

ANNUAL PERFORMANCE PLAN

FOR

2024/25

Update 2023

Date: November 2023

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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 plans (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 3.3 million in the third quarter of 2023.

The launch of the National Plan for Post-School Education and Training on 7 September 2023, signalled our government's commitment towards achieving an improved, transformed, expanded, responsive, and articulated Post-School Education and Training (PSET). Our National Plan for Post-School Education and Training (NPPSET) is our roadmap for implementing the vision of the White Paper for Post-School Education and Training (WP-PSET). It will continue to guide our SETA system strategy and planning instruments as it is framed within the broader goals and priorities of the National Development Plan (NDP), which foregrounds the national efforts to address the triple challenges of unemployment, inequality, and poverty. Important, to note, is that it remains our overarching policy instrument and a blueprint for guiding planning in our post-school system. It will be proper for everyone to have access to the National Plan for Post-School Education and Training. It aligns and integrates the work that is already underway and provides a policy framework for major transformative changes the government wants to bring about, across the post-school system and its nexus with society and the economy.

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, are our transformational and developmental

imperatives which include amongst others: class, gender, race, geography, and youth, which must be reflected at all material 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 the 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 to expand 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 2024/25 financial year, the entire SETA system has set itself the following targets, as part of expanding post-school opportunities:

- 190 000 workplace-based learning (WBL) opportunities;
- 150 000 learners registered in skills development programs;
- 36 375 learners entering artisanal programs;
- 26 500 learners passing artisanal trades;
- 53 000 learners completing learnerships;
- 11 000 learners completing internships; and
- 128 000 learners completing skills programs.

The SETA will enter into the Service Level Agreement with the Director-General of the Department and commit that 25% of all targets be achieved on a quarterly basis, with 100% achievement in the last quarter of the financial year. Whilst the TVET placement must be achieved at 100% by the end of December 2024.

The SETA Annual Performance Plan (APP) provides a clear commitment to the delivery of our skills development priorities and targets for implementation during the 2024/25 financial year.



Dr. BE Nzimande, MP Executive Authority of Higher Education, Science, and Innovation

FOREWORD BY THE CHAIRPERSON

The 2024/25 Annual Performance Plan (APP) is being submitted by the Accounting Authority (AA) at a significant time as the Public Service Sector Education and Training Authority (PSETA) endeavours to continue to achieve its vision of being the heart of developing a skilled, capable and innovative public sector workforce and build its institutional capacity to ensure that it delivers on its mandate, as enshrined in the Skills Development Act (Act No. 97 of 1998), as amended (SDA).

PSETA continues to improve the efficiencies of its operations in consideration of the budget cuts effected by National Treasury through the Medium-Term Expenditure Framework (MTEF) processes. The new normal world of work requires PSETA to adjust and adopt more efficient and effective ways of delivering services to its stakeholders by leveraging on technology.

The initiatives prioritised in the APP are informed by the skills development needs identified in the key policy documents which include the Sector Skills Plan (SSP) and the National Skills Development Plan (NSDP) 2030, the DHET Five Year Strategic Outcomes and Medium-Term Strategic Framework 2019 to 2024.

PSETA continues to prioritise the development of state capabilities to support the priorities identified in the National Development Plan (NDP) chapter 13. Based on the PSETA's strategic priorities outlined in the five-year SSP 2020/21 to 2024/25 update 2024, the following are the four strategic outcome priorities of the PSETA which will be delivered through relevant programmes arising from the following outcomes:

- Outcome 1: Enhanced PSETA capabilities to deliver its strategy
- Outcome 2: Improved credible research for skills planning
- Outcome 3: Increased pool of skills into and within the public service sector
- Outcome 4: Quality learning interventions in the public service sector.

PSETA implements various learning interventions that are identified through the skills planning process and which constitute the Professional, Vocational, Technical and Academic Learning (PIVOTAL) list. This list informs the allocation of discretionary grant funding by SETAs, as guided by the Discretionary Grant Regulations issued by the Department of Higher Education and Training (DHET) in 2012.

PSETA has taken a conscious decision to start focusing more on the delivery of critical skills development programmes to address the National Skills Development Plan (NSDP) Outcome 3: Improving the level of skills in the South African workforce to address critical skills required by various sectors of the economy, to transform workplaces, and improve productivity and growth prospects in various sectors of the economy.

The PSETA Accounting Authority commits to ensuring that PSETA contributes to building a capable, ethical, and developmental state. This will be achieved through the implementation of the PSETA APP for the 2024/25 financial year.

Thulani Tshefuta

Mr Thulani Tshefuta

Chairperson: PSETA Accounting Authority

Date: 30-11-2023

OVERVIEW BY THE CHIEF EXECUTIVE OFFICER

It is our privilege, as the Public Service Sector Education and Training Authority (PSETA), to submit the Annual Performance Plan (APP) to the Department of Higher Education and Training (DHET) for the period 1 April 2024 to 31 March 2025. As a SETA, we are focused on continuing to deliver on our mandate of facilitating skills development across the Post-School Education and Training (PSET) channel. We will do this by continuing to partner with all our stakeholders, including DHET, and various delivery partners for the benefit of the public sector and the broader economy.

This Annual Performance Plan (APP) details the programmes and delivery mechanisms which will be implemented by PSETA in building the capabilities for the Public Service Sector. PSETA's focus over the 2024/25 financial year will also be on improving internal capabilities to deliver on the PSETA mandate effectively.

The PSETA Sector Skills Plan (SSP) informs the PSETA strategy, which ensures that investments in skills development resonate with the needs of PSETA's respective constituencies and government's key economic and social priorities.

PSETA remains committed to working with strategic partners contributing towards building a developmental, capable, and ethical state.

Bontle Lerumo

Ms Bontle Lerumo

Chief Executive Officer

OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

- was developed by the management of the Public Service Sector Education and Training Authority (PSETA) under the guidance of the Accounting Authority and the Minister of Higher Education, Science and Innovation;
- considers all the relevant policies, legislation, and other mandates for which the PSETA is responsible; and
- accurately reflects the impact, outcomes, and outputs which the PSETA will endeavour to achieve over the 2024/25 financial year.

Ms Shivanthini Nagalingam-Potter

Chief Operations Officer Signature: *S Nagalingam-Potter* Date: 30-11-2023

Mr Phumudzo Mbulaheni

Chief Financial Officer Signature: *P Mbulaheni* Date: 30-11-2023

Ms Bontle Lerumo

Chief Executive Officer Signature: *B Lerumo* Date: 30-11-2023

Mr Thulani Tshefuta

AA Chairperson Signature: *T Tshefuta* Date: 30-11-2023

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ABBREVIATIONS AND ACRONYMS

4IR	Fourth Industrial Revolution
AA	Accounting Authority
APP	Annual Performance Plan
ATR	Annual Training Report
BPR	Business Process Reengineering
Burs	Bursaries
Covid-19	Coronavirus disease of 2019 - disease caused by the SARS-CoV2 virus
DHET	Department of Higher Education and Training
DPSA	Department of Public Service and Administration
EISA	External Integrated Summative Assessment
QA	Education and Training Quality Assurer
EWP	Employee Wellness Programme
GESF	Gender Equality Strategic Framework
HEI	Higher Education Institution
HET	Higher Education and Training
HRD	Human Resource Development
HRDC	Human Resource Development Council
ICT	Information and Communications Technology
L/Ship	Learnership
MIS	Management Information System
MHES&I	Minister of Higher Education, Science and Innovation
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
NDP	National Development Plan
NQF	National Qualifications Framework
NSDS	National Skills Development Strategy
NSF	National Skills Fund
NSG	National School of Government
OTP	Office of the Premier
OFO	Organising Framework for Occupations
PDP	Personal Development Plan
PERSAL	Personnel and Salary Information System of Government
PFMA	Public Finance Management Act
PIVOTAL	Professional, Vocational, Technical and Academic Learning
PSET	Post-School Education and Training

PSETA	Public Service Sector Education and Training Authority
QA	Quality Assurance
QCTO	Quality Council for Trades and Occupations
QMR	Quarterly Monitoring Report
RPL	Recognition of Prior Learning
SCM	Supply Chain Management
SDA	Skills Development Act
SDF	Skills Development Facilitator
SDL	Skills Development Levy
SDLA	Skills Development Levies Act
SDP	Skills Development Provider
SETA	Sector Education and Training Authority
SLA	Service Level Agreement
SMME	Small, Medium and Micro Sized Enterprises
SOR	Statement of Results
SP	Skills Programmes
SPR	Skills Planning and Research
SSP	Sector Skills Plan
TVET	Technical Vocational Education and Training
WIL	Work-Integrated Learning
WSP	Workplace Skills Plan

PART A: OUR MANDATE

1. UPDATES TO THE RELEVANT LEGISLATIVE AND POLICY MANDATES

1.1. CONSTITUTIONAL MANDATE

PSETA's constitutional mandate is underpinned by section 29(1) (b) of the Constitution of the Republic of South Africa (Act No. 108 of 1996) which bestows upon all South African citizens, the right to further education. This right to further education and training must be provided by the State (including organs of state such as PSETA) within reasonable measures.

PSETA's constitutional mandate is also derived from the prescripts of section 195(1) of the Constitution, which states as follows:

- (1) Public administration must be governed by the democratic values and principles enshrined in the Constitution, including the following principles:
 - (a) A high standard of professional ethics must be promoted and maintained.
 - (b) Efficient, economic and effective use of resources must be promoted.
 - (c) Public administration must be development oriented.
 - (d) Services must be provided impartially, fairly, equitably and without bias.
 - (e) People's needs must be responded to, and the public must be encouraged to participate in policymaking.
 - (f) Public administration must be accountable.
 - (g) Transparency must be fostered by providing the public with timely, accessible and accurate information.
 - (h) Good human resource management and career development practices, to maximise human potential, must be cultivated.
 - (i) Public administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation.

These constitutional prescripts and values are the cornerstone of PSETA's mandate.

1.2. LEGISLATIVE MANDATE

1.2.1. SKILLS DEVELOPMENT ACT

PSETA is established in terms of section 9(1) and (2) of the Skills Development Act (Act No. 97 of 1998 as amended). The Skills Development Act is our enabling legislation and guides our operations as a sector education and training authority (SETA), as set out in section 10 of the Act.

Section 10 (1) of the Act, sets out the functions of sector education and training authorities (SETAs) as outlined below.

(1) A SETA must, in accordance with any requirements that may be prescribed—

- (a) develop a sector skills plan within the framework of the national skills development strategy;
- (b) implement its sector skills plan by—
 - (i) establishing learning programmes;
 - (ii) approving workplace skills plans and annual training reports;
 - (iii) allocating grants in the prescribed manner and in accordance with any prescribed standards and criteria to employers, education and skills development providers and workers; and
 - (iv) monitoring education and skills development provision in the sector;
- (c) promote learning programmes by—
 - (i) identifying workplaces for practical work experience;
 - (ii) supporting the development of learning materials;
 - (iii) improving the facilitation of learning; and
 - (iv) assisting in the conclusion of agreements for learning programmes, to the extent that it is required;
- (d) register agreements for learning programmes, to the extent that it is required;
- (e) perform any functions delegated to it by the QCTO in terms of section 26l;

- (f) when required to do so as contemplated in section 7 (1) of the Skills Development Levies Act, collect the skills development levies, and must disburse the levies, allocated to it in terms of sections 8 (3) (b) and 9 (b), in its sector;
- (g) liaise with the National Skills Authority on—
 - (i) the national skills development policy;
 - (ii) the national skills development strategy; and
 - (iii) its sector skills plan;
- (h) submit to the Director General—
 - (i) any budgets, reports and financial statements on its income and expenditure that it is required to prepare in terms of the Public Finance Management Act; and
 - (ii) strategic plans and reports on the implementation of its service level agreement;
- (i) liaise with the provincial offices and labour centres of the Department and any education body established under any law regulating education in the Republic to improve information—
 - (i) about placement opportunities; and
 - (ii) between education and skills development providers and the labour market;
- (iA) liaise with the skills development forums established in each province in such manner and on such issues as may be prescribed;
- (j) subject to section 14, appoint staff necessary for the performance of its functions;
- (jA) promote the national standard established in terms of section 30B;
- (jB) liaise with the QCTO regarding occupational qualifications; and
- (k) perform any other duties imposed by this Act or the Skills Development Levies Act or consistent with the purposes of this Act.

1.2.2. SKILLS DEVELOPMENT LEVIES ACT

The Skills Development Levies Act (Act No. 9 of 1999 as amended) (“SDLA”) also impacts on PSETA operations. The main purpose of the SDLA is to regulate a compulsory levy scheme to fund education and training in the various sectors of the economy.

The compulsory levy scheme seeks to fund the skills development initiative in the country. The intention is to encourage a planned and structured approach to learning, and to increase employment prospects for work seekers.

Section 3 of the SDLA compels employers to pay one percent (1%) of their monthly employee remuneration payroll, to the South African Revenue Service (SARS) in the form of a levy. These levies are then collected by the relevant SETA, which then distributes levies in their particular sector.

However, section 4(a) of the SDLA states as follows:

The levy is not payable by -

- (a) any public service employer in the national or provincial sphere of government;

This provision impacts on PSETA as its sector encompasses the public services sector and therefore the amount of levies PSETA collects is limited.

As a result, PSETA is largely funded by way of funds allocated through vote 15, under one of the budget programmes of the Department of Higher Education and Training.

1.2.3. THE SECTOR EDUCATION AND TRAINING AUTHORITIES GRANT REGULATIONS

The Sector Education and Training Authorities Grant Regulations (2012 Grant Regulations) are also critical to PSETA’s operations.

The main purpose of the 2012 Grant Regulations is to improve the focus, management, and effectiveness of a SETA’s disbursement and allocation of grants to stakeholders for skills development within its sector.

