



Culture, Arts, Tourism, Hospitality and Sport Sector
Education and Training Authority

STRATEGIC PLAN

2020/21 - 2024/25



higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA







FOREWORD BY THE MINISTER

The mandate of the Sector Education and Training Authorities is derived, in the main from the Skills Development Act 97 of 1998 as amended, which amongst others, directs SETAs to develop Sector Skills Plan (SSPs). In their Sector Skills Plans, SETAs must reflect and incorporate government priorities, especially those that address our priority developmental goals, that of tackling the triple challenges of poverty, unemployment and inequalities. The SSPs are intended to ensure that skills are not a constraint to the economic development of our country.

The mandate of the SETAs must be understood within our vision of the post-school education and training system of having an integrated, coordinated and articulated PSET system for improved economic participation and the social development of youth and adults. Critical to this vision is our challenge of addressing the plight of the youth that are Not in Education, Employment or Training (NEET), which is standing at over 3.4 million in the fourth quarter of 2022.

The White Paper for Post-School Education and Training (WPPSET) envisages the post-school education and training system as an important institutional mechanism that must be responsive to the needs of society. Critical to this, is our transformational and developmental imperatives which include amongst others: class, gender, race, geography and youth, which must be reflected at all materials times in our SETA interventions. The Ministry of Higher Education, Science and Innovation is among the leading ministries for the 2019–2024 Medium Term Strategic Framework (MTSF) Priority 3: Education, Skills and Health, and the following medium-term outcomes have been identified:

- An integrated and coordinated PSET system.
- Expanded access to PSET opportunities.
- Improved success and efficiency of the PSET system.
- Improved quality of PSET provisioning.
- A responsive PSET system

The President launched the Economic Reconstruction and Recovery Plan (ERRP) in October 2020 pointing out to skills development, science and innovation as enablers in driving South Africa's economic reconstruction and recovery, but also key in sustaining it. In support of this initiative, the Department working with social partners at the National Economic Development and Labour Council (NEDLAC) & the National Skills Authority, in the main developed the Skills Strategy to support the government's efforts to mitigate the impact of COVID-19 global health pandemic and the initiatives towards economic and social recovery.

The Economic Reconstruction and Recovery Plan Skills Strategy (ERRP SS) aims to support the Economic Reconstruction and Recovery Plan (ERRP), ensuring that it is not compromised by skills shortages. It is born out of the urgency for a well-coordinated strategy of skills development to support both the management of the COVID-19 global health pandemic and economic and social recovery. President Ramaphosa captured our determination to reset the South African economy when he said: "We are determined not merely to return our economy to where it was before the coronavirus, but to forge a new economy in a new global reality." As stated

in the ERRP, South Africa is now on the threshold of an important opportunity to imaginatively, and with a unity of purpose, reshape its economic landscape.

The ERRP SS is located within the broader skills planning arsenal of the Post-School Education and Training (PSET) system, which promotes the use of labour market intelligence (including future work scenarios) to inform PSET provisioning. The Department of Higher Education and Training has identified skills needs in the form of the List of Occupations in High Demand, the Priority Skills List and the Critical Skills List (which it prepared on behalf of the Department of Home Affairs). The SETAs will continue to play a critical role in the implementation of the Skills Strategy to support Economic Reconstruction and Recovery Plan.

The National Skills Development Plan (NSDP) 2030 remains at the centre in directing how the skills development levy will be disbursed up to 31 March 2030. For this reason, the Sector Education and Training Authorities (SETAs) have been re-established until 2030, in alignment with the National Development Plan to ensure that the SETAs focus on skills required for our socio-economic development. For the financial year, we aim at expanding the participation of young people in skills development programs as well as workplace-based learning opportunities. We have surpassed the State of the Nation Address (SoNA) 10 000 Technical and Vocational Education and Training (TVET) target placements in 2022 leading to setting a target for 2023 of 20,000 TVET placements.

For the 2023/24 financial year, the entire SETA system has set itself the following targets, as part of expanding post-school opportunities:

- 107 000 workplace-based learning (WBL) opportunities;
- 148 000 learners registered in skills development programs;
- 22 000 learners entering artisanal programs;
- 20 500 learners passing artisanal trades;
- 31 300 learners completing learnerships; and
- 5 200 learners completing internships.

The SETA will enter into the Service Level Agreement with the Director-General of the Department and commit that 25% of all targets to be achieved on a quarterly basis, with 100% achievement in the last quarter of the financial year.

The SETA Annual Performance Plan (APP) provides a clear commitment to the delivery of our skills development priorities and targets for implementation during the 2023/24 financial year.



Dr. BE Nzimande, MP

Executive Authority of Higher Education, Science and Innovation

ACCOUNTING AUTHORITY STATEMENT

As we enter the final year of the current Medium Term Strategic Framework (MTSF) period, 2019/20 - 2023/24, I have the pleasure of presenting the 2023/24 update of the five-year Strategic Plan (SP) for the Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority (CATHSSETA). This Plan has been updated to encapsulate the challenges that have occurred since the previous version of the Annual Performance Plan (APP).

This update of the SP takes into account the current situation which is characterised by slow economic growth, rising high inflation and an increase in unemployment. It is informed by various policy frameworks amongst others, the National Development Plan, 2030 (NDP), the National Skills Development Plan, 2030 (NSDP), and the White Paper on Post School Education and Training, 2013 (WPPSET). Additionally, priorities identified during the development of the 2020/21 – 2024/25 Sector Skills Plan (SSP) have been considered.

The SETA is making a concerted effort in implementing one of the outcomes of the NSDP, in particular, increased access to occupationally directed programmes. To this end, the Chef Artisan Development Programme has been identified as the priority project that the SETA will implement during the remaining part of the MTSF period. This will also demonstrate the SETA's contribution towards the achievement of one of the targets of the NDP, 2030, namely, that of producing 10 000 artisans per annum.

As we enter the post-COVID-19 recovery phase, there has been a gradual upward trajectory in the revenue collection of the SETA, which implies that the SETA can intensify its skills development efforts in the various sub-sectors. The mid-term review of the current Accounting Authority (AA) tenure will inform improvements that need to be put in place as the SETA continues to carry out its mandate.

The AA of CATHSSETA will do its best to position this SETA as the leader in facilitating skills development.



Mr David Themba Ndhlovu
Accounting Authority Chairperson

CHIEF EXECUTIVE OFFICER STATEMENT

As we enter the final year of the 2019/20 – 2023/24 MTSF period, this iteration of the SP will focus on continuing with the skills development initiatives that respond to the unemployment challenges that the country faces. This iteration also serves as a mechanism within which the SETA will revise its vision and mission in response to the outcomes that are encapsulated in the NSDP.

The revision of the vision will also usher in new priority areas that have been identified by the AA for the remaining period of the MTSF. Notwithstanding, outcomes and outcome indicators will remain relevant and will be implemented over a medium period.

The post-COVID-19 situation compels the organisation to explore various opportunities for delivering its products and services. There is a greater need to move from the current way of doing business to digitisation. The entity has to transition from paper-based processes to operating online, which will require adequate resources to deploy state-of-the-art Information and Communication Technology (ICT) infrastructure that provides real-time information. This resonates well with the entity's five-year ICT strategy that is currently being implemented since April 2021.

Having said that, the entity will on an annual basis implement the SP with due care being taken to the available financial resources and the challenges being experienced by the sector.

In conclusion, I wish to assure the AA that under my leadership, the staff will be mobilised to work productively in an effort to achieve the set outcomes and outputs that are contained in this document.



Mr Marks Thibela
Chief Executive Officer

OFFICIAL SIGN-OFF

It is hereby certified that this Strategic Plan:

- Was developed by the Management of CATHSSETA, under the guidance of the Accounting Authority.
- Considers all relevant policies, legislation and other mandates for which CATHSSETA is responsible.
- Accurately reflects the Impact, Outcomes and Outputs, which CATHSSETA will endeavour to achieve, over the medium-term period from 2020/21 to 2024/25.

Mr Fezekile Mphako
Executive Manager: Corporate Services

Signature: 

Mr Ntona Marota
Chief Financial Officer

Signature: 

Dr Tebogo Umanah
Executive Manager: Research, Monitoring and Evaluation

Signature: 


Ms Lebogang Mpye
Executive Manager: Learning Programmes

Signature: 

Mr Marks Thibela
Chief Executive Officer

Signature: 

Approved by:
Mr David Themba Ndhlovu
Accounting Authority Chairperson

Signature: 

ABBREVIATIONS AND ACRONYMS

| | |
|---------------------|---|
| Accord | National Skills Accord |
| AGSA | Auditor-General South Africa |
| AG | Auditor-General |
| BCEA | Basic Conditions of Employment Act No. 75 of 1997 as amended |
| BUSA | Business Unity South Africa |
| APP | Annual Performance Plan |
| B-BBEE | Broad-Based Black Economic Empowerment Act No. 53 of 2003 as amended |
| CATHSSETA | Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority |
| CBO | Community-Based Organisation |
| CET | Community Education and Training |
| CIMS | CATHSSETA Information Management System |
| Constitution | Constitution of the Republic of South Africa, Act No. 108 of 1996 as amended |
| COVID-19 | Coronavirus was declared a Pandemic by the World Health Organisation |
| DHET | Department of Higher Education and Training |
| DSI | Department of Science and Innovation |
| EC | Eastern Cape |
| EEA | Employment Equity Act No. 55 of 1998 as amended |
| ERRP | Economic Reconstruction and Recovery Plan |
| ERSS | Economic Reconstruction Skills Strategy |
| ETI | Employment Tax Incentive |
| FS | Free State |
| DPME | Department of Planning, Monitoring and Evaluation |
| HEI | Higher Educational Institution |
| GDP | Gross Domestic Product |
| GP | Gauteng Province |
| ICT | Information and Communications Technology |
| KZN | KwaZulu-Natal |
| LC | Labour Court |
| LAC | Labour Appeal Court |
| LRA | Labour Relations Act No. 66 of 1995 as amended |
| Minister | Minister of Higher Education, Science and Innovation |
| MOU | Memorandum of Understanding |
| MP | Mpumalanga Province |
| MTSF | Medium-Term Strategic Framework |
| NDP | National Development Plan of 2030 |
| NGO | Non-Governmental Organisation |
| NHRDSSA | National Human Resources Development Strategy of South Africa |
| NOLS | National Open Learning System |
| NPO | Non-profit Organisation |
| NPPEST | National Plan for Post-School Education and Training |
| NQF | National Qualifications Framework |

| | |
|------------------|---|
| NQFA | National Qualifications Framework Act No. 67 of 2008 as amended |
| NSDP | National Skills Development Plan of 2030 |
| NSF | National Skills Fund |
| NW | North West Province |
| PESTEL | Political, Economic, Social, Technological, Environmental and Legal |
| PFMA | Public Finance Management Act No. 1 of 1999 as amended |
| PIVOTAL | Professional, Vocational, Technical and Academic Learning |
| PMN | Pathway Management Network |
| POPIA | Protection of Personal Information Act No. 4 of 2013 |
| PPPFA | Preferential Procurement Policy Framework Act No.5 of 2002 as amended |
| President | President of the Republic of South Africa |
| PYEI | Presidential Youth Employment Initiative |
| QCTO | Quality Council for Trades and Occupations |
| RPL | Recognition of Prior Learning |
| SAQA | South African Qualifications Authority |
| SARS | South African Revenue Service |
| SDA | Skills Development Act No. 97 of 1998 as amended |
| SDLA | Skills Development Levies Act No. 9 of 1999 |
| SDL | Skills Development Levy |
| SETA | Sector Education and Training Authority |
| SITA | State Information Technology Agency |
| SLA | Service Level Agreement |
| SMME | Small Medium and Micro Enterprises |
| SONA | State of the Nation Address |
| SP | Strategic Plan |
| SSP | Sector Skills Plan |
| SWOT | Strengths, Weaknesses, Opportunities, Threats |
| TVET | Technical, Vocational Education and Training |
| UoT | University of Technology |
| WBL | Workplace Based Learning |
| WC | Western Cape |
| WIL | Work Integrated Learning |
| WHO | World Health Organisation |
| WPPSET | White Paper on Post-School Education and Training |
| WRP | Work Readiness Programme |
| WTO | World Trade Organisation |
| 4IR | Fourth Industrial Revolution |

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PART A: OUR MANDATE

CATHSSETA is a statutory body established through the Skills Development Act No.97 of 1998 as amended (SDA). It is a Schedule 3A listed public entity in terms of the Public Finance Management Act No. 1 of 1999, as amended (PFMA), and it is accountable to the National Department of Higher Education and Training (DHET). CATHSSETA conducts its activities within the following six (6) sub-sectors:

- 1) Arts, Culture and Heritage;
- 2) Conservation;
- 3) Gaming and Lotteries;
- 4) Hospitality;
- 5) Sport, Recreation and Fitness; and
- 6) Tourism and Travel Services.

