ERP modules in all NYDA programmes	Designed and implemented ERP modules in all NYDA programmes	ERP modules designed and implemented in all NYDA programmes	Annual target met

# Beneficiary story

## Thusano Fund Beneficiaries

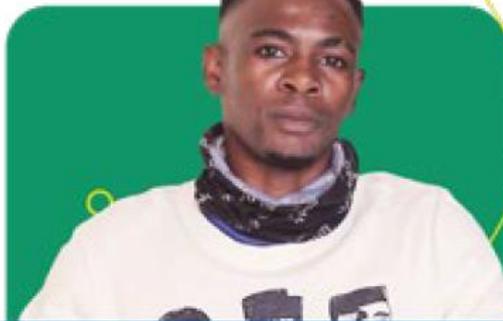
The Thusano Fund which means 'a helping-hand', was established to ensure a brighter future for South Africa's youth. The fund assists students with their day-to-day needs during their education and skills training journey.

The fund was established in 2014 and serves two primary purposes which are to support students who do not qualify for the National Student Financial Aid Scheme funding and those who cannot afford to cover all the costs of their tertiary education. Many of the students who have been assisted through the Thusano Fund are in debt or arrears with tertiary fees.

Since inception, the fund has unlocked funding to assist the students in their journey to complete their studies. NYDA is proud to play a role in enabling and supporting our country's youth to achieve their dreams



**Nelisiwe Sikhosana**  
BA Psychology and Marketing  
Thusano Fund



**Desmond Shiburi**  
BTech Public Management  
Thusano Fund



**Julian Zwane**  
BCom General  
Thusano Fund

# PROGRAM 2: PROGRAM DESIGN, DEVELOPMENT AND DELIVERY

# Annual Performance Report

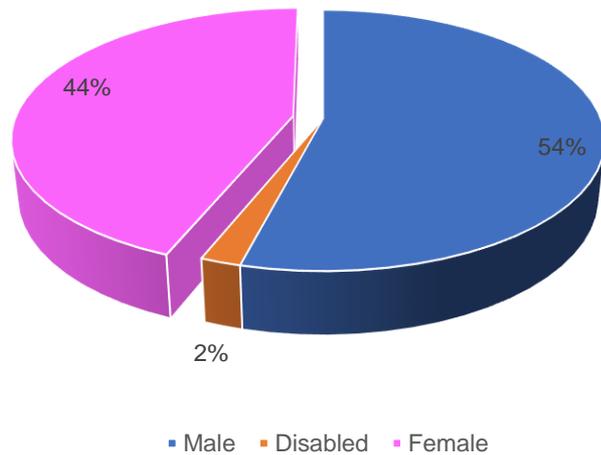
## Program 2: Program Design, Development and Delivery

Outcome	Output Indicator	2021/22 Target	2021/2022 Actual	Reasons for Variance
Increased access to socio-economic opportunities, viable business opportunities and support for young people to participate in the economy	Number of youth owned enterprises supported with financial interventions	2000	2005	Annual target met and exceeded as a result of catch -up plan and recent support from KZN Social Development Department
	Number of youth supported with non-financial business development interventions	20 000	23 267	Annual target met and exceeded as a result of a catch-plan developed in collaboration with local municipalities
	Number of jobs created and sustained through supporting entrepreneurs and enterprises	6 000	7652	Annual target met and exceeded as a result of a catch- plan developed in collaboration with local municipalities