Regulation 3 provides guidance on the way a SETA must manage its finances, particularly funds received as levies in terms of the Skills Development Levies Act. Regulations 3 (1) (2) and (6) state as follows:

- (1) Each SETA must, in compliance with the Public Finance Management Act, establish banking accounts.
- (2) A SETA must use all monies received in terms of the Skills Development Levies Act to –
 - (a) administer the activities of the SETA;
 - (b) pay employers their mandatory grants;
 - (c) implement the SSP and APP as contemplated in the Treasury Regulations issued in terms of the Public Finance Management Act, through the allocation of the discretionary grants.
- (6) A SETA is required to allocate 80% of its available discretionary grants within a financial year to PIVOTAL programmes that address scarce and critical skills in its sectors.

Regulation 4 provides guidance on the manner in which a SETA should allocate mandatory grants. These are grants that are allocated to employers that pay levies to the SETA and have submitted workplace skills programmes and annual training reports to the SETA. Regulation 4 (4) state as follows:

- (4) 20% of the total levies paid by the employer in terms of section 3(1) as read with section 6 of the Skills Development Levies Act during each financial year will be paid to the employer who submits a WSP and ATR.

Regulation 6 deals with the allocation of discretionary grants by a SETA and prescribes a host of requirements to be met. Regulations 6(4) and (8) in particular, state as follows:

- (4) A SETA must, on an annual basis and in accordance with any guidelines issued by DHET, approve a Discretionary Grants Policy, specifying how the SETA discretionary grants will be allocated to meet sector needs as set out in the SSP.
- (8) The Discretionary Grants Policy must embrace the principles of transparency, openness, access and fairness.

These provisions are all crucial in providing guidance to PSETA, when allocating mandatory and discretionary grants to various stakeholders for skills development programmes, which fall within PSETA's sector.

1.2.4. NATIONAL QUALIFICATIONS FRAMEWORK ACT NO. 67 OF 2008 AS AMENDED

The National Qualifications Framework Act (Act No. 67 of 2008 as amended) ("NQF") provides for the National Qualifications Framework. The NQF is a comprehensive system, approved by the Minister of Higher Education, Science and Innovation, for the classification, registration and publication of articulated and quality-assured national qualifications and part-qualifications.

The objectives of the National Qualifications Framework, as set out in section 5(1)(2) of the NQF Act are as follows:

- (1) The objectives of the NQF are to-
 - (a) create a single integrated national framework for learning achievements;
 - (b) facilitate access to, and mobility and progression within, education, training and career paths;
 - (c) enhance the quality of education and training;
 - (d) accelerate the redress of past unfair discrimination in education, training and employment opportunities.

- (2) The objectives of the NQF are designed to contribute to the full personal development of each learner and the social and economic development of the nation at large.

The PSETA employs the provisions of this Act to design training programmes, to carry out quality assurance of various training programmes, assess learner achievement and accredit training providers, as per its delegated function from the Quality Council for Trades and Occupations.

1.2.5. PUBLIC FINANCE MANAGEMENT ACT

The Public Finance Management Act (Act No. 1 of 1999, as amended) (PFMA) is another critical legislation that impacts on PSETA's operations. PSETA is classified as a National Public Entity, under Schedule 3A of the PFMA and therefore compliance with the prescripts of the PFMA and the Treasury Regulations of 2005, is treated with the utmost importance at PSETA.

The PFMA regulates financial management in all spheres of government and government institutions; to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in those governments; and to provide for matters connected therewith.

PSETA is governed by its Accounting Authority, as per the prescripts of section 49 of the PFMA. The duties and functions of the PSETA Accounting Authority are guided by the prescripts of sections 50 and 51 of the PFMA and include, amongst others, the following:

1. exercising the duty of utmost care to ensure reasonable protection of the assets and records of the public entity.
2. acting with fidelity, honesty, integrity and in the best interests of the public entity in managing the financial affairs of PSETA.
3. ensuring that that public entity has and maintains effective, efficient and transparent systems of financial and risk management and internal control.
4. ensuring that there is a system of internal audit under the control and direction of an audit committee complying with and operating in accordance with regulations and instructions prescribed in terms of sections 76 and 77; and
5. ensuring that there is an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective.

The prescripts of the PFMA, Treasury Regulations and the various practise notes and instructions issued by National Treasury are critical in guiding PSETA in its financial management and corporate governance functions.

2. UPDATES TO INSTITUTIONAL POLICIES AND STRATEGIES

PSETA's Strategic Plan and Annual Performance Plan (APP) are informed and aligned with the relevant legislation and policy mandates. The PSETA will be guided by various policies and strategies including, but not limited to, the following:

National Development Plan (NDP): The NDP offers a long-term vision for the country. It defines the desired destination and identifies the role that different sectors of society need to play in reaching that goal. Based on the nine outcomes of the NDP focused on building a capable state, PSETA has considered the major NDP competencies in its strategic focus areas namely: a public service which is a career of choice; sufficient technical and specialist professional skills; efficient and effective management and operations systems; procurement systems that deliver value for money; strengthened delegation, accountability and oversight. These form key inputs in the strategic focus of the SETA.

Medium-Term Strategic Framework (MTSF): The MTSF is a high-level strategic document to guide the five-year implementation and monitoring of the NDP 2030. In line with the electoral mandate, it identifies the priorities to be undertaken during 2019-2024 to put the country on a positive trajectory towards the achievement of the 2030 vision. It prioritises the nation's attainment of a capable, ethical and developmental state. The PSETA will focus specifically on Priorities 1 and 3 on A Capable, Ethical and Developmental State as a contribution towards putting the public service sector on a positive trajectory towards the achievement of the NDP goals for 2030.

National Skills Development Plan (NSDP): The NSDP vision is "an educated, skilled and capable workforce for South Africa". The PSETA strategic focus areas and skills priority areas are aligned with the NSDP outcomes. Conducting labour market research, addressing sector skills needs and priorities, implementing learning programmes, supporting the TVET system, artisan development and collaborating with relevant quality councils are key areas that will form the focus of the PSETA's core operations.

White Paper on Post-School Education and Training (PSET): The NSDP will be implemented within the context of an integrated and differentiated PSET. In response to the sharpened focus of SETAs as outlined in the White Paper, the focus on the participation of employers in the submission of credible Annexure 2 (WSPs) has been prioritised. Training of labour representatives on training committees, capacity building sessions and skills development facilitator (SDF) training

programmes are initiatives aimed at responding to the White Paper and improving the quality of sector expertise available to the SETA.

Public Service Human Resource Development Strategic Framework: The intent of this framework is to create an integrated strategic approach to human resource planning to achieve departmental strategic objectives and the government programme of action. The overall strategic approach and focus for HRD in the public service has been rearticulated to place a greater emphasis on the imperative for the alignment and consolidation of the inward focus of the public service (demand side) with the broader external labour market dynamics. PSETA is facilitating and improving the extent to which skills supply is able to address the skills and talent requirements of the public service sector.

PSETA Sector Skills Plan (SSP): The SSP is an evidence-based plan which informs supply-side planning, guides the determination of funding priorities for PSETA, informs the allocation of resources to develop qualifications and learning programmes, establishes occupation-specific skills priorities for the sector, and monitors skills development provision in the sector.

Presidential Jobs Summit Framework Agreement: The Framework Agreement comprises programmes and projects to create jobs, mechanisms to unblock barriers to effective implementation, agreements on the imperative for job retention, and ways to prevent job losses.

Economic Reconstruction and Recover Plan (ERRP): The ERRP seeks to actively change the economy towards growth, and this requires an active and immediate adaptation by parts of the post school education and training (PSET) system – the Skills Strategy. The Skills Strategy lays out 10 interventions to introduce specific changes or enabling mechanisms to ensure that skills required are produced. Six (6) interventions focused on delivery (specific skills to be produced immediately linked to sectoral strategies) whilst four (4) interventions are systemic, including mechanisms for refining and adding to skills and qualifications needed for fast responsiveness as the economy changes with the ERRP interventions. The ERRP Skills Strategy places emphasis on accessing targeted skills programmes linked to specific sectors of the economy to allow for immediate and short interventions. These include digital skills, access to workplace-based experience and retraining/up-skilling to preserve jobs. The National Digital and Future Skills Strategy calls for the entire education sector to build a strong focus and invest in digital skills as well as invest in the development of digital innovation skills.

In summary, the medium and long-term implications of the outlined policies and strategies are reflected in the PSETA's strategy of locating itself at the heart of developing highly skilled professional public servants as a means of increasing the pool of required skills and further harness and elevate the existing skills within the public service. Based on the nine outcomes of the NDP focused on building a capable state, PSETA has considered the major NDP competencies in its strategic focus areas namely: A public service which is a career of choice; Sufficient technical and specialist professional skills; Efficient and effective management and operations systems; Procurement systems that deliver value for money; Strengthened delegation, accountability and oversight. These form key inputs in the strategic focus of the SETA. The PSETA will focus specifically on Priorities 1 and 3 of the MTSF on A Capable, Ethical and Developmental State as a contribution towards putting the Public Service sector on a positive trajectory towards the achievement of the NDP goals for 2030.

The NGP calls for greater focus on workplace training, targeting on-the-job training and refresher programmes for at least 10% of the workforce every year. PSETA will continue to play a critical role in the education and skills work stream, specifically in supporting access to TVET colleges, and facilitating workplace opportunities for youth in the public service sector. Such interventions will support youth to obtain competencies required for employment and self-employment. The PSETA has put measures in place to support the Economic Reconstruction and Recovery Plan and its Skills Strategy as outlined by DHET through the following 10 interventions.

The overarching implication of the analysis of the national strategies and plans may be categorised into two broad themes:

- Policy landscape: National policies and plans may not be considered in isolation of one another. In the Public Service there are a range of agencies who have overlapping mandates in relation to skills development, and capacity building more widely. Thus, the need to establish partnerships and coordinate efforts are key outcomes of the analysis of these plans.
- Socio-economic agenda: An inherent feature of South Africa's labour market policies is the secondary aim to address issues of inequality, unemployment, poverty and transformation. And conversely the goal of many socio-economic policies incorporates the need to improve education and skills development, ultimately impacting the labour market. The emergence of Covid-19 has exposed the inequalities that exists in society. There is also a need for skills development policies to address not only issues of poverty and unemployment, but also those of economic growth and global competitiveness.

3. UPDATES TO RELEVANT COURT RULINGS

Business Unity South Africa v Minister of Higher Education and Training and Others:

On 16 October 2019, the Labour Appeal Court handed down a judgment in the matter of Business Unity South Africa v Minister of Higher Education and Training and Others ((JA111/2018) [2019] ZALAC 68).

In this case, the court ruled those certain provisions in the 2012 Grant Regulations were invalid and should be set aside. These provisions are contained in Regulation 4(4).

Regulation 4(4) stated that an employer who had paid levies, as per the provisions of the Skills Development Levies Act, can claim 20% of the levies it has paid from the applicable SETA, in the form of mandatory grants, provided that the employer has also submitted a workplace skills plan and annual training report.

The Court held that the above-mentioned provisions were irrational and not rationally linked to the purpose of the Skills Development Act. The effect of the judgment is that Regulation 4(4) falls away so that the 2012 Grant Regulations must be interpreted and applied as if there is no Regulation 4 (4).

The effect of the Labour Appeal Court judgment is that the percentage or amount or quantum of a mandatory grant, is subject to the determination by a SETA (by necessary implication as part of its allocation power or duty under Regulation 4(1) of the 2012 Grant Regulations). Therefore, nothing prevented a SETA after 31 August 2018, moving forward from allocating grants equal to 20%.

It must be emphasised that there is currently no regulated percentage for SETAs to pay out the mandatory grants to qualifying employers. Therefore, SETAs continue to pay and accrue mandatory grants at 20% in the 2022/2023 financial year in the absence of a regulated percentage. This means that the SETAs should report it as a contingency liability, pending the final determination of the mandatory grant percentage by the courts because of BUSA case.

Minister of Finance v Afribusiness NPC [2022] ZACC 4:

On 16 February 2022, the Constitutional Court (“Concourt”) handed down judgment in the application for leave to appeal against a judgment and order of the Supreme Court of Appeal (“SCA”). This application was brought by the Minister of Finance (Minister) against Afribusiness NPC, and concerns the validity of the Preferential Procurement Regulations, 2017.

The SCA held that the Minister's promulgation of regulations 3(b); 4 and 9 of the Procurement Regulations was unlawful on the basis that the content of the Regulations exceeded what the Minister could possibly regulate in terms of Section 5 of the Procurement Act and Section 217 of the Constitution. The judgment of the Concourt of 16 February 2022, dismissed the appeal against the SCA judgment. However, in order to address the uncertainty caused by the Concourt judgment, the Minister decided to bring an application to the Court, on an urgent basis, to seek confirmation from the Court that the order of invalidity of the 2017 Regulations has been and continues to be suspended.

On 30 May 2022, the Concourt handed down judgment, which confirmed that the suspension of the declaration of the order of invalidity of the 2017 Regulations is still valid for the remainder of the 12-month period, namely until 15 February 2023. Therefore, this means the following:

1. the 2017 Procurement Regulations in their entirety are still valid;
2. As of 30 May 2022, all exemptions granted to deal with the period of uncertainty following the Court's judgment of 16 February 2022, lapse (according to the condition in the letters of exemptions);
3. As of 30 May 2022, all new quotations must be requested and tenders must be advertised, and dealt with, in accordance with the 2017 Regulations
4. a quotation requested or a tenders advertised before 30 May 2022, must be dealt with in terms of the exemption and the internal procurement policy in place for the duration of the exemption. An organ of state may however decide to withdraw such a request for a quotation or an advert for a tender and request a new quotation or advertise a new tender that will be subject to 2017 Regulations; and
5. the 2017 Regulations will remain in place until 15 February 2023 unless new regulations are promulgated before that date Therefore, Organs of state, such as PSETA, should by 16 February 2023, ensure that procurement policies in line with the Constitutional Court's judgment of 16 February 2022 are in place or, if new Preferential Procurement Regulations are promulgated, when these Regulations take effect.