Within these sub-sectors, CATHSSETA's responsibility is to:

- Develop an SSP within the framework of the NSDP;
- Implement the SSP;
- Support and administer learning programmes;
- Conduct quality assurance on learning in line with Quality Council for Trades and Occupations (QCTO) requirements;
- Disburse levies collected from employers in our sub-sectors in terms of the Skills Development Levies Act No. 9 of 1999 as amended (SDLA);
- Support the implementation of the National Qualifications Framework (NQF);
- Quality assures learning interventions; and
- Report to the Minister of Higher Education, Science and Innovation and the South African Qualifications Authority (SAQA).

1. CONSTITUTIONAL MANDATE

Section 29 of the Constitution of the Republic of South Africa, Act No. 108 of 1996 as amended provides all South Africans with the right to education. It states that everyone has the right to:

- Basic education, including adult basic education; and
- Further education, which the State, through reasonable measures, must make progressively available and accessible.

In giving effect to this right, CATHSSETA must develop a credible SSP and an SP that guides the implementation of various skills development programmes within its diverse sector.

2. LEGISLATIVE AND POLICY MANDATE

2.1. Skills Development Act No. 97 of 1998 as amended (SDA)

This is the enabling Act that gives effect the establishment and functioning of the SETAs. The Act outlines the legislative mandate of the SETAs and gives rise to the development of the SSP within which industry- supported learning programmes are implemented to upskill the workforce and improve labour force productivity. The Act further compels the SETA to conclude a Service Level Agreement (SLA) with DHET that provides the basis on which the Shareholder will monitor the performance of the SETA. The roles and responsibilities of the SETA,

as well as its funding mechanisms, are clearly outlined in this Act. Various arrangements are contained in this Act to support the effective implementation of skills development.

2.2. Skills Development Levies Act No. 9 of 1999 as amended (SDLA)

The Act makes provision for the collection of skills development levies and distribution. The SDLA prescribes how the skills levies are collected through the South African Revenue Service (SARS) and the way they are apportioned into the account of the National Skills Funds (NSF), then directed to the SETAs. It further stipulates the portion that is transferred to QCTO, and the way the SETAs use the funds, as provided for in the SDA and accompanying SETA Grant Regulations that were promulgated in 2012.

2.3. The SETA Grant Regulations, 2012

Grant Regulations are drawn from the SDA. They regulate the use of monies received by the SETA and the processes for the disbursement of such monies. In the disbursement of these monies, the SETA must set out the output and targets in the APP and demonstrate how it will achieve the objectives of the SSP and the NSDP.

2.4. National Qualifications Framework Act No. 67 of 2008 (NQFA)

The NQFA provides for the establishment of the NQF. Its objectives are: (i) to create a single integrated national framework for learner achievement, facilitate access, mobility and progression within the education, training and career paths; (ii) to enhance the quality of education and training; and (iii) to accelerate the redress of past unfair discrimination in education, training and employment opportunities. In contributing to the said objectives, CATHSSETA supports its sector through the allocation of 80% of its Discretionary Grant to implement various learning programmes that are aligned with the NQF.

2.5. Public Finance Management Act No. 1 of 1999 as amended (PFMA)

The PFMA provides for the classification of public entities into various schedules. The 21 SETAs are classified as Schedule 3A Public Entities. The Act also designates the Board of a SETA as an AA. The Minister in turn is designated as the Executive Authority. The object of the PFMA is to ensure effective, efficient, and economical management of all public resources allocated to a public institution.

2.6. Broad-Based Black Economic Empowerment Act No. 53 of 2003 as amended (B-BBEE)

Section 10 of the B-BBEE Act requires all government and state entities to integrate B-BBEE requirements in awarding contracts, licenses, grants, incentives and concessions to entities that are B-BBEE compliant. All SETA's must report on skills development spending and programmes to the B-BBEE Commission post approval of the Annual Report. The Act introduced amendments to Code Series 300, Statement 300, namely, the "General Principles for Measuring Skills Development". These principles prescribe compliance targets and weighting points to be claimed by measured entities. The measured entities should demonstrate the expenditure incurred in training black people on various listed learning interventions. The Code determines that the Workplace Skills Plan, an Annual Training Report and Pivotal Report which are SETA approved will constitute the criteria for Measured Entities to receive points towards their BEE scorecards.

2.7. Preferential Procurement Policy Framework Act No.5 of 2002 as amended (PPPFA)

The purpose of this Act is to give effect to Section 217 of the Constitution, which requires that contracts for goods or services by state institutions must be done in accordance with a system that is fair, equitable, transparent, competitive and cost-effective. The Act further outlines the processes for procuring goods or services, below and above R1 000 000, as well as determining the preference points system in the awarding of bids. CATHSSETA has a Policy on Supply Chain Management that guides the procurement of goods and services of any value.

2.8. Basic Conditions of Employment Act No. 75 of 1997 as amended (BCEA): Sectoral Determination No. 5: Learnerships

The Act provides for Sectoral Determination No. 5 which establishes binding conditions of employment and rates of allowances for learners. As such, CATHSSETA should comply with the Sectoral Determination for any learning programme agreements that it enters into.

2.9. Employment Equity Act No. 55 of 1998 as amended (EEA)

The purpose of this Act is to achieve equity in the workplace by (i) promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination, and (ii) implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups, to ensure their equitable representation in all occupational categories and at all levels in the workplace. CATHSSETA will ensure that the allocation of funds to various learning programmes promotes equity and fairness. The SETA will, in accordance with Section 20 of the Act, implement an Employment Equity Plan to promote equality in the workplace.

2.10. Labour Relations Act No. 66 of 1995 as amended (LRA)

The Act gives effect to Section 23 of the Constitution, which states that everyone has the right to fair labour relations. The purpose of this Act is to advance economic development, social justice, labour peace and the democratisation of the workplace. Both employer and employee rights, during an employment relationship between parties, are guaranteed through this Act. The SETA will always respect the existing collective bargaining processes, endeavour to maintain smooth relations between employer and employee organisations and, ensure that all disciplinary and grievance-related processes adhere to the provisions of this Act.

2.11. Promotion of Access to Information Act No. 20 of 2000 as amended (PAIA)

This Act gives effect to the constitutional right of access to any information held by the State and any information held by another person, which is required for the exercise or protection of any rights, as well as to provide for matters connected therewith. The Act designates the head of a public institution as an Information Officer (IO), who is required to develop and publish a PAIA Manual to regulate requests for information held by any public and private institution. The SETA will ensure that the PAIA Manual is developed and implemented and that the IO designates Deputy Information Officers (DIOs).

2.12. Protection of Personal Information Act No. 4 of 2013 (POPIA)

The purpose of this Act is: (a) to give effect to the constitutional right to privacy, by safeguarding personal information when processed by a responsible party, subject to justifiable limitations that are aimed at, (i) balancing the right to privacy against other rights, particularly the right of access to information; and (ii) protecting important interests, including the free flow of information within the Republic and across international borders; (b) to regulate how personal information may be processed, by establishing conditions, in harmony with international standards, that prescribe the minimum threshold requirements for the lawful processing of personal information; and (c) to provide persons with rights and remedies to protect their personal information from processing that is not in accordance with this Act.

The Act further regulates security measures on the integrity and confidentiality of personal information kept by any public and private bodies. Every public and private body must ensure that personal information in its possession or under its control is protected, by taking appropriate, reasonable technical and organisational measures to prevent, (a) loss of, damage to, or unauthorised destruction of personal information; and (b) unlawful access to, or the processing of personal information. The SETA will ensure that all personal records in its possession are safeguarded and that the CATHSSETA Information Management System (CIMS) will be implemented.

2.13. National Development Plan, 2030 (NDP)

The NDP identifies skills development and education as a catalyst for economic development and growth. The NDP correctly positions skills development and education as a necessity for the empowerment of people. Education must enable people to define their identity, take control of their own lives, raise healthy families, and play a meaningful role in broader societal development.

The NDP acknowledges that education, training, and innovation are not the only solutions to our common national problems. Rather, education is critical in building the country's national capacity to solve problems. Addressing our national training and educational expectations requires harnessing the capacity of different provider institutions so that they can be effective in delivering on their respective mandates.

2.14. National Skills Development Plan, 2030 (NSDP)

The NSDP aims to ensure that the country has adequate and high-quality skills that contribute to economic growth, employment creation and social development. The Plan came into effect on 1 April 2020 and outlines key objectives for skills development. The Plan also provides performance indicators against which SETAs must perform from 2020 and beyond.

2.15. National Skills Accord, 2011

The National Skills Accord established a partnership between DHET, communities, organised business, and labour, aimed at promoting common skills development and training priorities. These representatives of business, organised labour, the community constituency, and the government have agreed to partner to achieve the New Growth Path jobs target. A reflection and review of the target, in line with the CATHSSETA sectors, becomes a baseline for the five-year trajectory.

2.16. National Human Resource Development Strategy of South Africa 2010-2030 (NHRDSSA)

The primary goal of the NHRDSSA is to contribute to human development in the country. The strategic priorities and interventions that make up the strategy are explicitly designed to address critical skills challenges to promote socio-economic growth and development in the country. The document also sets out collective commitments for all sectors of society. CATHSSETA as a leading authority in the area of skills development within its sector is committed to realising the outcomes of the NHRDSSA, as outlined in table 1 below.

