

2020/2021 - 2024/2025

STRATEGIC PLAN

FOOD & BEVERAGE MANUFACTURING



FoodBev SETA

Food and Beverages Manufacturing
Sector Education and Training Authority

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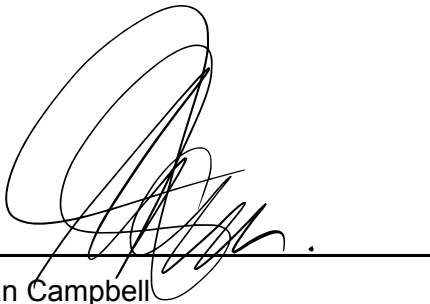
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Accounting Authority Statement

The Food and Beverages Sector Education and Training Authority (hereafter FoodBev SETA or “FBS” or the SETA) Strategic Plan for the 2020/21-2024/25 financial years is aligned with the SETA priorities highlighted in the Sector Skills Plan. The goals and outcomes of this document will provide guidance for the SETA over the next five years as we develop programmes and projects to serve the main outcomes required to deliver skills training to the sector.

The focus of the SETA emanates from two main policies namely; the Skills Development Act 97 of 1998 which pronounced its establishment and the National Skills Plan which communicates the mandate of the SETA. The SETA has considered relevant legislation and regulatory frameworks. The SETA's plan was guided by the different inputs received from the internal and external FoodBev stakeholders, the previous strategic plan and research reports conducted by the SETA. The Executive Authority will continue to provide direction on the development and implementation of strategic priorities and policies guiding the SETA. Further, the Accounting Authority endorses the 2020/21-2024/25 Strategic Plan and commits to its successful implementation.

A handwritten signature in black ink, appearing to read 'Alan Campbell', is written over a solid horizontal line. The signature is stylized and cursive.

Alan Campbell

Chairperson of Accounting Authority of FoodBev SETA

Chief Executive Officer Statement

The FoodBev SETA as established by the Skills Development Act 97 of 1998, has recently had its operating license extended until 2030. The extension comes with a policy shift from the National Skills Development Strategy (NSDS) III to the National Skills Development Plan (NSDP). The NSDP is aimed at improving access to occupations in high demand and priority skills aligned to supporting economic growth, employment creation and social development. This Strategic document was developed after the organisation's and the Board strategy sessions which reflected on the previous Strategic plan and the priorities for the 2018 financial year.

These priorities included transformation, artisan development, skills gap in the sector, assisting the sector to boost innovation through research. These priorities are still the focus for the next five years with an increase of the scope covered under each. The latter is because these priorities continue to be the most relevant and are aligned to the national priorities over the next 10 years. Further, the SETA has embarked on a partnership that will assist with the Fourth Industrial Revolution(4IR) changes in the sector. This partnership will assist the FoodBev SETA with delivering the relevant skills interventions needed by the employers. Some of the challenges faced by the FoodBev SETA include the need for improved automation of business processes for effective and efficient programme delivery, inadequate SME participation, effective stakeholder management, allocation of funds not focused on skills gap within the sector. In addition, the pronouncement of alcohol ban to curb the spread of COVID-19 has led to retrenchments in the alcohol industry as reported by the South African media, and with retrenchments, companies in this industry may not prioritise education and training and this may have a negative impact towards the achievement of targets for the current financial year. These challenges were diagnosed during the planning session and the latter quite recently because of the COVID-19 pandemic. Whilst most of these challenges will be addressed during the next five years as stipulated in this document, the FoodBev SETA plans to work with all relevant stakeholders to continuously facilitate skills development for the sector and country at large where possible during the COVID-19 outbreak. As the Chief Executive Officer, I am confident that the institution is committed to the implementation of the Strategic Plan during these difficult and demanding times.




Nokuthula Selamolela
Chief Executive Officer of FoodBev SETA

Official Sign-Off

It is hereby certified that this Strategic Plan:

- Was developed by the management of the FoodBev SETA under the guidance of FoodBev SETA Accounting Authority
- Considers all the relevant policies, legislation and other mandates for which the FoodBev SETA is responsible.
- Accurately reflects the Impact, Outcomes and Outputs which the FoodBev SETA will endeavor to achieve over the period 2020/21 to 2024/25.

Mr. Hector Makhubele
Senior Manager: Chambers


Signature: _____

Mr. Mogopodi Pule
Senior Manager: Finance


Signature: _____

Ms. Pretty Ngwasheng
Senior Manager: Human Resources/Stakeholder Relations


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Ms. Marlie Spencer
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and Training Quality Assurance


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Mr. Magugu Maphiwa
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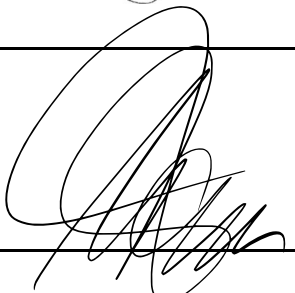
Mr. Sibusiso Miya
Senior Manager: Skills Planning
and Learning Programmes


Signature: _____

Ms. Nokuthula Selamolela
Chief Executive Officer


Signature: _____

Approved by:
Mr. Alan Campbell
Accounting Authority


Signature: _____

Part A: Our Mandate

1. Constitutional mandate

FoodBev SETA's mandate is derived from the Constitution of the Republic of South Africa, which gives everyone the right to education. Section 29 (b) states that everyone has the right to further education, which the state, through reasonable measures, must make progressively available and accessible. This constitutional mandate is strengthened by Schedule 3A of the PFMA (as amended) and the following key pieces of legislation which are directly applicable to the FoodBev SETA:

- 1.1 National Skills Development Plan (NSDP)
- 1.2 The Skills Development Act of 1998 (Act No. 97 of 1998) (SDA) (as amended in 2008)
- 1.3 The Skills Development Levies Act of 1999 (Act No.9 of 1999)
- 1.4 The National Qualifications Framework Amendment Act of 2019
- 1.5 The Sector Education and Training Authorities SETAs Grant Regulations regarding monies received by a SETA and related matters;
- 1.6 The Public Finance Management Act (as amended); and
- 1.7 The National Treasury Regulations governing public entities

2. Legislative and Policy Mandates

Legislative mandate

Skills Development Act 97 of 1998

The FoodBev SETA derives its mandate from the Skills Development Act (SDA) No. 97 of 1998 which was enacted for, amongst others, the purpose of:

- 2.1 Developing the skills of the South African workforce through-
 - a. Improving the quality of life for workers, their prospects of work and labour mobility,
 - b. Improving productivity in the workplace and competitiveness of employers,
 - c. Promoting self-employment,
 - d. Improving the delivery of social services.
- 2.2 Further, the SDA No. 97 of 1998 gives the following functions to the SETA-
 - a. Develop an SSP within the framework of the NSDP;
 - b. Establish and promote learnerships through:
 - i. identifying the need for a learnerships;

- ii. developing and registering learnerships and facilitating in the conclusion of learnership agreements;
 - iii. identifying workplaces for practical work experience;
 - iv. supporting the development of learning materials; and
 - v. improving the facilitation of learning.
- c. Collect and disburse the skills development levies in the sector, approving of workplace skills plans, pivotal plans and allocating grants in the prescribed manner to employers and learners;
 - d. Fulfil the functions of an ETQA as delegated by the QCTO; and
 - e. Monitoring education and training in the Sector

The National Development Plan (NDP)

The National Development Plan (NDP) aims to eliminate poverty and inequality by 2030. The SETAs have an important role to play in contributing to the priorities set in the NDP. This strategic plan of the FoodBev SETA considers the need to contribute to these priorities. The core priorities of the NDP in line with this strategy include (i) raising employment through faster economic growth, (ii) improving the quality of education, skills development and innovation to radically transform the economy.

Medium Term Strategic Framework 2014-2019 (MTSF)

The aim of the MTSF is to ensure unified and consistent policies across government. This includes coherence, alignment and coordination across government plans as well as alignment with budgeting processes. The FoodBev SETA has a responsibility to respond and contribute towards Outcome 5 of the fourteen government priority outcomes. Outcome 5 refers to “A skilled and capable workforce to support an inclusive growth path” (Medium Term Strategic Framework 2014-2019). The FoodBev SETA enters into Strategic Partnerships with different stakeholders in the post-school arena to increase the uptake of learners trained to respond to the requirements of this policy directive.

National Skills Development Plan

The scope of the SETAs has been amended as per the National Skills Development Plan published in the Government Gazette No 42290 dated 7 March 2019. This was in response to the White Paper on Post School Education and Training which observed that the mandate is too wide and that a streamlined focus will strengthen the SETAs. The revised scope includes only the below four elements:

- a. Understanding demand and signalling implications for supply
- b. Steering the system to respond to skills supply

- c. Supporting the development of the institutional capacity of public and private education and training institutions
- d. Performing system support functions and managing the budgets and expenditure linked to SETA mandate

SETAs are required to engage with a variety of stakeholders in understanding demand and to direct funding towards quality qualifications and workplace experience directed at the employed, pre-employed and unemployed. The qualifications and workplace experience funded programmes should support economic growth, encourage employment creation, and enable social development. It is expected that the SETAs should support the development of its service providers' institutional capacity to increase access to the identified programmes, particularly amongst public providers. The revised scope of the SETAs is clear from the eight specified outcomes in the NSDP and is thus the basis for this strategic plan.

The NSDP also expressly states that “quality assurance functions carried out by the SETAs including the workplace will be effectively integrated into the Quality Council for Trades and Occupations (QCTO)” (National Skills Development Plan, 2019:38). It is however understood that the quality assurance functions delegated by the QCTO under the Skills Development Act will be progressively revoked, but that an alternative delegation will be implemented for new occupational qualifications under the Assessment Quality Partner (AQP) model. The exact nature, scope and requirements associated with such a revised delegation are not yet clear and may impact on strategic planning and performance. Where possible, this has been taken into consideration to pre-empt changes.