PART B: OUR STRATEGIC FOCUS

4. UPDATED SITUATIONAL ANALYSIS

4.1. External Environment Analysis

PSETA's overarching strategic imperative is building the skills required for a developmental, capable and ethical state. The scope of coverage includes National and Provincial Government departments, identified public entities, and National Parliament and Provincial Legislatures. The focus and emphasis of the PSETA is primarily on transversal skills, i.e., functions of administration, management, planning legislation, policy administration, monitoring and evaluation, etc. PSETA shares responsibility for human resource development (HRD) in the Public Service with the Department of Public Service and Administration (DPSA), which regulates HRD across the Public Service, and with State and sector academies, including the National School of Government (NSG), that provide the sector-specific training.

According to the analysis of the 2023 WSP data and the PERSAL data (PSETA Sector Skills Plan, 2023) which has been undertaken to assess the state of the labour market there are 630 236 employees are employed under the Public Service Act. These employees are defined as all employees on the database provided by the DPSA excluding medical practitioners, nurses, teachers, police and the military personnel who falls under other Acts (such as Health Act, Education Act, etc.) and all employees employed under the occupation specific dispensation (OSD), however this analysis focuses only on those that are employed under the Public Service Act. Majority of the employees are in the provincial departments sub-sector (77,20%), followed by the national departments sub-sector (20.67%). Legislatures and parliaments make up the smallest proportion of the number of employees in the sector at 0.40%. The employment data by gender in the Public Service sector has remained constant with more women employed than men across the sub-sectors. There are however more gender disparities in the National and Provincial departments sub-sector when compared to the public entities and legislatures and parliament sub-sector.

Across the sub-sectors, the race demographics of employees in the sector is in line with the race distribution of the population. Africans remain the majority across the sub-sectors with National Departments, and Provincial Departments constituting more than 80% of employees respectively and public entities and legislatures constituting more than 70% of employees respectively. The total number of SMS is 8317 with 45.64% being females and 54.36 males. The males continue to

dominate with less numbers of females holding the SMS positions within the Public Service sector. SMS race demographics are as follows: 6 514 Africans, 463 Indian/Asian, 604 Coloured and 736 White. The Middle Management Services (MMS) makes up a total of 50 736 which shows a significant increase when compared to 17 063 MMS employees in the Public Service in 2022. MMS race demographics are as follows:34 287 Africans, 4 751 Indian/Asian, 3 412 Coloured, and 8 286 Whites (Department of Public Service and Administration, 2023).

The representation of people with disabilities employed in the Public Service remains low. From March 2021 to March 2022, only 53 departments - 40 provincial departments and 13 national departments - surpassed the 2% representation of persons with disabilities (Parliamentary Monitoring Group, 2023). Regarding the geographical spread of employees in the sector, the majority of employees in the sector are employed by national departments, followed by the Gauteng and KwaZulu-Natal. As expected, the Gauteng Province has a significantly higher concentration of employees compared to the other Provinces given that national departments and public entities are housed in the Gauteng Province. Across the provinces the number of employees has been fluctuating over the years. Great variabilities in numbers across the years are mainly taking place in the national departments, KwaZulu-Natal, and in the Gauteng province.

Based on analysis of the PERSAL data, the PSETA Sector Skills Plan (2023) shows that the highest number of employees are employed in the Professionals and Managers category at 43,42% followed by Administrative Office Workers at 34,90% and then Elementary occupations at 21,67%. PSETA focuses primarily on support to develop capacity in transversal skills, such as administration, management, planning, legislation and policy development. Therefore, the majority of PSETA interventions are targeted at employees in the Professionals, Managers and the Administrative Office Workers occupational categories.

Further, based on the 2023 WSP data analysis which reflects employment by OFO major group. The distribution indicates that the majority of employees (32,70%) are within the Professional workers major group followed by Technicians and Associate Professionals at 16.06% of employees and Clerical Support workers constituting 15,16% of the sector. Managers make up 10.61% of the employees at Senior Management Service (SMS) level within the Public Service sector. The percentage of Managers major group has remained constant when compared to 2021 whilst the percentage of Professionals major groups in the Public Service sector has also decreased when compared to 2022 figures. PSETA's support for skills development focuses on all occupations reporting only to PSETA that are transversal with the SMS making up a total of 8 317 employees in the Public Service sector (Department of Public Service and Administration, 2023).

The Public Service sector comprises predominantly large organisations with a significant contribution to the country's GDP. The country has faced several economic challenges in recent years, including high unemployment, slow economic growth, and rising levels of debt. The economic conditions of the country impact the sector and have direct consequences on employment and training in the sector. As a sector, the Public Service is highly legislated, with a substantial number of role-players that exist to ensure compliance and governance. The South African economy experienced a 1.3% decline in seven out of 10 industries, including general government services, in the fourth quarter of 2022.

Due to the dynamics of the sector, the nature of demand and supply for labour and skills is shaped by a complex set of processes than in the private sector – regional labour market dynamics intersect with policy and political priorities emerging from the executive branch. Furthermore, long institutional histories of the state shape the nature of organisational competencies. Indicators that can be used as rough proxies of demand and supply of skill in the private sector (such as vacancy rates and the price of labour) do not provide Public Service managers with sufficient information about the nature of scarce and critical skills in their organisations. A strategic approach for guiding the identification and prioritisation of skills in the Public Service sector is particularly important and a framework guiding the identification of skills needs in the Public Service sector.

Understanding the major factors impacting on skills demand and supply in the Public Service sector provides an opportunity to better analyse why skills shortages exist. Some of the key factors in the public service sector that impact PSETA's strategic focus include:

a) Business Continuity

The key findings from the study PSETA conducted on Emerging Technologies in the Public Service showed that the COVID-19 pandemic exposed weaknesses within business continuity models with wide-ranging disparities across provinces, especially for those that had previous socio-economic issues (rural provinces) (PSETA, 2020). Within South Africa, few Public Service departments understand the concepts of business continuity management (BCM); the purpose of designing and maintaining resilient systems that are immune to incidents and what it takes to implement a well-constructed business continuity plan.

b) IT Governance in the Public Service sector

According to the Auditor General's Citizens Report (AGSA, 2021), there is lack of integrated IT systems and databases in the Public Service sector. Most departments were found to have procured individual IT solutions which are not integrated to the larger system within the sector.

This becomes critical for automation and digitisation of the sector. There is a lack of sufficient ICT skills for effective cyber-security within government departments (Sutherland, 2017). According to von Solms (2022), one of the five key elements that should be in place to detect, mitigate and combat cybercrime in South Africa is skilled cyber-security practitioners.

c) Fourth Industrial Revolution and Technology:

- i. The fourth industrial revolution (4IR) and ICT have enhanced digitalisation, big data, artificial intelligence, online platforms and the Internet of Things (PSETA, 2020). The emerging technologies study in the Public Service (PSETA, 2020) showed a need for technology related skills and a need to change how departments deliver services. Despite the need, resources are constrained, and budget cuts hinder the development of digital solutions.
- ii. South Africa's e-government strategy provides the policy framework for incorporating ICT as a key enabler in modernising government services and improving accessibility and convenience.
- iii. Whilst the sector has progressively moved toward implementing ICT across its systems and processes, most government departments do not currently have the human and physical resources to optimise the role of ICT in the Public Service sector (PSETA, 2017). Furthermore, government operations are largely manual/paper-driven and are at the infancy of technology-adoption, though the need to advance in terms of technology is known and accepted (PSETA, 2020).
- iv. Remote working and learning showed that access to technology is more than a choice, it is a necessity. In order to reduce the digital divide, the Public Service sector needs to rethink the question of internet access and how it is managed.
- v. Whilst many Public Service sector organisations have returned to working from their pre-pandemic offices or places of work, virtual engagements remain prevalent.

d) Geographical Positioning:

- i. A key factor which continues to impact the work of departments is the delivery of services in rural areas. Some provincial departments located in rural areas face a challenge with a shortage of employees and struggle to attract high-calibre employees as talented graduates and experienced employees chose to migrate to metropolitan areas. This contributes to the existing situation of a skills bias within urban areas.
- ii. The limited number of work placement opportunities for learners in rural provinces continues to be a challenge which result in a limited number of learners that can be accommodated by the few employers.

e) Human Resource Dynamics within the Public Service:

Human resources (HR) in the form of people are the most valuable asset of the Public Service sector. Therefore, planning, attracting and retaining competent talent to ensure that the Public Service sector meets the demands of the developmental state envisioned on the NDP is critical. Four sub-change drivers which fall within the wider ambit of human resources are discussed below:

- i. **Recruitment Challenges and Competition for Skills:** In response to government's freeze hiring decision in administrative and managerial positions (Arnoldi, 2023), employers have been unable to recruit non-critical positions. Another challenge for HR departments is attracting the best talent into the Public Service sector as better remuneration and benefits are offered in the private sector. Furthermore, the uniform and uncompromising criteria used for job requirements prevent many young people from meeting the necessary requirements for positions in government.
- ii. **High Turnover and Thin Supply Pipeline:** The Sector continues to report high levels of exit/turnover. This is more evident amongst youth and those in highly specialised occupations, such as those in ICT and finance. High turnover was attributed to various factors, including lack of motivation amongst some public servants, being overworked, inflexible working hours, limited space for innovation, and other reasons related to poor working conditions. External factors mentioned included poaching and inter-Departmental migration.
- iii. **Lack of Autonomy of Human Resources Departments:** In most instances, HR departments in the Public Service sector do not take on a strategic role within their departments, which threatens their ability to maintain autonomy and efficacy. The HR function also continues to be clouded by political interference, thus limiting autonomy, which ultimately affects the ability to secure competent talent for the sector.
- iv. **Human Resources not viewed as a Strategic Function:** The HR function is not viewed as a strategic unit participating in planning and policy within Departments. This tends to result in inadequate resources being discharged to these units within government departments, which affects their operations. HR is more often viewed as transactional and compliance oriented.

In addition to the above, some of the challenges facing human resources within the Public Service sector include unethical HR management practices, wastage in certain sectors and outdated regulations, policies, departmental structures and Service Delivery Models (DPSA, 2023).

PSETA will continue its focus on collaborative projects aimed at benefitting women, youth and persons with disabilities in the 2024/25 financial year. PSETA has established strategic partnerships with a range of key stakeholder including Provincial Administrations, the DPSA, the Department of Women, Youth and Persons with Disabilities, as well as the National Youth

Development Agency. These partnerships will be leveraged over the five-year period to deliver skills development programmes aimed at empowering these targeted groups. PSETA's target for the disaggregation of beneficiaries on PSETA funded programmes is 54% women and 80% youth, both for employed and unemployed learners entering the PSETA funded learning programmes. Support for people with disabilities is through specific and targeted learnership programmes for unemployed youth.

PSETA has engaged in various research and skills planning initiatives, such as tracer studies, curriculum review, and assessment of selected Public Administration qualifications. PSETA commissioned a research study into the key change drivers, including technology and 4IR, and its impact on the sector. The results from these studies inform current and future PSETA interventions to address the impact of 4IR on the sector. As part of its tracer studies, PSETA has developed tools for tracking and tracing learners on all PSETA-funded projects. In 2023/24 PSETA commissioned an impact assessment study of five PSETA-registered skills programmes implemented for employed learners in the Public Service Sector for the period 2019/2020 to 2021/2022. The total value of this project is R995 000.00. The study intends to evaluate the effectiveness of the skills programmes and to measure their impact on the beneficiaries. A second tracking and tracer of Work Integrated Learning students, from Universities of Technology, funded by PSETA for their WIL commenced in the 2023/24 period. This research was conducted internally. The information collected through these tools will provide PSETA with the evidence base to address challenges with learning programmes and adopt its learning interventions for the sector. For the 2024/25 period, PSETA has planned an impact assessment study, focussing on interns that have been placed within the public service sector. This study will be conducted internally by PSETA's research unit.

Furthermore, key projects undertaken in partnership with the DPSA to ensure enabling frameworks for HRD in the Public Service Sector include the development of a Skills Audit Framework for the Public Service Sector, a Review of the Public Service HRD Strategy, and Development of a Monitoring and Evaluation Framework for the Public Service HRD Strategy and more recently the Development of Guidelines on the Compilation of an Organisational Competency Framework for Public Service Departments. PSETA has further supported a capacity building programme, led by the DPSA, for the training of chairpersons and initiators for disciplinary hearings.

Recognition of Prior Learning (RPL) for the sector has been an increasing focus area for PSETA. Based on research conducted in preceding years, PSETA, in collaboration with the DPSA, has been focussing efforts on support structures for RPL implementation for the sector. This includes

the training of RPL Advisors and building the capacity of SDPs to implement RPL interventions. The DPISA has been working towards the finalisation of an RPL Policy for the Public Service. PSETA has prioritised funding incrementally to address the demand from the sector. The RPL interventions for the short term will be targeted at public service employees who have the requisite work experience, but do not yet have a formal qualification. PSETA will prioritise RPL interventions on the PSETA Public Administration qualifications.

PSETA has formalised key partnerships with the two bargaining councils within the Public Service sector- the Public Service Coordinating Bargaining Council (PSCBC) and the General Public Service Sector Bargaining Council (GPSSBC) to collaborate on worker-initiated training initiatives. PSETA has further formalised partnerships with NEHAWU, POPCRU and PSA and has funded identified learning programmes. PSETA's strategy to deliver against the NSDP outcome of worker-initiated training will be implemented through formalised partnerships with public sector unions. Due to the dynamics of the sector, the nature of demand and supply for labour and skills is shaped by a far more complex set of processes than in the private sector. For example, regional labour market dynamics intersect with policy and political priorities emerging from the Executive. Furthermore, long institutional histories of the State shape the nature of organisational competencies. Indicators that can be used as rough estimations of demand and supply of skills in the private sector (such as vacancy rates and the price of labour) do not provide public service managers with nearly sufficient information about the nature of scarce and critical skills in their departments.