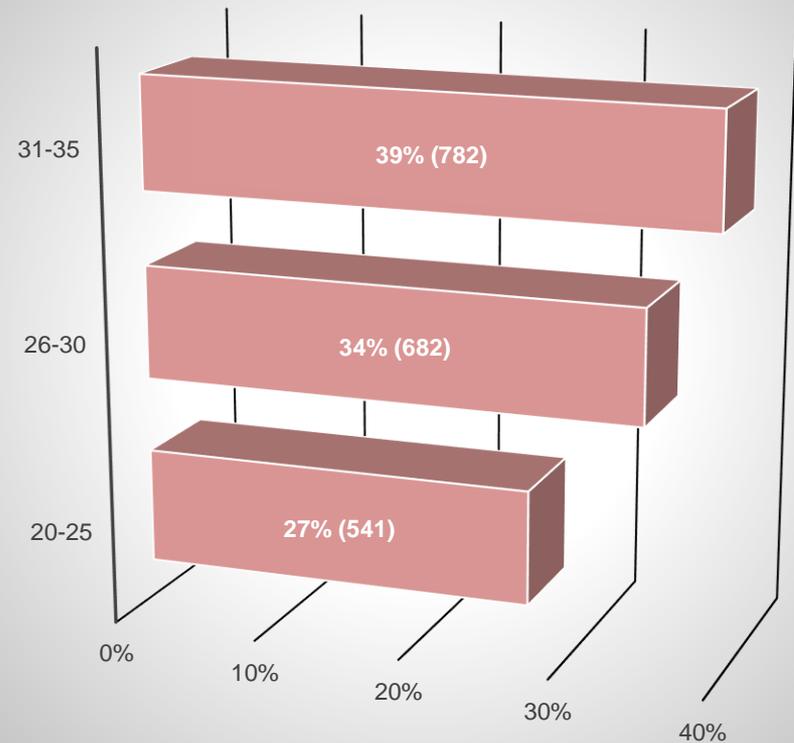
# Annual Performance Report

## Program 2: Program Design, Development and Delivery

Grant - Gender



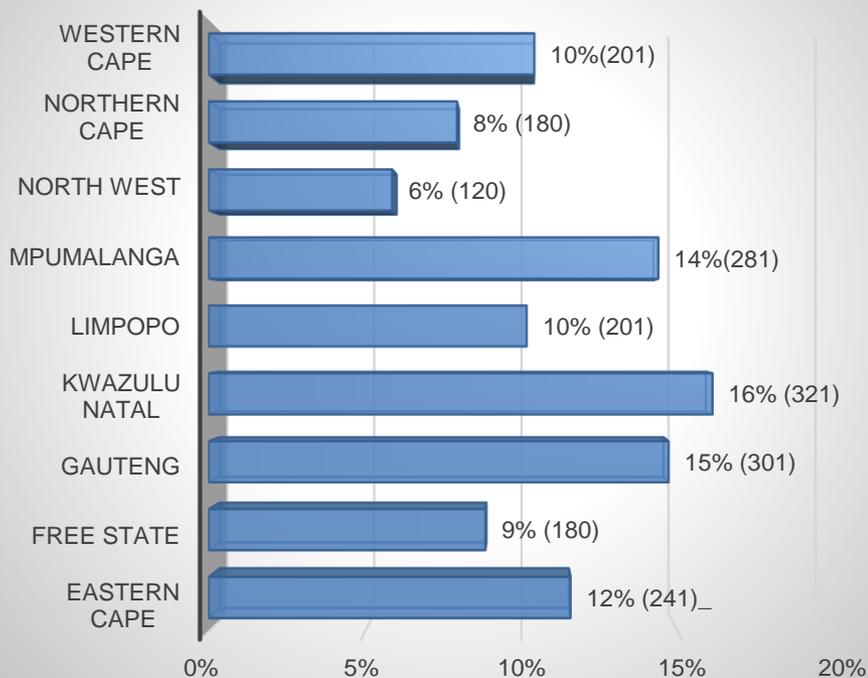
Grant - Age



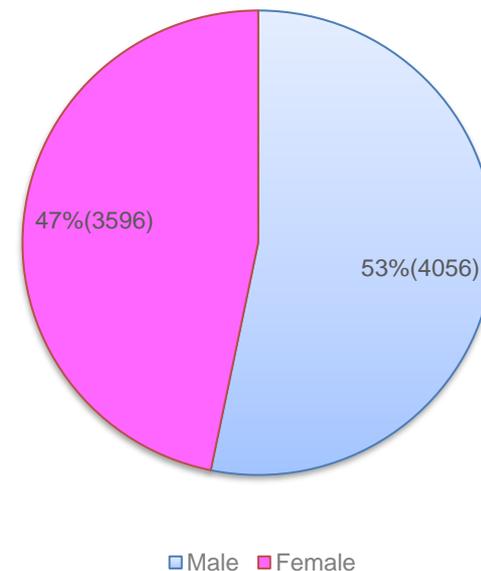
# Annual Performance Report

## Program 2: Program Design, Development and Delivery

### GRANT - SPATIAL DISTRIBUTION



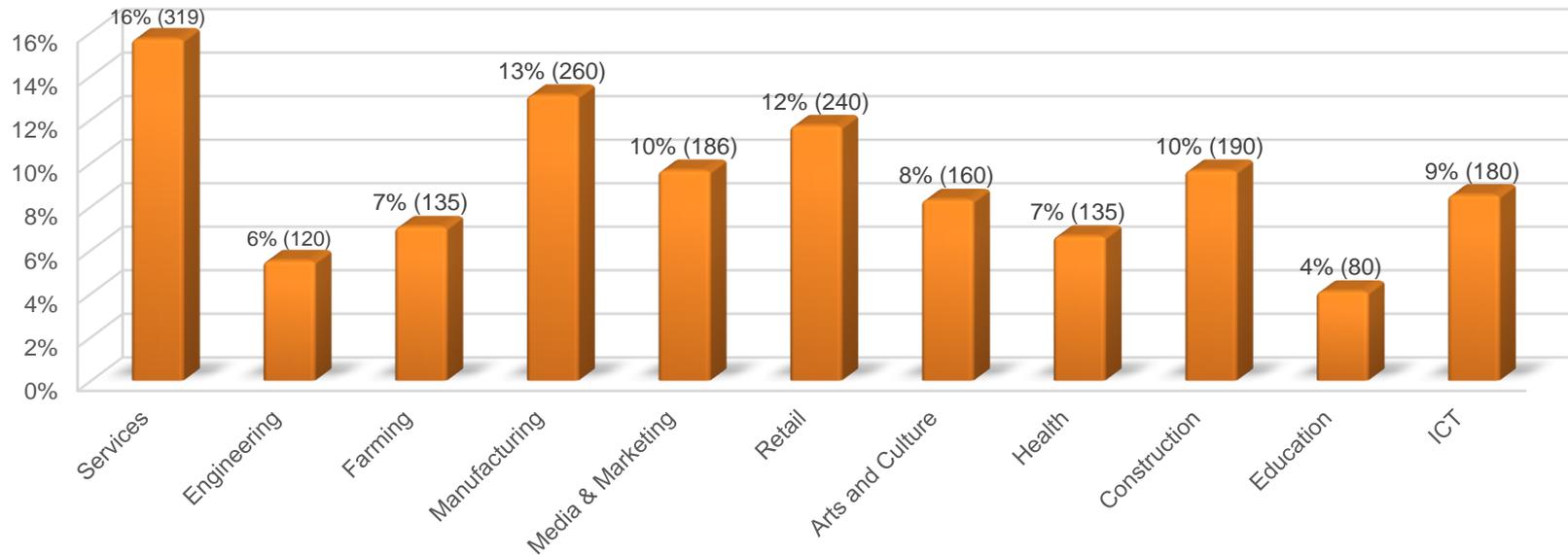
### JOBS CREATED AND SUSTAINED - GENDER



# Annual Performance Report

## Program 2: Program Design, Development and Delivery

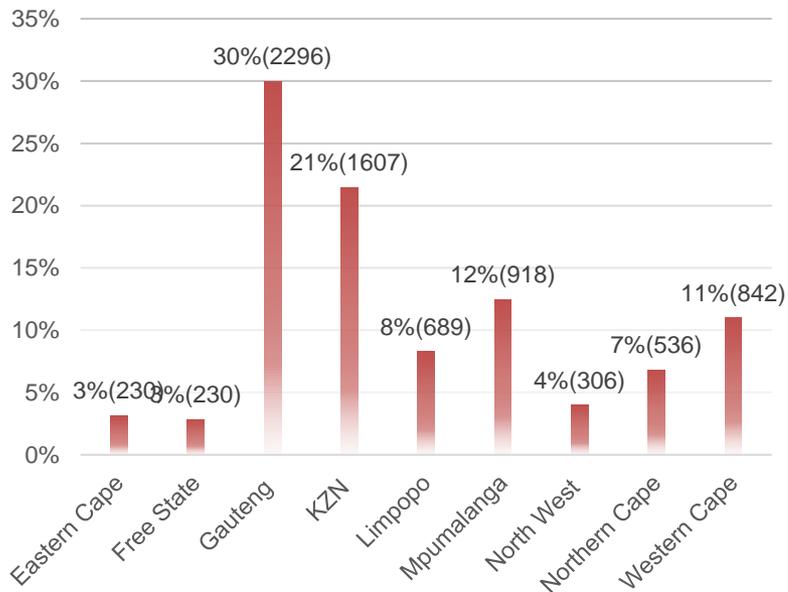
### Grants - Economic Sectors



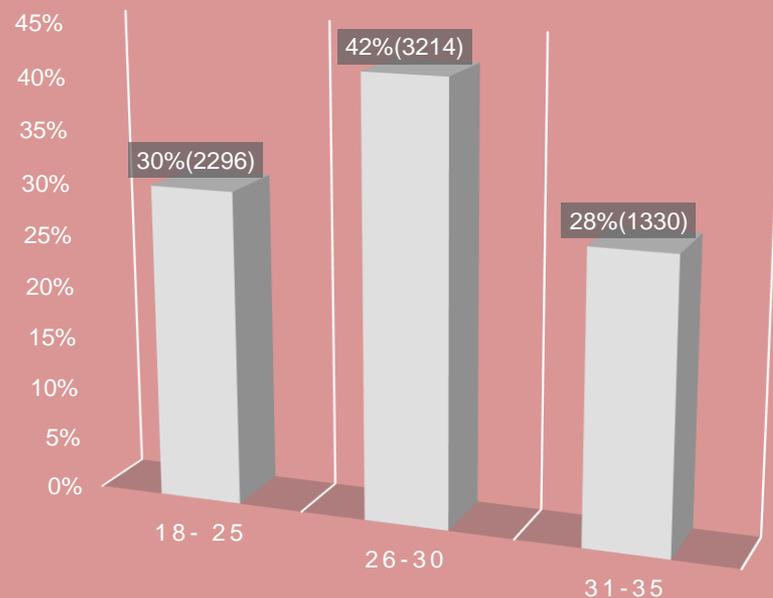
# Annual Performance Report

## Program 2: Program Design, Development and Delivery

### JOBS CREATED AND SUSTAINED- SPATIAL DISTRIBUTION



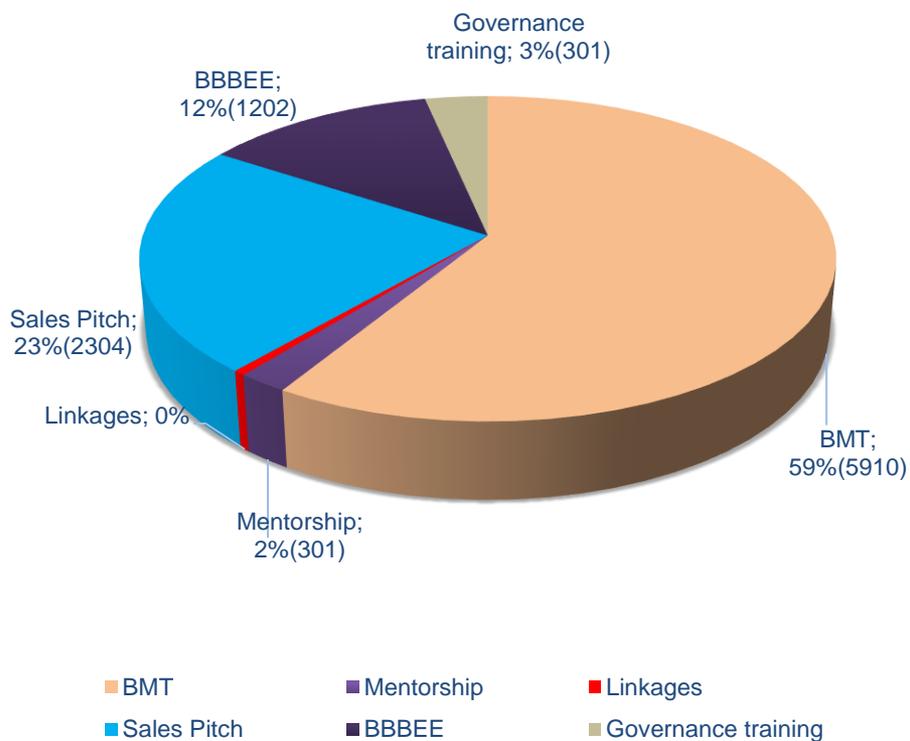
### JOBS CREATED AND SUSTAINED - AGE



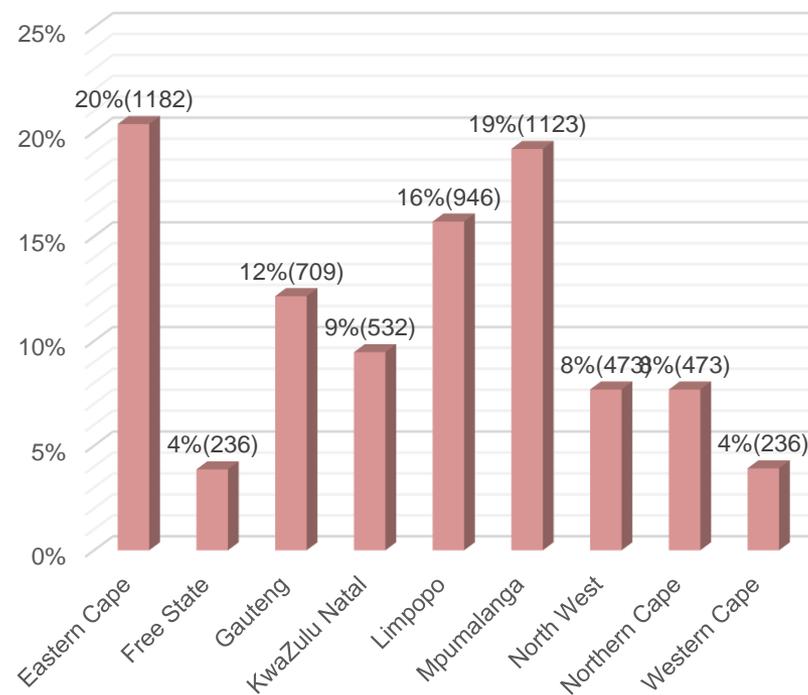
# Annual Performance Report

## Program 2: Program Design, Development and Delivery

### Non Financial services



### Business Management Training



# Beneficiary story

Previous

Next

## Grant Beneficiaries



**Nkululeko Ndlovu - Midland Mobile Services**

Nkululeko Ndlovu (30) is a diesel mechanic by profession. He is also the founder of Midland Mobile Services. Nkululeko received an opportunity from the uMngeni Municipality in partnership with the NYDA and Services SETA to further his education. He successfully obtained a Diesel Mechanic Certificate, and also received grant funding from the NYDA after undergoing the relevant application process. Midland Mobile Services offers panel beating, spray painting and mechanical services. This youth-owned enterprise has been able to create full time employment for three (3) people. Nkululeko's long-term goal is to open a workshop in his community and teach young people the skills to become mechanics.



**Kealeboga Victoria Tshikohvi - Tehilla Legacy (Pty) Ltd**

A Northern Cape young woman identified an opportunity as the call for renewable energy integration into the mainstream economy was intensified. Kealeboga Victoria Tshikohvi approached the NYDA for funding to purchase equipment for her company, Tehilla Legacy (Pty) Ltd, trading as Lamo Fuel. The main challenge was the inefficient biodiesel plant which needed adequate machinery. Her objective was to accelerate the utilisation of sustainable energy sources including supply of biodiesel in the Northern Cape region. Lamo Fuel is based in a village called Dikgweng in Kuruman. They also offer mobile services. The company has managed to increase their revenue due to assistance from the NYDA. Kea has been enabled to create work opportunities for two more people since her company continues to see growth.

# MARKET LINKAGES PROGRAMME

- The programme aims to link entrepreneurs to market access opportunities and provides capacity building on marketing of youth owned enterprises products and services
- We have partnered with National Electronic Media Institute of South Africa(NEMISA) to offer online digital marketing training which will enable business owners to better market their enterprises and create stronger market linkages.