SETA Grant Regulations

The regulations dictate the percentages, allocation and use of skills levy resources for payment of mandatory and discretionary grants. Strategic plans and Annual Performance Plans are required to incorporate the prescriptions of the regulations in planning, budgeting and setting of outcome and output indicators.

Workplace Based Learning Programme Agreement Regulations, 2018

The regulations replaced the Learnership Regulations of 2007 which stipulated a template and procedures for registration of learnerships and learnership agreements with SETAs. Under this new regulation, the scope of applicability has been expanded to include other workplace-based programmes such as internships and candidacy. Employers are legally obligated to submit agreements according to a specified timeframe and format, and SETAs are legally mandated to process the registration of such agreements within specified timeframes.

Government-wide Framework for Monitoring and Evaluation

The Policy Framework for Government-wide Monitoring and Evaluation states that it is a statutory requirement that the chief executive officer of a public entity, such as FoodBev SETA, is required to establish a monitoring and evaluation system for the institution. Results from the FBS M&E system are reported to the Department of Higher Education and Training as the Executive Authority. The results are therefore used within monitoring and evaluation of the broader Post-School Education and Training (PSET) sector. Skills and skills development are however also key factors in many other government initiatives such as infrastructure development, addressing unemployment and economic development. FBS M&E objectives and results are therefore relevant and of importance to numerous government departments at all three spheres.

Other policy mandates

- NDP Five Year implementation plan
- Medium Term Expenditure Framework (MTEF)
- New Growth Path (NGP)
- Industrial Policy Action Plan (IPAP)
- National Skills Accord
- Integrated Growth and Development Plan
- Employment Equity Act, Labour Relations Act, Basic Conditions of Employment Act and Occupational Health and Safety Act
- Framework for Managing Programme Performance Information under National Treasury
- White Paper on Post School Education and Training (WP- PSET)

3. Institutional Policies and Strategies over the five-year planning period

The Strategy of FoodBev SETA is aligned to the Outcome 5 of the MTSF, mentioned above, and the National Skills Development Plan (NSDP) outcomes. The following NSDP outcomes were taken into consideration when developing the strategic goals of the SETA:

- 3.1 Identify and increase production of occupations in high demand
- 3.2 Linking education and the workplace
- 3.3 Improving the level of skills in the South African workforce
- 3.4 Increase access to occupationally directed programmes
- 3.5 Support the growth of the public college system
- 3.6 Skills development support for entrepreneurship and cooperative development
- 3.7 Encourage and support worker-initiated training

3.8 Support career development services

In addition to using the NSDP outcomes as the basis of the strategy, specific strategic priorities relevant to the sector were identified through the SSP process. These strategic priorities affect the allocation of funding to specific areas at a high level, and the criteria set for discretionary grants at a micro level. The SSP strategic priorities are linked to the NSDP outcome in table 4 of this document. The strategic priorities include:

- a. Address the Skills Gap in the sector
- b. Assist the sector to boost innovation through research
- c. Improving quality of provision of matriculants and graduates into the FBS
- d. Transformation
- e. Addressing artisan shortage

The outcome indicators and targets presented in Part C of the Strategic Plan which have been compiled taking both the NSDP outcomes and the FoodBev SETA strategic priorities into account.

The implementation of plans will be monitored to measure progress towards the achievement of planned targets, and to use monitoring findings to improve performance, and future planning and budgeting. The Strategic Plan will be supported by an associated Monitoring and Evaluation Plan to track and verify performance over the five-year period and will culminate in Mid-term and End-term review reports as required by the Draft Framework on Strategic and Annual Performance Plans.

4. Relevant Court Ruling¹

The recent Labour Court Judgement on Regulation 4 (4) related to the reduction of the Mandatory Grant from 50% to 20% of levy contributions poses a risk to FoodBev SETA's discretionary budget and ability to implement its strategy.

¹ Please note that the court ruling has not been officially communicated by the Department of Higher Education and Training.

Part B: Our Strategic Focus

FoodBev SETA's strategic intent is to:

- provide skills development in the sector,
- provide good governance through the Board and its committees,
- possess the ability to plan and achieve targets as outlined in the Service Level Agreement with the DHET, and
- provide quality assurance that ensures the credibility of learner results.

FoodBev SETAs strategic profile is based on the following principles:

- Understanding the performance environment of the sector by analysing the demand and supply issues;
- Provide funding that is fit for purpose;
- Develop appropriate and effective communication including marketing strategies;
- Good leadership and governance for business continuity and compliance;
- Attract, retain, develop and appropriately reward people with the right skills, experience, commitment and energy who will proactively implement this strategy and continuously manage performance through the organisations defined performance management system.

The NSDP outcomes and sub-outcomes, delivery targets of government outcome 5, Department of Higher Education and Training programme 5 and the Sector Skills Plan informed the compilation of this Strategic plan. The strategic focus is on the creation of a “skilled and capable workforce to support an inclusive growth path” and the “building of relationships with workplaces and education and training institutions” which form the basis for the delivery focus of the next five years.

5. Vision

“To be the Driver and Innovator of developing Quality Skills through Partnerships in the pursuance of a Transformed and Competitive Food and Beverage manufacturing sector”

6. Mission

Supporting the drive to:

- Increase Employability of Workforce Entrants;
- Enhance Greater Entrepreneurship; and
- Improve the competitiveness of the Industry.

- Maintain relevance of the SETA skills interventions to the sector

By

- Facilitating Skills training
- Driving Investment in Human Capital Development

Through:

- Innovation and being the best at managing SETA Funds;
- Collaborating with Learning and Industry Partners; and
- Increasing visibility of what we do and what we can offer

7. Values

As FoodBev SETA we believe in:

- Service Excellence (Delivery)
- Integrity
- Commitment
- Transparency
- Accountability

8. Situational Analysis

The Strategic Plan is the vehicle to address skills development interventions as outlined in the Food and Beverages Manufacturing Sector Skills Plan and the Annual Performance Plan (APP). In this regard, it is important to highlight the environment in which the FoodBev SETA operates. This entails providing a situational analysis of trends in both the external and internal environment of the SETA. The situational analysis begins with the scope and coverage of the sector to help identify who the FoodBev SETA is, followed by the external environment which includes a short discussion of the sector in terms of its economic performance, the demographics and the factors driving change in the sector. Further, the internal environment, specific to the dynamics of the FoodBev SETA as an organisation is discussed, including a SWOT analysis of the SETA.

Scope and Coverage of the Sector

Companies that are registered with the Food and beverages Manufacturing SETA only include those with activities that fall within the secondary level of the food industry value chain which is mainly food processing. The processing of food includes the transformation of raw ingredients (input) by physical or chemical means into food, or the transformation of food (intermediate goods like sugar) into other forms. Food processing also includes the mixture of raw food ingredients to produce marketable food products that can be easily prepared and served by the consumer.

The FoodBev SETA is comprised of the following five chambers:

a. **Baking, Cereals, Confectionary & Snacks (BCCS) Chamber**

This sub-sector includes the manufacture of breakfast foods, bakery products, cocoa, chocolate, sugar-confectionary and nuts. It comprises mainly of companies involved in the salting, baking, drying and cooking processes.

b. **Beverage Chamber**

This sub-sector manufactures spirits, beer, malt, soft drinks and mineral water, with wine and beer being major outputs.

c. **Dairy Chamber**

This sub- sector manufactures dairy products. This includes fresh milk, cheese, butter, ice-cream, yoghurt and edible ice.

d. **Food Preparation Products Chamber**

This sub-sector produces ingredients that are used in making a meal or beverage. Examples of these products include noodles, spices and sauces.

e. **Processed and Preserved Meat, Fish, Fruit and Vegetables Chamber**

This sub-sector is split into the following:

- Manufacture of prepared and preserved meat; such as canned, processed dehydrated fruit and vegetables; vegetable and animal oils and fats; processed fish crustacean and similar foods;
- Production, processing and preserving of meat and meat products;
- Slaughtering, dressing and packing of livestock; including poultry and small game meat, lard and other edible fats; and
- Processing and preserving of fish and fish products, fruits and vegetables.

The FoodBev SETA is currently reviewing the constitution of the chambers in order to align them to the promulgated gazette of DHET (2010)² and to ensure that the chambers are properly defined and are a good reflection of the industrial activities in the sector.

According to the classification of economic activities in South Africa (SIC) Seventh Edition (2012), the Food and Beverage Sector includes the manufacture of food products and the manufacture of beverages, however, contrary to practice in most other countries, it excludes the tobacco manufacturing sector. Tobacco manufacturing is included in the agricultural sector. The sub-sectors are assigned Standard Industrial Classification (SIC) Codes, which are categorised further into the following constituents:

² This gazette provides for the establishment of the SETA and its respective sectors.