Thus, the PSETA's approach to sector skills planning is premised on the fact that, within the Public Service Sector, skills development priorities must be identified using organisational performance as the lens to thematise skills needs where a priority skill is one that will make the biggest difference to the performance of the Public Service Sector. Skills development for the Public Service continues to be informed by the following concept: "Skills development in isolation will not yield a more capable state, skills development must be integrated with wider organisational development initiatives if it is to be effective" (DPISA/HRDC, 2013).

Accordingly, the analysis of key drivers of change, as well as the direction of national strategies and plans impacting on skills demand and supply, form the basis for the identification of sectoral priority occupations and skills. Current labour market shortages and skills gaps across organisations in the Public Service sector provide a secondary base for identifying priority skills and the required skills development interventions. These are outlined in further detail in the PSETA SSP.

Based on the analysis of the external environment, PSETA is required to build a performance and organisational system that is capable of anticipating, modelling and innovating programmes that are responsive to the needs of the sector, and that is capable of consistently delivering high-quality skills for an effective and capable Public Service. To this end, PSETA adopts a systematic approach of delivering value to its stakeholders wherein demand and supply are integrated through the PSETA's business operating model that is underpinned by strong partnerships and collaborations with all the sector stakeholders.

4.2 Internal Environment Analysis

The Minister of Higher Education, Science and Innovation has gazetted the new landscape for SETAs. PSETA has been licensed to operate for a period of ten years. The granting of a ten-year licence to PSETA will create stability in the organisation as PSETA has previously experienced challenges of inadequate long-term planning and was unable to attract skilled staff due to SETA landscape uncertainties.

PSETA's operations are mainly funded through a vote from the National Treasury through the Department of Higher Education, and Training (DHET). PSETA has a limited budget and, as a result, it is not able to meet all the needs and expectations of its stakeholders. This is due to government departments who are exempted from contributing the 1% of the Skills Development Levy to the PSETA. The overall budget is expected to increase at an average of 5% during the Medium-Term Expenditure Framework (MTEF) period to an amount of R140,7 million in 2024/25 financial year.

ORGANISATIONAL CAPACITY - Organisational capacity is the level of an organisation's capability to deliver services and products that not only satisfy present customer expectations, but continually anticipate future marketplace opportunities. Key among the primary components of capacity is those associated with the human side of performance.

The current staff establishment of the organisation is comprised of 65 funded positions. The PSETA has developed a Human Capital Management Strategy which focuses on repositioning PSETA as an employer of choice. This will ensure the achievement of the PSETA's vision, *"to be the heart of developing a skilled, capable and innovative public sector workforce"*. In addition to the current skills, PSETA adopted an approach of continuous staff development and has adopted a policy for

bursaries and skills development for staff which will facilitate further investments in critical skills required in the future for the realisation of PSETA's strategy.

The organisation also maintains an up-to-date ICT Service Continuity plan where all its critical ICT infrastructure and applications are hosted in the cloud. This improves business continuity and disaster recovery and fosters better collaborations as the data is saved in the cloud and can be accessed anywhere. The strategy is informed by the Fourth Industrial Revolution (4IR) which is driven by a fusion of technologies that have blurred the lines between the physical, digital, and biological spaces enabled by technologies such as Artificial Intelligence (AI), cloud computing, the Internet of Things (IoT), Big Data, and robotics, among others. The adoption of these technologies by the PSETA enables a process for bringing together digital power and practices to enable digital capabilities across the organisation.

PSETA promotes the advancement of women, youth and people with disabilities in order to achieve its strategic mandate. The recruitment process targets this category of employees. This is reflected during the recruitment process where declaration is made on the adverts to indicate preference of these employees. PSETA will continue to recruit Interns and Workplace Integrated Learners (WIL) to expose them to the world of work. The recruitment of people with disabilities remains a challenge but the organisation will continue to accelerate its efforts to recruit this category of employees.

Records and knowledge management is critical to the work of any organisation. PSETA will ensure that there is proper records and knowledge management in place to manage the risk of loss of records and institutional memory.

PART C: MEASURING OUR PERFORMANCE

5. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATON

5.1. Programme 1: Administration

5.1.1.Purpose

This programme consists of three sub-programmes, namely Governance, Finance and Supply Chain Management (SCM), and Corporate Services. The purpose of the programme is to ensure that the organisation has effective and efficient governance structures that lead; monitor and evaluate organisational performance; ensure prudent financial management, procurement of goods and services that is compliant with legislation and applies cost containment measures to improve budget efficiencies, and reporting on compliance with relevant acts and regulations; provide efficient and effective corporate services functions to internal departments within the PSETA and external stakeholders by providing the following services: human resources, ICT, improved stakeholder management and communication, and auxiliary services.

TABLE 1: OUTCOMES, OUTPUTS, PERFORMANCE INDICATORS AND TARGETS

Outcome	Outputs	No.	Output Indicators	Audited/Actual Performance			Estimated Performance	MTEF Period		
				2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Enhanced PSETA capabilities to deliver its strategy	Training and development interventions to PSETA employees provided to support National Skills	1.1	Percentage of training and development interventions implemented for PSETA staff in line with the	0%	100%	43%	100%	100%	100%	100%

Outcome	Outputs	No.	Output Indicators	Audited/Actual Performance			Estimated Performance 2023/24	MTEF Period		
				2020/21	2021/22	2022/23		2024/25	2025/26	2026/27
	Development Strategy 2030		approved training plan							
	Vacancy rate reduced	1.2	Percentage of the vacancy rate reduced	N/A	N/A	N/A	N/A	≥5%	≥5%	≥5%
	Integrated Marketing & Communication and Stakeholder Relations Management Plan implemented	1.3	Percentage of the Integrated Marketing & Communication and Stakeholder Relations Management Plan implemented	91%	100%	90%	100%	100%	100%	100%
	Career guidance advocacy sessions delivered	1.4	Number of career guidance advocacy sessions delivered	29	28	31	Total = 32 Urban = 20 Rural = 12	Total = 32 Urban = 20 Rural = 12	Total = 34 Urban = 20 Rural = 14	Total = 36 Urban = 20 Rural = 16
	Availability of ICT Systems.	1.5	Percentage of the availability of ICT systems	N/A	N/A	N/A	95%	95%	95%	95%
	Valid Invoices paid within 30 days of receipt	1.6	Percentage of valid invoices paid	100%	99.7%	100%	100%	100%	100%	100%

Outcome	Outputs	No.	Output Indicators	Audited/Actual Performance			Estimated Performance 2023/24	MTEF Period		
				2020/21	2021/22	2022/23		2024/25	2025/26	2026/27
			within 30 days of receipt							

TABLE 2: INDICATORS, ANNUAL AND QUARTERLY TARGETS

No.	Output Indicators	Annual Target 2024/25	Q1	Q2	Q3	Q4
1.1.	Percentage of training and development interventions implemented for PSETA staff in line with the approved training plan	100%	-	30%	65%	100%
1.2.	Percentage of the vacancy rate reduced	≥5%	-	-	-	≥5%
1.3	Percentage of the Integrated Marketing & Communication and Stakeholder Relations Management Plan implemented	100%	25%	50%	75%	100%
1.4	Number of career guidance advocacy sessions delivered	Total = 32 Urban = 20 Rural = 12	Total = 9 Urban = 6 Rural = 3	Total = 9 Urban = 6 Rural = 3	Total = 4 Urban = 1 Rural = 3	Total = 10 Urban = 7 Rural = 3
1.5	Percentage of the availability of ICT systems	95%	Dynamics 365: 95% Office 365: 95% Telephone System: 95% Internet line: 95%	Dynamics 365: 95% Office 365: 95% Telephone System: 95% Internet line: 95%	Dynamics 365: 95% Office 365: 95% Telephone System: 95% Internet line: 95%	Dynamics 365: 95% Office 365: 95% Telephone System: 95%

No.	Output Indicators	Annual Target 2024/25	Q1	Q2	Q3	Q4
						Internet line: 95%
1.6	Percentage of valid invoices paid within 30 days of receipt	100%	100%	100%	100%	100%

5.1.2.Planned performance over the medium-term period

PSETA acknowledges that to deliver successfully on its mandate, it is required to review the current institutional arrangement. PSETA will focus on building its institutional capacity and capabilities to deliver effectively on its mandate. The focus will be on strengthening corporate governance, embracing ICT as a strategic enabler of the business and the organisation. PSETA's career guidance advocacy sessions are targeted at both rural and urban areas and serve as Career Awareness campaigns to learners both at Matric and those in high school who have interest in pursuing a career in the public service sector.

5.1.3.Programme resource considerations

The spending focus in the medium term will continue to be on enhancing stakeholder relations, increasing, and building new relationships with external stakeholders, and strengthening governance and risk management initiatives in the organisation. Through ICT, the department will focus on establishing efficient business processes and integrating information for reporting purposes. The enhancement of all current policies and the HR strategy will contribute towards repositioning PSETA to be an employer of choice. The funding model is in the process of being commissioned, which is expected to increase PSETA's revenue base in the upcoming years.

TABLE 3: BUDGET ALLOCATION FOR PROGRAMME 1

	Audited Amounts			2023/24 Budget	Medium-Term Expenditure		
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Cost of employment	27 557	23 809	22 689	24 115	34 276	36 023	37 824
QCTO Expenditure	46	37	27	28	29	31	32
Depreciation and amortisation	-	6 193	5 283	-	-	-	-
General Expenses	1 120	1 825	2 551	2 256	2 369	2 487	2 611
Audit fees	2 119	2 514	2 212	2 232	2 359	2 492	2 617
Governance Fees	2 990	1 913	2 582	2 069	2 173	2 281	2 395
Staff welfare	691	41	114	418	439	461	484
Consultancy and service provider fees	7 612	5 317	4 968	6 505	6 220	5 869	6 162
Staff Recruitment	469	92	142	200	210	220	231
Printing and stationery	750	592	57	38	197	207	217
Travel and subsistence	691	152	235	496	521	547	574
AGM and Annual Report and related costs	361	156	145	302	317	333	349
Computer Expenses	1 143	1 829	1 611	318	334	351	368
Licences	411	603	884	1 000	1 050	1 103	1 158
Legal fees	1 322	1 506	883	1 320	1 386	1 456	1 528
Telephones	449	577	429	42	559	587	616
Advertising, marketing and promotions, communications	1 057	685	1 180	1 260	1 323	1 389	1 459
Training and Staff Development	406	1 595	1 544	1 622	1 703	1 788	1 877
Equipment Rental	233	167	224	281	296	310	326
Operating Lease Buildings	7 024	6 787	6 674	6 876	7 358	7 873	8 424
Goods and Services	28 895	32 583	31 746	27 264	28 842	29 783	31 430
TOTAL OPERATIONS EXPENDITURE	56 452	56 391	54 435	51 379	63 118	65 807	69 255
CAPEX	3 124	5 593	-	1 330	1 397	1 467	1 540
TOTAL	59 575	61 984	54 435	52 710	64 515	67 274	70 795

5.1.4.Key risks

TABLE 4: KEY RISKS

Outcome	Key Risk	Risk Mitigation
Enhanced PSETA capabilities to deliver its strategy	Operational disruptions to the business due to adverse impact of Covid-19	Compliance with relevant regulations, employee education and wellness sessions, Monitor the implementation of “COVID 19 Return to Work Guideline”
	Compromised data integrity, confidentiality of the PSETA electronic systems and information	Conduct cybersecurity awareness Conduct phishing awareness Data migration plan
	Unauthorised disclosure of personal information without stakeholders’ consent	Approved POPI Policy. Create awareness to all employees on lawful processing of personal information. POPI Governance Committee established
	Cyber Risks	Firewalls; Intrusion Prevention System; Anti-Virus; email scanner; content filtering

5.2. Programme 2: Skills Planning and Research

5.2.1. Purpose

The purpose of this programme is to conduct and coordinate research to inform the strategic skills development priorities for the sector. This programme is made up of two organisational business units: Skills Planning; and Research (SPR). The development and annual update of the sector skills plan (SSP), research studies, coordinating research activities and conferences, and capacity building of stakeholders in skills planning are core outputs within this programme.

TABLE 5: OUTCOMES, OUTPUTS, PERFORMANCE INDICATORS AND TARGETS

Outcome	Outputs	No.	Output Indicators	Audited/Actual Performance			Estimated Performance 2023/24	MTEF Period		
				2020/21	2021/22	2022/23		2024/25	2025/26	2026/27
Improved credible research for skills planning –	Labour market research reports	2.1	Number of labour market related research studies conducted	6	6	6	6	6	6	6
	Workplace skills planning initiatives for the sector	2.2	Number of organisations' workplace skills plans approved by PSETA	150	162	156	Total =142 Small = 6 Medium = 10 Large = 126	Total =142 Small = 6 Medium = 10 Large = 126	Total =142 Small = 6 Medium = 10 Large = 126	Total =142 Small = 6 Medium = 10 Large = 126
		2.3	Number of workplace engagements related to labour market trends and skills planning interventions	35	34	34	34	34	34	34

TABLE 6: INDICATORS, ANNUAL AND QUARTERLY TARGETS

No.	Output Indicators	Annual Target 2024/25	Q1	Q2	Q3	Q4
2.1	Number of labour market-related research studies conducted	6	N/A	2	2	2
2.2	Number of organisations' workplace skills plans approved by PSETA	Total =142 Small = 6 Medium = 10 Large = 126	Total = 142 Small = 6 Medium =10 Large = 126	N/A	N/A	N/A
2.3	Number of workplace engagements related to labour market trends and skills planning interventions	34	5	5	12	12

5.2.2.Planned performance over the medium-term period

PSETA's strategic trajectory is premised on the quality and credible information about our performance environment. PSETA requires knowledge and information on the labour market profile and the future world of work. PSETA's research efforts shall be diagnostic and signalling in nature to give both world's view of the past performance in relation to the sector challenges while projecting the future of the Public Service from a skills requirement perspective. The PSETA embarked on a three-year research partnership with the WITS University's Researching Education and Labour (REAL) Centre which has been extended to continue until March 2024. From this research partnership five streams of research output emerged: Public sector policy directions and priorities associated with the United Nation's sustainable development goals; Jobs, occupations and qualifications; E-learning and skills development within the public service sector; Professional Competency Frameworks in the Public Service sector and Skills demand and supply in the Public Service sector. Additionally, in 2024/25, the PSETA will conclude research partnerships with HEIs: the Just Energy Transition (JET) research study with WITS REAL. In 2023/24, the Guidelines for SDPs to implement Recognition of Prior Learning and the Provincial Sector Skills Plan for the Eastern Cape was finalised through research partnerships with HEIs and will be workshopped in 2024/25 with relevant stakeholders. In 2023/24, PSETA appointed Urban Econ to conduct an Impact Assessment of five skills programmes, the outcomes of that study will be shared and workshopped with the relevant stakeholders in 2024/25.