## FASSET Speed Point Machines Partnership



## Cell phone repair program



# Market Linkages

## Limpopo Province

The National Youth development Agency (Sekhukhune District Center) in collaboration with the Tshwane University of Technology and MerSeta offered training session the “Appliances and Cell phone repairs “to 200 young people at Ga-Kgoete Village in Fetakgomo Tubatse Local Municipality. These are competency courses and include both theoretical and practical training .

### Objectives

The objective of the Smartphone Repair program is to develop skilled individuals that will be equipped to

- Understand the business skills required to operate a smartphone repair business and appliances
- Describe tools used in the dismantling and assembly process to repair smartphones
- Describe and apply fault finding techniques for common problems on smartphones and appliances
- Apply methods for dismantling, replacement of parts, and assembly of smartphones
- Apply methods for final functional testing of a smartphone and appliances

### Outcomes

On completion of the course, individuals were funded with equipment to open and operate a smartphone repair business. Forty-two individual businesses were funded (Rand value R420 000)

# Market Linkages

## FUNDING SUPPORT FOR SEKHUKHUNE TVET COLLEGE CAFETERIA AND TUCKSHOP OPERATORS

In 2021 Sekhukhune TVET College allowed college unemployed youth graduate to operator college cafeterias and tuckshops as their own business. The college Centre for Entrepreneurship Rapid Incubator was mandated to implement this programme and support these operators with the necessary business development support to ensure their success. During the assessment of these operator businesses the Centre recommended the following interventions amongst others;

1. Food safety training (currently being planned by the centre)
2. Costing and pricing training (currently being planned by the centre)
3. Scooters for delivery of orders (still looking for partners)
4. Point of sale systems (still looking for partners)
5. Speed point card machines (still looking for partners)
6. Renovation works to the facility (still looking for partners)
7. Compliance business licensing and health

Following up to the Centre's previous engagements with NYDA, the following 4 operators have been contracted for a period of 12 months from 1 July 2022 – 30 July 2023. The estimated rand value of contracts is R360 000 per annum respective. Four young people we linked with college cafeteria and tuckshop opportunity and 12 jobs created .

# Annual Performance Report

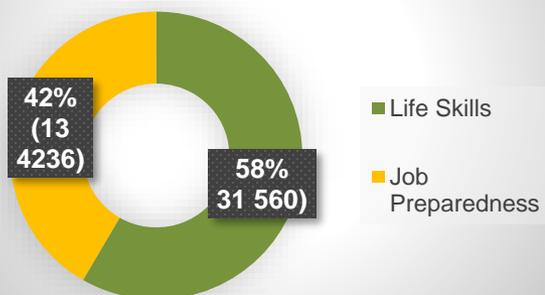
## Program 2: Program Design, Development and Delivery

Outcome	Output Indicator	2021/22 Target	2021/2022 Actual	Reasons for Variance
<b>Increased number of young people entering the job market trained</b>	Number of young people capacitated with skills to enter the job market	50 000	54 269	Annual target met and exceeded as a result of a catch- up plan developed in collaboration with local municipalities
	Participate on the National Pathway Management Network to facilitate youth job placement opportunities	Participate on the National Pathway Management Network to facilitate youth job placement opportunities	Participated on the National Pathway Management Network to facilitate youth job placement opportunities	Annual target met