TABLE 1: CATHSSETA'S CONTRIBUTION TO NHRDSSA OUTCOMES

| OUTCOME | CATHSSETA CONTRIBUTION |
|---|---|
| 1. Expanded access to quality education and training delivered by effective teachers/ lecturers/ academics in functional institutions | <ul style="list-style-type: none"> Provisioning of lecturer capacity-building programmes Working in partnership with specific employers for secondment of Technical and Vocational Education and Training (TVET) lecturers to industry for experiential learning |
| 2. Increased access to Work Integrated Learning (WIL) opportunities | <ul style="list-style-type: none"> CATHSSETA will enter into partnerships with TVETs and employer organisations for WIL opportunities CATHSSETA has specific key performance indicators for the number of learners entering the workplace for experiential learning purposes |
| 3. Improvement in throughput and pass rates | <ul style="list-style-type: none"> Partnerships with TVETs for Centres of Specialisation (CoS) will set targets for capacity-building programmes for college lecturers |
| 4. Increased number of publications and innovation | <ul style="list-style-type: none"> CATHSSETA has performance targets within its Research Agenda for commissioned research each year. Accompanied by annual targets for masters degree students, the organisation aims to contribute tangibly to an increased number of publications and innovation |

2.17. White Paper on Post-School Education and Training, 2013 (WPPSET)

The White Paper was established to ensure a coordinated post-school education and training system (PSET), to expand access to and improve quality in the provision of education and training. It also ensures responsiveness by the educational and training system to citizens and employers. It expands the scope of education and training to include people with no formal education. The White Paper simplifies the role of SETAs and builds their capacity in line with their redefined roles through the facilitation of skills development within sector employers and skills pipelines in the workplace.

2.18. President of the Republic of South Africa, State of the Nation Address (SONA)

During the SONA, the government announced that in 2022, it will take far-reaching measures to unleash the potential of small businesses, micro-businesses, and informal businesses. These are the companies that generate the most jobs and offer the most opportunities for poor people to earn a living. As part of the social compact process, discussions with social partners have begun, to review labour market regulations for smaller businesses to allow them to hire more people. The President of the Republic of South Africa (President),

His Excellency Mr Cyril Ramaphosa also announced the review of the Business Act 71 of 1991, as part of a broader review of legislation affecting small, medium, and micro enterprises (SMMEs), to reduce the regulatory burden on informal businesses and create a conducive and growing environment. SMMEs represent 97% of CATHSSETA's entities. The SETA is currently in the process of developing an SMME strategy to provide the direction that the SETA needs to take in support of SMME development in the sector.

2.19. Minister of Higher Education, Science and Innovation's Budget Vote Speech of 2022

The Minister of Higher Education, Science and Innovation, Honourable Dr Bonginkosi Emmanuel Nzimande, stated in his Policy and Budget Vote Speech delivered in May 2022, that the Department is currently reviewing the five-year enrolment plan for Community Education and Training (CET) Colleges, and that CET Colleges will offer entrepreneurship and digital skills programmes in addition to academics, skills and occupational programmes already on offer. The Minister also highlighted measures to ensure that a percentage of SETA Discretionary Grant funding is committed to CET Colleges including providing some of their training programmes. Furthermore, CETs will also broaden the scope of their partnerships with other government departments and community organisations such as faith-based organisations, to increase access and skills programme provision.

2.20. Economic Reconstruction and Recovery Plan (ERRP)

In October 2020, the South African Government announced the ERRP to directly respond to the immediate negative impact the COVID-19 Pandemic has presented on the South African economy. The Plan sets out a reconstruction and recovery plan for the South African economy, aimed at stimulating equitable and inclusive growth. Skills development is highlighted as one of the key enablers for the successful implementation and realisation of the Plan. The ERRP also highlights the need to contribute to the prevention of job losses through the expansion of reskilling and retraining of workers.

2.21. Economic Recovery Skills Strategy (ERSS)

The ERSS sets out core interventions to ensure effective implementation of the ERRP in the context of skills development. The focus is on enabling a larger number of people to acquire the necessary skills to ensure that they are absorbed into high-potential growth sectors in the labour market.

The DHET identified ten (10) priority interventions to be implemented in the short term to accelerate access to income-earning opportunities by young people. The following interventions have been identified:

- **Intervention 1:** expand the provisioning of short skills programmes (both accredited and non-accredited) to respond to skills gaps identified.
- **Intervention 2:** enable the provisioning of short skills programmes (both accredited and non-accredited) that respond to skills gaps identified in the strategy.
- **Intervention 3:** expand the provisioning of workplace-based learning (WBL) programmes to respond to occupational shortages and skills gaps identified in the strategy.
- **Intervention 4:** increase enrolments in qualification-based programmes that respond to occupational shortages identified in the strategy.
- **Intervention 5:** review and revise education and training programmes to respond to occupational shortages and skills gaps identified in the strategy.

- **Intervention 6:** update the draft Critical Skills List and associated regulatory mechanisms.
- **Intervention 7:** strengthen entrepreneurship development programmes.
- **Intervention 8:** embed skills planning into economic planning processes and vice versa.
- **Intervention 9:** facilitate the use of the National Pathway Management Network (PMN) in the PSET system. (Presidential Youth Employment Initiative (PYEI) intervention for transitioning youth into the labour market).
- **Intervention 10:** strengthen the PSET system.

Given the urgency to mitigate the effects of COVID-19 on the sector, the updated 2020/2021 - 2024/2025 SSP has identified the ERSS as a key strategic priority and CATHSSETA has aligned its SP to the priority interventions and related actions which will be implemented through the APP.

3. INSTITUTIONAL POLICIES AND STRATEGIES GOVERNING THE FIVE-YEAR PERIOD

The SP reflects the intended institutional outcomes that will help to achieve the government's priorities and realise the SETA's mandate. The SP further takes into consideration the sector-wide priorities of the SETA, as outlined in the SSP that will guide its work over the MTSF period. The strategic priorities are the product of a wider consultation undertaken during the development of the SSP, which forms the basis for the development of the SP:

- Fourth Industrial Revolution;
- Training provision;
- Analysis of skills needs;
- Increased partnerships to include worker-initiated interventions;
- Sector advancement;
- SMME interventions and green economy (resource efficiency);
- Monitoring and Evaluation;
- Addressing occupational shortages and skills gaps;
- Technological advancements to combat the impact of the COVID-19 Pandemic; and
- Sector transformation.

In addition to the SSP-identified sector priorities, the AA held its 2022/23 Board strategic planning session to determine the strategic direction that the SETA must pursue in the remaining period of 2020/21 - 2024/25. The following strategic priorities were identified as the key focus of the remaining MTSF implementation period:

- Smart ICT;
- Micro Policy (revision of the Discretionary Grant policy);
- Evidence-based research and development;
- Repositioning learning programmes;
- Strategic partnerships; and
- CATHSSETA brand positioning.

4. RELEVANT COURT RULINGS

On the 7th of August 2015, the Labour Court in Johannesburg set aside Regulations 3(12) and 4(4) of the SETA Grant Regulations of 2012. Regulation 3(12) outlined how the remaining surplus of the Discretionary Funds should be paid by the SETA on the first day of October each year to the NSF, whereas Regulation 4(4) explains the 20% of total levies paid by employers. In January 2016, Regulation 4(4) was promulgated in the Government Gazette, by the Minister of Higher Education, Science and Technology.

In delivering its Judgement on the 1st of November 2017, the Labour Appeal Court (LAC) set aside Regulation 3(12) of the SETA Grant Regulations. The funds which the SETAs had previously disclosed as uncommitted surpluses were due to be transferred to the NSF as a contingent liability, at the end of each financial year, and will now be allocated to the Discretionary Grant.

On the 16th of October 2019, the LAC delivered Judgement on the appeal brought by Business Unity South Africa (BUSA), which set aside Regulation 4(4) of the Grant Regulations and directed that the Grant Regulations of 2012 remain in force. The implication is that Regulation 3(12) of the SETA Grant Regulations will no longer apply to SETAs and the NSF.

Moreover, on the 17th of January 2020, DHET issued a circular to all SETAs, communicating the Department's position on the implementation of the Judgment of the LAC of January 2019. It was stated in the circular that, although SETAs are compelled to pay the Mandatory Grant to levy-paying employers, there is no prescribed percentage that SETAs should pay in accordance with Regulation 4(4), as the latter was set aside. This leaves the SETA with the discretion to decide on the percentage amount to be paid as a Mandatory Grant, to any employer.



PART B: OUR STRATEGIC FOCUS

5. VISION

Skills needs met in each sub-sector to drive economic growth by 2030.

6. MISSION

To facilitate skills development through strategic partnerships for CATHSSETA to contribute to economic growth.

7. VALUES

The institutional values of CATHSSETA are:

TABLE 2: CATHSSETA'S VALUES

| VALUE | WHAT IT MEANS |
|---------------------------|---|
| Service Excellence | <ul style="list-style-type: none"> To understand stakeholder needs, and to respond timeously, efficiently and effectively to stakeholder queries and requests; To display an image of professionalism and accountability; and To drive quality and high performance. |
| Accessibility | <ul style="list-style-type: none"> To develop and promote skills development programmes in order to ensure equal access to opportunities for all; To develop skills development programmes aimed at improving opportunities for people in rural areas; and To ensure that, upon request, conversations, documentation and publications are translated into the prominent languages of the specific geographical areas. |
| Fairness and Transparency | <ul style="list-style-type: none"> To conduct its operational business without fear or favour; All providers feel confident that their bids are given adequate consideration and evaluated professionally; Stakeholders are entitled to believe that nothing is hidden and that there are no undeclared meanings and intentions; and Everything is out in the open for all to see, subject to ethical conduct and legal boundaries. |
| Accountability | <ul style="list-style-type: none"> The acceptance of our responsibility and obligation towards the public for CATHSSETA's services; To follow the legal prescripts for reporting to the department, the executive authority, Parliament and the public; To provide honest, reliable and truthful reporting in respect of performance, concerning plans and financial performance; and Research-based Monitoring and Evaluation. |

| VALUE | WHAT IT MEANS |
|------------------------|---|
| Respect | <ul style="list-style-type: none"> • Every stakeholder experiences a human relationship with CATHSSETA employees; • Their self-worth is not eroded or negatively impacted by CATHSSETA employees' conduct or actions; and • CATHSSETA staff practices humility in its engagement with stakeholders. |
| Integrity | <ul style="list-style-type: none"> • To value openness, honesty, consistent evaluation and fairness; • To act in good faith in all its day-to-day activities; and • To conduct its operations to fulfil public expectations of CATHSSETA's purpose and goals. |
| Stakeholderorientation | <ul style="list-style-type: none"> • To build partnerships with relevant government departments, public and private training providers and organisations; and • To offer quality education and skills development opportunities and experiences to learners, to ensure ultimate employability and to reduce inequality in the sector. |

8. SITUATIONAL ANALYSIS AND THE THEORY OF CHANGE

This section provides a detailed account of information gathered through research and strategic planning sessions. The situational analysis gives broad information about the institution's internal and external environment and highlights the context for the implementation of planned initiatives over the five years in line with the SETA's strategic focus.