PSETA finalised the guidelines for the compilation of an organisational competency framework for the public service sector and a capacity building programme for the skills audit methodology framework will continue in the 2024/25 period in partnership with the DPSA. Such tools are envisioned to assist practitioners at departmental level and are critical inputs in the chain of necessary interventions to build the capacity of the state. Research focus areas for the 2024/25 financial year period will be on skills demand and supply analysis to inform the SSP update, provincial and sub-sector specific skills needs analysis, tracking and tracer studies of learning programmes focussing on the transition to employment, the Framework for the Professionalisation of the Public Service. Additionally, research focus areas will be expanded in 2024/25 through existing partnerships that will see PSETA collaborate with the relevant stakeholders on mutually identified research studies.

The number of WSPs submitted to PSETA has reduced from previous financial years. This reduction is as a result of the merger of departments. The WSP information submitted by the sector to PSETA serves as one of the data sources to inform skills planning outcomes. PSETA has identified the need to further increase focus on the analysis of the WSPs submitted by stakeholders. Engagements with relevant DGs and Heads of Departments will be embarked upon to strengthen the skills planning processes in an effort to improve the quality of data submitted to the SETA.

5.2.3. Programme resource considerations

The discretionary grant budget for Programme 2, which funds the PSETA's research programme has been reduced from the previous financial year. This will impact the overall financial resources available for research projects in the 2024/25 financial year. PSETA will be required to leverage existing partnerships to collaborate on projects whilst also utilising internal capacity to conduct identified research studies.

TABLE 7: BUDGET ALLOCATION FOR PROGRAMME 2

	Audited Amounts			2023/24 Budget	Medium-Term Expenditure		
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Cost of employment	5 039	3 053	3 623	4 477	5 311	5 576	5 855
Goods and Services	418	18	159	979	346	363	381
TOTAL OPERATIONS EXPENDITURE	5 456	3 071	3 782	5 456	5 656	5 939	6 236
MANDATORY GRANTS EXPENDITURE	213	416	922	968	1 017	1 068	1 121
DISCRETIONARY GRANTS EXPENDITURE (conducting research costs)	1 927	1 130	5 283	10 957	1 792	1 881	1 976
TOTAL EXPENDITURE	7 597	4 618	9 987	17 381	8 465	8 888	9 333

5.2.4 Key risks

TABLE 8: KEY RISKS

Outcome	Key Risk	Risk Mitigation
Improved credible research for skills planning	Lack of streamlined and coordinated skills planning mechanism for the sector	<ul style="list-style-type: none"> a) Research Agenda updated annually in consultation with core business and approved by the PSETA AA and submitted to DHET. b) Research Plan developed based on Research Agenda and approved by CEO. c) Stakeholder engagements take place through WSP&SSP workshops. d) Partnerships with DPSA, NSG and other key stakeholders on identified research areas. e) Fully utilise the system to enhance the SPR processes

Outcome	Key Risk	Risk Mitigation
	Challenging environment within which to conduct research	<ul style="list-style-type: none"> a) Strategic stakeholder engagements initiated through office of the CEO. b) Participation in high-level sector forums to position PSETA
	Inaccurate WSP information submitted to PSETA	<ul style="list-style-type: none"> 1. Planned stakeholder capacity building sessions relating to the system 2. WSP online submission system opened early (January annually) 3. WSP Policy and SOP 4. WSP Policy posted on the PSETA website 5. System User Manual

5.3 Programme 3: Learning Programmes and Projects

5.3.1.Purpose

Sub-programme 3.1: Learning Programmes and Projects

The purpose of this programme is to set standards and establish a discipline to manage a collection of Discretionary Grant funded learning interventions identified in the Sector Skills Plan (SSP) in an objective manner and in line with PSETA strategy and to facilitate and manage the implementation of learning programmes for and within the public service sector. This programme includes special projects (including partnerships) and the monitoring, evaluation and reporting of learning interventions.

TABLE 9: OUTCOMES, OUTPUTS, PERFORMANCE INDICATORS AND TARGETS

Outcome	Outputs	No	Output Indicators	Audited/Actual Performance			Estimated Performance 2023/24	MTEF Period		
				2020/21	2021/22	2022/23		2024/25	2025/26	2026/27
Increased pool of skills into and within the public service sector	Programmes that address priority skills identified in the SSP	3.1	Number of public service employees entering learning programmes	L/Ship: 116 SP: 1324 RPL: 121	L/Ship: 100 SP: 1340 RPL: 324	SP: 1267 RPL: 206	SP: 1250 RPL: 200	L/Ship: Occ Qual: 100 SP: 1250 RPL: 200	L/Ship: Occ Qual: 100 SP: 1250 RPL: 200	L/Ship: Occ Qual: 100 SP: 1250 RPL: 200
		3.2	Number of public service employees completing learning programmes	L/Ship: 222 SP: 1062 Burs: 65 RPL: N/A	L/Ship: 90 SP: 471 RPL: 115	L/Ship: 82 SP: 675 RPL: 225	SP: 1125 RPL: 150	SP: 1125 RPL: 150 L/Ship: 120	L/Ship: Occ Qual :80 SP: 1125 RPL: 150	L/Ship: Occ Qual :80 SP: 1125 RPL: 150
		3.3	Number of unemployed learners	L/Ship: 50	TVET WIL: 100	TVET WIL: 200	TVET WIL: 200 HEI/HET WIL: 200	TVET WIL: 100 HEI/HET WIL: 200	TVET WIL: 200	TVET WIL: 200

Outcome	Outputs	No	Output Indicators	Audited/Actual Performance			Estimated Performance 2023/24	MTEF Period		
				2020/21	2021/22	2022/23		2024/25	2025/26	2026/27
			entering learning programmes	TVET WIL: 110 HEI/HET WIL: 110 Artisans: 40	HEI/HET WIL: 130 Burs: 50 Internship: 75	HEI/HET WIL: 200 Burs: 60 Internship: 88	Burs: 60 Internship:70 L/Ship: 80	Burs: 50 Internship:50 L/Ship: 50	HEI/HET WIL: 200 Burs: 50 Internship :70	HEI/HET WIL: 200 Burs: 50 Internship :70
		3.4	Number of unemployed learners completing learning programmes	L/Ship: 369 TVET WIL: 246 Burs: 92 Artisans: 25	L/Ship: 61 TVET WIL: 408 Artisans: 9 Internship: 08	TVET WIL: 91 HEI/HET WIL: 150 Artisans: 65 Internship: 07	TVET WIL: 160 HEI WIL: 160 Burs: 35 Internship: 53 Artisans: 30	TVET WIL: 160 HET WIL: 160 Burs: 25 Internship: 50 Artisans: 10 L/ship: 112	TVET WIL: 160 HET WIL: 160 Burs: 25 Internship : 33 L/ship: 48	TVET WIL: 160 HET WIL: 160 Burs: 25 Internship : 49 L/ship: 48

TABLE 10: INDICATORS, ANNUAL AND QUARTERLY TARGETS

No.	Output Indicators	Annual Target 2024/25	Q1	Q2	Q3	Q4
3.1	Number of public service employees entering learning programmes	L/Ship: Occ Qual: 100	-	50	50	-
		SP:1250	150	525	575	-
		RPL: 200	-	50	100	50
3.2	Number of public service employees completing learning programmes	SP:1125	-	135	473	517
		RPL: 150	-	50	100	-

No.	Output Indicators	Annual Target 2024/25	Q1	Q2	Q3	Q4
		L/Ship:120	-	-	-	120
3.3	Number of unemployed learners entering learning programmes	TVET WIL=100	50	50	-	-
		HEI WIL= 200	-	200	-	-
		Burs: 50	-	-	-	50
		Internship:50	-	30	20	-
		L/Ship: 50	-	50	-	-
3.4	Number of unemployed learners completing learning programmes	TVET WIL: 160	-	-	-	160
		HEI WIL: 160	-	-	-	160
		Burs: 25	-	-	-	25
		Internship: 50	-	30	10	10
		Artisans: 10	-	10	-	-
		L/Ship: 112	-	-	-	112

Sub-programme 3.2: Special Projects and Partnerships

TABLE 11: OUTCOMES, OUTPUTS, PERFORMANCE INDICATORS AND TARGETS

Outcome	Outputs	No.	Output Indicators	Audited/Actual Performance			Estimated Performance 2023/24	MTEF Period		
				2020/21	2021/22	2022/23		2024/25	2025/26	2026/27
Increased pool of skills into and within the public service sector	Programmes that address priority skills identified in the SSP	3.5	Number of worker-initiated training (federations/trade unions) interventions supported through capacity building	1	1	1	1	1	1	1
		3.6	Number of rural development projects initiated	1	1	1	2	2	2	2
		3.7	Number of TVET partnerships established	5	4	4	4	4	4	4
		3.8	Number of HEI partnerships established	4	4	2	2	2	2	2
		3.9	Number of SETA-employer partnerships established	5	4	4	4	4	4	4
		3.10	Number of small businesses supported	N/A	N/A	50	7	4	4	4

TABLE 12: INDICATORS, ANNUAL AND QUARTERLY TARGETS

No.	Output Indicators	Annual Target 2024/25	Q1	Q2	Q3	Q4
3.5	Number of worker-initiated training (federations/trade unions) interventions supported through capacity building	1	-	1	-	-
3.6	Number of rural development projects initiated	2	2	-	-	-
3.7	Number of TVET partnerships established	4	2	2	-	-
3.8	Number of HEI partnerships established	2	-	2	-	-
3.9	Number of SETA-employer partnerships established	4	-	2	2	-
3.10	Number of small businesses supported	4	2	2	-	-

5.3.2.Planned performance over the medium-term period

PSETA through its SSP, implements various training interventions by partnering with various government institutions at national and provincial spheres, public entities, parliament and provincial legislatures. The funding of the training interventions is done in accordance with the SETA Grant Regulations issued by the MHESI, which empowers the SETA with the powers to decide on the allocation. To ensure that the principles of fairness, transparency and equity are promoted as required in terms of the Constitution of the Republic of South Africa, 1996 as amended, the entity develops and approves a Discretionary Grant (DG) Policy, Criteria, Guidelines and Funding Framework which guides the process of allocating the available funds to the sector stakeholders. The PSETA DG funding model focuses on building an institutional mechanism that can deliver quality skills in the sector through strategic relationships and collaboration with the stakeholders for the delivery of valued programmes that have high impact in the sector.

The focus is on learning interventions for existing and future employees on priority skills required to deliver the NDP, and to bring unemployed graduates and learners into internship and placement opportunities in the public service. The goal is to open the public service as a training space and to encourage workplace-based learning programmes. In line with the ERRP Skills Strategy emphasis will be on immediate and short interventions that result in access to targeted credit bearing skills programmes in Monitoring and Evaluation, Finance Management, Change Management, and Service Delivery. Additionally, resources will be channelled to implement the PSETA developed occupational qualification such as the Public Administrator at NQF level 5 and General Manager Public Service 6. Specifically, the PSETA will address the ERRP priority through training of 1250 public service officials on Skills Programmes for delivery of short interventions on Service Delivery and other relevant programmes. Further, the PSETA's contribution to the ERRP through enabling access to workplace-based learning and access to programmes resulting in qualifications in priority sectors and meeting demand in the list of Critical Occupations will be through the TVET WIL, and internship programmes. In line with the SETA Grant Regulations, the PSETA's funding for learning programmes are on PIVOTAL programmes that lead to a qualification or part qualification on the NQF.

Most financial resources intended for training and development are retained by the sector. Thus, PSETA's increasing focus will be on coordinating training and development for the sector and streamlining monitoring and reporting of training interventions. The longer-term goal is to ensure that the sector reporting to PSETA on planned and implemented training interventions, is facilitated through an online platform. This will be done through building on the current online platforms that PSETA uses for reporting PSETA funded projects.

PSETA in the 2024/25 period will continue to pursue collaborative projects aimed at benefitting women, youth and people with disabilities and worker-initiated training. PSETA's target for the disaggregation of beneficiaries on PSETA funded programmes is 54% women and 80% youth, both for employed and unemployed learners entering the PSETA funded learning programmes. Support for people with disabilities is through specific and targeted learnership programmes for unemployed youth. This will be through the strategic partnerships with rural TVET Colleges, national and provincial departments, as well as the National Youth Development Agency, and Labour Unions as well as bargaining councils in the sector. These partnerships will be leveraged over the five-year period to deliver skills development programmes aimed at empowering these targeted groupings.

The PSETA's contribution to the Presidential Youth Employment Interventions (PYEI) will be through funding 50 unemployed rural youth on a learnership programme to the total value of R1,564,500.00, as well as the funding of 50 graduate interns over a period of 24 months on an internship programme to the value of R8,452,000.00. In support of the District Development Model, the PSETA has implemented various projects in identified districts and will continue to contribute through allocating part of the TVET WIL and the HEI WIL to identified districts.

Furthermore, PSETA will continue focussing on funding for RPL interventions on the PSETA public administration qualification to address the high demand from the sector. PSETA will further respond to outcome six of the NSDP by supporting small businesses in the form of capacity building interventions.