Table 1: Constituents of the Food and Beverages Manufacturing Sector

Category	SIC code	Description	Sub-Sector
301	30100	Production, processing and preservation of meat, fish, fruit and vegetables, oils and fats	
	30110	Production, processing and preserving of meat and meat products	Meat
	30112	Manufacture of prepared and preserved meat including sausage	
	30113	Production of Lard and other edible fats	
	30120	Processing and preserving of fish and fish products	Fish
	30121	Manufacture of canned, preserved and processed fish	
	30130	Processing and Preserving of Fruits and Vegetables	Fruits and Vegetables
	30131	Manufacture of canned, preserved, processed and dehydrated fruits and vegetables including fruit juices, juice extracts and potato flour meals	
	30140	Manufacture of vegetables and animal oil and fats	Oils and Fats
	30141	Manufacture of crude oil and oilseed cake and meal	
30142	Manufacture of compound cooking fats, margarine and edible oils		
302	30200	Manufacture of Dairy Products	
	30201	Processing of fresh milk (pasteurised, homogenous, sterilised, and vitamin)	Dairy
	30202	Manufacture of butter and cheese	
	30203	Manufacture of ice cream and other edible ice, whether or not containing cream or chocolate	
	30204	manufacture of milk powder, condensed milk and other edible milk products	
303	30312	Manufacture of breakfast products	Grain/Mill
304	30410	Food Preparation	
	30401	Manufacture of bakery products	Baking
	30430	Manufacture of cocoa, chocolate and sugar confectionary	Confectionary
	30440	Manufacture of macaroni, noodles, couscous and similar farinaceous products	Other Food Preparation products
	30490	manufacture of other food products N.E.C.	
	30491	Manufacture of coffee, coffee substitutes and tea	
	30492	Manufacture of nut foods	
30499	Manufacture of spices, condiments, vinegar, yeast, egg products, soup and other food products N.E.C.		
305	30500	Manufacture of Beverages	
	30510	Distilling, rectifying, blending of spirits, ethyl alcohol production from fermented materials, manufacture of wine	Wine & Spirits
	30520	Manufacture of beer and other malt liquors and malt	Beer and Malt
	30521	Breweries except sorghum beer breweries	
	30522	Sorghum beer breweries	
	30523	Manufacture of malt	
30530	Manufacture of soft drinks and production of mineral water	Soft drinks & Water	
306	30600	Manufacture of Tobacco products	Tobacco

Source: DHET GAZETTTE 33756 (2010)³

³ In the DHET gazette the Manufacturing of Tobacco Products is included in the FoodBev SETA sphere but the companies in that industry fall under the agriculture sector and are assigned a different Standard Industrial Classification (SIC) code

8.1 External Environment Analysis

Despite the unforeseen nature of COVID-19 pandemic, the FoodBev SETA acknowledges and plans to deliver on the commitments made at the Job Summit Agreement of 2018. Five commitments to increase employment in the country were highlighted together with the necessary interventions that are needed. As a SETA, the FoodBev commits to assist with the delivery of the commitments through funding and supporting more SMMEs over the five-year period; offer the youth more options that include both formal and informal education and skills training. As mentioned in the SSP, the future of entrepreneurial skills in the sector will need a rapid increase of hubs to support small businesses. Further, the SETA supports the Temporary Employer/Employee Relief Scheme through its Learnership programmes for elementary skills which are open to everyone including those who haven't passed matric.

PESTEL Analysis of South Africa

This PESTEL analysis aims to address the political, economic, social, technological, environmental, and legal factors that currently affect the country. Below is a PESTEL analysis that was developed based on the South African Food and Beverages manufacturing sector trends.

Political

Since the sixth administration which saw the election of the new president who brought hope to the South African citizens and business confidence, the President has embarked on a journey to uproot fraud and corruption in government and in the implementation of consequence management. This has been done through the State Capture Commission which seeks to identify those who are implicated in corrupt and fraudulent activities with the aim of getting the relevant bodies to prosecute them. This will result in South Africa attracting more foreign investments as well as an increase in the exports and investments in the sector (SONA, 2019). Dealing with corruption which steals from the poor as it deprives them of the basic services they should get as citizens, will help with the delivery of the National Development Plan (NDP) priorities relating to eliminating poverty and reducing inequalities by 2030. As well as the development of 30 000 Artisans by 2030.

Like other countries across the world, South Africa finds itself at war as it grapples with the COVID-19 pandemic. In March 2020, the national government declared a state of national disaster and put in place a national lockdown in response to the Coronavirus (COVID-19) pandemic. The pandemic has negatively affected the delivery of skills development training across the country. That said, the SETA needs to adapt to the situation by coming up with interventions that will continue to enable the implementation of education and training in the sector, as well as meeting the SETA mandate.

Economic

The South African Rand continues to perform badly against the super currencies (such as US Dollar (USD), Sterling Pound, and Euro). South Africa missed being downgraded to junk status by Moody's on the 1st of November 2019 which is the only major ratings agency out of the three major ratings agencies (the other ratings agencies are Fitch and S&P Global Ratings), that has not yet downgraded the country to junk status. However, it did receive a "negative outlook" rating, which leaves a junk-status downgrade quite possible early next year. The poor SA rating is worrying as it will result in weaker currency performance, higher inflation, and low international investor confidence in the country. The country is therefore pressured to create quick economic reform in order to avoid a downgrade to junk status in 2020 (Mutize, 2019).

According to Stats SA (2018), there were three largest negative contributors to growth in the GDP in the first quarter were the manufacturing, mining and trade, catering and accommodation industries. The manufacturing industry decreased by 8,8% and contributed -1.1% points to GDP growth. Nonetheless, the manufacturing industry is the country's fourth largest industry contributing 14% to the gross domestic product (GDP). The Food and Beverages Manufacturing Sector is one of the largest sectors in the industry, contributing 26% of manufacturing sales and 22% of gross value add in the manufacturing GDP in quarter four of 2018. In comparison to other sectors, the food and beverages division has been a top performer in 2018 contributing the most to overall manufacturing growth at 26%. Most of the food groups had a good year, 'other' food (including sugar), dairy, and meat, fish and fruit (StatsSA 2018). Driven by the rise in population, demand for food and beverages is set to see further growth over the forecast in the coming year.

Recent research suggests that South Africa possesses competitive advantage in a few food and beverages sub-sectors that, if fully exploited, would place South Africa among the top ten export producers in high-value agricultural products (Department of Agriculture, Forestry and Fisheries and Food South Africa, 2018). Thus, making South Africa's food and beverages sector to be heavily export focused. A closer look at data shows that between 2012 and 2018, South Africa has been experiencing trade surplus in the food and beverages sector. To be specific, the products from subsectors such as fruit and vegetable juices, high-quality wines, indigenous Rooibos and Honeybush tea, and certain fruits that are highly sought after in the export markets (Department of Agriculture, Forestry and Fisheries and Food South Africa, 2018). South Africa needs to raise its competitiveness to increase and sustain its market share in international markets, especially in Africa, while also penetrating Asia as the Food and Beverages industry has great potential to create jobs and contribute to the overall economy of the country.

As mentioned above, South Africa finds itself at war, and the enemy is the novel coronavirus, which gives rise to the Covid19 disease (Arndt et al 2010). The novel COVID-19 has impacted the food and

beverages sector across the world, with immediate loss of economic activity and disruption of food and beverages supply chains.

Social

Unemployment has reached its highest levels since 2003 in South Africa as it is currently standing at 29% (Statistics SA 2019). Amidst its huge battle with Covid-19 and its attempt to contain the virus outbreak, South Africa is suffering from the increasing rates of unemployment that has reached 30% (Statistics SA 2020), as many people have lost their jobs as a result of the current pandemic and the subsequent lockdown. Youth unemployment remains high as well, the lack of skills among the youth in SA plays a part in the escalating unemployment rate as we continue to move to an increase in automation of production as part of the move into the 4IR. In the manufacturing sector, this has been worsened by advances in manufacturing technology that are increasingly demanding high-level skills. The FoodBev SETA has to offer skills interventions to address the challenges that come with 4IR. The SETA needs to offer skills interventions that respond to the challenges of unemployment as well as the skills gap that come with 4IR.

Technological

The changes in technology are mostly driven by 4IR. Technology is changing how food and beverages are produced, manufactured and distributed. According to Askew (2019) within the sector, technology is enabling the creation of new products that meet the health and nutritional needs of consumers and improve food safety. New technologies are knowledge and skill intensive and there is a need to train people to work with these technologies. COVID-19 has accelerated technological growth and innovation. As effects of COVID-19 are felt across the world, consumers, employees, and citizens across the world are embracing an array of digital activities and technologies throughout their personal and professional lives. Further, with COVID-19 introducing social distancing, technological interventions are expected to increase and such will be considered by the SETA in its future plans. Workers require advanced technical knowledge, an understanding of supply chains, relationship management skills and digital literacy. Virtual Reality can be effective and efficient with regards to the delivery of training for the employees within the Food and Beverages Manufacturing Sector. Therefore, careers linked to Virtual Reality include amongst others; Virtual Reality Specialist/Virtual Reality Consultants, Systems Analyst, Programmer/Software Developer, Trainer/Lecturer/Facilitator.

Environmental

Environmental factors such as climate change and water shortages impact on the food and beverages manufacturing value chain. Climate change, particularly global warming, affects food security through food availability, accessibility, utilisation and affordability. The recent Western Cape drought resulted in decreased agricultural output which directly affects manufacturing. It is expected that droughts will continue to reduce the percentage of arable land in South Africa and the rest of the continent (Masipa

2017). The pollution caused by non-biodegradable packaging such as plastic and polystyrene has a direct impact on the environment. The global increase in consumption of ready-made meals and fast food results in increased packaging waste generated. There are opportunities to reduce food losses, boost the green economy and minimise the impact of waste on the planet using sustainable packaging solutions. However, this may be negatively affected by the COVID-19 as it comes at a time when underlying climate change impacts are already compromising food and water security. Southeast Asia, which supplies 50 per cent of the world's rice exports, is experiencing its worst drought in 40 years (United Nations Environment, 2020). The UN Environment (2020) further argues that climate change will exacerbate the vulnerabilities of food systems and human health.

As per the Paris agreement, South Africa committed to peak carbon emissions in 2025 after which it will plateau for a decade before declining. According to Carbon Brief South Africa (2018), South Africa is the 14th largest carbon contributor in the world, and industry is the second biggest contributor to these. The manufacturing sector as a collective will have to find solutions to reduce carbon emissions.

Legal

Other than the business laws in South Africa, businesses in the country adhere to certain legislation and regulations including the South African COVID-19 Risk Adjusted Strategy in line of the Disaster Management Act, 57 of 2002, Value Added Tax (VAT) and Sugar Tax. Other taxes to consider in South Africa: Stamp duty, Customs and excise duties, Transfer duty, Capital gains tax, Skills development levy and fuel levy tax.