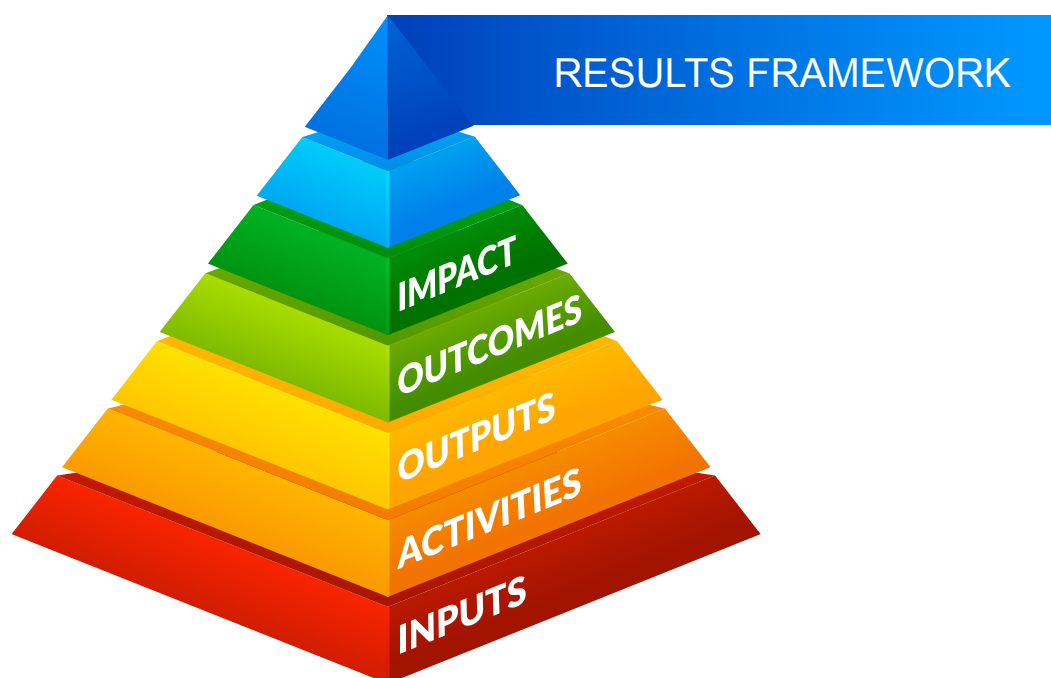
In April 2022, the South African government lifted the COVID-19 National State of Disaster due to the decline in COVID-19-related illnesses, hospitalisation cases and deaths. According to the CATHSSETA's impact on COVID-19 study (2022), the pandemic negatively impacted 93% of businesses in our sector, with 94% of businesses reporting a decline in revenue during the National State of Disaster. The study further reveals that businesses within the sector were able to adapt to the pandemic by modifying their business models to mitigate the effects of the pandemic on operations. Since the easing of lockdown restrictions in 2021, there has been a gradual increase in the economic recovery of the sector. After recording one of its deepest contractions (-7%) in 2020, South Africa's real Gross Domestic Product (GDP) growth bounced back to 4.9% in 2021, driven primarily by inflation, strong commodity prices, and the gradual reopening of the economy after strict COVID-19 regulations and mobility restrictions (PricewaterhouseCoopers [PwC], 2022).

While the economy is recovering from the effects of COVID-19, South Africa's current socio-economic crisis continues to impede overall economic growth. In 2022, the sector faced several socio-economic challenges such as rising inflation, high-interest rates, rising fuel prices, ongoing power outages and the KwaZulu-Natal floods. These socio-economic challenges reduce the local economic outlook and, as a result, have an impact on the sector's overall performance.

In conducting the institutional strategic review, the organisation's Theory of Change incorporated an analysis of IMPACT, OUTCOMES, OUTPUTS, ACTIVITIES and INPUTS, including a reflection on:

- Response Plan to COVID-19
- Integration of ICT and Digital Economy Research
- The E-Learning Environment in CATHSSETA

FIGURE 1: RESULTS FRAMEWORK



Approximately 97% of entities under CATHSSETA are categorised as SMMEs. As a result, CATHSSETA depends on a relatively small portion of its sector for revenue, as the largest number of employers within it fall below the prescribed threshold for contribution, owing to their size. SMMEs represent approximately 98% of businesses in South Africa, employing approximately 50% of the country's workforce across all sectors. During the peak of the COVID-19 pandemic, most small businesses did not have the financial capacity to deal with the economic and financial challenges faced as a result of the restrictions imposed.

The Department of Small Business Development (DSBD) has commenced with the Business Recovery Support Programme and reprioritised the Business Viability Scheme. As at January 2022, the Programme has already committed R192.6 million for 195 deals and disbursed R123.5 million for 114 deals. The 2022 Budget Speech also announced changes to the Employment Tax Incentive (ETI) and encouraged small businesses to use the ETI and hire qualified individuals to help alleviate unemployment and boost the economy.

The table below not only provides the profile of the sector but demonstrates the portion of SMMEs dependent on CATHSSETA for skills development support. The number of entities shows a decrease from 40 963 in 2020/21 to 31 994 in 2021/22, amounting to a decrease of 8 969 entities in the sector (-22%)

TABLE 3: EMPLOYER PROFILE

| SUB-SECTOR | SIZE OF ENTITY | | | NUMBER OF ENTITIES REGISTERED WITH CATHSSETA | % IN THE SECTOR |
|-------------------------------|----------------|-----------------|--------------|--|-----------------|
| | SMALL (1-49) | MEDIUM (50-149) | LARGE (150+) | | |
| Arts, Culture and Heritage | 2 355 | 34 | 18 | 2407 | 8% |
| Conservation | 1 568 | 19 | 6 | 1593 | 5% |
| Gaming and Lotteries | 394 | 16 | 27 | 437 | 1% |
| Hospitality | 20 658 | 405 | 109 | 21 172 | 66% |
| Sport, Recreation and Fitness | 2 479 | 34 | 12 | 2525 | 8% |
| Tourism and Travel Services | 3 801 | 42 | 17 | 3 860 | 12% |
| Total | 31 255 | 550 | 189 | 31 994 | 100% |
| | 97% | 2% | 1% | 100% | |

The table above depicts the employer profile of the CATHSSETA sub-sectors. The SDA provides for levy-paying organisations to claim their levies through the Mandatory Grant system. However, SMMEs with an annual payroll of less than R500 000 are exempted from paying the SDL and submitting Mandatory Grant applications. This impacts the quantum of levies the SETA receives, due to the proliferation of SMMEs serviced by the SETA.

8.1. Sector challenges

As the world enters the post-COVID-19 transitional period, the trends accelerated by COVID-19 are expected to have far-reaching consequences for CATHSSETA sub-sectors and the labour market, even after the pandemic has passed. The effects of the pandemic will continue to be felt in the medium term.

The pandemic has accelerated trends in remote work, e-commerce, and automation. CATHSSETA conducted a study on the impact of the 4IR on its sector, where it was found that industry experts were uncertain about the adoption of 4IR and what the impact thereof will be on employment in the sector. While respondents were familiar with the overall concept of 4IR, the majority could not identify related technologies. Therefore, stakeholders need exposure to 4IR technologies to gain a better understanding and increase the rate of adoption of these technologies. The experiences of the sub-sectors with 4IR are vastly different, resulting in the need for tailored strategies for the effective adoption and adaptation to the 4IR in the sector. Strategic planning, therefore, needs to move from high-level to specific, to have a real impact and contextualise the 4IR within the sub-sectors.

In terms of training provision in the context of the 4IR, CATHSSETA needs to take the time to frame an approach to e-learning for the sector and conceptualise an e-learning policy and framework for accreditation and implementation. The SETA will need to move with speed and agility as demand increases. However, South Africa's post-education system is complex, with historical inequalities; and a huge digital divide still subsists between learners and educational institutions in the more rural, compared to urban provinces of the country. The CATHSSETA's 2020/21 – 2024/25 SSP has highlighted e-learning and digital transformation in the sector as key action items on the list of key strategic priorities.

The COVID-19 pandemic put a dent in every sector and the informal sector was no exception. The size of companies operating in the Arts, Culture and Heritage sub-sector is generally small and a large proportion operate in the informal economy. This means that they cannot easily create, produce, and in most cases, get access to distribution channels that display their work to international, and local markets. Joffe, (2021) highlights that human capital and systemic and embedded factors are as much part of the constraints compromising the sub-sector's performance. In addition, the working conditions such as unpredictable project-based work, long working hours with low income and the informal nature of the sub-sector create job insecurity for those operating in the sector. In the Arts, Culture and Heritage industry there is a movement towards the increased use of digital communication in editing and post-production tasks, which will likely impact the human resources required. The impact of music and film streaming, YouTube channels and the emergence of apps, has threatened the sustainability of the music industry.

In terms of the state of education and training provision, there is a need to increase the number of training providers to address occupations in high demand, particularly specialisations in high-level skills. There are very few accredited training providers in certain provinces and to counter this deficit, the capacity of the public TVET system needs to be developed to offer a full spectrum of CATHSSETA sub-sector qualifications. Short courses also need to be recognised as a legitimate form of learning, to capacitate and improve the skill levels of the South African workforce. There is a further need to develop entrepreneurial, ICT and managerial skills across the sector, particularly amongst previously disadvantaged groups to facilitate transformation in the sector.

8.2. Strategic priorities and action plans, as identified through the sector skills planning process

The composition of the sector shows that most entities (97%) are small (0-49), indicating that there is a need to support and prioritise SMME development in the sector. Women make up 60% of employees in the sector, 54% of whom are African; the vast majority are employed as Service and Sales workers, illustrating the need for further education and training to respond to transformational issues. Employees classified as youth (35 years and younger) comprise 48% of workers in the sector, a decrease of 5% from 53% in the previous year. The 2022 unemployment statistics illustrate that youth in South Africa continue to be disadvantaged in the labour market with an unemployment rate higher than the national average. According to the Quarterly Labour Force Survey (QLFS) for the first quarter of 2022, the unemployment rate was 63.9% for those aged 15-24 and 42.1% for those aged 25-34 years, while the current official national rate stands at 34.5%. In addition, the number of people with disabilities in the sector has decreased from 3 194 in the previous year to 1 889 (1.09%) in 2022/23. People with disabilities tend to be disproportionately affected by the lack of an enabling environment when trying to perform practical day-to-day tasks. CATHSSETA as part of the Discretionary Grant funding criteria, allocates 60% of funding to the youth, 2% to persons living with disabilities, and 65% to female beneficiaries.

Technological advancement trends are critical for both the supply and demand of skills, and for CATHSSETA to be able to identify skills requirements more precisely for qualification review and priority skills identification, across the sub-sectors. As part of the SETA's research efforts, CATHSSETA undertakes to update sector information on recognition technology, virtual reality and e-learning. The implications for future skills planning are that the skills that will be in demand will be computing technology, software development, artificial intelligence, robotics, etc. In addition, the soft skills required are changing to include skills such as agility, innovation, creativity and problem-solving, amongst others. Proper planning requires that sub-sector specific demand and supply of skills be identified and prioritised for funding.