5.3.3. Programme resource considerations

The spending focus over the medium term will concentrate more on the targets which are central to the strategic objectives of the PSETA. The primary focus during this period will be more on training public service employees in order to deliver on the NSDP outcome 3, which focuses on improving the level of skills in the South African workforce. However, there will be fewer interventions to support the unemployed youth who are in dire need of practical work experience as part of the requirements for them to obtain their qualifications. The discretionary grant budget allocation for the 2024/25 financial year has reduced by over R5 million compared to the previous financial year. This has impacted PSETA's ability to increase the skills development programmes that can be funded, resulting in PSETA having to reduce the number of learners that can be supported for bursaries and HEI WIL. It should be noted that the PSETA's funding framework for learner stipends on workplace-based programmes is informed by the Directive set by the DPSA for Developmental Programmes in the Public Service. Further, to accommodate this reduction in budget under Learning Programmes the PSETA' has reduced the target of employed public service officials that will be supported through accredited Skills Programmes.

TABLE 13: BUDGET ALLOCATION FOR PROGRAMME 3

	Audited Amounts			2023/24 Budget	Medium-Term Expenditure		
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Cost of employment	9 747	9 238	9 135	9 996	10 254	10 766	11 305
Goods and Services	1 136	116	301	1 225	791	830	872
TOTAL OPERATIONS EXPENDITURE	10 883	9 354	9 436	11 221	11 045	11 597	12 177
DISCRETIONARY GRANTS EXPENDITURE	47 616	44 058	53 939	161 333	47 686	49 923	52 262
TOTAL EXPENDITURE	58 499	53 412	63 375	172 555	58 730	61 520	64 438

5.3.4. Key risks

TABLE 14: KEY RISKS

Outcome	Key Risks	Risk Mitigation
Increased pool of skills into and within the public service sector	Failure to deliver on SLA targets	<ul style="list-style-type: none"> • Partnerships and Collaborations (MOUs & MOAs) • DG Policy, Criteria and Guidelines • LP Policy, • SLA with DHET • Alignment of the PSETA APP with the SLA • Engagement with the stakeholders for completion of learning programmes

Outcome	Key Risks	Risk Mitigation
	<p>Non availability of required workplaces with suitable mentors and relevant infrastructure.</p> <p>Incorrect placement of learners.</p>	<ul style="list-style-type: none"> • LP Policy and SOP. • Project implementation plan template. • Pre-implementation workshops. • Workplace approval criteria and guidelines. • Workplace audits templates. • Conduct pre-implementation sessions (including awareness of learner placements) • Monitoring and evaluation of the learning programme
	<p>Poor documents/records control</p>	<ul style="list-style-type: none"> • Learning Programmes Policy and related procedures, Record management procedure, Checklists, and electronic filing • Workshop LP staff on records management • Supervisors to audit the filing system (both electronic filing and physical filing)

5.4 Programme 4: Quality Assurance (QA)

5.4.1.Purpose

The purpose of this programme is to build the provider capacity required to deliver priority skills for the sector, developing standards, accrediting providers and conducting quality assurance on learning. The QA department undertakes the development of new occupational qualifications; and capacitation of providers through advocacy workshops.

TABLE 15: OUTCOMES, OUTPUTS, PERFORMANCE INDICATORS AND TARGETS

Outcome	Outputs	No.	Output Indicators	Audited/Actual Performance			Estimated Performance 2023/24	MTEF Period		
				2020/21	2021/22	2022/23		2024/25	2025/26	2026/27
Quality learning interventions in the public service Sector	A quality assurance system that allows for effective monitoring, analysis, support and continuous improvement of provisioning within the public service sector	4.1	Percentage of accredited skills development providers implementing PSETA-funded programmes monitored	100%	100%	100%	100%	100%	100%	100%
		4.2	Number of TVET colleges and state academies supported	6	6	7	4	4	4	4
		4.3	Number of qualifications developed and/or re-aligned and submitted to QCTO	2	4	4	2	2	2	2

Outcome	Outputs	No.	Output Indicators	Audited/Actual Performance			Estimated Performance	MTEF Period		
				2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
		4.4	Percentage of accredited skills development providers monitored	75	86	85	85	80%	80%	85%
		4.5	Number of capacity building workshops conducted for Skills Development Providers	N/A	N/A	4	4	4	4	4

TABLE 16: INDICATORS, ANNUAL AND QUARTERLY TARGETS

No.	Output Indicators	Annual Target 2024/25	Q1	Q2	Q3	Q4
4.1	Percentage of accredited skills development providers implementing PSETA-funded programmes monitored	100%	-	-	100%	-
4.2	Number of TVET colleges and state academies supported	4	-	2	-	2
4.3	Number of qualifications developed and/or re-aligned and submitted to QCTO	2	-	-	-	2

No.	Output Indicators	Annual Target 2024/25	Q1	Q2	Q3	Q4
4.4	Percentage of accredited skills development providers monitored	80%	80%	-	80%	-
4.5	Number of capacity building workshops conducted for Skills Development Providers	4	1	1	1	1

5.4.2.Planned performance over the medium-term period

The programme outcome aims to align supply-side provisioning to demand-side needs, and to bridge current supply-demand “mismatches”. It includes work to align qualifications to the Organising Framework for Occupations (OFO) codes; build state training academies and TVET college capacity to deliver the qualifications; and improve economy and efficiency on the supply side. It includes promoting the growth of a public provider (national, sectoral and provincial academies, and TVET colleges) system that is responsive to sector, local, regional and national skills needs and priorities. Specifically, to address the increasing need for RPL, skills development provider capacity will be increased through focused building for RPL delivery.

The Public Service sector requires competent and employable workers to grow the sector and the economy. Key to this outcome is the development of fit for purpose occupational qualifications that are demand driven and respond to the needs in the sector. PSETA has been able to realign historically registered qualifications into occupational qualifications. To date PSETA has developed and registered ten (10) occupational qualifications with QCTO and SAQA. Additionally, skills programmes have been identified through sector engagements, to ensure that short skills development needs are addressed. These relate to policy and planning skills gaps as well as monitoring and evaluation and service delivery. For the 2024/25 financial year PSETA’s focus will be on qualifications in monitoring and evaluation, civic services and skills programmes in innovation, ethics and problem solving.

The process of accrediting providers on registered occupational qualifications in collaboration with QCTO has ensued. Support for the development of providers of education and training as well as assessors and moderators are still a priority in ensuring alignment of supply-side provisioning to demand-side. Capacity building workshops targeted at skills development providers are aimed at ensuring that PSETA supports SDPs through the transition to occupational qualifications and gaining accreditation on these qualifications through the QCTO.

Due to the transition to the implementation of occupational qualifications, the PSETA will focus on learning implementation monitoring of SDPs who have enrolled learners to ensure that SDPs train and exit registered learners within the teach out period. This will also ensure that during the implementation of occupational qualifications learners are properly trained and prepared for external integrated summative assessment (EISA) in order to improve performance. PSETA is still responsible for the verification and endorsement of learner achievements for purposes of issuing certificates for the historically registered qualifications. Whilst phasing out this process, PSETA will be implementing the EISA for the registered occupational qualifications and supporting the sector to transition to occupational qualifications.

5.4.3. Programme resource considerations

The PSETA's discretionary grant budget allocated to this programme has decreased from the 2022/23 financial year by approximately 35%. Despite the decrease, the spending focus over the medium term within the QA programme will continue to be on investment in the development or re-alignment of occupational qualifications and part qualifications, development of learning material and the required assessment instruments.

TABLE 17: BUDGET ALLOCATION FOR PROGRAMME 4

	Audited Amounts			2023/24 Budget	Medium-Term Expenditure		
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Cost of employment	5 969	4 489	3 664	4 297	6 291	6 605	6 936
Goods and Services	493	13	237	981	347	365	383
TOTAL OPERATIONS EXPENDITURE	6 461	4 502	3 901	5 278	6 638	6 970	7 319
DISCRETIONARY GRANTS EXPENDITURE (development of new qualifications)	3 640	648	48	6 132	2 426	2 548	2 675
DISCRETIONARY GRANTS EXPENDITURE (RPL development)	-	-	-	-	-	-	-
TOTAL EXPENDITURE	10 102	5 150	3 949	11 409	9 064	9 518	9 994

5.4.4.Key risks

TABLE 18: KEY RISKS

Outcome	Key Risks	Mitigations
Provided learning interventions in the public service sector	Inadequate number of occupational qualifications, skills programmes and learnerships available to address sector skills needs	<ul style="list-style-type: none"> Increased investment and focus on developing skills programmes to address short skills needs. Review of occupational qualifications as and when required. Engagements with the sector to identify occupational qualifications required.

Outcome	Key Risks	Mitigations
		<ul style="list-style-type: none"> • Closer collaboration with the QCTO for the development of occupational qualifications, and to ensure that learnerships are registered for every occupational qualification registered.
	Slow implementation of QCTO requirement for external integrated summative assessment (EISA)	<ul style="list-style-type: none"> • Identify capacity and allocate funding required to develop EISA for occupational qualifications. • Review PSETA learning material. • Engage with sector stakeholders and QCTO. • Procure Service Provider to develop summative assessments instruments. • Ensure accreditation of sufficient Assessment Centres with QCTO.

PART D: TECHNICAL INDICATOR DESCRIPTORS

Programme 1: Administration

TABLE 19: OUTPUT INDICATOR 1.1

Programme Performance Indicator 1.1.	
Dimension	Description
Indicator title	Percentage of training and development interventions implemented in line with the approved training plan
Definition	Staff capacitation through training is encouraged. This includes members who attended various types of training sessions in the year including formal studies where bursaries are allocated, short training programmes and internal training opportunities.
Source of data	A training plan is approved, and progress of training interventions is recorded against the number of interventions in the plan. The evidence in the form of attendance registers, certificate of attendance where possible and proof of allocated bursaries will be presented as evidence of training.
Method of calculation/assessment	Number of internal and external training interventions in the training plan is calculated as a percentage of the whole training plan. The calculation method is percentage implementation (total number of planning interventions achieved divided by the number of training interventions approved in the training plan) x 100.
Means of verification	The evidence in the form of attendance registers, certificate of attendance where possible and proof of allocated bursaries will be presented as evidence of training.
Assumptions	All staff members are available for planned training as per their PDPs and training plan. Funds are available to implement training.
Disaggregation of beneficiaries (where applicable)	Staff Complement: 65 (16 vacancies) Female :32 Male: 17 People with Disabilities: 0
Spatial transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	100% implementation of the approved training plan
Indicator responsibility	Human Capital Management: Manager

TABLE 20: OUTPUT INDICATOR 1.2

Programme Performance Indicator 1.2.	
Dimension	Description
Indicator title	Percentage of the vacancy rate reduced
Definition	The indicator measures the reduction in the percentage of vacant approved funded positions on the organisational organogram during the course of the financial year to ensure that the organisation has the required human resources to achieve its mandate effectively.
Source of data	Updated Staff Establishment records or system and signed employment contract. Approved organisation structure and resignation letters.
Method of calculation/assessment	Percentage of vacant posts at the beginning of the financial year minus the Percentage of vacant posts at the end of the financial year. <i>The percentage of vacant posts is calculated by: Total Number of Vacant Funded Positions / Total Number of Funded Positions as per the Organogram x 100</i>
Means of verification	Resignation letters for vacant positions as measured against approved organogram
Assumptions	Vacated positions are filled within three months, Funds available to fill vacant position
Disaggregation of beneficiaries (where applicable)	Current Staff Complement: 65 (16 vacancies) Female :32 Male: 17 People with Disabilities: 0
Spatial transformation (where applicable)	N/A
Calculation type	Non-cumulative
Reporting cycle	Annual
Desired performance	Vacancy rate reduced by at least 5% from the beginning to the end of the financial year
Indicator responsibility	Human Capital Management: Manager

TABLE 21: OUTPUT INDICATOR 1.3

Programme Performance Indicator 1.3	
Dimension	Description
Output Indicator title	Percentage of the Integrated Communication and Stakeholder Relations Management Plan implemented
Definition	To provide strategic communication and stakeholder relations management interventions to support organisation strategies
Source of data	Monthly, quarterly and annual reports together with supporting evidence as outlined in the approved plan.
Method of calculation/assessment	Number of priorities set out in the Integrated Communication and Stakeholder Relations Management Plan implemented / Number of priorities in the plan x 100
Means of verification	Monthly, quarterly and annual reports together with supporting evidence as outlined in the approved plan.
Assumptions	Availability of required resources
Disaggregation of beneficiaries (where applicable)	Target for Women: 54% Target for Youth : 50% Target for People with Disabilities: 2%
Spatial transformation (where applicable)	Programmes to reach learners in rural areas
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	100% of Integrated Communication and Stakeholder Relations Management Plan implemented
Indicator responsibility	Stakeholder Management and Communication Manager

TABLE 22: OUTPUT INDICATOR 1.4

Programme Performance Indicator 1.4	
Dimension	Description
Indicator title	Number of career guidance advocacy sessions delivered
Definition	Participation in career exhibitions, expos and advocacy sessions. These include DHET initiatives and other PSETA stakeholder-initiated sessions. The target will be divided as: <ul style="list-style-type: none"> • Career development events in Urban areas = 20; • Career development events in Rural areas = 12;
Source of data	Attendance registers and session invitations
Method of calculation/assessment	Total sum of career guidance advocacy sessions attended per quarter
Means of verification	Attendance registers
Assumptions	Availability of required resources

Disaggregation of Beneficiaries (where applicable)	Target for Women: 50% Target for Youth: 70% Target for People with Disabilities: 2%
Spatial transformation (where applicable)	37,5% planned career advocacy sessions will be conducted in rural areas
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	A total of 32 career guidance advocacy sessions attended for the year
Indicator responsibility	Stakeholder Management and Communication Manager