Demographic and Sub Sector Trends

There are 12 355 companies who are registered with SARS and classified under food and beverages manufacturing sector (SARS Levy Database, 2019). StatsSA (2018) indicates that there are 244 000 employees in the sector. Whilst, the analysis of the FoodBev SETA WSP data shows that there are 173 034 employees within the companies that submit to the FoodBev SETA. The two previous statements therefore highlight that there is a great opportunity for the SETA relating to increasing its membership base which would result in increased levy collections. Within the sector the Manufacture of Food Preparation Products and Processed and Preserved Meat, Fish, Fruit and Vegetable has the largest share of companies.

According to the Department of Labour's Commission for Employment Equity (2018)⁴ South Africa's manufacturing industry is male dominated. Males make up 63.8% of the total workforce while females

are at 36.2%. At the same token, the gender breakdown of employment in the sector based on WSP submissions shows that the sector is also male dominated. Most employees in the sector are male at 104 801(61%), while females only made 68 234 (39%). The breakdown of employees by age illustrates that most employees in the sector 85 095 (49%) fall within the 35-55 age category, while there were 74 805 (43%) employees that were younger than 35 years old. In addition, employees older than 55 years old comprised of only 13 135 (8%) of employees in the sector. Consequently, there is enough pipeline within the 35-age category in the sector to replace those approaching retirement (FoodBev SETA WSP-ATR, 2019).

The breakdown of employment across the eight Organising Framework of Occupations (OFO) categories shows that employment was concentrated in the Elementary occupations which represents 15% of total employment followed by Plant and Machine Operators and Assemblers at 8%. The occupational category with the least number of people was the Professionals category at 2% followed by the Skilled Agricultural, Forestry, Fishery, Craft and Related Trades Workers and Clerical Support Workers each at 3% respectively. In terms of race, the largest racial group employed in the Food and Beverages Manufacturing sector in 2018 were the Africans, making up 67%, followed by Coloured at 19%, White 16 787 at 10% and Indian/Asian 4% (SSP, 2020/25). According to the findings of the 2020 SSP, Africans featured prominently in the lower occupational categories namely, the Elementary occupational category. Africans constituted 75% of the total 61 438 employees in the Elementary occupational category. In contrast whites only, account for 1% of employees in the occupational category.

However, when one looks at the Managerial occupational category, Whites constitute most employees at 47% of total employment in Managerial positions in the sector (with a gradual increase of white females over the years) while Africans account for 31% of total employment in the category. Coloureds on the other hand account for approximately 12% of the total employed in Managerial positions in the sector. A closer look at this year's findings shows an increase in the number of African managers as compared to the findings in 2017/18 SSP. Although there has been a slight increase of Africans in managerial positions, more still needs to be done in the recruitment of Managers of the African origin, especially African women. The sector still needs to continue its effort of upskilling Africans through different training initiatives that will in turn address transformation challenges within the sector (SSP, 2020/25).

The 2020/25 SSP states that employees with disabilities only comprise of 0.3% out of the total employment of 173 035, in the sector. This represents a decrease of the employment of people with disabilities by 0.3% compared to the 2018/19 SSP. These figures should be treated with a degree of circumspection, because some employees do not disclose their disability status as mentioned by the stakeholders during the interviews conducted with them. Notwithstanding this, the percentage mentioned above is used for reporting purposes and falls short of the 4% target that government has set

for achievement. Consistent with this, the FoodBev SETA must continue to target and fund projects that are aimed at increasing the number of people with disabilities in the sector.

Factors Affecting Skills Demand and Supply in the Food and Beverages Manufacturing Sector

The SSP as a foundation of the FoodBev SETA Strategic Plan and Annual Performance Plan has identified the following change drivers amongst others.

Table 2: Change Drivers in the Sector

Change driver	Description	Business implications	Implications for skills development
Global competitiveness	<p>Shift in competitive landscape due to changing consumer desires, climate change and the growing urban population (Salmon 2017).</p> <p>Food production system that is not meeting changing consumer needs</p> <p>South Africa is one of the countries that participate in the bi-annual WorldSkills competition. The competition gives young an opportunity to enhance their artisanal skills and ultimately contribute economic development.</p>	<p>Reinvent food production system</p> <p>Improve the product design by using new materials to create food packaging.</p> <p>Improve efficiencies by converting vertically managed portions of the system to platform business models.</p>	<p>Upskilling for productivity improvement at all occupational levels and training for future skills and global relevancy.</p> <p>Build a globally competitive labour-force.</p>
Expansion	Expansion of businesses and strengthening of market position on the African continent, especially in the Sub-Saharan part	Provides a platform for companies to exploit communications and logistic technologies to reach geographically dispersed consumers.	<p>Opportunity to access new talent.</p> <p>Advanced marketing skills for the marketing of new products.</p>

Change driver	Description	Business implications	Implications for skills development
	<p>of Africa (Global African Network 2017).</p> <p>Utilise international markets to introduce unique products and services, that can help maintain a positive revenue stream.</p>	<p>Invest in research and development of new products.</p> <p>Access to new technologies and industry ecosystems, that may significantly improve their operations</p>	<p>Sales personnel possessing excellent skills to convince consumers to buy new products in new markets.</p> <p>Skills in logistical operations are relevant for an export driven strategy.</p>
Packaging	<p>Growing need for packaging that is environmentally friendly (McClelland 2017).</p> <p>Packaging is essential at different stages of the food and beverages production process.</p> <p>Packaging is a key part of the marketing plan for any business that makes or sells products.</p> <p>New innovations such as Radio-frequency Identification (RFID), reclosure and personalisation are some of the packaging methods being</p>	<p>Attract consumer and products stand out next to a rack of the competitor's product.</p>	<p>Need for specific technical skills and skills related to the new technological developments in packaging.</p> <p>Research and development, material science engineers and packaging technology are some of the typical skills required for the improved packaging within the sector.</p>

Change driver	Description	Business implications	Implications for skills development
	<p>developed (Gravanns 2017)</p> <p>A product's package can be the selling point for many consumers by delivering a sense of quality while also reflecting the product's brand image.</p> <p>Consumers are starting to expect easy-to-understand labels on packaging to understand what they eat (Innova Market Insights in Menayang 2016)</p>		
<p>Technological Development</p>	<p>Technology is changing how food and beverages are produced, manufactured and distributed.</p> <p>Technology is enabling the creation of new products that meet the health and nutritional needs of consumers and improve food safety.</p> <p>The technological breakthrough means</p>	<p>Implementing and investing in new technologies will require financial and human resources that can be hard to fund for small companies</p>	<p>New technologies are knowledge and skill intensive and there is a need to train new people and upskill the workforce to work with these technologies.</p> <p>Workers require advanced technical knowledge, an understanding of supply chains, relationship management skills and digital literacy.</p>

Change driver	Description	Business implications	Implications for skills development
	<p>that companies are starting to harness the transformative potential of the Fourth Industrial Revolution.</p>		<p>Virtual Reality can be effective and efficient with regards to the delivery of training for the employees within the Food and Beverages Manufacturing Sector.</p> <p>Careers linked to Virtual Reality include amongst others; Virtual Reality Specialist/Virtual Reality Consultants, Systems Analyst, Programmer/Software Developer, Trainer/Lecturer/Facilitator</p>
<p>Health and Nutrition</p>	<p>Changes in eating patterns amongst consumers are putting pressure on the different brands in the food and beverages industry to become innovative in food product development.</p> <p>According to Van Berkum et al (2018) more than two billion people are either overweight or obese</p>	<p>Need to make enormous, systemic changes for the better of our people and planet to stay competitive</p> <p>companies diversifying their portfolios to meet the needs of health-conscious consumers.</p> <p>emphasis on healthy eating and a trend of organic food</p>	<p>Improvement of skills in research and development to ensure adherence to quality standards, testing and verifying claims as stated on labels.</p> <p>Need for food technologists, labelling and regulatory specialist are also needed in the sector to meet the regulation standards.</p>

Change driver	Description	Business implications	Implications for skills development
	<p>(including 41 million children younger than 5).</p> <p>The implementation of Health Promotion Levy (sugar tax) is an example of government's leading concern around consumer health and wellness.</p> <p>Consumers are aware health issues like diabetes, heart health, obesity and other diseases.</p> <p>Consumers are seeking food and drink products that are organic, healthy, fresh and score high on nutritional value.</p>	<p>emphasises the need for innovation in organic food product development and its nexus to quality.</p>	
Climate Change	<p>Climate change causes more extreme and unpredictable weather conditions (World Health Organisation 2018). These conditions include an increase in the frequency and risk for environmental disasters such as</p>	<p>Decrease productivity due to extreme and unpredictable weather conditions. The prevalence of pests affects availability of certain products and increases the costs of key inputs such as sugar cane, corn, beetroot, citrus, coffee,</p>	<p>Need for multidisciplinary skills such as: Research and Development Specialists, Biotechnologists, Biochemists, Environmental and Sustainability Specialists, Food and Beverages Scientists, Microbiologists, Chemical Engineers and Biochemists amongst others.</p>