TABLE 4: CATHSSETA'S STRATEGIC SKILLS AND PRIORITY ACTIONS

| SKILLS PRIORITY | PLANNED ACTIONS |
|--|--|
| 1. Fourth Industrial Revolution | 4IR Skills Strategy through the Research Agenda |
| 2. Training Provision | Engagement with Quality Council for Trades and Occupations (QCTO), Joint Implementation Plan |
| 3. Analysis of Skills Needs | Research projects articulated in the Research Agenda |
| 4. Increased Partnerships to include worker-initiated interventions | Initiate partnerships with organised labour to leverage established networks with members |
| 5. Sector advancement | New teaching and learning methods/workplaces, Work Readiness Programme (WRP) |
| 6. SMME interventions and Green Economy (resource efficiency) | Implement Skills Development Strategy for SMMEs, entrepreneurship, new enterprises and informal traders |
| 7. Monitoring and Evaluation | Elevate Monitoring and Evaluation |
| 8. Addressing Occupational Shortages and Skills Gaps | <ul style="list-style-type: none"> • Apprenticeship; • Learnerships; • WIL and Internships; • Bursaries; and Skills programmes. |
| 9. Technological advancement to combat the impact of the COVID-19 Pandemic | Develop an e-learning strategy |
| 10. Sector transformation | <ul style="list-style-type: none"> • Initiate partnerships with Non-Governmental Organisations (NGOs) and Community-Based Organisations (CBOs) to increase support for people with disabilities • Upskilling of people in lower occupational categories |
| 11. Smart ICT | <ul style="list-style-type: none"> • Capacitate ICT to support businesses in achieving their goals • Accessibility to e-learning • Upgrading ICT infrastructure and Enterprise Resource Planning (ERP) system |
| 12. Micro Policy (revision of the Discretionary Grant policy) | <ul style="list-style-type: none"> • The utilisation of authority and controls within micro policy to manage the disbursement of Discretionary Grant to smaller entities in need • Amend policy to address operational issues • Identify initiatives to utilise unallocated funding |
| 13. Evidence-based research and development | <ul style="list-style-type: none"> • Expand research capability • Dissemination of research outputs • Evaluation of how research recommendations have been implemented |
| 14. Repositioning learning programmes | <ul style="list-style-type: none"> • Skills development for people living with disabilities • Industry mentorship programmes for the sub-sectors • Entrepreneurship development |
| 15. Strategic partnerships | <ul style="list-style-type: none"> • Increase partnerships and stakeholder engagements • Increase national footprint of sub-sectors |
| 16. CATHSSETA brand positioning | <ul style="list-style-type: none"> • Strategic marketing • Increase brand visibility and rural footprint |

8.3. Measures to support national strategies and plans

The impetus to support national strategies and plans is embedded in the CATHSSETA strategy and the six sub-sector strategies. These are implemented in and through partnerships with national departments operating in the CATHSSETA sectors. The ERRP and the ERSS require CATHSSETA to review its partnership arrangement to respond to national skills priorities.

The National Department of Sport, Arts and Culture (DSAC), the Department of Tourism, the Department of Forestry, Fisheries and the Environment (DFFE), and the Department of Trade, Industry and Competition (DTIC), are custodians of the following sector strategies related to CATHSSETA:

TABLE 5: NATIONAL STRATEGIES AND PLANS

| SECTOR STRATEGIES | CATHSSETA PLANNED ACTION |
|---|---|
| National Cultural Industries Skills Academy, (NaCISA) | NaCISA is a special-purpose vehicle of the DSAC and a central point for capacity building and skills development in the Arts, Culture and Heritage sub-sector. It is an incubator for almost all the skills that are needed to have an optimally functioning Arts, Culture and Heritage sub-sector. Through a joint implementation plan with the QCTO, CATHSSETA is making a concerted effort to ensure the relevance of qualifications that respond to the skills needs of this sub-sector. These efforts are also aimed at encompassing elements of Travel and Tourism Services to deepen understanding of the interlinkages between the two sub-sectors. |
| The National Sports and Recreation Plan (NSRP 2030) | In line with the NSRP, CATHSSETA plans to develop training and educational initiatives aimed at developing Sport, Recreation and Fitness personnel, particularly coaches and administrative and technical officials. The focus also encompasses developing financial, marketing and media skills. This will be achieved by enrolling targeted personnel in accredited education and training programmes. |
| National Tourism Sector Strategy (NTSS) | Some of the key focus areas within these themes include people development and relevant capacity-building. The role of CATHSSETA is, therefore, to identify training needs and offer training programmes that are aligned to the needs of the sub-sector, with the emphasis being on developing and improving skills within Travel and Tourism Services. The SETA has identified several occupations such as ICT Systems Analysts, Market Research Analysts and Travel Consultants to be prioritised through Discretionary Grant funding. |
| Tourism Human Development Strategy | CATHSSETA plans to continuously address workplace skills gaps, particularly the strengthening of “soft skills”, in collaboration with other key-role actors, such as Umalusi, TVET Colleges and others. |

8.3.1 Findings from evaluation studies to inform strategy

In the 2021/22 financial year, the SETA commissioned a study to track and trace beneficiaries that took part in CATHSSETA-funded learnership, internship, apprenticeship, TVET WIL, bursary and skills programmes between 2015/16 to 2018/19. The purpose of the study was to establish both the outcome and impact of the CATHSSETA-funded learning programme on beneficiaries. The specific focus of the study was to establish

employment, career path, the applicability of qualifications, income levels, and work-related experience of CATHSSETA beneficiaries.

When comparing employment at the time the survey was completed to pre-programme employment, the study showed that employment increased by 7% overall and most beneficiaries acquired employment within 6 months after the programme, with most of them being employed permanently. Of the unemployed beneficiaries, on average, 17% were absorbed by host employers within the sector. However, it was found that the sampled learning programmes appear to offer little to no facilitation into self-employment opportunities for beneficiaries.

Regarding the impact on host employers, 97% of all host employers indicated they would recommend other organisations to take part in learning programmes as they experienced increased productivity during the programme and felt like they were contributing to both the development and employment of youth. In addition, responding employers were able to notice an improvement in the proficiency of beneficiaries after programme completion. 62% of employers did however, indicate that learning programmes are not flexible to changes in the world of work such as increased demand and reliance on ICT processes and networks, as well as implementing programmes in the context of remote working. Except for bursary beneficiaries, most beneficiaries had a mentor during the learning programme and experienced regular contact with mentors, which contributed to imparting new skills to beneficiaries, providing workplace guidance and clarifying programme objectives.

The study recommended, amongst others, that the SETA should consider having online support and training programmes for mentors and regular assessments should be conducted during workplace site visits. For increased employment outcomes, respondents recommended an addition of entrepreneurial modules as part of programmes to promote self-employment. Lastly, the study found that there was a need for increased awareness on CATHSSETA's service offering. This should focus on creating awareness about CATHSSETA programmes, in order to manage learner expectations.

9. External Environment Analysis

The pace of economic growth in South Africa still fails to keep up with pre-pandemic levels and a more sustained economic recovery remains at risk. Against a backdrop of an unstable global growth environment (largely due to economic disruptions caused by the Russia/Ukraine crisis, higher food and energy prices, and rising inflation), the local macroeconomic outlook has deteriorated alongside global challenges to economic growth (PwC, 2022).

External environmental factors influencing the organisation are analysed using the Political, Economic, Social, Technological, Environmental and Legal (PESTEL) analysis tool. In our external operating environment, geopolitical wars and contracting global financial markets are dominant factors. These contribute to the current high levels of unemployment, high inflation and rising fuel costs and therefore slow economic growth. Table 6 below provides a summary of some of the factors identified during the strategic planning session.

TABLE 6: PESTEL ANALYSIS

| | |
|------------------------------|--|
| Political Factors | <ul style="list-style-type: none"> • The SETA has been re-established for 10 years, ending 31 March 2030 • Changes in political leadership at the government level • Geopolitical wars and unrest |
| Economic Factors | <ul style="list-style-type: none"> • Slow economic growth • Fewer levy-paying employers if the economy is not growing sufficiently • Unemployment • Emerging career paths • Skills mismatch (supply and demand) • Increasing inflation • Increasing fuel costs • Contraction of global financial markets |
| Social Factors | <ul style="list-style-type: none"> • High unemployment rate (youth unemployment constitutes a high risk to national stability) versus entrepreneurship programmes as per the NSDP • Poverty • Gender-based violence • Student unrest • Impact of COVID-19 and the impact of social schooling • Partnerships with Higher Educational Institutions (HEI) • Strengthening of TVET College Principals and Lecturers' skills levels • Inequality • Civil unrest which may contribute to unemployment |
| Technological Factors | <ul style="list-style-type: none"> • Innovation and technology (robotics, artificial intelligence, Internet of Things, etc.) that will influence the industry and market and the way the sector operates • E-learning proposed • Online communication platforms |
| Environmental Factors | <ul style="list-style-type: none"> • Exploring environmentally friendly alternatives such as the Green Economy • Effects of climate change (KwaZulu-Natal floods) |
| Legal Factors | <ul style="list-style-type: none"> • Regulation of the SETA budget limits the resources available to fulfil its legislative mandate • Compliance with the POPIA • Directives from DHET, SAQA and QCTO • Labour Appeal Court Judgment on the case brought by BUSA, regarding the 60% Mandatory Grant payment to be paid to the levy-paying employer |

10. Internal Environment Analysis

The internal environment analysis outlines how the institution's structure and configuration and other institutional and organisational arrangements factors, influence its ability to deliver on its mandate.

During the Management and Board Strategic Planning Session, the SETA used the Strength, Weaknesses, Opportunities and Threats (SWOT) analysis tool to identify and analyse factors that influence the successful implementation of the SETA's strategy. The table below depicts the outcome of this SWOT analysis:

TABLE 7: SWOT ANALYSIS

| STRENGTHS | WEAKNESSES |
|---|--|
| <ul style="list-style-type: none"> • Work-readiness programme • Capacity building programmes for employees • Increase in the number of training providers • Knowledgeable workforce • Strong governance/oversight structures • Transparent processes in DHET and SETA • A young, vibrant and dedicated team • Internal audit and risk controls • National footprint (Tourism, Hospitality and Sport) • Institutional knowledge and capacity • Research and development | <ul style="list-style-type: none"> • Inadequate staffing • Inadequate project management • High level of school dropouts • Poor organisational culture • Enterprise Resource Planning (ERP) system functionality • High staff turnover • CATHSSETA brand and footprint are national but not visible to the desired level • Lack of follow-through on research findings • Low staff morale • Insufficient use of partnerships to initiate learning programmes • Lack of capacity in ICT |
| OPPORTUNITIES | THREATS |
| <ul style="list-style-type: none"> • To improve revenue generation • Skills mismatch (supply and demand) – an opportunity to influence the curriculum • To improve the area of qualifications • An increased rural footprint • E-learning • Entrepreneurship and partnership • Dissemination of research findings • Improved stakeholder engagement • Implementation of 4IR • Establish new partnerships with traditional leaders • Strategic partnership for new venture creation and training of cooperatives • Improve skills offered to the disabled • Implementation of e-learning • Capacitating ICT unit | <ul style="list-style-type: none"> • Imbalanced fund sourcing • Skills mismatch (supply and demand) • TVET College and University student protests and unrest • Impending BUSA's Labour Court Case • Barriers to implementing policies • Insufficient budget for internal operations • Employment of undocumented foreign nationals in the sector • Misaligned curriculum and programmes at TVET Colleges • The capacity of TVET lecturers to carry out the CATHSSETA vision • Untrained youth a political time bomb • Political policy priorities on skills development • Limitation of administration cost due to SETA Grant Regulations |

10.1. Organisational environment

10.1.1. Governance arrangements

The Minister appointed members of the AA of CATHSSETA, on a five-year contract, effective from 01 April 2020 to 31 March 2025. The AA was inducted and, subsequently, established various committees that assist it in the performance of oversight responsibilities over the management of the SETA. These include the Executive Committee, the Finance and Remuneration Committee, the Audit and Risk Committee as well as the Governance and Strategy Committee. Each Committee operates in accordance with its Charters that outline the functions and responsibilities. Figure 2 below highlights the interplay between these success factors.