TABLE 21: PERFORMANCE INDICATOR 1.5

Programme Performance Indicator 1.5	
Dimension	Description
Output Indicator title	Percentage of the availability of ICT systems
Definition	Ensure the availability of ICT systems to support the business's strategic objectives
Source of data	System monitoring tool.
Method of calculation/assessment	Quarterly automated reports from the system monitoring tool which shows the system availability: <ul style="list-style-type: none"> • Dynamics 365: 95% • Office 365: 95% • Telephone System: 95% • Internet line: 95%
Means of verification	Automated reports from the monitoring tool.
Assumptions	ICT providers are appointed, and reporting tools are implemented
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Desired performance	95% availability of ICT systems
Indicator responsibility	ICT Manager

TABLE 224: PERFORMANCE INDICATOR 1.6

Programme Performance Indicator 1.6	
Dimension	Description

Indicator title	Percentage of valid invoices paid within 30 days of receipt
Definition	The indicator measures the percentage of valid invoices paid within 30 days from the date of receipt as indicated by the official stamp of the Finance Department. Valid invoices refer to an invoice that is submitted by the service provider in the correct format (name, address, tax numbers when applicable, accurate description of goods and services, quantity, etc) and confirmed as received by the end user.
Source of data	Invoice register
Method of calculation/assessment	(Number of valid invoices paid within 30 days of receipt/ Number of valid invoices received) x 100
Means of verification	The invoice register supported by the received date stamp and paid date stamp on the actual invoice.
Assumptions	All invoices are submitted in the correct format.
Disaggregation of beneficiaries (where applicable)	NA
Spatial transformation (where applicable)	N/A
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Desired performance	100% payment of valid invoices
Indicator responsibility	Chief Financial Officer

Programme 2: Skills Planning and Research

TABLE 25: PERFORMANCE INDICATOR 2.1

Programme Performance Indicator 2.1.	
Dimension	Description
Indicator title	Number of labour market related research studies conducted
Definition	This refers to research studies that will be conducted internally, commissioned to service providers, through partnerships or at the request of DHET and other stakeholders
Source of data	PSETA Research Plan outlining research studies to be implemented, research reports produced from internal research activities and research reports submitted by appointed service providers or partners
Method of calculation/assessment	Sum of research studies conducted supported by research reports
Means of verification	Research reports
Assumptions	Availability of suitable service providers to conduct required research, procurement/discretionary grant funding, sufficient funding, adequate stakeholder participation and research tools

Disaggregation of beneficiaries	Not applicable
Spatial transformation	Not applicable
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	When the number of research studies conducted is equal to the target and supported by the relevant research reports
Indicator responsibility	Skills Planning and Research Manager

TABLE26: PERFORMANCE INDICATOR 2.2

Programme Performance Indicator 2.2.	
Dimension	Description
Indicator title	Number of organisations' workplace skills plans approved by PSETA
Definition	<p>This indicator measures the number of small, medium and large organisations that have submitted a WSP, and that has been approved by PSETA.</p> <p>Approval of WSPs requires the submission of the WSP and ATR with the required signatures on the authorisation page, within the required timeframe. The submission and approval of the WSP are supported by the WSP policy.</p> <p>Organisations refer to national and provincial departments, PSETA registered public entities, legislatures, and other organisations.</p> <p>The SETA Grant Regulations require all WSP/ATR (Annexure 2) information to be submitted by 30 April of each year. The regulations further provide for an extension of up to a maximum of one month from the due date subject to write a request and Accounting Authority approval.</p> <p>The required signatures are those of the skills development facilitator (SDF), head of department/CEO, labour/employee representative. The labour representative signature is required only where a recognition agreement is in place unless an explanation is provided.</p> <p>The submission of the WSP takes place through the SETA MIS online system.</p> <p>Small organisations refers to organisations employing 0-49 employees; medium organisations refers to organisations employing 50-149 employees; and large organisations refer to organisations employing 150+ employees</p>
Source of data	Approved WSPs with authorisation page and letter of approval
Method of calculation/assessment	Sum of organisations with an approved WSP.
Means of verification	Approved WSPs
Assumptions	Reporting template in line with DHET requirements, stakeholder engagements, configuration of departments remains constant

Programme Performance Indicator 2.2.	
Dimension	Description
Disaggregation of beneficiaries	Not applicable
Spatial transformation	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Annually
Desired performance	100% achievement of the target
Indicator responsibility	Skills Planning and Research Manager

TABLE27: PERFORMANCE INDICATOR 2.3

Programme Performance Indicator 2.3	
Dimension	Description
Indicator title	Number of workplace engagements related to labour market trends and skills planning interventions
Definition	Capacitate stakeholders on WSP templates, regulations and feedback; Sector Skills Plan consultations and feedback; and understanding their role as training committee members
Source of data	Attendance registers for all workplace engagements conducted, indicating the date, names of attendees and organisations which they represent
Method of calculation/ assessment	Sum of workplace engagements conducted calculated by the total number of attendance registers for each event
Means of verification	Attendance registers for each event
Assumptions	Coordination with the offices of the premier, sufficient resources
Disaggregation of beneficiaries	Not applicable
Spatial transformation	All provinces
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	When the number of workplace engagements conducted is equal to the target
Indicator responsibility	Skills Planning and Research Manager

Programme 3: Learning Programmes and Projects
Sub-programme 3.1: Learning Programmes

TABLE 28: PERFORMANCE INDICATOR 3.1

Programme Performance Indicator 3.1	
Dimension	Description
Indicator title	Number of public service employees entering learning programmes
Definition	This refers to public service employees who have been entered/enrolled/registered in either learnerships, occupational qualification, bursaries, RPL and skills programmes. This includes SETA and sector funded programmes, excluding

Programme Performance Indicator 3.1	
Dimension	Description
	training funded by another SETA. The sector funded programmes are distinguished from PSETA funded by the fact that they would not be linked to a signed discretionary grant memorandum of agreement.
Source of data	Learning programme agreements/Forms with supporting documents as per the DHET validation framework received by the PSETA.
Method of calculation/ assessment	Each employed learner will be counted once upon being entered/enrolled/registered (on the SETA MIS) on a learning programme provided that all supporting documents as per the DHET validation framework are received and verified.
Means of verification	Each employed learner entered/enrolled/registered (on the SETA MIS) on a learning programme with supporting documents as per the DHET validation framework are received and verified.
Assumptions	Stakeholders submit complete documents and respond to follow-ups made requesting outstanding documents.
Disaggregation of beneficiaries	Women: 54% Youth: N/A People with Disabilities: N/A
Spatial transformation	Provinces
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	When the number of employed learners enrolled/registered/entered different programmes is equal to the target and supported by the relevant evidence as per the DHET validation framework.
Indicator responsibility	Learning Programmes Manager

TABLE 29: PERFORMANCE INDICATOR 3.2

Programme Performance Indicator 3.2	
Dimension	Description
Indicator title	Number of public service employees completing learning programmes
Definition	This refers to public service employees who have completed learning programmes (bursaries, learnerships, occupational qualification, RPL and skills programmes) and have been awarded a statement of results/transcripts or certificates. This includes SETA and sector funded programmes, excluding training funded by another SETA. The sector funded programmes are distinguished from PSETA funded by the fact that they would not be linked to a signed discretionary grant memorandum of agreement.

Programme Performance Indicator 3.2	
Dimension	Description
Source of data	Statement of results/transcripts/certificates will be collected from the QAs (PSETA, other SETAs and/or QCTO) for learnerships, occupational qualification, RPL and skills programmes. For bursaries, SORs/Transcripts/Certificates will be collected from Institutions of higher learning.
Method of calculation/ assessment	Each learner is counted once on receipt of the SOR/transcript/certificate and updating the SETA MIS from registration to completed/qualification obtained.
Means of verification	SOR/transcript/certificate and updating the SETA MIS from registration to completed/qualification obtained.
Assumptions	Submission of statement of results by QAs and institutions of higher learning.
Disaggregation of beneficiaries	Women: N/A Youth: N/A People with Disabilities: N/A
Spatial transformation	Provinces
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	When the number of workers completing different programmes is equal to the target per programme and supported by the relevant evidence as per the DHET validation framework.
Indicator responsibility	Learning Programmes Manager

TABLE 30: PERFORMANCE INDICATOR 3.3

Programme Performance Indicator 3.3	
Dimension	Description
Indicator title	Number of unemployed learners entering learning programmes
Definition	This refers to unemployed learners who have been entered/enrolled/registered in either learnerships, bursaries, artisan development, internships and work integrated learning programmes. This includes SETA and sector funded programmes, excluding training funded by another SETA. The sector funded programmes are distinguished from PSETA funded by the fact that they would not be linked to a signed discretionary grant memorandum of agreement.
Source of data	Learning programme agreements with supporting documents as per the DHET validation framework received by the PSETA.
Method of calculation/ assessment	Each unemployed learner will be counted once upon being entered/enrolled/registered (on the SETA MIS) on a learning programme provided that all supporting documents as per the validation framework are received and verified.

Programme Performance Indicator 3.3	
Dimension	Description
Means of verification	Each unemployed learner entered/enrolled/registered (on the SETA MIS) on a learning programme with supporting documents as per the DHET validation framework are received and verified.
Assumptions	Stakeholders submit complete documents and respond to follow-ups made requesting outstanding documents.
Disaggregation of beneficiaries	Women: 54% Youth: 80% People with disabilities: N/A
Spatial transformation	Provinces
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	When the number of unemployed learners enrolled/registered/entered different programmes is equal to the target and supported by the relevant evidence as per the DHET validation framework.
Indicator responsibility	Learning Programmes Manager/ Project Manager

TABLE 31: PERFORMANCE INDICATOR 3.4

Programme Performance Indicator 3.4	
Dimension	Description
Indicator title	Number of unemployed learners completing learning programmes
Definition	This refers to unemployed learners who have completed learning programmes (bursaries, learnerships, internships, artisan development and work integrated learning programmes) and have been awarded a statement of results/transcripts/certificates or signed letter of completion from employer in the case of internships and WIL programmes. This includes SETA and sector funded programmes, excluding training funded by another SETA. The sector funded programmes are distinguished from PSETA funded by the fact that they would not be linked to a signed discretionary grant memorandum of agreement.
Source of data	Statement of results/transcripts/certificates will be collected from the QAs (PSETA, other SETAs and/or QCTO). For bursaries SORs/Transcripts/Certificates will be collected from Institutions of higher learning and for WIL and/or Internships, completion/testimonial letters will be issued by the employer.
Method of calculation/ Assessment	Each learner is counted once on receipt of the SOR/certificate/letter and updating the SETA MIS from registration to completed/qualification obtained
Means of verification	SOR/Transcript/certificate/completion/testimonial letter issued by the employer.
Assumptions	Submission of statement of results, certificates and letters by the employer (WIL, internship), QAs, institutions of higher learning

Programme Performance Indicator 3.4	
Dimension	Description
Disaggregation of beneficiaries	Women: N/A Youth: N/A People with disabilities: N/A
Spatial transformation	Provinces
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	When the number of unemployed learners completing different programmes is equal to the target per learning programme and supported by the relevant evidence, as per the DHET validation framework.
Indicator responsibility	Learning Programmes Manager/ Project Manager

Sub-programme 3.2: Special Projects and Partnerships

TABLE32: PERFORMANCE INDICATOR 3.5

Programme Performance Indicator 3.5	
Dimension	Description
Indicator title	Number of worker-initiated training (federation/trade union) interventions supported through capacity building
Definition	PSETA will work with the federations or trade unions or bargaining councils within the public service sector in identifying implementing relevant interventions. Interventions refer to skills programmes, bursary and learnership programme. The interventions will be targeted at public service employees who have been entered/enrolled/registered in skills programmes, bursary and learnership programme. This includes SETA and sector funded programmes, excluding training funded by another SETA. The sector funded programmes will be distinguished from PSETA funded by the fact that they would not be linked to a signed discretionary grant memorandum of agreement.
Source of data	A Memorandum of Agreement or Memorandum of Understanding or Service Level Agreement entered into between PSETA and federations or trade unions or bargaining councils within the public service sector.
Method of calculation/ assessment	Sum of Memorandum of Agreement and/or Memorandum of Understanding and/or Service Level Agreement
Means of verification	Memorandum of Agreement or Memorandum of Understanding or Service Level Agreement
Assumptions	Submission of the signed MoA/MoU/SLA; and no delays in the signing of the MoA/MoU/SLA.
Disaggregation of beneficiaries	Not applicable
Spatial transformation	Not applicable
Calculation type	Non-cumulative

Programme Performance Indicator 3.5	
Dimension	Description
Reporting cycle	Annually
Desired performance	When the number of worker initiated training interventions initiated is equal to the target and supported by the relevant MoA/MoU/SLA.
Indicator responsibility	Learning Programmes Manager

TABLE 33: PERFORMANCE INDICATOR 3.6

Programme Performance Indicator 3.6	
Dimension	Description
Indicator title	Number of rural development projects initiated
Definition	This refers to projects that PSETA will initiate with the TVET Colleges in order to implement rural development projects. This refers to those TVET Colleges located or serving at the rural communities.
Source of data	A Memorandum of Understanding entered into between PSETA and identified TVET College.
Method of calculation/ Assessment	Sum of MoUs between PSETA and the TVET College.
Means of verification	Memorandum of Understanding
Assumptions	Submission of the signed MoU and no delays in the signing of the MoU.
Disaggregation of beneficiaries	N/A
Spatial transformation	Rural
Calculation type	Non-cumulative
Reporting cycle	Annually
Desired performance	When the number of rural development projects initiated is equal to the target and supported by the relevant MoUs.
Indicator responsibility	Projects Manager

TABLE 34: PERFORMANCE INDICATOR 3.7

Programme Performance Indicator 3.7	
Dimension	Description
Indicator title	Number of TVET partnerships established
Definition	Number of partnerships established between PSETA and TVET Colleges through signing of Memoranda of Agreement (MoA) or Memoranda of Understanding (MoUs).
Source of data	A Memorandum of Agreement and/or Memorandum of Understanding signed between PSETA and the TVET College
Method of calculation/ assessment	Sum of signed MoAs and/or MoUs between PSETA and the TVET colleges
Means of verification	Memorandum of Agreement or Memorandum of Understanding.
Assumptions	Submission of the signed MoA/MoU and no delays in the signing of the MoA/MoU.