Change driver	Description	Business implications	Implications for skills development
	<p>landslides, droughts and floods.</p> <p>Climate changes are already impacting on food production in the food and beverages industries for example the water -intensive Beverages industry and the meat industry. Drought conditions have severely affected feed and water supply in the country, especially in the Western Cape, thus increasing the cost of red meat year-on-year.</p>	<p>tea, produce, and grains.</p> <p>Increased risk of competition for water due to water scarcity in local communities, which may have consequences for cost, reputation, and the social license to operate for the affected companies. The latter is a big issue for bottlers.</p> <p>Increased incidence of diseases could affect employee absenteeism, productivity, and company insurance costs.</p>	
Food Safety and Transparency	<p>Food safety is important for the people's general health and daily life, economic development, social stability, and the government's and country's image to potential investors.</p> <p>There are more than 200 diseases that result from unsafe food due to bacteria, parasites or chemical substances (World Health Organisation 2017)</p>	<p>Focus on transparency throughout the supply chain</p> <p>Understand global food safety issues</p> <p>Monitor changing conditions in business</p> <p>Promote food safety by working with governmental agencies and professional associations.</p> <p>Consider the effect of transporting on foods.</p>	<p>Need more employees with a higher level of education, including specialists in fields such as legislation, engineering, microbiology and those with broader competencies in reporting and communications to communicate and educate consumers and allow them to make informed food choices</p>

Change driver	Description	Business implications	Implications for skills development
	<p>A country should have one environmental health practitioner per 10 000 people. South Africa is currently lagging with one practitioner per 30 000 people (Gous 2018)</p> <p>Food safety has been among the top issues of the political agenda in South Africa resulting from <i>Listeria monocytogenes</i>.</p> <p>South Africa has numerous regulations pertaining to food and beverage manufacturing safety such as Hazard Analysis and Critical Control Point System (HACCP) (Botha 2018).</p>		<p>There is a need for more Quality Control Personnel to continue to adhere to the regulations around food security.</p> <p>Actively facilitate the development of more Food Inspectors within the country to monitor food safety</p> <p>Development of Food Scientists and Technicians, Microbiologists, Chemists and Materials Scientists</p>

The Hard to Fill Vacancies in the Sector

There is a need for Food and Beverages Manufacturing sector to narrow the gap between supply and demand of skill. Below is a list of vacancies that take over twelve months to fill and these occupations will be addressed by the SETA through the Discretionary Grants:

Table 3: Sectoral Priority Occupations List

Occupation	Intervention planned by the SETA	NQF level	Quantity to be supported by SETA
Food and beverage process operator	Learnerships	Level 3	254
Production / operations supervisor (manufacturing)	Learnerships	Level 4	79
Cereal, snacks, pasta and condiments machine process operator	Learnerships	Level 3	65
Millwright	Apprenticeship	Level 4	47
Food and beverage technician	Learnerships	Level 2	44
Food and beverage factory worker	Learnerships	Level 2	44
Manufacturing operations manager	Learnerships	Level 4	32
Electrician	Apprenticeship	Level 3	29
Fitter and turner	Apprenticeship	Level 5	27
Quality controller	Learnerships	Level 4	21

8.2 Internal Environment Analysis

It is important to identify the strengths of the organisation and to reflect on the areas of weaknesses that need to be improved on to effectively and efficiently deliver the FoodBev SETA mandate. Below is a table that reflects the organization's strengths, weaknesses, opportunities and threats.

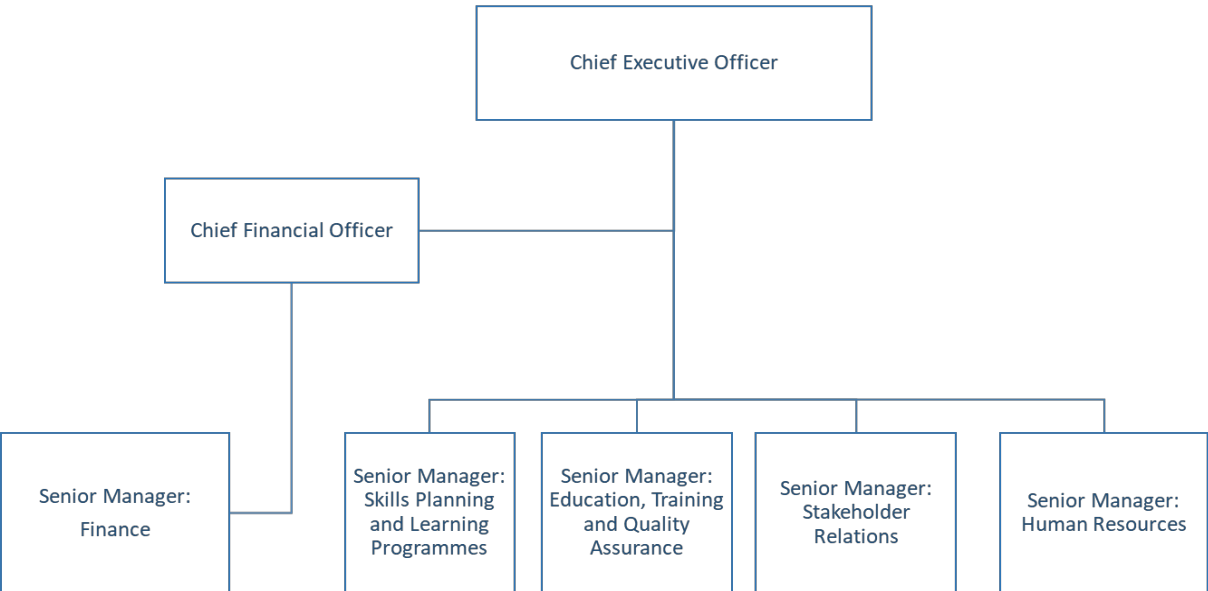
Table 4: SWOT Analysis of the FoodBev SETA

Strengths	Weaknesses
<ul style="list-style-type: none"> ▪ Financial stability ▪ Institutional knowledge ▪ Financial and audit compliance ▪ Stable, coherent and strategic focused Accounting Authority ▪ Ability to conduct day to day business remotely as a result of COVID-19 pandemic 	<ul style="list-style-type: none"> ▪ Insufficient SMME support and participation ▪ Inadequate stakeholder management ▪ Gaps in the Communication Strategy ▪ Allocation of funds not focused on skills gap within the sector ▪ Insufficient and inadequate automated systems and processes ▪ Inadequate business integration model ▪ Poor or untimely submission of registration and completion documents for programmes leading to programme completion delays. ▪ Lack of uptake of SETA programmes such as Centres of Specialization ▪ Large cancellation of approved grants by employers and training providers ▪ Large termination of registered programmes due to high learner migration
Opportunities	Threats
<ul style="list-style-type: none"> ▪ SARS and DHET broad database ▪ The evolution of the 4th Industrial Revolution ▪ Government-Wide Monitoring and evaluation capability ▪ Evolution of Operators and Artisans ▪ Development of more Centers of specialization ▪ Availability of SMME in need for skills development support ▪ The evolution of social media, such as Facebook and tweeter etc. ▪ 10-year SETA license ▪ Lack of visibility / Access due to non-existence of regional offices ▪ Internet of things (IoT) (e-learning) 	<ul style="list-style-type: none"> ▪ Keeping up with technology and 4IR impact on people and skills ▪ Non-alignment of TVET college curriculum to industry needs ▪ Additional global skills alignment (should we design differently) ▪ Non-compliance to laws and regulations ▪ Cyber security threat ▪ World economic downturn/ depression ▪ Inadequate completion of training due to COVID-19 pandemic

The FoodBev SETA’s Board is responsible for governance and providing strategic direction and leadership to the organisation. Executive Committee, Finance and Remuneration Committee, Governance and Strategy Committee, and Audit and Risk Committee provide an extended support to the Board.

The Board is responsible for ensuring that FoodBev SETA achieves its mandate by reviewing organisational performance, corporate strategy and monitoring compliance. The Chief Executive Officer is responsible for the strategic leadership of the organisation assisted by the Chief Financial Officer and Senior Managers. The Board approved a revised organogram in order to ensure adequate capacitation of the organisation. The objective of the organisational review was to ensure proper execution of the mandate of FoodBev SETA and optimising of its functions and resources.

The high-level organogram set out below illustrates the management structure of FoodBev SETA.



In order to strengthen its governance and risk management, FoodBev SETA has established an internal Risk Management and Compliance function, which will ensure implementation and maintenance of effective, efficient and transparent system of risk management and control. Stakeholder Relations is an additional unit which has been established to strengthen relationships with various stakeholders and chambers in the sector. Furthermore, research and development will be expanded to respond to and contribute towards building an inclusive society as per national legislation. This will be done by prioritising and increasing opportunities for women and people with disability. The FoodBev SETA has a fully capacitated IT infrastructure to support the business strategy with most of the front and back-end processes automated. The IT general controls and application controls are strong and at acceptable level for the entity size. However, FoodBev will seek to improve the IT environment with regards to the updating of policies to align to latest regulatory changes and technological advancement, streamlining

and optimisation of business processes, and automation of the areas that are still manual. The SETA strives to comply with the Broad-Based Black Economic Empowerment Act 53 of 2003 as amended by Act 46 of 2013 (“the BBBEE Act”) with respect to the following elements:

- Management control - the overall black African representation stands at 90%, which is significantly above the Gauteng EAP target of 78%, of which 62% of these are female and 4% are people with disability.
- Skills development – FoodBev SETA grant programmes place much emphasis towards women, youth and learners with disabilities in the sector in order to promote inclusivity. Employers are also encouraged to consider training and development of more black people, particularly females and those with disability to enable them to have access to occupations at all levels of organisations.
- Enterprise and supplier development – FoodBev aim to be a key contributor to socio-economic change in the country, and therefore prioritises procurement from businesses certified at B-BBEE levels 1 and 2. In addition, preference is given to companies that are at least 51% black-owned and at least 30% black women owned.

Lastly, because the FoodBev SETA uses the Conservative Budgeting approach when preparing the budget, it is always able to fund and execute its mandate as required. Revenue is projected using historical information coupled with known sector changes and then apply an expected increase in sector salaries. Expenditure is based on the projected levy revenue which is apportioned in accordance with SETA grant regulations into mandatory grant, discretionary grants and administration (including QCTO allocation) expenditure. Discretionary grant expenditure is further broken in terms of the APP performance indicators, while administrative budgets is allocated in terms of historical date and known changes. It should be noted that the SETA does not budget for surplus or deficit.