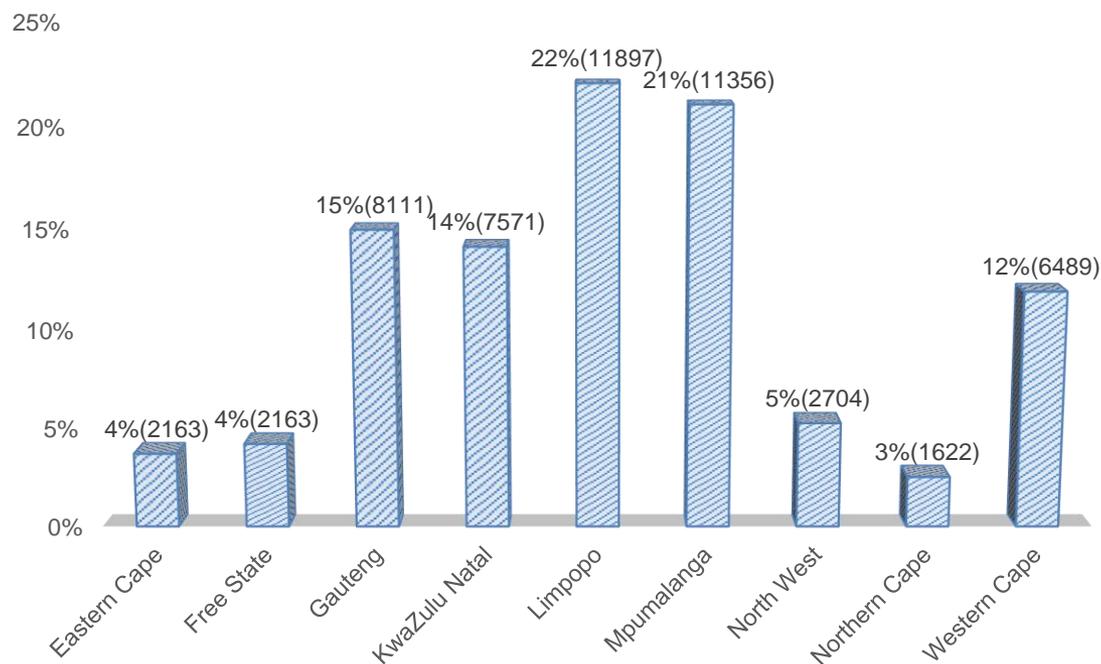
# Annual Performance Report

## Program 2: Program Design, Development and Delivery

### Life skills and Job Preparedness



### YOUNG PEOPLE CAPACITATED WITH SKILLS- SPATIAL DISTRIBUTION



# Annual Performance Report

## Program 2: Program Design, Development and Delivery

### NATIONAL YOUTH SERVICE

Increased co-ordination and implementation of NYS programmes across all sectors of society.	Number of organizations and departments lobbied to implement NYS	40	57	Annual target met and exceeded due to implementation of the catch-up plans and partnerships established with Municipalities and Provincial government.
	Produce an Annual Report on the National Youth Service program	Produce an Annual Report on the National Youth Service programme	Produced an Annual Report on National Youth service programme	Annual target met
	Number of young people participating in NYS Expanded Volunteer Projects	30 000	33 186	Annual target met

# Beneficiary stories - NYS

## NYS1/1292 – Enke: Youth 4 Service



- The project is recruiting 3000 unemployed youth aged between 18 and 35 years from disadvantaged households in four provinces and equipping them with “power skills” and an entrepreneurial mindset. This will increase their chances of accessing employment, enterprise, education, and training opportunities. Recruits are divided into youth volunteers placed with placement partners and independent youth volunteers working on their own identified projects from their communities. The provision of earned income through paid community services is a catalyst for breeding young people who value citizenship aspiration for their communities.
- Service sectors: Social Support Services, Solidarity and Care, Sports and Recreation, Community Works, Revitalization, and Greening programmes.
- Locations: Eastern Cape, Gauteng, Limpopo, Northern Cape.



## NYS1/1026 – SSCN: Sports for Social Change Network Africa

- Youth participants are trained to deliver community service activities in sport, recreation, and life skills advocacy to predominantly school-going learners.
- The aim is a healthy learning environment that will unlock the hidden potential in youth and inspire a positive life trajectory for both the youth participants and the community who are the recipients of the services.
- 4,260 young people (more than 80% of whom have special needs) from lower-income households are receiving valuable on-the-job project management and facilitation training whilst providing additional human resource capacity to the various partner NGOs/NPOs and will be readily available to support fitness health programmes beyond this initiative.
- Locations: Eastern Cape, Free State, Gauteng, KwaZulu Natal, Limpopo, Mpumalanga, Northern Cape, North-West, Western Cape.
- The SSCNA (Sport for Social Change Africa) is the main intermediary and works with five non-government agencies and Special Olympics South Africa (SOSA). Other partners include Altus Sport, Children of the Dawn, SCORE, Houtbay United FC and Tidimalong



# Beneficiary story

## CWP Beneficiaries

The CWP continues to be a key instrument of community development. Many beneficiaries have been positively impacted, communities have been uplifted and skills have been acquired. Below are some of the CWP beneficiaries in Mpulamanga Province.

Nkangala



Govan Mbeki



# PROGRAM 3: INTERGRATED YOUTH DEVELOPMENT

# Annual Performance Report

## Program 3: Integrated Youth Development

Outcome	Output Indicator	2021/22 Target	2021/2022 Actual	Reasons for Variance
<b>Produce research reports which influences change in youth sector and build sustainable relationships</b>	Number of Impact programme evaluations conducted	2	4	Annual target met and exceeded due to additional budget allocated to conduct two additional evaluation studies
	Develop a discussion document on youth development in the country	Develop a discussion document on youth development in the country	A discussion document on youth development in the country developed	Annual target met
	Produce Annual Report on Integrated Youth Development Strategy	Produce Annual report on Integrated Youth Development Strategy	An Annual Report on Integrated Youth Development Strategy developed.	Annual target met
	Number of youth status outlook reports produced	3 youth status outlook reports produced	Produced 3 youth status outlook reports	Annual target met

# Annual Performance Report

## Program 3: Integrated Youth Development

- Internally Monitoring and Evaluation produced credible numbers and a dashboard of results that Management and the Board of Directors can rely upon.
- External M&E conducted four external evaluations during the previous financial year which are as follows:
  1. Evaluation on the Youth Micro Enterprise Relief Fund.
  2. Wave 4 evaluation on the NYDA Grant Program
  3. TYPP Evaluation
  4. Impact of social relief of distress grants on young people

# Annual Performance Report

## Program 3: Integrated Youth Development

- The DWYPD is tasked with the amendment of the NYDA Act. The NYDA Board has received a presentation on the amendment of the NYDA Act and is satisfied with the process undertaken and the amendments proposed. The process is now with the legislature.
- We will continue to support the process of the amendment of the NYDA Act as it moves through Parliament.
- We are supporting the research in terms of the basic package of support for young people with the Labor Development Institute at UCT.
- We collaborate with Harambee on the quarterly Breaking Barriers report which is a comprehensive analysis of the Quarterly Labour Force Survey, released to government, business and labour stakeholders.

# INTERGRATED YOUTH DEVELOPMENT STRATEGY

# Integrated Youth Development Strategy

## Integrated Youth Development

- The Integrated Youth Development Strategy has been approved by Cabinet in June 2022 after a thorough consultation process inclusive of young people, business, government, Parliament, civil society and organised labour. The Integrated Youth Development Strategy is aligned to the National Development Plan and the National Youth Policy 2030.
- The Integrated Youth Development Summit was held in May 2022 to report back on the 2021 progress on the Integrated Youth Development Strategy. The summit was held with 250 youth sector stakeholders in attendance across the public sector, private sector and civil society.
- The Integrated Youth Development Strategy (IYDS) seeks to put young people at the heart of the country's youth development agenda.
- The strategy creates a framework within which all youth related work in South Africa can be coordinated and linked, to build relationships, foster information-sharing, avoid duplication and ultimately maximize impact.
- The strategy has five key pillars which include economic transformation, education and skills development, health, social cohesion, and an effective youth development machinery. In the main the IYDS will aim to drive accountability in the system in ensuring that government meets its commitments to young people.

# Integrated Youth Development Strategy

## Integrated Youth Development

The objectives of the Integrated Youth Development Strategy are to:

- The IYDS provides practical blueprint for implementation of the National Youth Policy 2030.
- The IYDS reflects the PYEI and the youth commitments in the Medium Term Strategic Framework.
- In the prior year, we held a consultation with the youth sector on the IYDS.
- Allows us to consider progress in-depth outside of specific events like SONA, Budget, QLFS.
- Allows for the consideration of government policy across all the thematic areas of youth development.
- Positions the NYDA as the thought leaders on youth development.
- Allows the NYDA to position itself to investors.