10.1.2. The SETA's Operating Model

FIGURE 2: CATHSSETA'S OPERATING MODEL



The above figure illustrates SETA's Operating Model. CATHSSETA is established in terms of the SDA which outlines its governance structures, roles and responsibilities. However, other pieces of legislation and policy frameworks place responsibility and/or obligation on the SETA. This forms part of its compliance universe. The SETA is required, as a creature of statute, to prepare the SSP, SP and APP in accordance with set guidelines that are issued by the DHET and DPME. The SETA SP outcomes take into account sector priorities that have been identified during the SSP process.

10.1.3. The SETA's existing mechanisms to deliver on its mandate

The SETA has, over the years, delivered its services through mechanisms which bring together various stakeholders and key role players, to collaborate and share best practices. The partnerships and collaborations are vital to ensure that there is a commitment to deliver prioritised learning programmes for the sector. Figure 3 below highlights the interplay between these success factors.

FIGURE 3: HIGH-LEVEL SUCCESS FACTORS



CATHSSETA's learning interventions are the core of its delivery value proposition. In the recent past, the organisation commissioned an analysis of these programmes to ensure relevance and prioritisation for realignment. The SETA's performance against the set targets relies on support from the public and private Higher Educational Institutions (HEI). The building of strategic partnerships premised on improving performance with TVET Colleges and universities is critical for our success. Accordingly, CATHSSETA has established strategic partnerships with eight (8) TVET Colleges and eight (8) universities. These partnerships are add-ons to an already existing partnership established in previous years.

The SETA also implemented a WRP in 2021 which was completed in 2022. The objective of the WRP is to provide learners with additional support to acquire knowledge and bridge the gap between public HEIs and the workplace. The WRP project was initiated in October 2021 in partnership with sector employers as host companies to enrol 450 learners from TVET Colleges and universities and universities of technology (UoT) from all nine (9) provinces. Learners will be enrolled in the programme for six (6) weeks, where they will be trained and mentored on developing the skills needed to be successful in the workplace and compete in the labour market.

10.1.4. Organisational structure

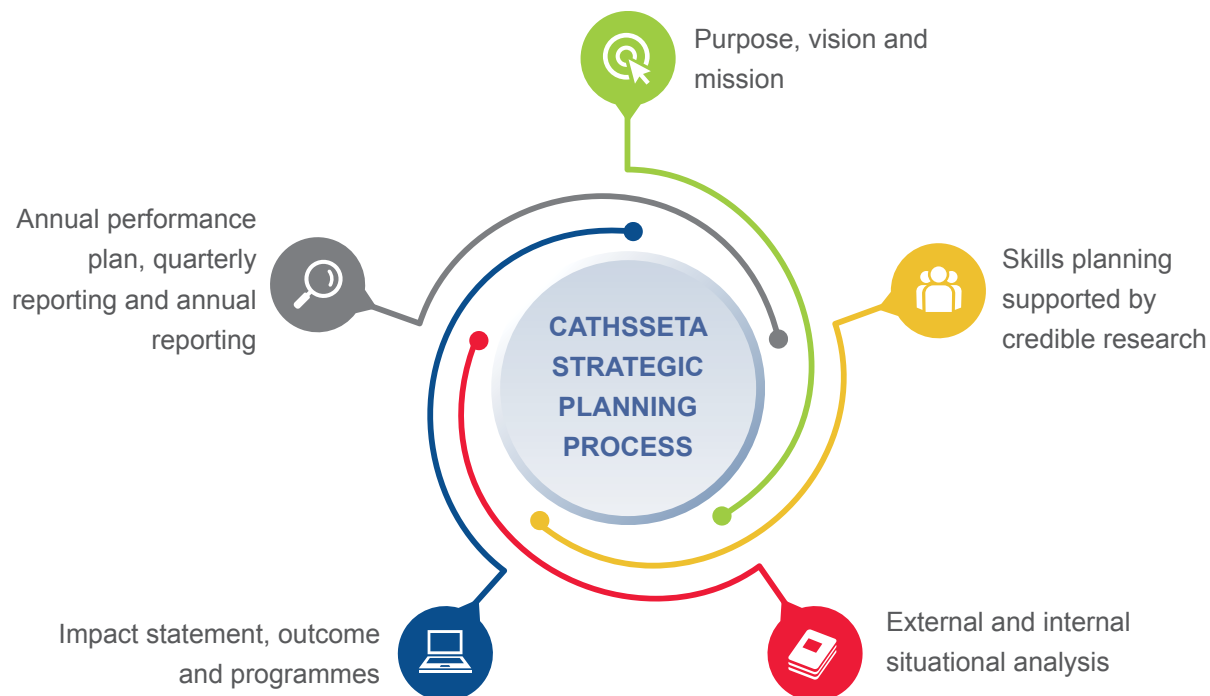
The organisational structure was developed to enhance supporting business processes for the organisation. The CATHSSETA macro structure reviewed and aligned to the current strategy is depicted in the diagram below:

FIGURE 4: CATHSSETA'S ORGANISATIONAL STRUCTURE



10.2. Description of the strategic planning process

FIGURE 5: CATHSSETA'S STRATEGIC PLANNING PROCESS



The figure above depicts CATHSSETA's Strategic Planning Cycle which outlines the step-by-step processes that are followed. At the start of the MTSF period or electoral cycle, the SETA reviewed its vision, mission and values to determine whether they are still fit for the purpose. This was followed by the skills planning exercise which encompassed research to identify critical skills required by the sector; scanning the environment using various tools for strategic planning, among which: the PESTEL and SWOT analysis; identification of outcomes, outputs and performance targets within which the performance of the SETA will be measured; implementation of the plan; and conducting quarterly and annual reviews to measure actual progress against pre-determined performance targets.

In developing this SP, a strategic planning session was convened by the AA and the following steps were undertaken:

- Review of progress against the implementation of NSDP;
- Review of the current SP document that was updated during the 2022/23 financial year;
- Conducted an environmental scan using the PESTEL and SWOT analysis tools;
- Reviewing of outcomes and outputs to ensure alignment with the NSDP outcomes; and
- Review of the performance of the previous financial years against the existing capacity of the SETA.

For the above-mentioned process to be effective, various stakeholders, both internal and external, were fully engaged to solicit their buy-in. The strategic planning process was preceded by a review of the SSP, which also informed priorities as contained in this SP.



PART C: **MEASURING OUR PERFORMANCE**

11. Institutional Performance Information

11.1. Impact Statement

IMPACT STATEMENT

A transformed and growing sector, with the requisite skills that respond to the needs of the South African economy

11.2. Measuring Outcomes

TABLE 8: MEASURING OUTCOMES

| NO. | OUTCOMES | OUTCOME INDICATOR | BASELINE INFORMATION | FIVE-YEAR TARGET |
|-----|--|--|---|------------------|
| 1 | An ethically sound, effective and efficient institution that delivers on its mandate | Risk maturity level | New indicator | Level 4 |
| | | Clean audit opinion | Unqualified audit opinion with findings | 100% |
| 2 | Increased production of occupations in demand | % of prioritised occupations addressed through Discretionary Grant | 95% | 95% |
| | | The ratio of occupations in high demand | New Indicator | 90% |
| 3 | Improved capacity within the CATHSSETA sub-sectors | Skills levels of employees per sub-sector | New Indicator | 10% |
| | | % of upward mobility in the sector | New Indicator | 10% |
| | | Skills levels of trade union members | New Indicator | 10% |
| | | % of upward mobility of trade union- members | New Indicator | 10% |
| 4 | Increased access to occupationally-directed programmes within the sector | % of intermediate and high-level skills | 50% | 50% |
| 5 | Increase in work-ready graduates | % of employable learners | 78% | 60% |
| 6 | Effectiveness of the public college system | % of qualifications on par with sectoral needs | New Indicator | 100% |
| 7 | Successful entrepreneurs and cooperative businesses within the CATHSSETA sub-sectors | Rate of SMME sustainability | New indicator | 20% |
| | | Rate of entrepreneurial expansion | New indicator | 5% |
| 8 | Improved brand visibility | % of enrolled learners from rural areas | New Indicator | 45% |

11.2.1 Explanation of planned performance over the five-year year planning period

11.2.1.1 Contribution of outcomes towards the achievement of NDP and NSDP five-year implementation plan

The outcomes in the SP are aligned with the NSDP and seek to address 2020/21– 2024/25 SSP priorities. The NSDP is deeply embedded in the vision of the NDP, which calls for an educated, skilled and capable workforce. Both the NSDP and the 2020/21– 2024/25 SSP have considered the NDP, 2030. Whilst outcomes will be monitored and evaluated on an annual basis, through the achievement of targets, via the APP, the impact will only be assessed in the fifth year of implementation. The table below links the 2020/21 – 2024/25 CATHSSETA outcomes to the NSDP outcomes.

TABLE 9: CATHSSETA'S OUTCOMES LINKED TO THE NSDP OUTCOMES

| NSDP OUTCOMES | CATHSSETA PRIORITIES | CATHSSETA OUTCOMES | CATHSSETA OUTPUTS |
|---|--|--|--|
| 1. Identify and increase production of occupations in demand | Training provision | Increased production of occupations in demand | Mandatory Grant approved |
| | Addressing occupational shortages and skills gaps | | |
| | Micro policy (revision of the Discretionary Grant policy) | | Discretionary Grant allocated |
| | Analysis of skills needs | | Qualifications developed and skills programmes registered in line with identified occupations in high demand |
| 2. Linking education and workplace | Addressing occupational shortages and skills gaps | Increase in work-ready graduates | WBL programme opportunities for the unemployed |
| 3. Improving the level of skills in the South African workforce | Analysis of skills needs | Improved capacity within the CATHSSETA sub-sectors | Research Agenda |
| | Evidence-based research and development | | |
| | Training provision | | Worker-initiated training (federations/trade unions) interventions supported through capacity building |
| | Increased partnerships to include worker-initiated interventions | | |

| NSDP OUTCOMES | CATHSSETA PRIORITIES | CATHSSETA OUTCOMES | CATHSSETA OUTPUTS |
|--|--|--|--|
| 4. Increase access to occupationally-directed programmes | Addressing occupational shortages and skills gaps | Increased access to occupationally-directed programmes within the sector | Artisan produced |
| | Analysis of skills needs | | Certification support services provided |
| | Addressing occupational shortages and skills gaps | | Unemployed learners in bursary programmes |
| | Strategic partnerships | | Partnership projects implemented with sector employers and employers in rural communities and universities |
| 5. Support the growth of the public college system | Sector advancement | Effectiveness of the public college system | Partnership projects implemented with TVET colleges and CET colleges |
| | CATHSSETA brand positioning | | SETA offices established and operational in TVET colleges |
| 6. Skills development support for entrepreneurship and cooperative development | Repositioning learning programmes | Successful entrepreneurs and cooperative businesses within the CATHSSETA sub-sectors | Local SMMEs supported |
| | Sector transformation | | Cooperatives, NGOs, Non-Profit Organisations (NPOs) and CBOs supported through skills training |
| 7. Encourage and support worker-initiated training | Increased partnerships to include worker-initiated interventions | Improved capacity within the CATHSSETA sub-sectors | Worker-initiated training (federations/trade unions) interventions supported through capacity building |
| | Addressing occupational shortages and skills gaps | | Employees trained and supported through skills development interventions |
| 8. Support career development services | CATHSSETA brand positioning | Improved brand visibility | Career development services accessible to all especially in rural areas and targeted beneficiaries |

11.2.1.2. Rationale for the choice of outcome indicators relevant to outcomes

The outcome indicators were selected as key measures of the desired change. The impact statement mentioned above, “A transformed and growing sector, with the requisite skills that respond to the needs of the South African economy,” is geared towards contributing to addressing poverty, unemployment, and inequality.