Part C: Measuring Our Performance

9. Institutional Performance Information

It is mandatory for SETAs to produce a five-year Strategic Plan that illustrates the plans, goals and objectives they have in place to help them deliver on their mandate. For this reason, a strategic planning session was arranged with the Board, Executives and Management of FoodBev SETA. The session included a review of the previous strategy plan, a discussion of findings raised around the 2018/19 Annual Performance targets. The work outlined in this Strategic Plan forms part of a long-term objective of an inclusive education system and relevant skills which must continue to shape the vision of the future. The method followed in developing this plan included a SWOT analysis exercise as well as the analysis of the SWOT of the organisation. The methodology pursued Pains-Enablers process to compile a priority list which lead to the identified outcomes.

9.1 Measuring the Impact

Impact statement	To establish a capable workforce that contributes to self-employment, economic growth and quality of life.
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9.2 Measuring Outcomes

Table 5: Outcomes and Strategic Priorities

Outcome	SSP Action	Priority	Outcome indicator	Outcome indicator Baseline ⁵	5-year target
NSDP Outcome 1: Identified and increased production of occupations in high demand					
FoodBev SETA Outcome 1: Identified occupations in high demand are addressed through relevant and accessible programmes.	Address the Skills Gap in the sector		1. Percentage of the Discretionary Grant budget allocated to developing high level skills including managers, professionals and associate professionals	35,86%	32-36%
FoodBev SETA Outcome 2: Relevant	Assist the sector to boost innovation through research				

⁵ Some Outcome Indicator Baselines are based on one-year information due to the limited availability of the required, relevant data.

Outcome	SSP Action	Priority	Outcome indicator	Outcome indicator Baseline ⁵	5-year target
Programmes Facilitated to respond to the PSET education, skills development and training in public institutions.			2. Percentage of the Discretionary Grant budget allocated to developing intermediate level of skills.	63,71%	64-68%
			3. Percentage of the discretionary grant budget allocated to developing elementary level skills	0,43%	0,5-1,5%
			4. Number of research outputs/papers produced by FBS	6	6-10
FoodBev SETA Outcome 6: Improved skills planning through research			5. Percentage of discretionary funding allocated to priority qualifications in response to priority occupations	86%	86-90%
NSDP Outcome 2: Linked education and the workplace					

Outcome	SSP Priority Action	Outcome indicator	Outcome indicator Baseline ⁵	5-year target
<p>FoodBev SETA Outcome 1: Identified occupations in high demand are addressed through relevant and accessible programmes.</p> <p>FoodBev SETA Outcome 7: Established Partnerships with Stakeholders (e.g. learning institutions, foundations, NGO's, Public Sector Institutions) to make the industry more competitive.</p>	Improving quality of provision of matriculants and graduates into the FBS	6. Percentage of total discretionary funding directed towards programmes for the unemployed which include a work experience component (TVET, UoT, learnerships, graduate placement, apprenticeships)	77%	77% - 80%
NSDP Outcome 3: Improved skills level in the South African workforce				
<p>FoodBev SETA Outcome 8: Supported and transformed sector with a focus on: <i>Youth/Women/People with Disability /TVET and Community Colleges/Rural / Townships</i></p> <p>FoodBev SETA Outcome 7: Established Partnerships with Stakeholders (e.g. learning institutions, foundations, NGO's,</p>	Transformation	7. Percentage of discretionary grant funding for management development programmes allocated to designated groups in support of sector transformation	69%	80% - 90%
		8. Percentage of learners with disabilities on funded skills development programmes	4.26%	4.5%-6%

Outcome	SSP Action	Priority	Outcome indicator	Outcome indicator Baseline ⁵	5-year target
Public Sector Institutions) to make the industry more competitive.			9. Percentage of female learners on funded skills development programmes	46.16%	46-55%
			10. Percentage of youth learners funded on skills development programmes	76.74%	80%
NSDP Outcome 4: Increased access to occupationally directed programmes.					
FoodBev SETA Outcome 2: Relevant programmes facilitated to respond to the PSET education, skills development and training in public institutions. FoodBev SETA Outcome 1: Identified occupations in high demand are addressed through relevant and accessible programmes.	Address skills gap in the sector		11. Percentage of priority occupations where occupational teams and/or industry role-players have recommended interventions.	New indicator	100%
FoodBev SETA Outcome 2: Relevant programmes facilitated to respond to the PSET education, skills development and training in public institutions.			12. Number of artisans produced towards meeting the target of the NDP.	753	800 – 1 100
NSDP Outcome 5. The growth of the public college system supported					
FoodBev SETA Outcome 2: Relevant	Addressing artisan shortage		13. Number of public TVET Colleges	3	7

Outcome	SSP Action	Priority	Outcome indicator	Outcome indicator Baseline ⁵	5-year target
Programmes Facilitated to respond to the PSET education, skills development and training in public institutions.			supported to offer food and beverages manufacturing occupational programmes		
			14. Number of public CET Colleges supported to deliver programmes relevant to the sector	0	3
NSDP Outcome 6: Entrepreneurs and cooperatives supported with skills development needed for their growth					
FoodBev Outcome 3: Increased offering designed to address national imperatives.	SETA	Address skills gap in sector	15. Percentage of discretionary grant funding directed towards training interventions that support the development of entrepreneurs and training interventions that support skills development of small businesses and cooperatives.	0,4%	1.5%-5%
NSDP Outcome 7: Encouraged and supported worker-initiated training					
FoodBev Outcome 7: Established Partnerships with Stakeholders (e.g. learning institutions, foundations, NGO's, Public Sector Institutions)	SETA	Address skills gap in sector	16. Percentage of discretionary funding directed towards the support of trade unions through relevant training interventions.	0%	2%

Outcome	SSP Action	Priority	Outcome indicator	Outcome indicator Baseline ⁵	5-year target
to make the industry more competitive.					
NSDP Outcome 8: Supported career development services					
FoodBev SETA Outcome 5: Increased awareness of FoodBev SETA offerings. FoodBev SETA Outcome 8: supporting the transformation of the Industry with a focus on: <i>Youth/Women/People with Disability /TVET and Colleges/Rural / Townships</i>	Address skills gap in the sector		17. Percentage of career events supported in rural and township areas on occupations in high demand.	12%	30%
NSDP Outcome 9: Performing system support functions and managed budgets and expenditure that are linked to the SETA mandate					
FoodBev SETA Outcome 4: Efficient & Effective Disbursement of Funds.	N/A		18. Number of clean audit outcomes achieved.	2	5
			19. Percentage of Mandatory Grants payout ratio	83%	85% -90%

9.3 Explanation of Planned Performance over the Five-year Planning Period

The FoodBev SETA has identified strategic Priorities that it plans to implement as the focus performance areas over the next five years. These priorities are also identified in the Sector Skills Plan for the period of 2020-2025. The identified performance areas are:

a. Addressing Artisan Shortages and Development

The SETA has realised the need to assign higher targets for the training of Artisans, specifically Millwrights, Fitter and Turners and Electricians. The overall number of the Artisan continues to increase respectively each financial year as the demand cuts across all sectors. A multi-pronged strategy to alleviate the scarcity of Artisans in the Food and Beverage Sector will be implemented.

b. Improving Quality of Provision of Matriculants and Graduates into the Food and Beverages Manufacturing Sector

The FoodBev SETA will promote and fund significantly more bursaries for the sector. The SETA will target varsity students who have performed remarkably well as matriculants, particularly in Maths and Science, to enter the Food Science and Technology learning programmes. Currently, there is very little emphasis placed on bursaries for matriculants to get into tertiary education. Placing more emphasis on bursaries into Food Science and Technology could potentially produce more industry specific priority occupations in the long run.

c. Transformation

Transformation is a strategic focus area for the FoodBev SETA. The FoodBev SETA will consider increasing the allocation of bursaries for relevant post-graduate studies targeted at African females. An increase in bursary allocations for post-graduate studies will ensure a pipeline of highly skilled females who have the necessary skills to occupy higher positions. In addition, the FoodBev SETA will focus on equipping middle and senior management in food and beverage companies with the requisite managerial skills through other forms of training interventions.

In relation to disability, the FoodBev SETA will continue to set aside a special grant ring fenced for the training needs of people with disabilities to augment their presence in the Food and Beverage Manufacturing Sector. Small Businesses will also be a key priority area under the transformation target as the SETA has realised that it has neglected medium-to-small entities in the sector although they are the main stakeholders for the FoodBev SETA.

d. Assist the Sector to Boost Innovation through Research

The FoodBev SETA plans to continue awarding bursaries towards Masters and PhD studies in research and innovation to encourage innovation in the sector. The need for innovation in food processing as highlighted by the crippling nature of the drought that continues to be experienced in the country and reinforces the need to realise this priority.

e. Skills Gaps in the Sector

Generic management skills, numeracy, literacy, soft skills and industry specific knowledge skills will be prioritised as well due to the significant skills gaps highlighted in the sector. The SETA has various training interventions that will be implemented to address management skills, industry specific knowledge and some soft skills. The SETA plans to create an awareness of the available programmes it offers and will therefore ensure that employers are knowledgeable about the programmes the SETA funds. In addition, it will assist in tackling some of the skills gaps found in the sector. The SETA will keep the sector abreast of the learning programmes it funds.

9.4 Key Risks

Table 6: FoodBev SETA Risks

Outcome	Key Risk	Risk Mitigation
1. Performing system support functions and managing the budgets and expenditure linked to the SETA mandate.	1. Inadequate staffing capacity and recruitment practices. 2. Inadequate staff training and low staff morale. 3. Non-compliance with applicable laws and regulations. 4. Inadequate supply chain management procedures resulting in irregular and wasteful expenditure. 5. Delays in procurement processes impacting	1.1 Develop talent management strategy. 1.2 On-going review, development and implementation of HR policies and procedures. 1.3 Enhance and modify job profiles and re-grading of jobs to attract scarce skills. 1.4 Review and update Reward and recognition policy. 1.5 Revised SETA budget and programme deliverables (i.e. indicators and targets) in response to COVID-19 pandemic. 2.1. Development and implement individual development plans and allocation of adequate staff development budget.