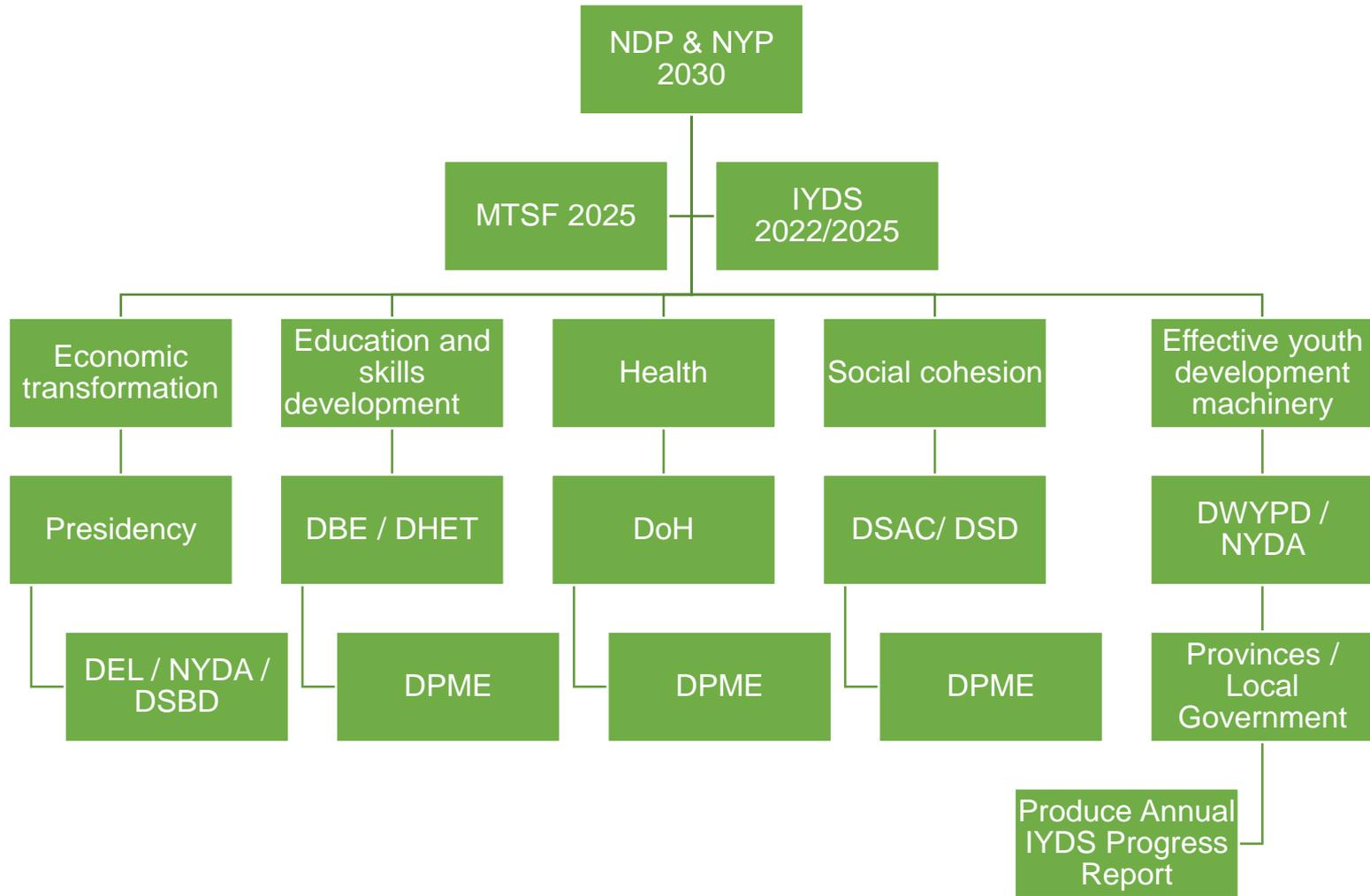
# Integrated Youth Development Strategy

## Integrated Youth Development

Line item	Status
Assessed the youth development landscape in South Africa.	Completed
Reviewed key documents including, but not limited to The 25-Year Review, Manifesto, MTSF, MTEF etc.	Completed
Engaged the key Departments and Entities directly involved in youth development.	Completed
Consulted business, civil society, organized labor, and youth formations. e.g. SAUS, Youth in Business, Persons with Disabilities, SAYC and youth religious groups etc.	Completed
Published the first draft IYDS for public comments and inputs.	Completed
Consulted provincially, nationally and locally.	Completed
Consulted the Legislature	Completed
Integrated inputs and comments made and published the final draft version.	Completed
Submitted to the Executive Authority for review	Completed
Presented to the Cabinet Clusters	Completed
Facilitated approval by Cabinet .	Approved by President

# Integrated Youth Development Strategy

## Integrated Youth Development



# YOUTH WITH DISABILITIES

# Youth with disabilities

## Strategic focus

- NYDA developed a strategy on disability which was implemented during the financial year 2021/22.
- This plan will assist in building awareness amongst young persons with disabilities and link them to products and services of the NYDA and to wider government.
- Dedicated branch training officers in each branch was trained on disability.
- NYDA will create an enabling environment that would promote the full participation of youth with disabilities in the NYDA programs.
- Develop proper mechanisms and capacities that would facilitate the integration of youth with disabilities.
- Identify and eliminate barriers to participation and development in economic opportunities.
- Establish and maintain partnerships with relevant internal and external stakeholders that are capable and qualified of advancing the development of youth with disabilities in the society.
- Produced an Annual Report on partnerships established with Disability organisations to promote youth development.
- Capital budget set aside to upgrade facilities for access of youth with disabilities.
- Budget for printing of training manuals in braille and for sign language interpreters.
- We have allocated specific quantitative targets on all programs for youth with disabilities
- The NYDA will continue to make inroads in the disability sector in accordance with the disability strategy.

# Youth with disabilities

## Partnerships

- Signed MOU with South African Blind Youth Organisation (National)
- Draft MOU with Albinism renaissance forum (GP)
- Rzwamisani Special school (Limpopo) -MOU being drafted
- Fulufhelo special School-Limpopo (MOU drafted)
- Disability Rights Matter (MOU Drafted-WC)
- Discussions underway Vukhambe Special School-EC, EL)
- Dialogue with SABYO, Blind SA
- Webinar to commemorate disability day
- Disability sector participated in the international events (BRICS, IBSA, SA-Nigeria Dialogue, UNESCO etc)

# ANNUAL FINANCIAL STATEMENTS 2021 / 2022

# Annual Financial Statements

## Current year background

- The NYDA budget for the financial year 2021/22 was initially approved at R507 million.
- An additional allocation of R430 million was received from National Treasury for the implementation of the Presidential Youth Employment Intervention and to upscale the enterprise development programme from 1000 to 2000 youth enterprises.
- The Annual Performance Plan was subsequently revised to cater for the additional targets.
- Given the amount of work required before the PYEI programme can start, from Fund Management and recruitment of participants for the program, contracting of implementing agents was finalized on March. This has resulted in the budget of the project funds being unspent as at 31 March 2022.
- National Treasury has approved a rollover request for funds committed at the end of 2021 / 2022.
- The NYDA did not make use of consultants during the financial year 2021/22.
- The annual financial statements for the 2021/22 financial year were prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and on an accrual basis of accounting

# Annual Financial Statements

## Financial position

The financial position aims to present the assets and liabilities of the entity for 2021/22 financial year

## Assets

- Receivables from exchange are made up of sundry debtors, prepayments, bank interest receivable and outstanding insurance payout. The majority of balance being prepayment which relates to software licenses and insurance premiums of R2.8 million at year end.
- Receivables from non-exchange are mainly to amounts outstanding from our donors. The increase mainly due to an increase in funds transferred to the PYEI fund manager for implementation of the NYS – PYEI project. Work done on the CWP project also contributed to the increase. Majority of non- refundable receivable relates to GTAC-Jobs fund that has been transferred for the execution of the PYIE –project as of year end.
- Cash and cash equivalents also shows a significant increase due to special grant/allocation received for the PYEI project which remained committed at year end.