Programme Performance Indicator 3.7	
Dimension	Description
Disaggregation of beneficiaries	Not applicable
Spatial transformation	Not applicable
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	When the number of TVET partnerships established is equal to the target and supported by the relevant MoA/MoU.
Indicator responsibility	Projects Manager

TABLE 33: PERFORMANCE INDICATOR 3.8

Programme Performance Indicator 3.8	
Dimension	Description
Indicator title	Number of HET/HEI partnerships established
Definition	Number of partnerships established between PSETA and higher education and training (HET/HEI) institutions through signing of memoranda of agreement (MoA) or memoranda of understanding (MoUs). HETs/HEIs refer to universities and universities of technology
Source of data	A Memorandum of Agreement and/or Memorandum of Understanding signed between PSETA and the HET/HEI
Method of calculation/ assessment	Sum of signed MoAs and/or MoUs between PSETA and the HET/HEI
Means of Verification	Memorandum of Agreement or Memorandum of Understanding
Assumptions	Submission of the signed MoA/MoU; and no delays in the signing of the MoA/MoU.
Disaggregation of beneficiaries	Not applicable
Spatial transformation	Not applicable
Type of indicator	Non-cumulative
Reporting cycle	Annually
Desired performance	When the number of HET/HEI partnerships established is equal to the target and supported by the relevant MoA/MoU.
Indicator responsibility	Projects Manager

TABLE 34: PERFORMANCE INDICATOR 3.9

Programme Performance Indicator 3.9	
Dimension	Description
Indicator title	Number of SETA employer partnerships established.
Definition	Established partnerships between PSETA and employers in the public service sector through signing of memorandum of understanding (MoUs).
Source of data	Number of signed MoUs by both parties outlining common areas of collaboration and partnerships.

Programme Performance Indicator 3.9	
Dimension	Description
Method of calculation/assessment	Sum of MoUs calculated by the total number of signed MoUs
Means of verification	Memorandum of Understanding
Assumptions	Submission of the signed MoU; and no delays in the signing of the MoU.
Disaggregation of beneficiaries	Not applicable
Spatial transformation	All provinces
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	When the number of employer partnerships established is equal to the target and supported by the relevant MoU.
Indicator responsibility	Skills Planning and Research Manager

TABLE 35: PERFORMANCE INDICATOR 3.10

Programme Performance Indicator 3.10	
Dimension	Description
Indicator title	Number of small businesses supported
Definition	This refers to support that PSETA will offer to Skills Development Providers (small businesses) by awarding discretionary grant contracts. Small businesses refer to an enterprise/organisation employing a maximum of 49 workers.
Source of data	A Memorandum of Agreement signed between PSETA and the SDPs (small businesses).
Method of calculation/assessment	Sum of signed MoAs between PSETA and the SDPs (small businesses)
Means of verification	Memorandum of Agreement
Assumptions	Submission of the signed MoAs and no delays in signing the MoAs.
Disaggregation of beneficiaries	N/A
Spatial transformation	Provinces
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	When the number of funded SDPs (small businesses) is equal to the target and supported by MoAs.
Indicator responsibility	Projects Manager

Programme 4: Quality Assurance

TABLE 36: PERFORMANCE INDICATOR 4.1

Programme Performance Indicator 4.1	
Dimension	Description
Indicator title	Percentage of accredited skills development providers implementing PSETA funded programmes monitored
Definition	This refers to monitoring of PSETA accredited or programme approved skills development providers (SDPs) that are implementing PSETA learnerships or skills programmes within the financial year and are funded by PSETA.
Source of data	Monitoring reports and list of PSETA funded projects for the financial year
Method of calculation/ assessment	(Number of SDPs monitored/ number of SDPs implementing PSETA funded programmes) x 100
Means of verification	Monitoring reports
Assumptions	PSETA funded projects commence within the applicable financial year
Disaggregation of beneficiaries	Not applicable
Spatial transformation	Not applicable
Calculation type	Non-Cumulative
Reporting cycle	Annually
Desired performance	When the number of accredited skills development providers monitored is equal to the target and supported by the evidence
Indicator responsibility	QA Manager

TABLE 37: PERFORMANCE INDICATOR 4.2

Programme Performance Indicator 4.2	
Dimension	Description
Output indicator title	Number of TVET colleges and state academies supported
Definition	TVET colleges and/or state academies supported and assisted to build and/ or improve their capacity to implement PSETA learning programmes.
Source of data	Attendance registers of interventions conducted to support TVET colleges and State Academies to build and/ or improve their capacity to implement PSETA learning programmes.
Method of calculation/ assessment	Sum of TVET colleges and/or state academies assisted to build and /or improve their capacity to implement PSETA learning programmes.
Means of verification	Attendance registers and or report for each intervention
Assumptions	Public TVET Colleges and/or State Academies can implement PSETA learning programmes
Disaggregation of beneficiaries	Not applicable
Spatial transformation	All provinces

Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	When the number of TVET colleges and/or state academies supported is equal to the target and supported by the evidence
Indicator responsibility	QA Manager

TABLE 38: PERFORMANCE INDICATOR 4.3

Programme Performance Indicator 4.3	
Dimension	Description
Output indicator title	Number of qualifications developed and / or re-aligned and submitted to QCTO
Definition	Qualifications refers to full or part qualifications, learnerships and/or skills programmes that are developed and / or re-aligned to respond to the needs of the sector
Source/Collection of data	Qualifications plan; Application form; Submitted occupational qualifications (full or part) or learnerships or skills programmes
Method of calculation/ Assessment	Sum of qualifications, learnerships and/or skills programmes submitted to QCTO
Means of verification	Qualifications plan; Application form; Submitted occupational qualifications
Assumptions	Completeness and accuracy depend on QCTO and SAQA registration processes. The other dependencies are: <ul style="list-style-type: none"> • Availability of Qualifications Development Facilitators, and • Community of Experts
Disaggregation of beneficiaries	Not applicable
Spatial transformation	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Annually
Desired performance	When the number of qualifications developed and / or re-aligned and submitted to QCTO is equal to the target and supported by the relevant evidence
Indicator responsibility	QA Manager

TABLE 39: PERFORMANCE INDICATOR 4.4

Programme Performance Indicator 4.4	
Dimension	Description
Output indicator title	Percentage of accredited skills development providers monitored
Definition	This refers to monitoring of active, accredited and programme approved skills development providers to check policy and learning programme implementation progress and provide guidance and support to providers where such is needed. The

Programme Performance Indicator 4.4	
Dimension	Description
	active skills development providers are classified as the skills development providers that have registered, trained and certified learners within the last twenty-four months. Monitoring is a continuous process that is undertaken by the PSETA to ascertain the training implementation progress being made by accredited providers with an aim of providing formative and developmental feedback and or recommendations that will propel training providers towards service excellence.
Source/Collection of data	Approved monitoring reports
Method of calculation/ Assessment	$(\text{Number of active SDPs monitored} / \text{number of active SDPs}) \times 100$
Means of verification	Approved monitoring reports
Assumptions	Providers scheduled for monitoring are available
Disaggregation of beneficiaries	Not applicable
Spatial transformation	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Desired performance	When the percentage of skills development providers monitored is equal to the target and supported by the evidence
Indicator responsibility	QA Manager

TABLE 40: PERFORMANCE INDICATOR 4.5

Programme Performance Indicator 4.5	
Dimension	Description
Output Indicator title	Number of capacity building workshops conducted for skills development providers
Definition	This refers to the capacity building workshops that are conducted by PSETA based on identified needs and/or gaps wherein guidance and support is provided to assist skills development providers improve their capacity to implement learning interventions
Source/Collection of data	Attendance registers of capacity building workshops conducted
Method of Calculation/ Assessment	Total number of capacity building workshops calculated by the total sum of attendance registers for workshops conducted
Means of verification	Attendance registers for each workshop
Assumptions	Skills development providers available to attend scheduled capacity building workshops

Disaggregation of beneficiaries	Not applicable
Spatial transformation	Not applicable
Calculation type	Cumulative
Reporting type	Quarterly
Desired performance	When the number of capacity building workshops is equal to the planned target
Indicator responsibility	QA Manager

PART E: MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK AND MATERIALITY FRAMEWORK

TABLE 43: MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK

TOTAL REVENUE	Audited Amounts			2023/24 Budget	Medium-Term Expenditure		
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Revenue Estimates							
Skills Development Levy Public Entities: (DHET)	2 618	4 106	4 502	4 670	4 949	5 244	5 506
Admin	336	531	580	596	632	670	703
Mandatory	641	1 010	1 099	1 135	1 203	1 275	1 339
Discretionary	1 582	2 502	2 716	2 811	2 979	3 158	3 316
Penalties	39	51	64	89	93	98	103
Interest	20	12	43	39	41	43	45
Transfers from DHET	118 516	120 082	123 972	121 461	127 449	133 159	139 817
Other Income	63	40	553	228	239	251	264
Interest	4 920	4 162	7 381	7 750	8 138	8 545	8 972
Surplus Fund Retention	-	-	-	30 960	-	-	-
Total Revenue Inclusive of Surplus Fund	126 117	128 390	136 408	165 069	140 775	147 199	154 559

TOTAL OPERATIONAL EXPENDITURE	Audited Amounts			2023/24 Budget	Medium-Term Expenditure		
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Cost of employment	39 276	40 632	39 111	44 930	56 132	58 971	61 920
Goods and Services:	33 705	39 266	32 442	30 008	31 723	32 808	34 606

Advertising, marketing and promotions, communications	839	685	1 180	1 260	1 323	1 389	1 459
AGM	-	156	145	302	317	333	349
Audit fees	2 073	2 514	2 212	2 232	2 359	2 492	2 617
General Expenses (to sync with R & M)	1 895	1 833	2 653	2 565	2 693	2 828	2 969
Consultancy and service provider fees	3 717	5 317	4 968	6 505	6 220	5 869	6 162
Governance Fees	1 878	1 901	2 582	2 069	2 173	2 281	2 395
Legal fees	1 223	1 506	883	1 320	1 386	1 456	1 528
Loss on disposal of assets	-2						
Operating Lease Buildings	5 513	6 674	6 674	6 876	7 358	7 873	8 424
Printing and stationery	19	592	57	38	197	207	217
Equipment rental	-	167	224	281	296	310	326
Staff Recruitment	339	92	142	200	210	220	231
Staff Welfare	404	41	114	418	439	461	484
Licences	-	603	884	1 000	1 050	1 103	1 158
Telephones and Internet	329	577	429	42	559	587	616
Training and Staff Development	252	1 595	1 544	1 622	1 703	1 788	1 877
Travel and subsistence	21	299	830	1 600	1 680	1 764	1 852
Computer expenses	911	1 829	1 611	318	334	351	368
Depreciation and amortisation	4 577	6 189	5 283	-	-	-	-
QCTO Expenditure	55	37	27	28	29	31	32
CAPEX	9 663	6 658	-	1 330	1 397	1 467	1 540
TOTAL OPERATIONS EXPENDITURE	72 982	79 898	71 553	74 937	87 854	91 780	96 526
MANDATORY GRANTS	233	416	922	968	1 017	1 068	1 121
DONOR FUNDING EXPENDITURE	-	-	-	-	-	-	-
DISCRETIONARY GRANTS	74 890	45 837	59 271	178 421	51 904	54 352	56 912

- Learning programmes	72 130	44 058	53 939	161 333	47 686	49 923	52 262
- Skills Planning and Research	1 772	1 130	5 283	10 957	1 792	1 881	1 976
- QA	987	648	48	6 132	2 426	2 548	2 675
	-	-	-	-	-	-	-
TOTAL EXPENDITURE	148 104	126 151	131 746	254 327	140 775	147 199	154 559
	-	-	-	-	-	-	-
NET SURPLUS / DEFICIT	-21 987	2 239	4 662	-89 258	-	-	-
SURPLUS REQUESTED FOR APPROVAL	-	-	-	89 258	-	-	-
NET SURPLUS / DEFICIT	-	-	-	-	-	-	-

TABLE 44: MATERIALITY FRAMEWORK

Quantitative Materiality	Qualitative Materiality
<p>Because of the nature of SETA's business and the fact that we are accountable for dealing with public monies the framework is 0,75% of gross revenue received from National Treasury and levy income</p> <p>=0.75/100 =0.0075. =0.0075*R132 397 663 (excludes other income and investment income)</p> <p>=R 992 982, the entity will maintain its materiality and significance level at this level.</p>	<p>Where an omission or misstatement is due to non-compliance to any of the applicable the laws and regulations, it will be deemed qualitatively material.</p>

In terms of Treasury Regulation issued in terms of the Public Management Finance Act, Act no. 1 of 1999, the Accounting Authority (AA) of the PSETA must develop and agree on a framework of acceptable levels of materiality and significance with the relevant executive authority in consultation with the external auditors.

The ethical conduct of PSETA and its staff is built on moral values such as trust, integrity, confidentiality and discretion and underpins our commitment to adhere to the highest possible acceptable norms and standards of society in all our dealings with our clients and stakeholders as well as the relationships within the organisation.

Our staff members will refrain from any conduct which may be prejudicial to the image, name and good standing of PSETA and will ensure that all activities will be done according to the legal framework of South Africa.

According to SAAS 320.03, information is material if its omission or misstatements could influence the economic decisions of the users taken based on the financial statements. Materiality depends on the size of the item or error judged in the circumstances of its omission or misstatements. Thus, materiality provides a threshold or cut-off point, rather than being a primary qualitative characteristic which information must have if it is to be useful.

Management has resolved that where an omission or misstatement is at least R992 982, it will be deemed quantitatively material. In a case where an omission or misstatement is due to non-compliance to any of the applicable the laws and regulations, it will be deemed qualitatively material.