Outcome	Key Risk	Risk Mitigation
	<p>negatively on SETA performance.</p> <p>6. Inadequate information and communications technology ("ICT") systems and Cyber security threat.</p> <p>Inadequate implementation and achievements of APP targets as result of COVID-19 pandemic</p>	<p>3.1. Develop risk and compliance framework and report quarterly to audit and risk committee.</p> <p>3.2. Compliance monitoring by risk management committee.</p> <p>4.1. On-going training in supply chain management as well as relevant legislative instruments.</p> <p>5.1. Strict adherence to supply chain policies and procedures.</p> <p>5.2. Quick turnaround times with regards to Evaluation and Adjudication of bids and receipt of quotations.</p> <p>5.3. Implement processes that will ensure payments are made within the required 30 days.</p> <p>6.1. Information security review and enhancements.</p> <p>6.2. Implementation of Patch Management System.</p> <p>6.3 Review and update of ICT policies.</p> <p>6.4 Develop a business continuity plan.</p> <p>6.5 Implementation of IT Strategy and Plan which includes prevention, detection and resolution of cyber security threats</p> <p>6.6 Consider innovative means of supporting distance learning (e.g. e-learning) to enable continuity of education and training in the sector, as means of ensuring that the SETA implements its mandate and delivers against its performance targets during the COVID-19 outbreak..</p>

Outcome	Key Risk	Risk Mitigation
<p>2. Identify and increase production of occupations in high demand</p>	<p>7. Ineffective sector skills plan. 8. Inaccurate data received from the submitted WSP/ATRs. 9. Non-submission of WSP /ATRs from companies.</p>	<p>7.1 Conduct sector skills research. 7.2 Training stakeholders on the requirements of the WSP/ATR and how to populate it. 8.1 Training stakeholders on the requirements of the WSP/ATR and how to populate it. 9.1 Conduct workshops targeting small businesses with regards to the importance of participating in skills development initiatives.</p>
<p>3. Increase access to occupationally directed programmes</p>	<p>1. Lack of companies' resources to train according to their needs (especially small levy paying companies). 2. Part qualification registration policy and procedures from the QCTO not finalised in time. 3. Inadequate and ineffective project management reporting. 4. Lack of supporting documentation for registration and completion of programmes. 5. Insufficient capacity to implement M&E Annual Plan 6. M&E tools insufficient or ineffective to provide information required for planning and decision-making 7. Inaccurate reporting of performance information via</p>	<p>1.1 Continuous research and implementation of responsive occupational programmes. 2.1 Continued engagement with the QCTO. 2.2 FoodBev SETA to implement own requirements for quality assurance where this is necessary for funding of occupational programmes. 3.1 Quarterly monitoring of project implementation. 4.1 Implementation of the project Monitoring and Evaluation processes to enable timely identification of project delays and budget overruns, and to resolve any project delivery backlog to minimise negative impact on SETA service delivery. 5.1 Sufficient resources recruited that will implement M&E plan 6.1 Research and M&E units to collaborate on activities and outputs. 7.1 Establishment of internal controls and standard operating procedures to verify data prior to submissions.</p>

Outcome	Key Risk	Risk Mitigation
	<p>SETMIS. Inconsistencies between FBS quarterly performance reports and SETMIS quarterly comprehensive reports</p> <p>8. Poor attendance and mismatched chambers representation during Chamber meetings</p> <p>9. Lack of capacity in public TVET Colleges to deliver occupational programmes</p>	<p>7.2 Continued engagement with the Department of Higher Education and Training to ensure compliance with and alignment to comprehensive report rules</p> <p>8.1 Mobilise and garner support from all sub sectors</p> <p>8.2 Develop a schedule of Chamber meetings and communicate in advance</p> <p>9.1 Evaluate public TVET College capacity prior to initiating assistance for accreditation</p>
<p>4. Skills development support for entrepreneurship and cooperative development.</p>	<p>1. None response to the FoodBev SETA training interventions by SMMEs and cooperatives.</p>	<p>1.1 Conduct workshops to assist companies with workplace skills planning and Budget to support this.</p> <p>1.2 Identify companies that will be assisted by FoodBev SETA to complete the WSP forms.</p>
<p>5. Encourage and support worker-initiated training</p>	<p>1. None response to the FoodBev SETA training interventions by Trade unions.</p>	<p>1.1 Conduct workshops to assist Trade Unions with skills planning.</p>
<p>6. Support the growth of the public college system</p>	<p>1. Lack of capacity in public TVET Colleges to deliver responsive occupational programmes.</p>	<p>1.1 Evaluate public TVET College capacity prior to initiating assistance for accreditation.</p> <p>1.2 Continued engagement with the QCTO regarding development of TVET qualifications.</p>
<p>7. Linking education and the workplace</p>	<p>1. Workplace approval not delegated to the SETAs by QCTO</p>	<p>1.1 FoodBev SETA to implement own requirements for workplace approval where this is necessary for funding of occupational programmes.</p>
<p>8. Improving the level of skills in the South African workforce</p>	<p>1. QCTO processes and requirements for historically registered qualifications amended</p>	<p>1.1 Continued engagement with the QCTO.</p> <p>1.2 FoodBev SETA to implement own requirements for quality assurance</p>

Outcome	Key Risk	Risk Mitigation
		where this is necessary for funding of occupational programmes.
9. Support Career development services	1. Lack of reach within the target market.	1.1 Encourage stakeholders to host open plant tours. 1.2 Sufficient budgetary allocation for outreach activities. Host own career expos and career guidance initiatives.

PART D: Technical Indicator Description (TID)

1. Indicator Title	Percentage of the Discretionary Grant budget allocated to developing high level skills including managers, professionals and associate professionals
Definition	Discretionary funding refers to levy resources available for skills development initiatives. High level skills refer to programmes at NQF level 6 to 10, or to skills development of managers, professionals and associated professionals employed in the sector.
Source of data	FoodBev SETA database
Method of calculation / Assessment	Total amount committed towards high level skills / Total discretionary funding amount. The final figure is presented as a percentage
Assumptions	SETA Grant regulations will not be updated in the period, or if amended will not affect the SETAs discretion in budget allocation
Disaggregation of Beneficiaries	Women: 55-80% of 5-year target Youth: 80-100% of 5-year target People with disabilities: 1-2% of 5-year target
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired Performance	Exceed the planned five-year target (32%-36%)
Indicator responsibility	Senior Manager: Skills Planning and Learning Programmes

2. Indicator Title	Percentage of the Discretionary Grant budget allocated to developing intermediate level of skills.
Definition	Discretionary funding refers to levy resources available for skills development initiatives. Intermediate level skills refer to programmes at NQF level 2 to 5, or to skills development of technicians and administrators employed in the sector.
Source of data	FoodBev SETA database
Method of calculation / Assessment	Total amount committed towards intermediate level skills / Total discretionary funding amount the final figure is presented as a percentage
Assumptions	SETA Grant regulations will not be updated in the period, or if amended will not affect the SETAs discretion in budget allocation
Disaggregation of Beneficiaries	Women: 55-65% of 5-year target Youth: 80-100% of 5-year target

2. Indicator Title	Percentage of the Discretionary Grant budget allocated to developing intermediate level of skills.
	People with disabilities: 1-2% of 5-year target
Spatial performance	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (64%-68%)
Indicator responsibility	Senior Manager: Skills Planning and Learning Programmes

3. Indicator Title	Percentage of the discretionary grant budget allocated to developing elementary level skills
Definition	Discretionary funding refers to levy resources available for skills development initiatives. Elementary level skills refer to programmes at NQF level 1 or lower, or to skills development of elementary workers employed in the sector.
Source of data	FoodBev SETA database
Method of calculation / Assessment	Total amount committed towards elementary level skills / Total discretionary funding amount the final figure is presented as a percentage
Assumptions	SETA Grant regulations will not be updated in the period, or if amended will not affect the SETAs discretion in budget allocation
Disaggregation of Beneficiaries	N/A
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (0,5%-1,5%)
Indicator responsibility	Senior Manager: Skills Planning and Learning Programmes

4. Indicator Title	Number of research outputs/papers produced to inform Sector Skills Planning
Definition	Research is a form of systematic inquiry defined as any perusal of materials, engagements with stakeholders through various platforms to gather information related to skills development. This indicator measures the research output of the FoodBev SETA.
Source of data	Resolution as per Board minutes indicating approval of the Research Agenda for the year

4. Indicator Title	Number of research outputs/papers produced to inform Sector Skills Planning
Method of calculation / Assessment	A simple count of approved Research Reports
Assumptions	Board approved research reports
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Reporting cycle	The data collected through research is reliable, valid and timely
Desired performance	Exceed the planned five-year target (6-20)
Indicator responsibility	Senior Manager: Skills Planning and Learning Programmes

5. Indicator Title	Percentage of discretionary funding allocated to priority qualifications in response to priority occupations
Definition	Discretionary funding refers to levy resources available for skills development initiatives. Priority occupations are identified in the SETA SSP. Priority qualifications are programmes intended to address priority occupations.
Source of data	FoodBev SETA database
Method of calculation / Assessment	Total amount committed towards priority qualifications / Total discretionary funding amount the final figure is presented as a percentage
Assumptions	SETA Grant regulations will not be updated in the period, or if amended will not affect the SETAs discretion in budget allocation
Disaggregation of Beneficiaries	N/A
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (86%-90%)
Indicator responsibility	Senior Manager: Skills Planning and Learning Programmes