11.2.1.3. Explanation of enablers to achieve five-year targets

The SETA has identified several enablers and/or sector priorities, as stated in paragraph 8.2 above, which will be implemented over the MTSF period, to ensure the achievement of the impact statement and outcomes.

11.2.1.4. Explanation of the contribution of outcomes towards the achievement of impact

Each of the identified outcomes is aligned with those contained in the NSDP. The successful implementation of the outcomes will result in the realisation of the impact.

11.3. Key Risks**TABLE 10: THE KEY STRATEGIC RISKS FOR CATHSSETA**

| OUTCOMES | KEY RISK | RISK MITIGATION |
|---|--|--|
| 1. An ethically sound, effective and efficient institution that delivers on its mandate | Lack of business continuity | <ul style="list-style-type: none"> Updating and implementing business continuity planning |
| | Ineffective governance structures within the entity | <ul style="list-style-type: none"> Continuous development, induction and training for board members and sub-committee members of the various governance structures |
| | Uncertainty regarding the financial implications of the BUSA LAC judgment | <ul style="list-style-type: none"> If the Judgement is upheld, CATHSSETA has to set aside a portion of funds towards the settlement. The funds which the SETAs had previously disclosed as uncommitted surpluses, were due to be transferred to the NSF as a contingent liability at the end of each financial year and will now be allocated to the Discretionary Grant. |
| | Inability to achieve 7.5% and 10.5% administration ratios | <ul style="list-style-type: none"> Additional resource mobilisation and revenue strategies need to be identified |
| 2. Increased production of occupations in demand | The rigidity of the ERP system thus not supporting the operations of the entity | <ul style="list-style-type: none"> Implement an ICT service management tool to automate SLA management (log, assign, and escalate calls for system issues). Conduct ERP/MIS assessment to identify and resolve gaps (State Information Technology Agency (SITA) project). Conduct system enhancement to ensure the increased usage of the ERP system. |
| | Inadequate sector information, resulting in the inability to respond to the sector's needs | <ul style="list-style-type: none"> Collaboration and partnerships strengthened with institutions of higher learning and industry bodies. A thorough analysis of the supply and demand of skills in the sector is required |

| OUTCOMES | KEY RISK | RISK MITIGATION |
|---|---|--|
| 3. Improved capacity within the CATHSSETA sub-sectors | Inability to implement learning programmes timeously by the employer, resulting in non-achievement of the SETA set targets | <ul style="list-style-type: none"> Conducting stakeholder engagement sessions and contract management training by CATHSSETA |
| | The inflexibility of institutional mandates and lack of capacity | <ul style="list-style-type: none"> Building partnerships and providing capacity-building support to encourage responsiveness |
| 4. Increased access to occupationally-directed programmes within the sector | Inability to create access to the workplace due to rejection of learners by employers | <ul style="list-style-type: none"> Training of learners WRP |
| | Lack of capacity to implement the QCTO's policy mandate | <ul style="list-style-type: none"> SLA between QCTO and CATHSSETA on joint obligations |
| | Resistance to accredited training by learners due to the perception that it produces unemployable graduates | <ul style="list-style-type: none"> Investing in agile skills development interventions |
| | Inability to produce artisans through occupationally-directed programmes | <ul style="list-style-type: none"> Review the funding policy, and implement the ERRP |
| 5. Increase in work-ready graduates | Inability to place learners due to insufficient workplace opportunities | <ul style="list-style-type: none"> Exploring and building SMME's workplace environment |
| 6. Effectiveness of the public college system | Employers' lack of appetite to participate in WBL programmes | <ul style="list-style-type: none"> Linking SETA grants to employers providing WBL opportunities |
| 7. Successful entrepreneurs and cooperative businesses within the CATHSSETA sub-sectors | The inflexibility of institutional mandates and lack of capacity | <ul style="list-style-type: none"> Building partnerships and providing capacity-building support to encourage responsiveness |
| | Inability to promote CATHSSETA's skills development interventions to stakeholders concerning career guidance initiatives, resulting in the non-achievement of outcomes and targets. | <ul style="list-style-type: none"> Funding and implementing career exhibition initiatives. The SETA to look into expanding career development services beyond exhibitions. |

11.4. Public Entities

N/A



PART D: TECHNICAL INDICATOR DESCRIPTORS

OUTCOME 1: AN ETHICALLY SOUND, EFFECTIVE AND EFFICIENT INSTITUTION THAT DELIVERS ON ITS MANDATE

| 1.1. Indicator title | Risk Maturity level |
|--|---|
| Definition | The level of risk maturity is determined based on the way a public institution's risk management environment and system exist and/ or are institutionalised, as outlined in the National Treasury's Risk Management Framework for the public sector |
| Source of data | Availability of Risk Management Charter; Policy and Strategy; Functionary to manage the function; committee with an independent chairperson to oversee implementation; strategic and operational risk registers with mitigation plans; implementation reports to determine progress against plans |
| Method of calculation/ assessment | Quantitative risk assessment to determine the level achieved by the SETA, using the National Treasury Risk Management Framework |
| Assumptions | Risk compliance requirements are adhered to, and risks are identified consistently and monitored Risk Register is aligned to outcomes and outputs |
| Disaggregation of beneficiaries (where applicable) | N/A |
| Spatial transformation (where applicable) | N/A |
| Reporting cycle | Annual |
| Desired performance | Level 4 Risk Maturity |
| Indicator responsibility | Chief Executive Officer (CEO) |

OUTCOME 1: AN ETHICALLY SOUND, EFFECTIVE AND EFFICIENT INSTITUTION THAT DELIVERS ON ITS MANDATE

| 1.2. Indicator title | Clean audit opinion |
|--|---|
| Definition | Audit opinion expressed by the Auditor-General South Africa (AGSA), after conducting an audit at the end of each financial year. |
| Source of data | Reports issued by the AGSA and contained in the SETA Annual Reports submitted to Parliament in terms of the PFMA |
| Method of calculation/assessment | Quantitative verify actual reports issued by the Auditor-General (AG) |
| Assumptions | Audit reports issued by the AGSA will either have limited findings in the first two (2) years or no findings after the third year |
| Disaggregation of beneficiaries (where applicable) | N/A |
| Spatial transformation (where applicable) | N/A |
| Reporting cycle | Annual |
| Desired performance | 100% Clean Audit Opinion |
| Indicator responsibility | CEO and Chief Financial Officer (CFO) |

OUTCOME 2: INCREASED PRODUCTION OF OCCUPATIONS IN DEMAND

| 2.1. Indicator title | Percentage of prioritised occupations addressed through Discretionary Grant |
|--|---|
| Definition | Address sectoral priority occupations identified in the SSP through Discretionary Grant funding allocation. |
| Source of data | Programmes 2 and 3 SSP; Annual Report; quarterly performance information reports |
| Method of calculation/assessment | Quantitative analysis (a = total number of SETA-funded enrolments in sectoral priority occupations for employed and unemployed work-based learning programmes, bursaries and artisans) divided by (b = total number of Discretionary Grant funding allocation) multiplied by 100 i.e. $(a/b) \times 100$ Qualitative assessment, training against priority occupations identified in the SSP |
| Assumptions | The annual intake of learners across NQF levels |
| Disaggregation of beneficiaries (where applicable) | <ul style="list-style-type: none"> • The target for Women: 65% of the desired performance • The target for Youth: 60% of the desired performance • The target for People with Disabilities: 2% of the desired performance |
| Spatial transformation (where applicable) | N/A |
| Reporting cycle | Annual |
| Desired performance | 95% |
| Indicator responsibility | Executive Manager: Learning Programmes |

OUTCOME 2: INCREASED PRODUCTION OF OCCUPATIONS IN DEMAND

| 2.2. Indicator title | The ratio of occupations in high demand |
|--|---|
| Definition | Identification and increased learner enrolment in sectoral priority occupations identified in the SSP |
| Source of data | Programmes 2 and 3 SSP; Annual Report; quarterly performance information reports |
| Method of calculation/ assessment | Programmes 2 and 3 Quantitative analysis (a = total number of SETA-funded enrolments in sectoral priority occupations) divided by (b = total number of Discretionary Grant funding allocation) multiplied by 100 i.e. (a/b) x 100 Qualitative assessment, training against priority occupations identified in the SSP |
| Assumptions | Annual SSP update and occupational qualifications scoped |
| Disaggregation of beneficiaries (where applicable) | <ul style="list-style-type: none"> The target for Women: 65% of the desired performance The target for Youth: 60% of the desired performance The target for People with Disabilities: 2% of the desired performance |
| Spatial transformation (where applicable) | N/A |
| Reporting cycle | Annual |
| Desired performance | 90% |
| Indicator responsibility | Executive Managers: Learning Programmes; and Research, Monitoring and Evaluation |

OUTCOME 3: IMPROVED CAPACITY WITHIN THE CATHSSETA SUB-SECTORS

| 3.1. Indicator title | Skills levels of employees per sub-sector |
|--|--|
| Definition | Employed learner enrolments to increase the skills levels of employees in the sector |
| Source of data | Programmes 2 and 3 Sector Skills Plan; Annual Report; Quarterly Performance Information Reports |
| Method of calculation/assessment | Quantitative analysis (a = sector employees' skills levels) minus (b = baseline of sector employees' skills levels) equals an increase. (c = increase divided by baseline) multiplied by 100 i.e. $(a - b) = c. (c/b) \times 100$ Qualitative assessment of skills levels of employees in the sector |
| Assumptions | The mechanism put in place to ensure worker participation in learning programmes |
| Disaggregation of beneficiaries (where applicable) | <ul style="list-style-type: none"> • The target for Women: 65% of the desired performance • The target for Youth: 60% of the desired performance • The target for People with Disabilities: 2% of the desired performance |
| Spatial transformation (where applicable) | N/A |
| Reporting cycle | Annual |
| Desired performance | 10% |
| Indicator responsibility | Executive Managers: Learning Programmes; and Research, Monitoring and Evaluation |

OUTCOME 3: IMPROVED CAPACITY WITHIN THE CATHSSETA SUB-SECTORS

| 3.2. Indicator title | Percentage of upward mobility in the sector |
|--|---|
| Definition | The ability of employees to progressively advance from entry-level to higher occupational categories in the sector |
| Source of data | Programmes 2 and 3 Evaluation report; Sector Skills Plan; Annual Report; Quarterly Performance Information Reports |
| Method of calculation/assessment | Quantitative analysis (a = sector employees' skills levels) minus (b = baseline of sector employees' skills levels) equals an increase. (c = increase divided by baseline) multiplied by 100 i.e. $(a - b) = c$. $(c/b) \times 100$ Qualitative assessment of workplace advancement from entry-level occupations |
| Assumptions | The mechanism put in place to ensure worker participation in learning programmes |
| Disaggregation of beneficiaries (where applicable) | <ul style="list-style-type: none"> The target for Women: 65% of the desired performance The target for Youth: 60% of the desired performance The target for People with Disabilities: 2% of the desired performance |
| Spatial transformation (where applicable) | N/A |
| Reporting cycle | Annual |
| Desired performance | 10% |
| Indicator responsibility | Executive Managers: Learning Programmes; and Research, Monitoring and Evaluation |