# Annual Financial Statements

## Financial position

- Property, plant and equipment has reduced compared to prior year due to a reduction on capital acquisitions in current year and the depreciation costs raised against cost in current year.
- Intangible assets have slightly increased due to milestone payments made for the ERP modules that are under development. It is worth noting that the ERP modules that are in use have been reclassified from software under development to systems developed inhouse and in use and is thus subsequently being amortised from July 2021 when system went live.
- There is also a slight increase in rental deposit due to new leases for branches that were concluded during the year ender review

# Annual Financial Statements

## Liabilities

- Payables from exchange transactions have increased from prior year, this increase is due to the increased budgeted spend requirements when compared to prior year.
- Employee cost provisions are mainly made up of contractual commitments to employees in terms of organizational policies and the employment policy.
- Deferred income relates to unspent donor funding income at year end. There's been a decrease in deferred income when compared to prior year.
- Deferred expenses relates the accounting straight lining of the operating leases. The increase is mainly due to new leases that were entered into during/end of 2020/21 resulting in higher expense in current year compared to prior year when old leases had come to an end (amortisation cost was lower).

# Annual Financial Statements

## Statement of Financial Position as at 31 March 2022

	Note	2022 R'000	2021 R'000
<b>Assets</b>			
<b>Current assets</b>			
Receivables from exchange transactions	2	4 293	3 462
Receivables from non-exchange transactions	3	209 217	12 698
Cash and cash equivalents	4	296 326	37 917
		<b>509 836</b>	<b>54 077</b>
<b>Non-current assets</b>			
Equipment	5	36 175	42 510
Intangible assets	6	23 433	23 140
Loan receivables from exchange transactions	7	0	-
Rental deposit		5 394	5 022
		<b>65 003</b>	<b>70 672</b>
<b>Total assets</b>		<b>574 839</b>	<b>124 748</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Finance lease obligation	8	632	421
Payables from exchange transactions	9	50 298	32 976
Employee cost provisions	10	17 835	4 816
Deferred income	11	7 890	16 622
Deferred expenses	12	2 236	939
		<b>78 891</b>	<b>55 773</b>
<b>Non-current liabilities</b>			
Finance lease obligation	8	618	399
Deferred expenses	12	4 863	8 244
		<b>5 481</b>	<b>8 643</b>
<b>Total Liabilities</b>		<b>84 372</b>	<b>64 416</b>
<b>Net Assets</b>		<b>490 466</b>	<b>60 332</b>
Accumulated surplus		490 466	60 332

# Annual Financial Statements

## Revenue

- Grant income has increased due to additional special allocation received from National Treasury for the PYEI – project .
- Donor funds also increased due to an increase in number of partnerships entered into in 2021/22 financial year.
- Interest income increased in line with the high cash balances on hand throughout the year in line with above received funds. Included in interest income is interest accrued from outstanding loans; which is subsequently provided for impairment.
- Other income mainly relates to project management fees. The percentage charge varies per agreement. There is a significant decrease from prior year due to income from insurance claim received in the prior year.

# Annual Financial Statements

## Expenditure

- Increase in donor funding disbursements is linked to donor funds received.
- Grant disbursements increased due to increased budget for funding youth enterprises. Surplus funds from other activities were also redirected to fund grants accruals.
- Overall expenditure has increased compared to the prior year due to increased budget, upscaling of projects and targets. The easing of lockdown regulations due to covid-19 pandemic has improved the organization's operations.
- From the total revenue allocated for FY 2021/2022 only 21% was spent on Employee cost/salaries. Salaries make up 38% of total expenditure.

# Annual Financial Statements

## Statement of Financial Performance

	Notes	2022	2021
Revenue		R'000	R'000
<b>Revenue from exchange transactions</b>			
Interest income	14	5 823	3 076
Other income	15	1 168	7 527
Gain on disposal of assets and liabilities		16	94
		<b>7 007</b>	<b>10 697</b>
<b>Revenue from non-exchange transactions</b>			
<b>Transfer revenue</b>			
Grant income	16	900 962	367 820
Donor funding income	23	50 261	27 938
		<b>951 223</b>	<b>395 758</b>
<b>Total revenue</b>		<b>958 230</b>	<b>406 455</b>
<b>Expenditure</b>			
Operating expenses	17-22	(151 795)	(129 358)
Donor funding disbursements	23	(50 261)	(27 938)
Finance costs		(81)	(54)
Project disbursements	25	(232 257)	(197 922)
Grant disbursements	24	(93 703)	(55 940)
<b>Total expenditure</b>		<b>(528 096)</b>	<b>(411 212)</b>
<b>Surplus / (Deficit) for the year</b>		<b>430 134</b>	<b>(4 756)</b>

# Annual Financial Statements

## Statement of Budget against Actual

- The entity's actual spent is within the approved budget.
- Explanations for material budget variance above the 10% threshold has been provided- as per AFS note 35.

# Annual Financial Statements

Statement of Budget against Actuals	Approved Budget	Adjustments	Final budget	Actual amounts on comparable basis	Difference between final budget and actual
	000	000	000	000	000
<b>Statement of Financial Performance</b>					
<b>Revenue</b>					
<b>Revenue from exchange transactions</b>					
Interest and loan income	3 000	-	3 000	5 823	(2 823)
Other income	-	4 769	4 769	1 168	3 601
Gains on disposals of assets	-	-	-	16	(16)
<b>Total revenue from exchange transactions</b>	<b>3 000</b>	<b>4 769</b>	<b>7 769</b>	<b>7 007</b>	<b>762</b>
<b>Revenue from non-exchange transactions</b>					
Transfer revenue Department of Women, Youth and Persons with Disabilities	470 962	0	470 962	470 962	0
Grant Income - PYEI Special transfer	-	430 000	430 000	430 000	0
Donor funded income	33 358	32 945	66 302	50 261	16 041
<b>Total revenue from non-exchange transactions</b>	<b>504 320</b>	<b>462 945</b>	<b>967 264</b>	<b>951 223</b>	<b>16 041</b>
<b>Gross revenue</b>	<b>507 320</b>	<b>467 713</b>	<b>975 033</b>	<b>958 230</b>	<b>16 803</b>
<b>Expenditure</b>					
Administration and Overheads	65 273	(8 213)	57 061	52 801	4 259
Communications and Public Relations	16 446	2 704	19 150	11 788	7 361
Employee costs	187 159	9 440	196 598	199 913	(3 314)
Information Technology	30 446	(450)	29 996	24 664	5 331
Audits	6 425	55	6 480	6 765	(285)
Capacity Building	31 248	(25 618)	5 630	1 443	4 187
Legal Fees	1 250	-	1 250	2 137	(887)
Research	500	-	500	180	320
Risk	2 738	-	2 738	1 666	1 073
Workshops Travel and Accommodation	31 764	494	32 258	24 630	7 628
Interest Paid	-	-	-	81	(81)
Project Disbursements	25 448	19 672	45 121	36 783	8 337
Impairment, write off, depreciation, amortisation	-	-	-	17 420	(17 420)
Donor funded expenditure	33 358	32 945	66 302	50 261	16 041
Grant disbursements	54 942	32 144	87 086	93 703	(6 616)
Transfer Payments - PYEI - NYS	-	400 000	400 000	3 861	396 139
<b>Total expenditure</b>	<b>486 996</b>	<b>463 173</b>	<b>950 169</b>	<b>528 096</b>	<b>422 073</b>
Capital expenditure	15 250	8 000	23 250	10 381	12 869
Contingency Reserve	5 073	(3 460)	1 613	-	1 613
<b>Gross expenditure</b>	<b>507 319</b>	<b>471 173</b>	<b>975 033</b>	<b>538 477</b>	<b>436 555</b>

# Annual Financial Statements

## Donor funds

<b>23. Donor funding income and disbursements</b>	<b>2 022</b>	<b>2 021</b>
	<b>R'000</b>	<b>R'000</b>
The respective donor funding disbursements are as follows:		
Prince of Wales	-	220
Department of Sports Arts and Culture - The Young Patriots Programme	13 911	7 337
Department of Sports Arts and Culture - Youth Day	-	677
Flemish government	596	1 998
Services SETA Artisan Training Programme	1 653	2 010
Kwa-Zulu Natal DSD	463	0
Services SETA Apprenticeship Programme	9 845	10 723
Department of Small Business Development - BRC	-	169
Department of Small Business Development - 1000 Grants	- 4	3 956
Department of Cooperative Governance- CWP	22 727	-
Sedibeng District Municipality	122	200
Chemical Industries Education and Training Authority (CHIETA)	-	480
Service SETA (RURAL GRANT)	949	168
	<b>50 261</b>	<b>27 938</b>

# Annual Financial Statements

## Grant disbursements

Additional allocation received for funding of Youth enterprises has resulted in 67% increase in grants disbursements when compared to the prior year.