6. Indicator Title	Percentage of total discretionary funding directed towards programmes for the unemployed which include a work experience component (TVET, UoT, learnerships, graduate placement, apprenticeships)
Definition	Discretionary funding refers to levy resources available for skills development initiatives. Work experience refer to programmes for unemployed learners including TVET work integrated learning (WIL), learners from Universities of Technology or Comprehensive Universities who require WIL, unemployed learners on learnerships, internships, candidacy and graduate work placement programmes.
Source of data	FoodBev SETA database
Method of calculation / Assessment	Total amount committed towards programmes as defined / Total discretionary funding amount the final figure is presented as a percentage
Assumptions	SETA Grant regulations will not be updated in the period, or if amended will not affect the SETAs discretion in budget allocation
Disaggregation of Beneficiaries	Women: 55-80% of 5-year target Youth: 80-100% of 5-year target People with disabilities: 1-2% of 5-year target
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (77%-80%0
Indicator responsibility	Senior Manager: Skills Planning and Learning Programmes

7. Indicator Title	Percentage of discretionary grant funding for management development programmes allocated to specified designated groups in support of sector transformation
Definition	Management development programmes refer to bursaries awarded for persons employed in the sector. Designated groups refer to employees of all races excluding Whites.
Source of data	FoodBev SETA database
Method of calculation / Assessment	Total amount committed towards management development programmes for designation groups / Total discretionary funding amount for management development programmes The final figure is presented as a percentage

7. Indicator Title	Percentage of discretionary grant funding for management development programmes allocated to specified designated groups in support of sector transformation
Assumptions	Achievement of a management development programme will result in promotion or career advancement.
Disaggregation of Beneficiaries	Non-whites 80%
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (80%-90%)
Indicator responsibility	Senior Manager: Skills Planning and Learning Programmes

8. Indicator Title	Percentage of learners with disabilities funded on skills development programmes
Definition	A minimum percentage of all learners on funded programmes will be directed towards people with disability. Disability refers to learners with a disability as per the classification and process by the South African Revenue Service.
Source of data	FoodBev SETA database
Method of calculation / Assessment	Total number of learners funded with a disability / Total number of all learners on funded skills development programmes The final figure is presented as a percentage
Assumptions	Skills development increases the employability of people with disability.
Disaggregation of Beneficiaries	People with disabilities: 100% of 5-year target
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (4.5%-6%)
Indicator responsibility	Senior Manager: Skills Planning and Learning Programmes

9. Indicator Title	Percentage of female learners funded on skills development programmes
Definition	A minimum percentage of all learners on funded programmes will constitute female learners.
Source of data	FoodBev SETA database
Method of calculation / Assessment	Total number of female learners / Total number of all learners on funded skills development programmes
Assumptions	The final figure is presented as a percentage
Disaggregation of Beneficiaries	Women: 100% of 5-year target
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (55%)
Indicator responsibility	Senior Manager: Skills Planning and Learning Programmes

10. Indicator Title	Percentage of youth learners funded on skills development programmes
Definition	A minimum percentage of all learners on funded programmes will constitute youth learners.
Source of data	FoodBev SETA database
Method of calculation / Assessment	Total number of youth learners / Total number of all learners on funded skills development programmes
Assumptions	The final figure is presented as a percentage
Disaggregation of Beneficiaries	Youth: 100% of 5-year target
Spatial Transformation	Nationally
Reporting cycle	Skills development increases the employability of the youth in SA.
Desired performance	Exceed the planned five-year target (80%)
Indicator responsibility	Senior Manager: Skills Planning and Learning Programmes

11. Indicator Title	Percentage of priority occupations where occupational teams and/or industry role-players have recommended interventions
Definition	Occupational teams and/or professional bodies refer to forums with representation from, but not limited to, industry associations, chamber representatives, and food and beverage manufacturing subject matter experts. It is expected that interventions will be identified for all priority occupations, either for use or for development.
Source of data	Report produced following engagement
Method of calculation / Assessment	Number of priority occupations where interventions were identified / Total number of priority occupations Final figure presented as a percentage
Assumptions	Representatives are willing to participate.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (100%)
Indicator responsibility	Senior Manager: Skills Planning and Learning Programmes

12. Indicator Title	Number of artisans produced towards meeting the target of the NSDP.
Definition	Artisans refers to learners who are qualified in programmes associated with the official list of trades. NSDP artisan target is as specified in the National Skills Development Plan and is stated as 30 000.
Source of data	Artisans who have successfully completed as per the FoodBev SETA database
Method of calculation / Assessment	Number of artisans completed / Artisan target in NSDP Final figure presented as a percentage
Assumptions	The target as specified in NSDP is credible and valid
Disaggregation of Beneficiaries	Youth: 70-100% of 5-year target
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (800-1100)
Indicator responsibility	Senior Manager: Skills Planning and Programmes

13. Indicator Title	Number of public TVET Colleges supported to offer food and beverages manufacturing occupational programmes
Definition	Public TVET Colleges refer to those classified as such by the Department of Higher Education and Training. Food and beverage manufacturing programmes include occupational qualifications and part qualifications with a direct relevance to the manufacturing of food and beverages. Support may include assistance with accreditation, funding for bursaries, lecturer development programmes, placement of students for work experience and any other relevant assistance to either enhance College capacity or increase enrolments or increase throughput rates.
Source of data	Agreements between FoodBev SETA and public TVET Colleges
Method of calculation / Assessment	Number of public TVET Colleges supported / Total number of public TVET Colleges Final figure presented as a percentage
Assumptions	There is appetite in the public TVET College space for collaboration.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (7)
Indicator responsibility	Senior Manager: Skills Planning and Learning Programmes

14. Indicator Title	Number of public CET Colleges supported to deliver programmes relevant to the sector
Definition	Public CET Colleges refer to those classified as such by the Department of Higher Education and Training. Relevant programmes include those with a food and beverage manufacturing technical component, and entrepreneurship or business programmes for individuals and small businesses who wish to operate in the food and beverage manufacturing sector.
Source of data	Agreements between FoodBev SETA and public CET Colleges
Method of calculation / Assessment	Number of public CET Colleges supported / Total number of public CET Colleges Final figure presented as a percentage
Assumptions	There is appetite in the public CET College space for collaboration.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (3)
Indicator responsibility	Senior Manager: Skills Planning and Learning Programmes

15. Indicator Title	Percentage of discretionary grant funding directed towards training interventions that support the development of entrepreneurs and training interventions that support skills development of small businesses and cooperatives.
Definition	Small businesses refer to sole proprietors and businesses employing fewer than 50 people who are or wish to operate in the food and beverage manufacturing sector. Cooperatives include all entities recognised as such. Relevant programmes include those with a food and beverage manufacturing technical component, and entrepreneurship or business programmes for individuals and small businesses who wish to operate in the food and beverage manufacturing sector.
Source of data	Agreements between FoodBev SETA and small businesses or cooperatives
Method of calculation / Assessment	Amount of funding awarded to small businesses in the sector and cooperatives specifically / Total amount of discretionary funding the final figure is presented as a percentage
Assumptions	SETA Grant regulations will not be updated in the period, or if amended will not affect the SETAs discretion in budget allocation
Disaggregation of Beneficiaries	N/A
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (1.5%-5%)
Indicator responsibility	Senior Manager: Skills Planning and Learning Programmes

16. Indicator Title	Percentage of discretionary funding directed towards the support of trade union members through relevant training interventions.
Definition	Trade unions refers to an organised association of workers in a trade, group of trades, or profession, formed to protect and further their rights and interests. The unions will be consulted through forums, meetings and other engagements to enhance understanding of skills development initiatives required in the sector. This will inform planning of interventions designed in response to needs identified in partnership with trade unions.
Source of data	Agreements signed between FoodBev SETA and a trade union or an intermediary
Method of calculation / Assessment	Amount of funding awarded to trade union special projects / Total amount of discretionary funding the final figure is presented as a percentage
Assumptions	There is appetite from the trade unions to participate in skills development planning and intervention design
Disaggregation of Beneficiaries	N/A
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (2%)
Indicator responsibility	Senior Manager: Skills Planning and Learning Programmes

17. Indicator Title	Percentage of career events supported in rural and township areas on occupations in high demand.
Definition	Career events refer to; Stakeholder engagements, Chamber meetings, roadshows, and career guidance events supported, and career guides distributed include those arranged by FoodBev SETA, by DHET, or any other event where the focus is career guidance. Rural areas are as per the FoodBev SETA classification in lieu of an official definition.
Source of data	Proof of meetings and career guide events attendance
Method of calculation / Assessment	Number of career guidance events supported in rural areas / Total number of career guidance events supported final figure is presented as a percentage
Assumptions	There is a greater need for career guidance in rural areas
Disaggregation of Beneficiaries	N/A

17. Indicator Title	Percentage of career events supported in rural and township areas on occupations in high demand.
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (30%)
Indicator responsibility	Senior Manager: Stakeholder Relations

18. Indicator Title	Number of clean audit outcomes achieved
Definition	A clean audit refers to financial statements that are free from material misstatements and there are no material findings on the reporting of performance objectives or non-compliance with legislation.
Source of data	Audit outcome as per AGSA
Method of calculation / Assessment	Simple count of clean audit outcome per financial year
Assumptions	FoodBev SETA will retain its audit status
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (5)
Indicator responsibility	CEO and Management

19. Indicator Title	Percentage of Mandatory Grants payout ratio
Definition	A pay-out ratio is defined as an improved total amount of mandatory grant expenditure relative to the income received.
Source of data	Audit outcome as per AGSA
Method of calculation / Assessment	Total grant expenditure/total grant income
Assumptions	The numbers reported are accurate and free from material errors.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (85% -90%)
Indicator responsibility	CFO and Management