OUTCOME 3: IMPROVED CAPACITY WITHIN THE CATHSSETA SUB-SECTORS

| 3.3. Indicator title | Skills levels of trade union members |
|--|---|
| Definition | Trade union member enrolments to increase the skills capacity of organised labour in the sector |
| Source of data | Programmes 2 and 3 Research report outlining educational profile and skills needs of trade unions in the sector; Annual Report; Quarterly Performance Information Reports |
| Method of calculation/assessment | Quantitative analysis (a = trade union members' skills levels) minus (b = baseline of trade union members' skills levels) equals an increase. (c = increase divided by baseline) multiplied by 100 i.e. $(a - b) = c. (c/b) \times 100$ Qualitative assessment of skills levels of trade union members in the sector |
| Assumptions | The mechanism put in place to ensure the participation of trade unions in learning programmes |
| Disaggregation of beneficiaries (where applicable) | <ul style="list-style-type: none"> • The target for Women: 65% of the desired performance • The target for Youth: 60% of the desired performance • The target for People with Disabilities: 2% of the desired performance |
| Spatial transformation (where applicable) | N/A |
| Reporting cycle | Annual |
| Desired performance | 10% |
| Indicator responsibility | Executive Managers: Learning Programmes; and Research, Monitoring and Evaluation |

OUTCOME 3: IMPROVED CAPACITY WITHIN THE CATHSSETA SUB-SECTORS

| 3.4. Indicator title | Percentage of upward mobility of trade union members |
|--|--|
| Definition | The ability of trade union members to progressively advance from entry-level to higher occupational categories in the sector |
| Source of data | Programmes 2 and 3 Research report outlining educational profile and skills needs of trade unions in the sector; Annual Report; Quarterly Performance Information Reports |
| Method of calculation/assessment | Quantitative analysis (a = trade union members' skills levels) minus (b = baseline of trade union members' skills levels) equals an increase. (c = increase divided by baseline) multiplied by 100 i.e. $(a - b) = c. (c/b) \times 100$ Qualitative assessment of trade union member workplace advancement from entry-level occupations |
| Assumptions | The mechanism put in place to ensure the participation of trade unions in learning programmes |
| Disaggregation of beneficiaries (where applicable) | <ul style="list-style-type: none"> • The target for Women: 65% of the desired performance • The target for Youth: 60% of the desired performance • The target for People with Disabilities: 2% of the desired performance |
| Spatial transformation (where applicable) | N/A |
| Reporting cycle | Annual |
| Desired performance | 10% |
| Indicator responsibility | Executive Manager: Learning Programmes; and Research, Monitoring and Evaluation |

OUTCOME 4: INCREASED ACCESS TO OCCUPATIONALLY DIRECTED PROGRAMMES WITHIN THE SECTOR

| 4.1. Indicator title | Percentage of intermediate and high-level skills |
|--|---|
| Definition | Learners entering occupationally directed learning programmes |
| Source of data | Programmes 2 and 3 Evaluation report; Sector Skills Plan; Annual Report; Quarterly Performance Information Reports |
| Method of calculation/assessment | Quantitative analysis (a = total number of SETA-funded enrolments in artisan, RPL, unemployed bursary) divided by (b = total number of Discretionary Grant funding allocation) multiplied by 100 i.e. $(a/b) \times 100$ Qualitative assessment of training against priority occupations identified in the SSP |
| Assumptions | Discretionary Grant will be allocated according to priority skills in the SSP |
| Disaggregation of beneficiaries (where applicable) | <ul style="list-style-type: none"> The target for Women: 65% of the desired performance The target for Youth: 60% of the desired performance The target for People with Disabilities: 2% of the desired performance |
| Spatial transformation (where applicable) | N/A |
| Reporting cycle | Annual |
| Desired performance | 50% |
| Indicator responsibility | Executive Managers: Learning Programmes; and Research, Monitoring and Evaluation |

OUTCOME 5: INCREASE IN WORK-READY GRADUATES

| 5.1. Indicator title | Percentage of employable learners |
|--|--|
| Definition | Learners hosted in workplaces for learning programmes |
| Source of data | Programmes 2 and 3 Evaluation report; Sector Skills Plan; Annual Report; Quarterly Performance Information Reports |
| Method of calculation/assessment | Quantitative analysis (a = total number of SETA-funded completions in TVET and university students WIL and internships) divided by (b = total number of enrolments in TVET and university students WIL and Internships) multiplied by 100 i.e. $(a/b) \times 100$ Qualitative assessment of graduate work readiness |
| Assumptions | New Employer partnerships and mentorship programmes will be funded |
| Disaggregation of beneficiaries (where applicable) | <ul style="list-style-type: none"> The target for Women: 65% of the desired performance The target for Youth: 60% of the desired performance The target for People with Disabilities: 2% of the desired performance |
| Spatial transformation (where applicable) | N/A |
| Reporting cycle | Annual |
| Desired performance | 60% |
| Indicator responsibility | Executive Managers: Learning Programmes; and Research, Monitoring and Evaluation |

OUTCOME 6: EFFECTIVENESS OF THE PUBLIC COLLEGE SYSTEM

| 6.1. Indicator title | Percentage of qualifications on par with sectoral needs |
|--|--|
| Definition | TVET/CET colleges selected to offer occupational qualifications within the CATHSSETA sub-sectors |
| Source of data | Programmes 2 and 4 Sector Skills Plan; Annual Report; Quarterly Performance Information Reports |
| Method of calculation/assessment | Quantitative analysis (a = total number of selected TVET/CET colleges accredited to offer occupational qualifications) divided by (b = total number of occupational qualifications registered) multiplied by 100 i.e. $(a/b) \times 100$ Mixed-method assessment to measure TVET/CET learners enrolled in CATHSSETA aligned qualifications and the level of responsiveness of TVET/CET qualifications in meeting sectoral needs |
| Assumptions | Meaningful partnerships will be negotiated and funded |
| Disaggregation of beneficiaries (where applicable) | N/A |
| Spatial transformation (where applicable) | N/A |
| Reporting cycle | Annual |
| Desired performance | 100% |
| Indicator responsibility | Executive Managers: Learning Programmes; and Research, Monitoring and Evaluation |

OUTCOME 7: SUCCESSFUL ENTREPRENEURS AND COOPERATIVE BUSINESSES WITHIN THE CATHSSETA SUB-SECTOR

| 7.1. Indicator title | Rate of SMME sustainability |
|--|---|
| Definition | Interventions designed to equip SMMEs with entrepreneurial skills to contribute to the sustainability of new ventures in the sector |
| Source of data | Programmes 2 and 4 Evaluation report; Annual Report; Quarterly Performance Information Reports |
| Method of calculation/assessment | Quantitative analysis (a = total number of SMMEs equipped with entrepreneurial skills that are still functional) divided by (b = total number of SMMEs equipped with entrepreneurial skills) multiplied by 100 i.e. $(a/b) \times 100$ Qualitative assessment to measure the sustainable economic growth of emerging enterprises and SMMEs in the sector |
| Assumptions | Support interventions will be implemented |
| Disaggregation of beneficiaries (where applicable) | <ul style="list-style-type: none"> • The target for Women: 65% of the desired performance • The target for Youth: 60% of the desired performance • The target for People with Disabilities: 2% of the desired performance |
| Spatial transformation (where applicable) | N/A |
| Reporting cycle | Annual |
| Desired performance | 20% |
| Indicator responsibility | Executive Managers: Learning Programmes; and Research, Monitoring and Evaluation |

OUTCOME 7: SUCCESSFUL ENTREPRENEURS AND COOPERATIVE BUSINESSES WITHIN THE CATHSSETA SUB-SECTOR

| 7.2. Indicator title | Rate of entrepreneurial expansion |
|--|---|
| Definition | Interventions designed to equip new ventures and small businesses with entrepreneurial skills so that they scale up/expand their businesses in terms of personnel and branches opened |
| Source of data | Programmes 2 and 4 Evaluation report; Annual Report; Quarterly Performance Information Reports |
| Method of calculation/ assessment | Quantitative analysis (a = total number of SMMEs equipped with entrepreneurial skills that have expanded their personnel and branches) divided by (b = total number of SMMEs equipped with entrepreneurial skills) multiplied by 100 i.e. $(a/b) \times 100$ Qualitative assessment to measure the ability of small businesses to expand and grow their businesses in the sector |
| Assumptions | Support interventions will be implemented |
| Disaggregation of beneficiaries (where applicable) | <ul style="list-style-type: none"> • The target for Women: 65% of the desired performance • The target for Youth: 60% of the desired performance • The target for People with Disabilities: 2% of the desired performance |
| Spatial transformation (where applicable) | N/A |
| Reporting cycle | Annual |
| Desired performance | 5% |
| Indicator responsibility | Executive Managers: Learning Programmes; and Research, Monitoring and Evaluation |

OUTCOME 8: IMPROVED BRAND VISIBILITY

| 8.1. Indicator title | Percentage of enrolled learners from rural areas |
|--|--|
| Definition | The overall proportion of learners from rural areas provided with CATHSSETA learning programmes |
| Source of data | Programme 3 Annual Report; Quarterly Performance Information Reports |
| Method of calculation/ assessment | Quantitative analysis (a = total number of learners enrolled from targeted rural communities) divided by (b = total number of learners enrolled in SETA-funded learning programmes) multiplied by 100 i.e. (a/b) x 100 Qualitative assessment of SETA rural footprint |
| Assumptions | Discretionary Grant will be allocated according to priority areas |
| Disaggregation of beneficiaries (where applicable) | <ul style="list-style-type: none"> • The target for Women: 65% of the desired performance • The target for Youth: 60% of the desired performance • The target for People with Disabilities: 2% of the desired performance |
| Spatial transformation (where applicable) | N/A |
| Reporting cycle | Annual |
| Desired performance | 45% |
| Indicator responsibility | Executive Manager: Learning Programmes |



ANNEXURE A: **DISTRICT DEVELOPMENT MODEL**

Annexure A: District Development Model

| Five-year Planning Period | | | | | |
|-----------------------------|-------------------------------------|-------------------------------------|--|---------------------|-------------------------------|
| Areas of Intervention | Project description | District Municipality | Location: GPS coordinates | Project leader | Social partners |
| Infrastructure partnerships | Infrastructure for 10 TVET Colleges | Yet to be determined - 2023 Project | N/A | Mr Thabang Motlatla | Counsellors and the community |
| | Infrastructure for 6 CET Colleges | Yet to be determined - 2023 Project | N/A | | |
| | King Hintsa TVET College | Amatole | -29.49957849387915, 26.146880755046364 | Ms Martha Collett | |
| | King Dalinyebo TVET College | OR Tambo | -31.244481472889046, 28.16825155840086 | | |



Tel: (011) 217 0600
Fax: (011) 783 7745

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