<b>24. Grant disbursements</b>	<b>2022</b>	<b>2021</b>
	<b>R'000</b>	<b>R'000</b>
The respective grant disbursements are as follows:		
Grant disbursements – individuals and cooperatives	93 703	45 697
Grant disbursements – special projects - YRF	-	10 243
	<b>93 703</b>	<b>55 940</b>

# Annual Financial Statements

## Commitments

- Capital commitments of R24 million were reported as at 31 March 2022. These commitments are made up of computer equipment, vehicles and office furniture.
- The entity also reported contractual commitments to the value of R396 million, which is related to the implementation of the PYEI through the revitalised National Youth Service programme.
- These commitment is to make use of the R400 million allocated by national treasury of which at year end R185 million was disclosed as a receivable for expected services from GTAC-Jobs funds. The Agency has a commitment to ensure payment and execution to the value of R396 million is done successfully through the NYS (National Youth Services) in 2022/2023

# Annual Financial Statements

## Commitments

<b>28. Commitments</b>	<b>2022</b>	<b>2021</b>
	<b>R'000</b>	<b>R'000</b>
<b>Capital Commitments</b>		
Leasehold Improvements	-	361
Computer equipment	21 672	-
Vehicles	1 486	-
Office Furniture and Fittings	1 589	-
	<b>24 748</b>	<b>361</b>
	<b>R'000</b>	<b>R'000</b>
<b>Contractual Commitments</b>		
PYEI - NYS project	396 100	-
	<b>396 100</b>	<b>-</b>

# Annual Financial Statements

## Unauthorized, irregular, fruitless and wasteful expenditure

- There is no irregular nor fruitless and wasteful expenditure reported in the year under review.
- The NYDA did not incur any unauthorized expenditure.
- No cases of financial misconduct were detected by internal or external audit.
- There are no events after 31 March 2022 to date that would affect the financial statements of the entity.
- There were no related party transactions between the NYDA and DWYPD other than the revenue from transfers.
- There were no related party transactions between the NYDA, the board and key management personnel.
- All transactions with the related parties are concluded on an arms-length basis.

# Annual Financial Statements

## Contingencies

- Contingent liabilities relates to legal disputes and potential claims against the entity. Current year exposure is R1.3 million, consisting of two employment matters and one relating to grants and voucher application dispute.
- The Agency has in issue R11 million vouchers which have not been finalized as at the end of the reporting period. And are contingent as to the process and finalizing time frame is unknown, hence not accrued but contingent liability.
- There were no contingent assets in the current financial year.

# Annual Financial Statements

## Going concern

- The National Youth Development Agency (NYDA) is considered by to be a going concern after consideration of the following factors:
- The Agency's total assets exceed total liabilities.
- The Agency has accumulated equity surplus reserves over the previous financial years.
- The Agency holds sufficient cash reserves to meet debt obligations as they become due and payable.
- The Agency has received an allocation of R681 million from the Department of Women, Youth and Persons with Disabilities which will fund operations and projects for the 2022/2023 financial year.
- The NYDA is established by an Act of Parliament with an aim to achieve a specific government mandate of youth development. Parliament has not given any indication of changing the delivery method on youth development and there are no indications that suggest they will do so in the foreseeable future. (The National Youth Development bill is still under review)
- The NYDA holds within its budget a R4.8 million contingency reserve which can aid in respect of any unforeseen budget deficit.
- NYDA can thus pay it's creditors month on month when the payments become due and payable within the next 12 months-hence going concern assumption appropriate.

# Audit report 2021 / 2022

## Last five years audit outcomes

Financial year	Audit outcome	Irregular expenditure	Fruitless and wasteful expenditure
2017 / 2018	Clean	R 91 000	R3 000
2018 / 2019	Clean	R -	R -
2019 / 2020	Clean	R -	R -
2020 / 2021	Clean	R -	R -
<b>2021 / 2022</b>	<b>Clean</b>	<b>R -</b>	<b>R -</b>

# Audit Report

- The NYDA has achieved its 8th consecutive clean audit for the financial year 2021/22.
- The opinion from the audit report is, the financial statements presents fairly, in all material aspects, the financial position of the entity as of 31 March 2022.
- There were no material findings on the performance information as per paragraph 14 of the audit report.
- Paragraph 16 states that there were no material findings on the compliance with legislation.
- Paragraph 21 states that the Auditor General did not identify any significant deficiencies in the internal controls of the entity.
- The Auditor General reported in the management report 16 audit findings; 12 of the reported findings were resolved during the audit process.
- The NYDA has developed an audit action plan to address audit findings reported in the management report.
- There were two matters flagged in the Management Report which we bring to the attention of the Committee.

# Recommendations from AGSA

Matter	Finding	Implementation plan
<b>Human Resource Management</b>	Vacancy rate of organisation exceeds 10%	<p>The vacancy rate remains a high concern to management. However, the impact of the pandemic cannot be understated, which resulted in the wiping off R145 million from the NYDA budget and interrupted managements three-year strategy of the filling of vacancies. Post the pandemic the vacancy rate has already reduced fundamentally from 24% - 17% which shows that as things normalise, the organisation will be able to adhere to the under 10% prescribed rate. Management has implemented a two-pronged process to the reduction of the vacancy rate:</p> <ul style="list-style-type: none"> <li>•The NYDA has received funding from the Public Sector Training Authority (PSETA) to fill all vacancies at entry level and funding from the Unemployment Insurance Fund to fill vacancies in respect of Business Development Advisors.</li> <li>•The Board has approved a critical vacancy list to be filled which have already been advertised and are already in the process of recruitment.</li> </ul> <p>Management is confident that these mechanisms will allow the vacancy rate to be reduced under 10% by 30 September 2022</p>
<b>Information, Communication and Technology</b>	Findings in respect of legacy NYDA systems	<p>Management has taken a deliberate decision to not fund existing legacy systems and to rather fast track the implementation of our Enterprise Resource Planning system. The ERP system has gone live in the organisation in July 2021 and is being used fully across all business units and by external users except for in finance department where the implementation is still in progress. External audit will conduct their review of the ERP system in the 2022/2023 audit cycle. Management is confident that the implementation of the ERP and the design and internal control of the system will take the organisation to green status on ICT.</p>

# Human Resources

# Human Resources

## Staff complement

Position	Number of positions	Filled	Male	Female	Vacant
Executive Management	7	6	2	4	1
Senior Management	10	8	3	5	2
Managers	29	20	13	7	9
Specialist	86	71	35	36	15
Trainer	53	46	17	29	7
Business Development Advisors	66	55	27	28	11
Frontline Consultant	9	9	4	5	0
Outreach Officer	13	12	11	1	1
Other Officers	56	54	17	37	2
Branch Administrators	75	52	16	36	23
Head Office Administrators	9	7	3	4	2
Receptionist	23	16	6	10	7
Housekeeper	67	62	15	47	5
Security	9	9	6	3	0
<b>Total</b>	<b>512</b>	<b>427</b>	<b>175</b>	<b>252</b>	<b>85</b>
<b><i>Vacancy Rate as at 1 April 2022</i></b>	<b>16.0%</b>				
<b><i>Projected Vacancy Rate</i></b>	<b>3.7%</b>				

# Human Resources

## Staff movements

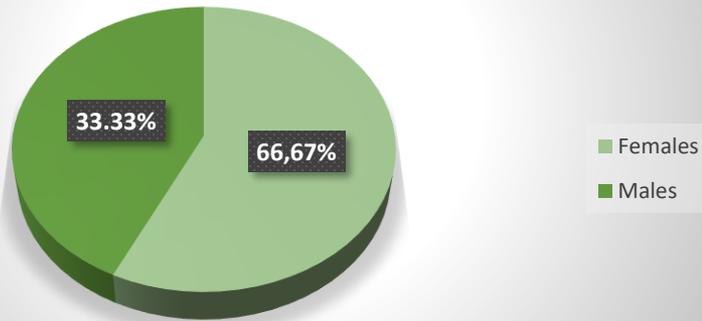
Reason	No. of staff leaving
Death	3
Resignation	22
Dismissal	3
Expiry of contract	97*
<b>Total</b>	<b>125</b>

\*A large number of temporary staff members were hired for the Community Works Program which was a twelve month project. From time to time staff are hired on a temporary basis (up to twelve months) for projects which are time based. This avoids burdening the salary / wage bill over the baseline and links staff to specific projects.

# Human Resources

## Gender breakdowns

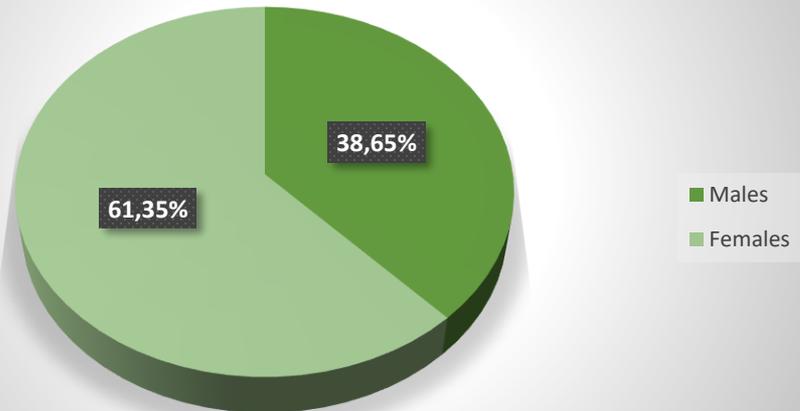
### Gender Balance: Executive Management



### Gender Balance: Senior Management



### Gender Balance: Overall



# Communications

## KEY ACHIEVEMENTS

- During the Financial Year 2021/2022, we focused on the implementation of the reviewed IMC.
- This included listening to the voices of the youth, sharing ideas and seeking alternative ways for our communications activities to thrive when it comes to products and services as well as employee engagement.
- We strived to find the right platforms which are applicable to the youth and tailor-made messages as such.
- We sought to create youthful content to capture the attention of the reader when delivering NYDA messages.
- To achieve interaction, we encouraged engagement, interaction and comments online and through our customer service line.
- Our internal communications also sought to encourage staff engagement to boost morale and to foster inclusion.
- With each messages that we communicated to our internal and external stakeholders we ensured that there is a call to action and that our youth understand that our communication has a purpose.

# KEY ACTIVITIES

Some of the key activities that we embarked on include:

- Sourcing media opportunities for the NYDA
- Support of the National Youth Service activities
- Broadcast of themed webinars
- Implementation of Youth Month program in collaboration with government.
- Coordination of the Solomon Kalushi Mahlangu Scholarship Fund graduation dinner
- Support of the IYDS activities
- Development of NYDA material
- Enhanced social media engagements
- Staff engagement via internal communications
- Improved customer service
- On-going profiling of beneficiaries
- Continuous update of the NYDA website
- On-going engagement on social media for reach, impact and to increase NYDA followers
- Compilation of the Annual Report

## THE ROAD AHEAD

- It is our intention to find other alternative ways of communicating with our audiences to ensure that the NYDA messages reach as many young people as possible.
- We intend to forge strategic relationship with influencers to endorse NYDA products and services and to assist us to spread the word about the good work that we do.
- We will be communicating more opportunities that are available to the youth.
- Our aim is to have an effective communication strategy with deliverables and actions.
- We will also be enhancing our customer service and implementing new process to allow customer feedback.
- With the revitalized NYS, we intend to implement and intense PR and media campaign to share important information, call to action, increase awareness of the programme, etc.
- To increase access for the youth to NYDA products and services, we will also be embarking on a campaign focused on the ERP portal.
- For young people with disabilities, plans are underway to implement a disability friendly website.
- In our ongoing effort to tell the good story of the NYDA, we will also be focusing on the 8<sup>th</sup> clean audit campaign with key focus on each key performance area and divisions.

# Budget Review and Recommendations

RECOMMENDATION	RESOLUTION
<p>The NYDA should examine its targets and consider setting higher targets.</p>	<p>The Board has per the APP fundamentally increased the targets and introduced stretch targets.</p>
<p>The NYDA through the incumbent Board should address the negative perceptions of the NYDA through an integrated strategy that addressed the issues raised by youth on the ground.</p>	<p>The Board has taken on board the comments of the PC and has committed to a strategy session with the NYDA Communications team and to being available to hear and resolve young peoples grievances.</p>
<p>The NYDA should lobby for employment tax incentives for the employment of youth.</p>	<p>The SONA 2022 announced amendments to the ETI to increase its uptake. NYDA will monitor the progress of this and provide feedback.</p>
<p>The NYDA to provide a comprehensive report of the ICT audit of equipment and infrastructure to the Committee it has undertaken.</p>	<p>To be provided in Q1 2022 / 2023 report to the Committee.</p>
<p>The NYDA should focus on determining the impact of its programs in the short, medium and long term.</p>	<p>In terms of the Monitoring and Evaluation plan for the year ahead NYDA will assess the impact of the Grant Program Wave 5, the Youth Micro Enterprise Relief Fund, the Community Works Program and the revitalized National Youth Service.</p>
<p>The NYDA should ensure ongoing monitoring and evaluation of its grants program and provide young entrepreneurs with the necessary support required. These assessments should extend to 3rd, 4th and 5th year of youth owned businesses.</p>	<p>We have conducted Grant Program Assessment Wave 1 – 4 and are scheduling Wave 5 for 2022 / 2023.</p>

# BRRR

## RECOMMENDATION

The NYDA should share their findings on how Government is performing in terms of employing youth and whether it is giving effect to the preferential procurement policy.

The NYDA should explore current best practice of aspiring youth businesses in provinces and attempt to replicate in other wards.

The NYDA should explore how it can assist youth in accessing workplace infrastructure through identifying possible municipal buildings and through the Department of Public Works and Infrastructure where shared office space could be potentially utilised.

The NYDA should focus on capacitating youth with skills and use existing networks to enable market linkages with big businesses and other key stakeholders within Government.

The NYDA should ensure greater access to network data for youth as a means for benefitting from the digital economy.

## RESOLUTION

NYDA has submitted comment on the draft Preferential Procurement Regulations. National Treasury is the custodian of government spend per vulnerable group. We will work with DWYPD to obtain this information.

We commit to working with Provinces whom have not yet implemented youth funds.

We will continue working with Departments and Provinces on this concept for office space for NYDA and young entrepreneurs. The mandate for incubators is with SEDA and we will collaborate with them as well.

Our Business Development Advisors have all been tasked with regional market linkages in their performance agreements.

The release of spectrum should start to reduce the cost of data. The Department of Communications has released its plan to provide households with free data in the next three years. The NYDA will work with the Department to ensure youth is prioritized.

# BRRR

## RECOMMENDATION

The NYDA should collaborate with Yes4Youth initiative in order to strengthen the programme in order to create more job opportunities for youth and enabling skills development opportunities for youth. In addition, the CEO of Yes4Youth to be invited by the Committee for a joint meeting with NYDA.

The NYDA should assess sustainability of the National Youth Service (NYS) and forge links with its skills development programme.

## RESOLUTION

Under the banner of the Presidential Youth Employment Intervention, the NYDA, Harambee and the YES are collaborating together with civil society, private sector and government to reduce duplication and amplify impact.

The revitalized NYS will be subject to both a formative and summative evaluation and has a clear skills component attached to it to ensure pathways into more sustainable opportunities for young people.

**Thank you.**